



## Education & Skills Funding Agency

### Signed contract document

This contract has been signed by the authorised signatory for the Education and Skills Funding Agency, acting on behalf of the Secretary of State, and has been digitally signed by all parties.

Document reference: 10021539\_SBPD-1008\_v1

Signed by [REDACTED] [REDACTED] on 05 September 2023 as the provider's authorised signatory

User ID: [REDACTED]



Department  
for Education

**Sanctuary Buildings  
Great Smith Street  
Westminster  
London, SW1P 3BT**

**PET-XI TRAINING LIMITED**

Unit 4  
Westwood House  
Westwood Way  
Westwood Business Park  
Coventry  
CV4 8HS

Company No: 03092428

August 2023

### Contract for Services

### Funding for Skills Bootcamps DPS First Competitions – ESFA-24801 (“the Contract”).

Please find attached your Contract which details the requirements for Skills Bootcamps DPS First Competitions provision.

The terms and conditions set out in the attached Contract for Services will apply to all funding received from the Secretary of State for Education for this provision.

Your total Funding for Skills Bootcamps DPS First Competitions can be found immediately below in the Summary of Funding.

A copy of your completed Contractor’s Solutions is attached at Schedule 13: Contract Tender. This document forms part of the terms and conditions of the Contract.

If you have any questions about your Contract, please contact your Contract Manager.

The Department for Education [www.education.gov.uk](http://www.education.gov.uk)

Contract Number: ESFA-24801

### SUMMARY OF FUNDING

**Organisation Name:** PET-XI TRAINING LIMITED

**UKPRN:** 10021539

**Master Contract Number:** ESFA-24801

**Start Date:** 01/09/2023

**End Date:** 31/08/2024

Master Contract Number: EOI A-24001		Start Date: 01/03/2025		End Date: 31/03/2024	
		Allocation			
		Contract Ref	Cost per Learner (if fully-funded)	Number of Learners	Total Funding
Skills Bootcamps  of which Digital Bespoke - Cyber Security Digital Bootcamp for Entrepreneurs		SBD-1119-300			£660,995.34
					£660,995.34
Total Funding for this contract:					£660,995.34



Department  
for Education

# **DfE Skills Bootcamps Dynamic Purchasing System**

**Skills Bootcamps Call Off Agreement**



Department  
for Education

Agreement Type	Contract for Services
Funding Period	1 <sup>st</sup> September 2023 to 31 <sup>st</sup> August 2024
Between	The Secretary of State for Education
And	PET-XI TRAINING LIMITED
Funding for	Skills Bootcamps DPS First Competitions
Master Contract Number	ESFA-24801

ACCEPTANCE BY THE CONTRACTOR BY ACCEPTING THIS CONTRACT VIA THE MANAGE YOUR EDUCATION & SKILLS FUNDING SERVICE THE PERSON TAKING THIS ACTION ON BEHALF OF THE CONTRACTOR REPRESENTS AND WARRANTS THAT THE CONTRACTOR HAS READ AND UNDERSTOOD THIS CONTRACT, THE CONTRACTOR AGREES TO BE BOUND BY THIS CONTRACT AND THAT HE/SHE IS DULY AUTHORISED TO ACCEPT THIS CONTRACT AND LEGALLY BIND THE CONTRACTOR

SIGNED FOR AND ON BEHALF OF THE SECRETARY OF STATE FOR EDUCATION By Jill Carswell,  
Deputy Director & Head of Commercial - Skills & Strategy Groups Commercial Delivery  
Directorate: Operations Group

This Contract is made on the date the Contract is digitally signed by the Contractor on the Manage Your Education & Skills Funding Service between:

PET-XI TRAINING LIMITED  
Unit 4  
Westwood House  
Westwood Way  
Westwood Business Park  
Coventry  
CV4 8HS

AND

THE SECRETARY OF STATE FOR  
EDUCATION  
DEPARTMENT FOR EDUCATION  
20 GREAT SMITH STREET  
LONDON  
SW1P 3BT

Company No: 03092428

Hereinafter called  
the "Contractor"

Hereinafter called  
the "DFE"

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

**It is agreed that:**

1. this contract, together with the attached schedules and annexes, collectively form the "Contract"; and
2. if there is a conflict between the provisions of the clauses of the Contract and the provisions of the schedules, contract clause 1.4 in the contract below shall apply.

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**Call off Contract Terms for Skills Bootcamp Services Dynamic Purchasing Agreement**

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**A. BACKGROUND**

1. The Supplier is a participant on the Dynamic Purchasing System for Skills Bootcamp Services System and has entered into the Dynamic Purchasing Agreement, "the DPA.
2. The Customer has, through the DPA, selected the Supplier to provide services required as detailed in the Contract Order Form.
3. Both the Customer and the Supplier have agreed that these terms and conditions, together with the Contract Order Form, will govern their relationship.

**B. PRELIMINARIES**

**1. DEFINITIONS AND INTERPRETATION**

- 1.1. In this Contract, unless the context otherwise requires, capitalised expressions shall have the meanings set out in Contract Schedule 1 (Definitions) or the relevant Contract Schedule in which that capitalised expression appears.
- 1.2. If a capitalised expression does not have an interpretation in Contract Schedule 1 (Definitions) or relevant Contract Schedule, it shall have the meaning given to it in the DPA. If no meaning is given to it in the DPA, 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 this Contract, unless the context otherwise requires:
  - 1.3.1 the singular includes the plural and vice versa;
  - 1.3.2 reference to a gender includes the other gender and the neuter;
  - 1.3.3 references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body;
  - 1.3.4 a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;
  - 1.3.5 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**";
  - 1.3.6 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;
  - 1.3.7 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 this Contract;
  - 1.3.8 references to "**Clauses**" and "**Contract Schedules**" are, unless otherwise provided, references to the clauses and schedules of this Contract and references in any Contract Schedule to parts, paragraphs, annexes and tables are, unless otherwise provided, references to the parts, paragraphs, annexes and tables of the Contract Schedule in which these references appear; and
  - 1.3.9 the headings in this Contract are for ease of reference only and shall not affect the interpretation or construction of this Contract.

1.4. In the event of and only to the extent of any conflict between the Contract Order Form, the Contract Terms and the provisions of the DPA, the conflict shall be resolved in accordance with the following order of precedence:

- 1.4.1 The DPA;
- 1.4.2 the Contract Order Form; and
- 1.4.3 the Contract Terms.

1.5. Any permitted changes by the Customer to the Template Contract Terms and the Template Contract Order Form under Clause 5 (Call for Competition Procedure) of the DPA and DPA Schedule 5 (Call for Competition Procedure) prior to them becoming the Contract Terms and the Contract Order Form which comprise this Contract shall prevail over the DPA.

## **2. NOT USED**

## **3. DUE DILIGENCE**

3.1. The Supplier acknowledges that:

- 3.1.1 the Customer 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;
- 3.1.2 it has made its own enquiries to satisfy itself as to the accuracy and adequacy of the Due Diligence Information;
- 3.1.3 it has raised all relevant due diligence questions with the Customer before the Contract Commencement Date;
- 3.1.4 it has undertaken all necessary due diligence and has entered into this Contract in reliance on its own due diligence alone; and
- 3.1.5 it 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 Contract Charges, arising as a result of any:
  - (a) misinterpretation of the requirements of the Customer in the Contract Order Form or elsewhere in this Contract;
  - (b) failure by the Supplier to satisfy itself as to the accuracy and/or adequacy of the Due Diligence Information; and/or
  - (c) failure by the Supplier to undertake its own due diligence.

## **4. REPRESENTATIONS AND WARRANTIES**

4.1. Each Party represents and warrants that:

- 4.1.1 it has full capacity and authority to enter into and to perform this Contract;
- 4.1.2 this Contract is executed by its duly authorised representative;
- 4.1.3 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 (or, in the case of the Supplier, any of its Affiliates) that might affect its ability to perform its obligations under this Contract; and
- 4.1.4 its obligations under this Contract constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms subject to applicable (as the case may be for each



Party) 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).

4.2. The Supplier represents and warrants that:

- 4.2.1 it is validly incorporated, organised and subsisting in accordance with the Laws of its place of incorporation;
- 4.2.2 it has all necessary consents (including, where its procedures so require, the consent of its Parent Company) and regulatory approvals to enter into this Contract;
- 4.2.3 its execution, delivery and performance of its obligations under this Contract does not and will not constitute a breach of any Law or obligation applicable to it and does not and will not cause or result in a Default under any agreement by which it is bound;
- 4.2.4 as at the Contract Commencement Date, all written statements and representations in any written submissions made by the Supplier as part of the procurement process, 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;
- 4.2.5 if the Contract Charges payable under this Contract exceed or are likely to exceed five (5) million pounds, as at the Contract Commencement Date it has notified the Customer in writing of any Occasions of Tax Non-Compliance or any litigation that it is involved in connection with any Occasions of Tax Non Compliance;
- 4.2.6 it has and shall continue to have all necessary rights in and to the Third Party IPR, the Supplier Background IPRs and any other materials made available by the Supplier (and/or any SubContractor) to the Customer which are necessary for the performance of the Supplier's obligations under this Contract including the receipt of the Services by the Customer;
- 4.2.7 it shall take all steps, in accordance with Good Industry Practice, to prevent the introduction, creation or propagation of any disruptive elements (including any virus, worms and/or trojans, spyware or other malware) into systems, data, software or the Customer's Confidential Information (held in electronic form) owned by or under the control of, or used by, the Customer;
- 4.2.8 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;
- 4.2.9 it is not affected by an Insolvency Event and 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; and
- 4.2.10 for the Contract Period and for a period of twelve (12) Months after the termination or expiry of this Contract, the Supplier shall not employ or offer employment to any staff of the Customer which have been associated with the provision of the Services without Approval or the prior written consent of the Customer which shall not be unreasonably withheld.

4.3. Each of the representations and warranties set out in Clauses 4.1 and 4.2 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 undertaking in this Contract.

4.4. If at any time a Party becomes aware that a representation or warranty given by it under Clauses 4.1 and 4.2 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.

- 4.5. 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 the Customer may have in respect of breach of that provision by the Supplier which constitutes a material Default.

## **C. DURATION OF CONTRACT**

### **5. CONTRACT PERIOD**

- 5.1. This Contract shall take effect on the Contract Commencement Date and will expire on the Contract Expiry Date unless terminated earlier in accordance with the provisions of this Contract.
- 5.2. The term of this Contract shall be the Contract Period.
- 5.3. The Customer may extend the Contract Period on one or more occasions for a minimum of 6 months per extension subject to the maximum aggregate extension that is permissible being 24 months.
- 5.4. The contract contains extension provisions which enable the Authority to exercise discretion and extend for up to 24 months on 4 occasions up to a maximum total term (including the initial term) of 6 years to align with the DPS lifespan.

## **D. CONTRACT PERFORMANCE**

### **6. IMPLEMENTATION**

- 6.1. The Supplier shall provide to the Customer the Services as identified in Schedule 2 Part 1 (Services) to this Contract and in the Contract Order Form.
- 6.2. When providing the Services, as required by Clause 6.1, the Supplier shall comply with the Performance Measures detailed in Schedule 2 Part 2 (Performance Measures).

### **7. SERVICES**

- 7.1. Provision of the Services
- 7.2. The Supplier acknowledges and agrees that the Customer relies on the skill and judgment of the Supplier in the provision of the Services and the performance of its obligations under this Contract.
- 7.3. The Supplier shall ensure that the Services:
- 7.3.1 comply in all respects with the description of the Services in Contract Schedule 2 Part 1 (Services) or elsewhere in this Contract; and
  - 7.3.2 are supplied in accordance with the provisions of this Contract.
- 7.4. The Supplier shall perform its obligations under this Contract in accordance with:
- 7.4.1 All applicable Law;
  - 7.4.2 Good Industry Practice;
  - 7.4.3 the Quality Standards;
  - 7.4.4 the Skills Bootcamp Guidance; and
  - 7.4.5 the Supplier's own established procedures and practices to the extent the same do not conflict with the requirements of Clauses 7.4.1 to 7.4.4.

7.5. The Supplier shall:

7.5.1 at all times allocate sufficient resources with the appropriate technical expertise to deliver the Services in accordance with this Contract;

7.5.2 obtain, and maintain throughout the Contract Period, all the consents, approvals, licences and permissions (statutory, regulatory contractual or otherwise) it may require which are necessary for the provision of the Services;

7.5.3 ensure that any Services recommended or otherwise specified by the Supplier for use by the Customer in conjunction with the Services shall meet the requirements of the Customer;

7.5.4 ensure that the Supplier Assets will be free of all encumbrances (except as agreed in writing with the Customer);

7.5.5 minimise any disruption to the Sites and/or the Customer's operations when providing the Services;

7.5.6 ensure that any Documentation and training provided by the Supplier to the Customer are comprehensive, accurate and prepared in accordance with Good Industry Practice;

7.5.7 co-operate with any other Supplier's and provide reasonable information (including any Documentation), advice and assistance in connection with the Services to any other supplier and, on the Contract Expiry Date for any reason, to enable the timely transition of the supply of the Services (or any of them) to the Customer and/or to any Replacement Supplier;

7.5.8 assign to the Customer, or if it is unable to do so, shall (to the extent it is legally able to do so) hold on trust for the sole benefit of the Customer, all warranties and indemnities provided by third parties or any Sub-Contractor in respect of Services. Where any such warranties are held on trust, the Supplier shall enforce such warranties in accordance with any reasonable directions that the Customer may notify from time to time to the Supplier;

7.5.9 provide the Customer with such assistance as the Customer may reasonably require during the Contract Period in respect of the supply of the Services;

7.5.10 deliver the Services in a proportionate and efficient manner;

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

7.5.12 provide the Customer with access to all information and data relating to the Services (including to Learner files) for the purposes for evaluation as detailed in the Service Requirements and co-operate fully and promptly with the requests made by the Customer including those relating to the retention of information and data (including the Learner files) and evaluation.

7.6. 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.

***Drafting Note: clause 7.7 will be marked "Not Used" where a Parent Company Guarantee is not required.***

7.7. On or before the date of this Contract the Supplier shall procure the execution of a Guarantor by the Guarantor in favour of the Customer in the form annexed at Schedule 13 to the DPA.

## 8. SERVICES

### General application

8.1. The Services to be delivered have been included in Schedule 2 Part 1 (Services).

**Time of Delivery of the Services**

8.2. The Supplier shall provide the Services on the date(s) specified in the Contract Order Form (or elsewhere in this Contract).

**Location and Manner of Delivery of the Services**

8.3. Except where otherwise provided in this Contract, the Supplier shall provide the Services to the Customer through the Supplier Personnel at the Sites.

8.4. The Customer may inspect and examine the manner in which the Supplier provides the Services at the Sites and if the Sites are not the Customer Premises, the Customer may carry out such inspection and examination on reasonable notice during normal business hours.

**Undelivered Services**

8.5. In the event that any of the Services are not delivered in accordance with Clauses 7 (Provision of the Services), 8.2 (Time of Delivery of the Services) and 8.3 and 8.4 (Location and Manner of Delivery of the Services) ("**Undelivered Services**"), the Customer, without prejudice to any other rights and remedies of the Customer howsoever arising, shall be entitled to withhold payment of any applicable Contract Charges for the Services that were not so delivered until such time as the undelivered Services are delivered.

8.6. The Customer may, at its discretion and without prejudice to any other rights and remedies of the Customer howsoever arising, deem the failure to comply with Clauses 7 (Provision of the Services), 8.2 (Time of Delivery of the Services) and 8.3 and 8.4 (Location and Manner of Delivery of the Services) to be a material Default.

**Obligation to Remedy of Default in the Supply of the Services**

8.7. Subject to Clauses 22.9 and 22.20 (IPR Indemnity) and without prejudice to any other rights and remedies of the Customer howsoever arising (including under Clauses 8.6 (Undelivered Services) and 27 (Customer Remedies for Default)), the Supplier shall, where practicable:

8.7.1 remedy any breach of its obligations in Clauses 8 and 9 within three (3) Working Days of becoming aware of the relevant Default or being notified of the Default by the Customer or within such other time period as may be agreed with the Customer (taking into account the nature of the breach that has occurred);

8.7.2 meet all the costs of, and incidental to, the performance of such remedial work

**Continuing Obligation to Provide the Services**

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

8.8.1 any withholding or deduction by the Customer of any Contract Charges or other sum due to the Supplier pursuant to the exercise of a right of the Customer to such withholding or deduction under this Contract;

8.8.2 the existence of an unresolved Dispute; and/or

8.8.3 any failure by the Customer to pay any Contract Charges, unless the Supplier is entitled to terminate this Contract under Clauses 31.1 to 31.4 (Termination on Customer Failure to Pay) for failure by the Customer to pay undisputed Contract Charges.

## **9. QUALITY STANDARDS**

- 9.1. The Supplier shall at all times during the Contract Period comply with the Quality Standards and maintain, where applicable, accreditation with the relevant Quality Standards authorisation body.
- 9.2. Throughout the Contract Period, the Parties shall notify each other of any new or emergent Quality Standards which could affect the Supplier's provision, or the receipt by the Customer, of the Services. A proposed adoption of any such new or emergent Quality standard, or changes to existing Quality Standards (including any specified in the Contract Order Form), shall be made by the Supplier by adhering to the Variation procedure set out at Clauses 13.3 to 13.5.
- 9.3. Where a new or emergent Quality Standard is to be developed or introduced by the Customer, the Supplier shall be responsible for ensuring that the potential impact on the Supplier's provision, or the Customer's receipt of the Services is explained to the Customer (within a reasonable timeframe), prior to the implementation of the new or emergent Quality Standard.
- 9.4. Where Quality Standards conflict with each other or with Good Industry Practice, then the later Quality Standard or best practice shall be adopted by the Supplier. The proposal to use the later Quality Standard or best practice shall require Approval (and the written consent of the Customer where the relevant Standard or Standards is/are included in DPA Schedule 2 (Services, Performance Measures and Contract Performance) and shall be implemented within an agreed timescale.
- 9.5. Where a Quality Standard, policy or document is referred to 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 Customer and provide access to an updated hyperlink..

## **10. DISRUPTION**

- 10.1. The Supplier shall take reasonable care to ensure that in the performance of its obligations under this Contract it does not disrupt the operations of the Customer, its employees or any other contractor engaged by the Customer.
- 10.2. The Supplier shall immediately inform the Customer of any actual or potential industrial action, whether such action be by the Supplier Personnel or others, which affects or might affect the Supplier's ability at any time to perform its obligations under this Contract.
- 10.3. In the event of industrial action by the Supplier Personnel, the Supplier shall seek Approval to its proposals for the continuance of the supply of the Services in accordance with its obligations under this Contract.
- 10.4. If the Supplier's proposals referred to in Clause 10.3 are considered insufficient or unacceptable by the Customer acting reasonably then the Customer may terminate this Contract for material Default.

## **11. FINANCIAL DISTRESS**

- 11.1. The Parties shall comply with the provisions of Contract Schedule 15 (Financial Distress) in relation to the assessment of the financial standing of the Supplier and the consequences of a change to that financial standing.

## **E. CONTRACT GOVERNANCE**

### **12. RECORDS, AUDIT ACCESS AND OPEN BOOK DATA**

- 12.1. The Supplier shall keep and maintain for seven (7) years after the Contract Expiry Date or Termination Date, whichever is the earlier, full and accurate records and accounts of the operation of this Contract including the Services provided under it, any Sub-Contracts and the amounts paid by the Customer.
- 12.2. The Supplier shall:

12.2.1 keep the records and accounts referred to in Clause 12.1 in accordance with Good Industry Practice and Law; and

12.2.2 afford any Auditor access to the records and accounts referred to in Clause 12.1 at the Supplier's premises and/or provide records and accounts (including copies of the Supplier's published accounts) or copies of the same, as may be required by any of the Auditors from time to time during the Contract Period and the period specified in Clause 12.1, in order that the Auditor(s) may carry out an inspection to assess compliance by the Supplier and/or its Sub-Contractors of any of the Supplier's obligations under this Contract including in order to:

- (a) verify the accuracy of the Contract Charges and any other amounts payable by the Customer under this Contract (and proposed or actual variations to them in accordance with this Contract);
- (b) verify the costs of the Supplier (including the costs of all Sub Contractors and any third party Supplier's) in connection with the provision of the Services;
- (c) verify the Open Book Data;
- (d) verify the Supplier's and each Sub-Contractor's compliance with the applicable Law;
- (e) identify or investigate an actual or suspected Prohibited Act, impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Customer shall have no obligation to inform the Supplier of the purpose or objective of its investigations;
- (f) identify or investigate any circumstances which may impact upon the financial stability of the Supplier, and/or any Sub-Contractors or their ability to perform the Services;
- (g) obtain such information as is necessary to fulfil the Customer's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General;
- (h) review any books of account and the internal contract management accounts kept by the Supplier in connection with this Contract;
- (i) carry out the Customer's internal and statutory audits and to prepare, examine and/or certify the Customer's annual and interim reports and accounts;
- (j) 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 Customer has used its resources;
- (k) verify the accuracy and completeness of any information delivered or required by this Contract;
- (l) review the Supplier's quality management systems (including any quality manuals and procedures);
- (m) review the Supplier's compliance with the Standards;
- (n) inspect the Customer Assets, including the Customer's IPRs, equipment and facilities, for the purposes of ensuring that the Customer Assets are secure and that any register of assets is up to date; and/or
- (o) review the integrity, confidentiality and security of the Customer Data.

- 12.3. The Customer shall use reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Supplier or delay the provision of the Services save insofar as the Supplier accepts and acknowledges that control over the conduct of audits carried out by the Auditor(s) is outside of the control of the Customer.
- 12.4. Subject to the Supplier's rights in respect of Confidential Information, the Supplier shall on demand provide the Auditor(s) with all reasonable co-operation and assistance in:
- 12.4.1 all reasonable information requested by the Customer within the scope of the audit;
  - 12.4.2 reasonable access to sites controlled by the Supplier and to any Supplier Equipment used in the provision of the Services; and
  - 12.4.3 access to the Supplier Personnel.
- 12.5. The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under this Clause 12, unless the audit reveals a Default by the Supplier in which case the Supplier shall reimburse the Customer for the Customer's reasonable costs incurred in relation to the audit.

### **13. CHANGE**

#### **Legislative Change**

- 13.1. The Supplier shall neither be relieved of its obligations under this Contract nor be entitled to an increase in the Contract Charges as the result of a:
- 13.1.1 General Change in Law;
  - 13.1.2 Specific Change in Law where the effect of that Specific Change in Law on the Services is reasonably foreseeable at the Contract Commencement Date.
- 13.2. If a Specific Change in Law occurs or will occur during the Contract Period (other than as referred to in Clause 13.1.2, the Supplier shall:
- 13.2.1 notify the Customer as soon as reasonably practicable of the likely effects of that change including:
    - (a) whether, in their opinion a contract variation is required to the provision of the Services, the Contract Charges or this Contract ; and
    - (b) whether any relief from compliance with the Supplier's obligations is required; and
  - 13.2.2 provide to the Customer with evidence:
    - (a) 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;
    - (b) as to how the Specific Change in Law has affected the cost of providing the Services; and
    - (c) demonstrating that any expenditure that has been avoided, has been taken into account in amending the Contract Charges.

#### **Variation Process**

- 13.3. Subject to the provisions of this Clause 13.3 and Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing), either Party may request a variation to this Call Off Contract provided that such variation does not amount to a material change of this Call Off Contract within the meaning of the Regulations and the Law. Such a change once implemented is hereinafter called a "**Variation**"

- 13.4. A Party may request a Variation by completing, signing and sending the Variation Form to the other Party giving sufficient information for the receiving Party to assess the extent of the proposed Variation and any additional cost that may be incurred.
- 13.5. If the Parties agree the Variation, the Supplier shall implement such Variation and be bound by the same provisions so far as is applicable, as though such Variation was stated in this Call Off Contract.

## **F. PAYMENT, TAXATION AND VALUE FOR MONEY PROVISIONS**

### **14. ILR DATA, CONTRACT CHARGES AND PAYMENT**

#### **The Submission of ILR Data**

- 14.1. The Provider must register with UKRLP (UK Register of Learning Providers ([ukrlp.co.uk](http://ukrlp.co.uk))) and maintain contact details on an on-going basis.
- 14.2. The Supplier must submit promptly to the Customer an accurate Individualised Learning Record (“ILR”) in relation to each individual Learner in accordance with this Contract and the ILR technical documents, guidance and requirements as amended and updated from time to time.
- 14.3. The Supplier can view the ILR technical documents, guidance and requirements by visiting the website <https://guidance.submit-learner-data.service.gov.uk/>. Suppliers should view the “Skills Bootcamps Funding and Performance Management Guidance”, which includes the latest instructions on how to complete the ILR for Skills Bootcamp courses.
- 14.4. The Supplier must notify the Customer through the ILR of any new Learners within the timescale specified in the Skills Bootcamp Guidance.
- 14.5. ILR Data collected by the Supplier must be transmitted to the Customer through the Submit Learner Data service .
- 14.6. The Supplier shall ensure that information about Learners (including new Learners) is recorded on the ILR promptly (as defined in the Skills Bootcamp Guidance) and regularly reviewed and updated within a month when there has been a change.
- 14.7. Further to clause 14.6 the Supplier must also and in any event check the accuracy of the ILR Data submitted via the Submit Learner Data service and the Supplier must correct any errors immediately.
- 14.8. All submissions to the ILR must be supported by evidence including but not limited to the information specified in Annex 1 to Schedule 2 Part 3 (Contract Management), and the Skills Bootcamp Guidance.
- 14.9. The Customer may publish monitoring reports via View your education data. If these monitoring reports are published, the Supplier must access the monitoring reports every month and amend any errors for the next submission of the ILR by taking the actions specified in the report user guide. Failure to amend the ILR data as required will constitute a breach of this Contract and in addition the provisions of Clause 14.15 will apply.
- 14.10. Where the Customer has grounds to be concerned about the ILR Data submitted by the Supplier, including but not limited to the completeness or accuracy of the ILR Data provided by the Supplier under this Contract or any other agreement between the Supplier and the Customer, the Customer may take one or more of the following actions:
- 14.10.1 require the Supplier, at its own cost, to carry out such work as the Customer deems necessary to improve the quality of the ILR Data;
  - 14.10.2 require the Supplier at its own cost to carry out an audit in accordance with Clause 14.15;
  - 14.10.3 where ILR Data submitted by the Supplier on an ILR is missing, incomplete or incorrect in the final ILR submission of the Academic Year, the Customer will recover the Contract Charges that correspond with the missing, incomplete or incorrect ILR Data;



- 14.10.4 require the Supplier to supply ILR Data at such intervals and for such a period as is specified by the Customer;
  - 14.10.5 suspend the payment of the Contract Charges for a specified period in accordance; and / or
  - 14.10.6 terminate the Contract in accordance with Clauses 30 or 32.
- 14.11. If served with notice of a breach of the submission requirements as referred to in this Clause, the Supplier must correct the ILR Data or supply the Customer with evidence in support of its ILR submission within the period specified in the notice. This evidence can include digital copies of documents such as Learner files, commitment statements or employer declarations. The Supplier should note that annotated spreadsheets or notes are not acceptable to the Customer as evidence.
- 14.12. Where the Supplier is delivering Skills Bootcamp Courses to one or more Learners claiming state benefits, it must provide data to the Secretary of State with responsibility for unemployment or their nominated representative in accordance with the requirements notified to the Supplier.
- 14.13. The Customer will pay the Contract Charge due to the Supplier in accordance with the payment profile set out in the table at Annex 2 of Contract Schedule 3 (Contract Charges, Payment & Invoices).
- 14.14. The payment of Contract Charges by the Customer shall be without prejudice to any claims or rights, which the Customer may have against the Supplier and shall not be taken as an acknowledgement that the Supplier has fulfilled its obligations under this Contract. Prior to payment of Contract Charges, the Customer shall be entitled to make deductions or deferments in respect of any disputes or claims whatsoever with or against the Supplier, arising from this Contract or any other Contract between the Supplier and the Customer.
- 14.15. Where the Customer identifies errors which it deems to be material in the ILR Data, the Customer reserves the right at its absolute discretion to require the Supplier at the Supplier's cost to carry out a 100% audit of all or part of the Skills Bootcamp Course by a deadline specified by the Customer and / or to recover from the Supplier Contract Charges equivalent to an amount based on the error rate identified and the total value of the Contract Charges paid to the Supplier under this Contract.
- 14.16. Without prejudice to any other provisions of this Contract, such amounts may be recovered by making adjustments to ILR Data submitted by the Supplier under the Contract, or by raising an invoice for payment by the Supplier, or by making deductions from future payments (including Contract Charges) due to the Supplier under the Contract. Failure by the Supplier to settle such amounts will constitute a material Default of this Contract. The decision of the Customer as to the amount of recovery under this Clause is final.
- 14.17. All payments by the Customer of the Contract Charges will be made via BACS.

#### **Contract Charges**

- 14.18. In consideration of the Supplier carrying out its obligations under this Contract the Customer shall pay the Contract Charges in accordance with Clause 14.13.
- 14.19. Except as otherwise provided, each Party shall bear its own costs and expenses incurred in respect of compliance with its obligations under Clauses 12 (Records, Audit Access and Open Book Data), 23.20 to 23.21 (Freedom of Information) and 23.22 to 23.36 (Protection of Personal Data).
- 14.20. If the Customer fails to pay the Contract Charges 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.
- 14.21. The Customer is not responsible for any shortfall in fees or any lost revenue suffered by the Supplier, in the event that a Learner does not complete their Skills Bootcamp course and withdraws early from it.

## **VAT**

- 14.22. The Contract Charges are stated exclusive of VAT, which shall be added at the prevailing rate as applicable and paid by the Customer in accordance with Clause 14.13.
- 14.23. Where VAT is applicable, the Supplier shall indemnify the Customer on a continuing basis against any liability, including any interest, penalties or costs incurred, which is levied, demanded or assessed on the Customer at any time (whether before or after the making of a demand pursuant to the indemnity hereunder) 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
- 14.24. Any amounts due under Clause 14.23 (VAT) shall be paid in cleared funds by the Supplier to the Customer not less than five (5) Working Days before the date upon which the tax or other liability is payable by the Customer.

## **Retention and Set Off**

- 14.25. The Customer may retain or set off any amount owed to it by the Supplier against any amount due to the Supplier under this Contract or under any other agreement between the Supplier and the Customer.
- 14.26. If the Customer wishes to exercise its right pursuant to Clause 14.25 it shall give notice to the Supplier setting out the Customer's reasons for retaining or setting off the relevant Contract Charges.
- 14.27. The Supplier shall make any payments due to the Customer without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Supplier has obtained a sealed court order requiring an amount equal to such deduction to be paid by the Customer to the Supplier.

## **Foreign Currency**

- 14.28. Any requirement of Law to account for the Services in any currency other than Sterling, (or to prepare for such accounting) instead of and/or in addition to Sterling, shall be implemented by the Supplier free of charge to the Customer.
- 14.29. The Customer shall provide all reasonable assistance to facilitate compliance with Clause 14.28 by the Supplier.

## **Income Tax and National Insurance Contributions**

- 14.30. 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:
- 14.30.1 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
- 14.30.2 indemnify the Customer against any income tax, national insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made (whether before or after the making of a demand pursuant to the indemnity hereunder) in connection with the provision of the Services by the Supplier or any Supplier Personnel.
- 14.31. In the event that any one of the Supplier Personnel is a Worker as defined in Contract Schedule 1 (Definitions) who receives consideration relating to the Services, then, in addition to its obligations under Clause 14.30, the Supplier shall ensure that its contract with the Worker contains the following requirements:
- 14.31.1 that the Customer may, at any time during the Contract Period, request that the Worker provides information which demonstrates how the Worker complies with the

requirements of Clause 14.30, or why those requirements do not apply to it. In such case, the Customer may specify the information which the Worker must provide and the period within which that information must be provided;

- 14.31.2 that the Worker's contract may be terminated at the Customer's request if:
- (a) the Worker fails to provide the information requested by the Customer within the time specified by the Customer under Clause 14.31.1; and/or
  - (b) the Worker provides information which the Customer considers is inadequate to demonstrate how the Worker complies with Clause 14.30 or confirms that the Worker is not complying with those requirements; and
  - (c) that the Customer may supply any information it receives from the Worker to HMRC for the purpose of the collection and management of revenue for which they are responsible

## **15. PROMOTING TAX COMPLIANCE**

15.1. This Clause 15 shall apply if the Contract Charges payable under this Contract exceed or are likely to exceed five (5) million pounds during the Contract Period.

15.2. If, at any point during the Contract Period, an Occasion of Tax Non-Compliance occurs, the Supplier shall:

- 15.2.1 notify the Customer in writing of such fact within five (5) Working Days of its occurrence; and
- 15.2.2 promptly provide to the Customer:
- (a) details of the steps that 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
  - (b) such other information in relation to the Occasion of Tax Noncompliance as the Customer may reasonably require.

In the event that the Supplier fails to comply with this Clause 15 and/or does not provide details of proposed mitigating factors which in the reasonable opinion of the Customer are acceptable, then the Customer reserves the right to terminate this Contract for material Default.

## **G. SUPPLIER PERSONNEL AND SUPPLY CHAIN MATTERS**

### **16. SUPPLIER PERSONNEL**

#### **Supplier Personnel**

16.1. The Supplier shall:

16.1.1 provide a list of the names of all Supplier Personnel requiring admission to Customer Premises, specifying the capacity in which they require admission and giving such other particulars as the Customer may reasonably require; 16.1.2 ensure that all Supplier Personnel:

- (a) are appropriately qualified, trained and experienced to provide the Services with all reasonable skill, care and diligence;
- (b) are vetted in accordance with Good Industry Practice and, where applicable, the Security Policy and the Standards;

- (c) obey all lawful instructions and reasonable directions of the Customer (including, if so required by the Customer, the ICT Policy) and provide the Services to the reasonable satisfaction of the Customer; and
  - (d) comply with all reasonable requirements of the Customer concerning conduct at the Customer Premises, including the security requirements set out in Contract Schedule 4 (Security);
- 16.1.3 subject to Contract Schedule 5 (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 Customer;
- 16.1.4 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;
- 16.1.5 use all reasonable endeavours to minimise the number of changes in Supplier Personnel;
- 16.1.6 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;
- 16.1.7 bear the programme familiarisation and other costs associated with any replacement of any Supplier Personnel; and
- 16.1.8 procure that the Supplier Personnel shall vacate the Customer Premises immediately upon the Contract Expiry Date.
- 16.2. If the Customer reasonably believes that any of the Supplier Personnel are unsuitable to undertake work in respect of this Contract, it may:
  - 16.2.1 refuse admission to the relevant person(s) to the Customer Premises; and/or
  - 16.2.2 direct the Supplier to end the involvement in the provision of the Services of the relevant person(s).
- 16.3. The decision of the Customer as to whether any person is to be refused access to the Customer Premises shall be final and conclusive.

#### **Relevant Convictions**

- 16.4. For each member of Supplier Personnel who, in providing the Services, has, will have or is likely to have access to children, vulnerable persons or other members of the public to whom the Customer owes a special duty of care, the Supplier shall (and shall procure that the relevant Sub-Contractor shall):
  - 16.4.1 carry out a check with the records held by the Department for Education (DfE);
  - 16.4.2 conduct thorough questioning regarding any Relevant Convictions; and
  - 16.4.3 ensure a police check is completed and such other checks as may be carried out through the Disclosure and Barring Service (DBS), and the Supplier shall not (and shall ensure that any Sub-Contractor shall not) engage or continue to employ in the provision of the Services any person who has a Relevant Conviction or an inappropriate record.

#### **17. STAFF TRANSFER**

- 17.1. Where the commencement of the provision of the Services or any part of the Services results in one or more Relevant Transfers, Contract Schedule 5 (Staff Transfer) shall apply as follows:
  - 17.1.1 where the Relevant Transfer involves the transfer of Transferring Customer Employees, Part A of Contract Schedule 5 (Staff Transfer) shall apply;

- 17.1.2 where the Relevant Transfer involves the transfer of Transferring Former Supplier Employees, Part B of Contract Schedule 5 (Staff Transfer) shall apply;
- 17.1.3 where the Relevant Transfer involves the transfer of Customer Employees and Transferring Former Supplier Employees, Parts A and B of Contract Schedule 5 (Staff Transfer) shall apply; and
- 17.1.4 Part C of Contract Schedule 5 (Staff Transfer) shall not apply;
- 17.2. Where commencement of the provision of the Services or a part of the Services does not result in a Relevant Transfer, Part C of Contract Schedule 5 (Staff Transfer) shall apply and Parts A and B of Contract Schedule 5 (Staff Transfer) shall not apply.
- 17.3. Part D of Contract Schedule 5 (Staff Transfer) shall apply on the expiry or termination of the Services or any part of the Services.
- 17.4. The Supplier shall both during and after the Contract Period indemnify the Customer against all Employee Liabilities that may arise as a result of any claims brought against the Customer by any person where such claim arises from any act or omission of the Supplier or any Supplier Personnel.

## **18. SUPPLY CHAIN RIGHTS AND PROTECTION**

### **Appointment of Sub-Contractors**

- 18.1. The Supplier may enter into one or more Sub-Contracts provided that it does so in accordance with this Clause 18, Contract Schedule 1 (Service Requirements) and Contract Schedule 14 (Sub-Contracting). Clauses 18.9 and 18.11 will apply to Key Sub-Contractors.
- 18.2. Failure to comply with any of the requirements under this Clause 18 may result in the Customer taking such actions as it deems appropriate, which may include but is not limited to suspending payment of the Contract Charges and/or termination of this Contract under Clause 30.1 (Termination).
- 18.3. The Supplier shall exercise due skill and care in the selection of any Sub-Contractors to ensure that the Supplier is able to:
  - 18.3.1 manage any Sub-Contractors in accordance with Good Industry Practice;
  - 18.3.2 comply with its obligations under this Contract; and
  - 18.3.3 assign, novate or otherwise transfer to the Customer or any Replacement Supplier any of its rights and/or obligations under each Sub-Contract that relate exclusively to this Contract.
- 18.4. Prior to sub-contacting any of its obligations under this Contract, the Supplier shall notify the Customer and provide the Customer with:
  - 18.4.1 the proposed Sub-Contractor's name, registered office and company registration number;
  - 18.4.2 the scope of any Services to be provided by the proposed Sub-Contractor; and
  - 18.4.3 where the proposed Sub-Contractor is an Affiliate of the Supplier, evidence that demonstrates to the reasonable satisfaction of the Customer that the proposed SubContract has been agreed on "arm's-length" terms.
- 18.5. If requested by the Customer within ten (10) Working Days of receipt of the Supplier's notice issued pursuant to Clause 18.4, the Supplier shall also provide:
  - 18.5.1 a copy of the proposed Sub-Contract; and
  - 18.5.2 any further information reasonably requested by the Customer.
- 18.6. The Customer may, within ten (10) Working Days of receipt of the Supplier's notice issued pursuant to Clause 18.4 (or, if later, receipt of any further information requested pursuant to Clause 18.5), object to the appointment of the relevant Sub-Contractor if they consider that:

- 18.6.1 the appointment of a proposed Sub-Contractor may prejudice the provision of the Services or may be contrary to the interests respectively of the Customer under this Contract
- 18.6.2 the proposed Sub-Contractor is unreliable and/or has not provided reliable and/or reasonable services to its other customers; and/or
- 18.6.3 the proposed Sub-Contractor employs unfit persons,
- in which case, the Supplier shall not proceed with the proposed appointment.
- 18.7. The Supplier may proceed with the proposed appointment if
- 18.7.1 the Customer has not notified the Supplier that it objects to the proposed Sub-Contractor's appointment by the later of ten (10) Working Days of receipt of:
- (a) the Supplier's notice issued pursuant to Clause 18.4; and
  - (b) any further information requested by the Customer pursuant to Clause 18.5; and
- 18.7.2 the proposed Sub-Contract is not a Key Sub-Contract which shall require the written consent of the Authority and the Customer in accordance with Clause 18.10 to 18.11 (Appointment of Key Sub-Contractors).
- 18.8. The Supplier shall ensure that each Sub-Contract shall include a provision restricting the ability of the SubContractor to Sub-Contract all or any part of the provision of the Services to the Supplier under the SubContract without first seeking the written consent of the Customer.

#### **Appointment of Key Sub-Contractors**

- 18.9. Any Key Sub-Contractors that have been appointed by the Supplier at the Contract Commencement Date are set out at Paragraph 2.1 of Schedule 14 (Sub-Contracting).
- 18.10. Where the Supplier wishes to enter into a new Key Sub-Contract or replace a Key Sub-Contractor, it must obtain the prior written consent of the Customer (the decision to consent or otherwise not to be unreasonably withheld or delayed). The Customer may reasonably withhold its consent to the appointment of a Key Sub-Contractor if any of them considers that:
- 18.10.1 the appointment of a proposed Key Sub-Contractor may prejudice the provision of the Services or may be contrary to its interests;
- 18.10.2 the proposed Key Sub-Contractor is unreliable and/or has not provided reliable and/or reasonable services to its other customers; and/or
- 18.10.3 the proposed Key Sub-Contractor employs unfit persons.
- 18.11. The Supplier shall ensure that each Key Sub-Contract shall include:
- 18.11.1 provisions which will enable the Supplier to discharge its obligations under this Contract;
  - 18.11.2 a right under CRTPA for the Customer to enforce any provisions under the Key SubContract which confer a benefit upon the Customer;
  - 18.11.3 a provision enabling the Customer to enforce the Key Sub-Contract as if it were the Supplier;
  - 18.11.4 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 Customer or any Replacement Supplier;
  - 18.11.5 obligations no less onerous on the Key Sub-Contractor than those imposed on the Supplier under this Contract in respect of:

- (a) data protection requirements set out in Clauses 23.1 (Security Requirements), 23.2 to 23.9 (Protection of Customer Data) and 23.22 to 23.36 (Data Protection);
  - (b) FOIA requirements set out in Clause 23.20 to 23.21 (Freedom of Information);
  - (c) the keeping of records in respect of the Services being provided under the Key Sub-Contract, including the maintenance of Open Book Data;
  - (d) the conduct of audits set out in Clause 12 (Records, Audit Access & Open Book Data);
- 18.11.6 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 Customer under Clauses 30 (Customer Termination Rights), 32 (Termination by Either Party) and 34 (Consequences of Expiry or Termination) of this Contract;
- 18.11.7 the provision set out in clause 18.8 above; and
- 18.11.8 a provision, where a provision in Contract Schedule 5 (Staff Transfer) imposes an obligation on the Supplier to provide an indemnity, undertaking or warranty, requiring the Key SubContractor to provide such indemnity, undertaking or warranty to the Customer, Former Supplier or the Replacement Supplier as the case may be.

#### **Supply Chain Protection**

18.12. The Supplier shall ensure that all Sub-Contracts contain a provision:

- 18.12.1 requiring the Supplier to pay any undisputed sums which are due from it to the SubContractor within a specified period not exceeding thirty (30) days from the receipt of a Valid Invoice;
- 18.12.2 requiring that any invoices submitted by a Sub-Contractor shall be considered and verified by the Supplier in a timely fashion and that undue delay in doing so shall not be sufficient justification for failing to regard an invoice as valid and undisputed;
- 18.12.3 requiring the Sub-Contractor to include in any Sub-Contract which it in turn awards suitable provisions to impose, as between the parties to that Sub-Contract, requirements to the same effect as those required by sub-clauses 18.12.1 and 18.12.2 directly above; and
- 18.12.4 conferring a right to the Customer to publish the Supplier's compliance with its obligation to pay undisputed invoices within the specified payment period.

18.13. The Supplier shall:

- 18.13.1 pay undisputed sums which are due from it to a Sub-Contractor within thirty (30) days from the receipt of a Valid Invoice;
- 18.13.2 Provide a summary of its compliance with this Clause 18.13.1, such data to be certified each quarter by a director of the Supplier as being accurate and not misleading.

18.14. Any invoices submitted by a Sub-Contractor to the Supplier shall be considered and verified by the Supplier in a timely fashion. Undue delay in doing so shall not be sufficient justification for the Supplier failing to regard an invoice as valid and undisputed.

18.15. Notwithstanding any provision of Clauses 23.10 to 23.18 (Confidentiality) and 24 (Publicity and Branding) if the Supplier notifies the Customer that the Supplier has failed to pay an undisputed SubContractor's invoice within thirty (30) days of receipt, or the Customer otherwise discovers the same, the Customer 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

18.16. The Customer may require the Supplier to terminate:

18.16.1 a Sub-Contract where:

- (a) the acts or omissions of the relevant Sub-Contractor have caused or materially contributed to the Customer's right of termination pursuant to any of the termination events in Clause 30 (Customer Termination Rights) except Clause 30.10 (Termination Without Cause); and/or
- (b) relevant Sub-Contractor or its Affiliates embarrassed the Customer or otherwise brought the Customer into disrepute by engaging in any act or omission which is reasonably likely to diminish the trust that the public places in the Customer, regardless of whether or not such act or omission is related to the Sub-Contractor's obligations in relation to the Services or otherwise;

18.16.2 a Key Sub-Contract where there is a Change of Control of the relevant Key Sub-Contractor, unless:

- (a) the Customer has given its prior written consent to the particular Change of Control, which subsequently takes place as proposed; or
- (b) the Customer has not served its notice of objection within six (6) Months of the later of the date the Change of Control took place or the date on which the Customer was given notice of the Change of Control.

## Retention of Legal Obligations

18.17. Notwithstanding the Supplier's right to Sub-Contract pursuant to Clause 18 (Supply Chain Rights and Protection), 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.

## H. NOT USED

19. NOT USED

20. NOT USED

21. NOT USED

## I. INTELLECTUAL PROPERTY AND INFORMATION

22. INTELLECTUAL PROPERTY RIGHTS

### Allocation of title to IPR

22.1. Save as expressly granted elsewhere under this Contract:

22.1.1 the Customer shall not acquire any right, title or interest in or to the Intellectual Property Rights of the Supplier or its licensors, including:

- (a) the Supplier Background IPR;
- (b) the Third Party IPR; and (c) the Project Specific IPR.



22.1.2 the Supplier shall not acquire any right, title or interest in or to the Intellectual Property Rights of the Customer or its licensors, including the: (a) Customer Background IPR; and

(b) Customer Data.

22.2. Where either Party acquires, by operation of Law, title to Intellectual Property Rights that is inconsistent with the allocation of title set out in Clause 22.1, 22.2 and 22.3, 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).

22.3. 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.

**Licence granted by the Supplier: Project Specific IPR**

22.4. The Supplier if requested by the Customer will grant to the Customer or shall procure the direct grant to the Customer of, a 10 year, royalty-free, irrevocable, nonexclusive licence to use the Project Specific IPR including but not limited to the right to copy, adapt, publish and distribute such Project Specific IPR.

**Licence granted by the Supplier: Supplier Background IPR**

22.5. The Supplier if requested by the Customer will grant to the Customer a 10 year, royalty-free and nonexclusive licence to use the Supplier Background IPR for any purpose relating to the Services (or substantially equivalent services) or for any purpose relating to the exercise of the Customer's (or, if the Customer is a Central Government Body, any other Central Government Body's) business or function.

22.6. In the event the licence of the Supplier Background IPR is terminated for Default or expires, the Customer shall:

22.6.1 immediately cease all use of the Supplier Background IPR;

22.6.2 at the discretion of the Supplier, return or destroy documents and other tangible materials that contain any of the Supplier Background IPR, provided that if the Supplier has not made an election within six (6) Months of the termination of the licence, the Customer may destroy the documents and other tangible materials that contain any of the Supplier Background IPR; and

22.6.3 ensure, so far as reasonably practicable, that any Supplier Background IPR that is held in electronic, digital or other machine-readable form ceases to be readily accessible (other than by the information technology staff of the Customer) from any computer, word processor, voicemail system or any other device containing such Supplier Background IPR.

**Customer's right to sub-license**

22.7. The Customer shall be freely entitled to sub-license the rights granted to it pursuant to Clause 22.4 (Licence granted by the Supplier: Project Specific IPR).

22.8. The Customer may sub-license:

22.8.1 the rights granted under Clause 22.5 (Licence granted by the Supplier: Supplier Background IPR) to a third party (including for the avoidance of doubt, any Replacement Supplier) provided that:

(a) the sub-license is on terms no broader than those granted to the Customer; and

(b) the sub-license only authorises the third party to use the rights licensed in Clause 22.5 (Licence granted by the Supplier: Supplier Background IPR) for purposes relating to the Services (or substantially equivalent services) or for any purpose relating to the exercise of the Customer's (or, if the Customer is a

Central Government Body, any other Central Government Body's) business or function; and

22.8.2 the rights granted under Clause 22.5 (Licence granted by the Supplier: Supplier Background IPR) to any Approved Sub-Licensee to the extent necessary to use and/or obtain the benefit of the Project Specific IPR provided that the sub-licence is on terms no broader than those granted to the Customer.

#### **Customer's right to assign/novate licences**

22.9. The Customer shall be freely entitled to assign, novate or otherwise transfer its rights and obligations under the licence granted to it pursuant to Clause 22.4 (Licence granted by the Supplier: Project Specific IPR).

22.10. The Customer may assign, novate or otherwise transfer its rights and obligations under the licence granted pursuant to Clause 22.5 (Licence granted by the Supplier: Supplier Background IPR) to:

22.10.1 a Central Government Body; or

22.10.2 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 Customer.

22.11. Where the Customer is a Central Government Body, any change in the legal status of the Customer which means that it ceases to be a Central Government Body shall not affect the validity of any licence granted in Clause 22.4 (Licence granted by the Supplier: Project Specific IPR) and/or Clause 22.5 (Licences granted by the Supplier: Supplier Background IPR). If the Customer ceases to be a Central Government Body, the successor body to the Customer shall still be entitled to the benefit of the licences granted in

Clause 22.4 (Licence granted by the Supplier: Project Specific IPR) and Clause 22.5 (Licence granted by the Supplier: Supplier Background IPR).

22.12. If a licence granted in Clause 22.4 (Licence granted by the Supplier: Project Specific IPR) and/or Clause 22.5 (Licence granted by the Supplier: Supplier Background IPR) is novated under Clauses 22.9 and/or 22.10 or there is a change of the Customer's status pursuant to Clause 22.11 (both such bodies being referred to as the "Transferee"), the rights acquired by the Transferee shall not extend beyond those previously enjoyed by the Customer.

#### **Third Party IPR**

22.13. The Supplier shall procure that the owners or the authorised licensors of any Third Party IPR grant a direct licence to the Customer on terms at least equivalent to those set out in Clause 22.5 (Licence granted by the Supplier: Supplier Background IPR) and Clause 22.10 (Customer's right to assign/novate licences). If the Supplier cannot obtain for the Customer a licence materially in accordance with the licence terms set out in Clause 22.5 (Licences granted by the Supplier: Supplier Background IPR) and Clause 22.10 (Customer's right to assign/novate licences) in respect of any such Third Party IPR, the Supplier shall:

22.13.1 notify the Customer in writing giving details of what licence terms can be obtained from the relevant third party and whether there are alternative providers which the Supplier could seek to use; and

22.13.2 only use such Third Party IPR if the Customer Approves the terms of the licence from the relevant third party.

#### **Licence granted by the Customer**

22.14. The Customer hereby grants to the Supplier a royalty-free, nonexclusive, non-transferable licence during the Contract Period to use the Customer Background IPR and the Customer Data solely to the extent necessary for providing the Services in accordance with this Contract, including (but not limited to) the right to grant sub-licences to Sub-Contractors provided that:

22.14.1 any relevant Sub-Contractor has entered into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 23.10 to 23.18 (Confidentiality); and

22.14.2 the Supplier shall not without Approval use the licensed materials for any other purpose or for the benefit of any person other than the Customer.

#### **Termination of Licences**

22.15. Subject to Clause 22.5 (Licence granted by the Supplier: Supplier Background IPR), all licences granted pursuant to Clause 22 (Intellectual Property Rights) (other than those granted pursuant to Clause 22.13 (Third Party IPR) and 22.14 (Licence granted by the Customer)) shall survive the Contract Expiry Date.

22.16. The Supplier shall, if requested by the Customer as a result of a contract termination in accordance with Clause 30, grant (or procure the grant) to the Replacement Supplier of a licence to use any Supplier Background IPR and/or Third Party IPR on terms equivalent to those set out in Clause 22.5 (Licence granted by the Supplier: Supplier Background IPR) subject to the Replacement Supplier entering into reasonable confidentiality undertakings with the Supplier.

22.17. The licence granted pursuant to Clause 22.14 (Licence granted by the Customer ) and any sub-licence granted by the Supplier in accordance with Clause 22.14 (Licence granted by the Customer) shall terminate automatically on the Contract Expiry Date and the Supplier shall:

22.17.1 immediately cease all use of the Customer Background IPR and the Customer Data (as the case may be);

22.17.2 at the discretion of the Customer, return or destroy documents and other tangible materials that contain any of the Customer Background IPR and the Customer Data, provided that if the Customer has not made an election within six months of the termination of the licence, the Supplier may destroy the documents and other tangible materials that contain any of the Customer Background IPR and the Customer Data (as the case may be); and

22.17.3 ensure, so far as reasonably practicable, that any Customer Background IPR and Customer Data that are held in electronic, digital or other machine-readable form ceases to be readily accessible from any computer, word processor, voicemail system or any other device of the Supplier containing such Customer Background IPR and/or Customer Data.

#### **IPR Indemnity**

22.18. The Supplier shall, during and after the Contract Period, on written demand, indemnify the Customer against all Losses incurred by, awarded against, or agreed to be paid by the Customer (whether before or after the making of the demand pursuant to the indemnity hereunder) arising from an IPR Claim.

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

22.19.1 procure for the Customer the right to continue using the relevant item which is subject to the IPR Claim; or

22.19.2 replace or modify the relevant item with non-infringing substitutes provided that:

- (a) the performance and functionality of the replaced or modified item is at least equivalent to the performance and functionality of the original item;
- (b) the replaced or modified item does not have an adverse effect on any other Services;
- (c) there is no additional cost to the Customer; and
- (d) the terms and conditions of this Contract shall apply to the replaced or modified Services.

22.20. If the Supplier elects to procure a licence in accordance with Clause 22.19.1 or to modify or replace an item pursuant to Clause 22.19.2, but this has not avoided or resolved the IPR Claim, then:

22.20.1 the Customer may terminate this Contract by written notice with immediate effect; and

22.20.2 without prejudice to the indemnity set out in Clause 22.18, the Supplier shall be liable for all reasonable and unavoidable costs of the services including the additional costs of procuring, implementing and maintaining the substitute items.

22.21. Within one month of the Contract Commencement Date, the Supplier will compile an IPR Register which lists the categories of IPR that are referred to in this Clause and the corresponding documents, software, materials or any other asset in which there is IPR that are used in and / or generated under this DPA.

22.22. The IPR Register must be kept up to date during the Contract Period.

## **23. SECURITY AND PROTECTION OF INFORMATION**

### **Security Requirements**

23.1. The Supplier shall comply with the requirements of Contract Schedule 4 (Security) including the Security Management Plan (if any).

### **Protection of Customer Data**

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

23.3. The Supplier shall not store, copy, disclose, or use the Customer Data except as necessary for the performance by the Supplier of its obligations under this Contract or as otherwise Approved by the Customer.

23.4. To the extent that the Customer Data is held and/or Processed by the Supplier, the Supplier shall supply that Customer Data to the Customer as requested by the Customer and in the format (if any) specified by the Customer in the Contract Order Form and, in any event, as specified by the Customer from time to time in writing.

23.5. The Supplier shall take responsibility for preserving the integrity of Customer Data and preventing the corruption or loss of Customer Data.

23.6. The Supplier shall perform secure back-ups of all Customer Data and shall ensure that up-to-date backups are stored off-site at an Approved location in accordance with any business continuity plan or otherwise. The Supplier shall ensure that such back-ups are available to the Customer (or to such other person as the Customer may direct) at all times upon request and are delivered to the Customer at no less than six (6) Monthly intervals (or such other intervals as may be agreed in writing between the Parties).

23.7. The Supplier shall ensure that any system on which the Supplier holds any Customer Data, including backup data, is a secure system that complies with the Security Policy and the Security Management Plan (if any)

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

23.9. If the Customer Data is corrupted, lost or sufficiently degraded as a result of a Default so as to be unusable, the Customer may:

23.9.1 require the Supplier (at the Supplier's expense) to restore or procure the restoration of Customer Data as required by the Customer, and the Supplier shall do so as soon as practicable but

not later than five (5) Working Days from the date of receipt of the Customer's notice;  
and/or

23.9.2 itself restore or procure the restoration of Customer Data, and shall be repaid by the Supplier any reasonable expenses incurred in doing so as required by the Customer.

#### **Confidentiality**

23.10. For the purposes of Clauses 23.11 to 23.18, 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.

23.11. Except to the extent set out in Clauses 23.11 to 23.18 or where disclosure is expressly permitted elsewhere in this Contract, the Recipient shall:

23.11.1 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); and

23.11.2 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;

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

23.11.4 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.

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

23.12.1 the Recipient is required to disclose the Confidential Information by Law, provided that Clause 23.20 to 23.21 (Freedom of Information) shall apply to disclosures required under the FOIA or the EIRs;

23.12.2 the need for such disclosure arises out of or in connection with:

- (a) any legal challenge or potential legal challenge against the Customer arising out of or in connection with this Contract;
- (b) the examination and certification of the Customer'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 Customer is making use of any Services provided under this Contract; or
- (c) the conduct of a Central Government Body review in respect of this Contract;  
or

23.12.3 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.

23.13. 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.

23.14. Subject to Clause 23.11, the Supplier may only disclose the Confidential Information of the Customer on a confidential basis to:

- 23.14.1 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; and
  - 23.14.2 its professional advisers for the purposes of obtaining advice in relation to this Contract.
- 23.15. Where the Supplier discloses Confidential Information of the Customer pursuant to Clause 23.14, 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.
- 23.16. The Customer may disclose the Confidential Information of the Supplier:
- 23.16.1 to any Central Government Body on the basis that the information may only be further disclosed to Central Government Bodies;
  - 23.16.2 to the British Parliament and any committees of the British Parliament or if required by any British Parliamentary reporting requirement;
  - 23.16.3 to the extent that the Customer (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions;
  - 23.16.4 on a confidential basis to a professional adviser, consultant, supplier or other person engaged by any of the entities described in Clause 23.16.4 (including any benchmarking organisation) for any purpose relating to or connected with this Contract;
  - 23.16.5 on a confidential basis for the purpose of the exercise of its rights under this Contract; or
  - 23.16.6 to a proposed transferee, assignee or novatee of, or successor in title to the Customer, 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 Customer under Clause 23.11 to 23.18.
- 23.17. Nothing in Clause 23.11 to 23.18 shall prevent a Recipient from using any techniques, ideas or KnowHow 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.
- 23.18. In the event that the Supplier fails to comply with Clauses 23.11 to 23.12, the Customer reserves the right to terminate this Contract for material Default.

#### **Transparency**

- 23.19. The Supplier recognises that the Customer is subject to PPN 01/17 (Updates to transparency principles v1.1 <https://www.gov.uk/government/publications/procurement-policy-note-0117-updatetotransparency-principles>) and shall provide the Customer with such information as it reasonably requests in this regard.

#### **Freedom of Information**

- 23.20. The Supplier acknowledges that the Customer is subject to the requirements of the FOIA and the EIRs. The Supplier shall:
- 23.20.1 provide all necessary assistance and cooperation as reasonably requested by the Customer to enable the Customer to comply with its Information disclosure obligations under the FOIA and EIRs;
  - 23.20.2 transfer to the Customer all Requests for Information relating to this Contract that it receives as soon as practicable and in any event within two (2) Working Days of receipt;

- 23.20.3 provide the Customer with a copy of all Information belonging to the Customer requested in the Request for Information which is in its possession or control in the form that the Customer requires within five (5) Working Days (or such other period as the Customer may reasonably specify) of the Customer's request for such Information; and
- 23.20.4 not respond directly to a Request for Information unless authorised in writing to do so by the Customer.
- 23.21. The Supplier acknowledges that the Customer may be required under the FOIA and EIRs to disclose Information (including Commercially Sensitive Information) without consulting or obtaining consent from the Supplier. The Customer 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 Customer 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/or the EIRs.

#### **Data Protection**

- 23.22. The Parties acknowledge that for the purposes of the Data Protection Legislation, the Customer is the Controller and the Supplier is the Processor unless otherwise specified in Contract Schedule 7. The only processing that the Processor is authorised to do is listed in Contract Schedule 7 by the Controller and may not be determined by the Processor.
- 23.23. The Processor shall notify the Controller immediately if it considers that any of the Controller's instructions infringe the Data Protection Legislation.
- 23.24. 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:
- 23.24.1 a systematic description of the envisaged processing operations and the purpose of the processing;
  - 23.24.2 an assessment of the necessity and proportionality of the processing operations in relation to the Services;
  - 23.24.3 an assessment of the risks to the rights and freedoms of Data Subjects; and
  - 23.24.4 the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.
- 23.25. The Processor shall, in relation to any Personal Data processed in connection with its obligations under this Contract:
- 23.25.1 process that Personal Data only in accordance with Contract Schedule 7, unless the Processor is required to do otherwise by Law. If it is so required the Processor shall promptly notify the Controller before processing the Personal Data unless prohibited by Law;
  - 23.25.2 ensure that it has in place Protective Measures, which are appropriate to protect against a Data Loss Event, 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:
    - (a) nature of the data to be protected;
    - (b) harm that might result from a Data Loss Event;
    - (c) state of technological development; and

- (d) cost of implementing any measures;
- 23.25.3

ensure that:

- (a) the Processor Personnel do not process Personal Data except in accordance with this Contract (and in particular Schedule 7);
- (b) 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:
  - (i) are aware of and comply with the Processor's duties under this clause;
  - (ii) are subject to appropriate confidentiality undertakings with the Processor or any Sub-processor;
  - (iii) 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
  - (iv) have undergone adequate training in the use, care, protection and handling of Personal Data; and

23.25.4 not transfer Personal Data outside of the EU unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:

- (a) the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with GDPR Article 46 or LED Article 37) as determined by the Controller;
- (b) the Data Subject has enforceable rights and effective legal remedies;
- (c) 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
- (d) the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the processing of the Personal Data;

23.25.5 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.

23.26. Subject to Clause 23.27, the Processor shall notify the Controller immediately if it:

- 23.26.1 receives a Data Subject Request (or purported Data Subject Request);
- 23.26.2 receives a request to rectify, block or erase any Personal Data;
- 23.26.3 receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
- 23.26.4 receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data processed under this Contract;
- 23.26.5 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



- 23.26.6 becomes aware of a Data Loss Event.
- 23.27. The Processor's obligation to notify under Clause 23.26 shall include the provision of further information to the Controller in phases, as details become available.
- 23.28. Taking into account the nature of the processing, the Processor shall provide the Controller with full assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under Clause 23.26 (and insofar as possible within the timescales reasonably required by the Controller) including by promptly providing:
- 23.28.1 the Controller with full details and copies of the complaint, communication or request;
  - 23.28.2 such assistance as is reasonably requested by the Controller to enable the Controller to comply with a Data Subject Request within the relevant timescales set out in the Data Protection Legislation;
  - 23.28.3 the Controller, at its request, with any Personal Data it holds in relation to a Data Subject;
  - 23.28.4 assistance as requested by the Controller following any Data Loss Event;
  - 23.28.5 assistance as requested by the Controller with respect to any request from the Information Commissioner's Office, or any consultation by the Controller with the Information Commissioner's Office.
- 23.29. The Processor shall maintain complete and accurate records and information to demonstrate its compliance with this clause. This requirement does not apply where the Processor employs fewer than 250 staff, unless:
- 23.29.1 the Controller determines that the processing is not occasional;
  - 23.29.2 the Controller determines the processing includes special categories of data as referred to in Article 9(1) of the GDPR or Personal Data relating to criminal convictions and offences referred to in Article 10 of the GDPR; or
  - 23.29.3 the Controller determines that the processing is likely to result in a risk to the rights and freedoms of Data Subjects.
- 23.30. The Processor shall allow for audits of its Data Processing activity by the Controller or the Controller's designated auditor.
- 23.31. Each Party shall designate its own data protection officer if required by the Data Protection Legislation.
- 23.32. Before allowing any Sub-processor to process any Personal Data related to this Contract, the Processor must:
- 23.32.1 notify the Controller in writing of the intended Sub-processor and processing;
  - 23.32.2 obtain the written consent of the Controller;
  - 23.32.3 enter into a written agreement with the Sub-processor which give effect to the terms set out in clauses 23.22 to 23.36 (Data Protection) such that they apply to the Sub-processor; and
  - 23.32.4 provide the Controller with such information regarding the Sub-processor as the Controller may reasonably require.
- 23.33. The Processor shall remain fully liable for all acts or omissions of any of its Sub-processors.
- 23.34. The Controller may, at any time on not less than 30 Working Days' notice, revise this clause 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).

- 23.35. The Parties agree to take account of any guidance issued by the Information Commissioner's Office. The Controller may on not less than 30 Working Days' notice to the Processor amend this agreement to ensure that it complies with any guidance issued by the Information Commissioner's Office.
- 23.36. Where the Parties include two or more Joint Controllers as identified in Contract Schedule 7 in accordance with GDPR Article 26, those Parties shall enter into a Joint Controller Agreement based on the terms outlined in Contract Schedule 8 in replacement of Clauses 23.22 to 23.36 for the Personal Data under Joint Control.

## **24. PUBLICITY AND BRANDING**

- 24.1. The Supplier shall not, without Approval (the decision of the Customer to Approve or not shall not be unreasonably withheld or delayed):
- 24.1.1 make any press announcements or publicise this Contract in any way; or
  - 24.1.2 use the Customer's name or brand in any promotion or marketing or announcement of orders,
- 24.2. 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 and Supplier Equipment) and each Party agrees not to conduct itself in such a way as to imply or express any such approval or endorsement.
- 24.3. The Supplier must adhere to the Communications Guidelines provided by the Customer in the document embedded here entitled, "Skills Bootcamps Communications Guidance". The Customer reserves the right to update the said document from time to time.

## **J. LIABILITY AND INSURANCE**

### **25. LIABILITY**

#### **Unlimited Liability**

- 25.1. Neither Party excludes or limits its liability for:
- 25.1.1 death or personal injury caused by its negligence, or that of its employees, agents or SubContractors (as applicable);
  - 25.1.2 bribery or Fraud by it or its employees; or
  - 25.1.3 any liability to the extent it cannot be excluded or limited by Law.
- 25.2. The Supplier does not exclude or limit its liability in respect of the indemnity in Clauses 22.18 to 22.20 (IPR Indemnity) and in each case whether before or after the making of a demand pursuant to the indemnity therein.

#### **Financial Limits**

- 25.3. The Supplier's total aggregate liability: in respect of all Losses incurred by the Customer under or in connection with this Contract as a result of Defaults shall in no event exceed: the higher of ten million pounds (£10,000,000) or a sum equal to one hundred and fifty per cent (150%) of the Contract Charges unless such Losses are in whole or in part incurred under Clauses 25.1 and / or 25.2 in which case the Supplier has unlimited liability.

- 25.4. Without prejudice to its obligation to pay the undisputed Contract Charges as and when they fall due for payment, the Customer's total aggregate liability in respect of all Losses shall be limited to a sum equal to Contract Charges unless such Losses are in whole or in part incurred under Clauses 25.1 and / or 25.2 in which case the Customer has unlimited liability.

#### **Non-recoverable Losses**

- 25.5. Subject to Clause 25.1 and 25.2 (Unlimited Liability) neither Party shall be liable to the other Party for any:

- 25.5.1 indirect, special or consequential Loss;
- 25.5.2 loss of profits, turnover, savings, business opportunities or damage to goodwill (in each case whether direct or indirect).

#### **Recoverable Losses**

- 25.6. Subject to Clause 25.3 and 25.4 (Financial Limits), and notwithstanding Clause 25.5 (Non-recoverable Losses), the Supplier acknowledges that the Customer may, amongst other things, recover from the Supplier the following Losses incurred by the Customer to the extent that they arise as a result of a Default by the Supplier:

- 25.6.1 any additional operational and/or administrative costs and expenses incurred by the Customer, including costs relating to time spent by or on behalf of the Customer in dealing with the consequences of the Default;
- 25.6.2 any wasted expenditure or Contract Charges;
- 25.6.3 the additional cost of procuring Replacement Services for the remainder of the Contract Period, which shall include any incremental costs associated with such Replacement Services above those which would have been payable under this Contract; 25.6.4 any compensation or interest paid to a third party by the Customer; and
- 25.6.5 any fine, penalty or costs incurred by the Customer pursuant to Law.

#### **Miscellaneous**

- 25.7. Each Party shall use all reasonable endeavours to mitigate any loss or damage suffered arising out of or in connection with this Contract.
- 25.8. Any Deductions shall not be taken into consideration when calculating the Supplier's liability under Clause 25.3 to 25.4 (Financial Limits).
- 25.9. Subject to any rights of the Customer under this Contract (including in respect of an IPR Claim), any claims by a third party where an indemnity is sought by that third party from a Party to this Contract shall be dealt with in accordance with the provisions of DPA Schedule 20 (Conduct of Claims).

#### **26. INSURANCE**

- 26.1. This Clause 26 will only apply where specified in the Contract Order Form or elsewhere in this Contract.
- 26.2. Notwithstanding any benefit to the Customer of the policy or policies of insurance referred to in Clause 31 (Insurance) of the DPA, the Supplier shall effect and maintain such further policy or policies of insurance or extensions to such existing policy or policies of insurance procured under the DPA in respect of all risks which may be incurred by the Supplier arising out of its performance of its obligations under this Contract.
- 26.3. Without limitation to the generality of Clause 26.2 the Supplier shall ensure that it maintains the following insurance policies at the level set out below in respect of each and every claim:

- 26.3.1 Employers' Liability - £10 million;
  - 26.3.2 Public Liability - £10 million; and
  - 26.3.3 Professional Indemnity - £5 million
- 26.4. The Supplier shall effect and maintain the policy or policies of insurance referred to in Clause 26.3 for the Contract Period and for six (6) years after the Contract Expiry Date.
- 26.5. The Supplier shall give the Customer, on request, copies of all insurance policies referred to in Clause 26 or a broker's verification of insurance to demonstrate that the appropriate cover is in place, together with receipts or other evidence of payment of the latest premiums due under those policies.
- 26.6. If, for whatever reason, the Supplier fails to give effect to and maintain the insurance policies required under Clause 26 the Customer may make alternative arrangements to protect its interests and may recover the premium and other costs of such arrangements as a debt due from the Supplier.
- 26.7. The provisions of any insurance or the amount of cover shall not relieve the Supplier of any liability under this Contract. It shall be the responsibility of the Supplier to determine the amount of insurance cover that will be adequate to enable the Supplier to satisfy any liability in relation to the performance of its obligations under this Contract.
- 26.8. The Supplier shall ensure that nothing is done which would entitle the relevant insurer to cancel, rescind or suspend any insurance or cover, or to treat any insurance, cover or claim as voided in whole or part. The Supplier shall use all reasonable endeavours to notify the Customer (subject to third party confidentiality obligations) as soon as practicable when it becomes aware of any relevant fact, circumstance or matter which has caused, or is reasonably likely to provide grounds to, the relevant insurer to give notice to cancel, rescind, suspend or void any insurance, or any cover or claim under any insurance in whole or in part.

## **K. REMEDIES AND RELIEF**

### **27. CUSTOMER REMEDIES FOR DEFAULT**

#### **Remedies**

- 27.1. Without prejudice to any other right or remedy of the Customer howsoever arising, if the Supplier commits any Default of this Contract then the Customer may (whether or not any part of the Services have been Delivered) do any of the following:
- 27.1.1 at the Customer's option, give the Supplier the opportunity (at the Supplier's expense) to remedy the Default together with any damage resulting from such Default (where such Default is capable of remedy) or to supply Replacement Services and carry out any other necessary work to ensure that the terms of this Contract are fulfilled, in accordance with the Customer's instructions;
  - 27.1.2 carry out, at the Supplier's expense, any work necessary to make the provision of the Services comply with this Contract;
  - 27.1.3 if the Default is 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):
    - (a) instruct the Supplier to comply with the Rectification Plan Process;
    - (b) suspend this Contract (whereupon the relevant provisions of Clause 33 (Partial Termination, Suspension and Partial Suspension) shall apply) and step-in to itself supply or procure a third party to supply (in whole or in part) the Services;

- (c) without terminating or suspending the whole of this Contract, terminate or suspend this Contract in respect of part of the provision of the Services only (whereupon the relevant provisions of Clause 33 (Partial Termination, Suspension and Partial Suspension) shall apply) and step-in to itself supply or procure a third party to supply (in whole or in part) such part of the Services;
- 27.2. Where the Customer exercises any of its step-in rights under Clauses 27.1.3(b) or 27.1.3(c), the Customer shall have the right to charge the Supplier for and the Supplier shall on demand pay any costs reasonably incurred by the Customer (including any reasonable administration costs) in respect of the supply of any part of the Services by the Customer or a third party and provided that the Customer uses its reasonable endeavours to mitigate any additional expenditure in obtaining Replacement Services.

#### **Rectification Plan Process**

- 27.3. Where the Customer has instructed the Supplier to comply with the Rectification Plan Process pursuant to Clause 27.1.3(a):
  - 27.3.1 the Supplier shall submit a draft Rectification Plan to the Customer for it to review as soon as possible and in any event within 10 (ten) Working Days (or such other period as may be agreed between the Parties) from the date of Customer's instructions. The Supplier shall submit a draft Rectification Plan even if the Supplier disputes that it is responsible for the Default giving rise to the Customer's request for a draft Rectification Plan.
  - 27.3.2 the draft Rectification Plan shall set out:
    - (a) full details of the Default that has occurred, including a cause analysis;
    - (b) the actual or anticipated effect of the Default; and
    - (c) the steps which the Supplier proposes to take to rectify the Default (if applicable) and to prevent such Default from recurring, including timescales for such steps and for the rectification of the Default (where applicable).
- 27.4. The Supplier shall promptly provide to the Customer any further documentation that the Customer 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 5 of Contract Schedule 6 (Dispute Resolution Procedure).
- 27.5. The Customer 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:
  - 27.5.1 is insufficiently detailed to be capable of proper evaluation;
  - 27.5.2 will take too long to complete;
  - 27.5.3 will not prevent reoccurrence of the Default; and/or
  - 27.5.4 will rectify the Default but in a manner which is unacceptable to the Customer.
- 27.6. The Customer shall notify the Supplier whether it consents to the draft Rectification Plan as soon as reasonably practicable. If the Customer rejects the draft Rectification Plan, the Customer 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 Customer for review within five (5) Working Days (or such other period as agreed between the Parties) of the Customer's notice rejecting the first draft.
- 27.7. If the Customer consents to the Rectification Plan, the Supplier shall immediately start work on the actions set out in the Rectification Plan.

**L. OFSTED**

**28. OFSTED MONITORING VISITS**

28.1. Where the Customer is made aware that OFSTED has assessed the Supplier as having made “insufficient progress” after a monitoring visit, the Customer may, at its absolute discretion take one or more of the following actions:

28.1.1 require the Supplier to accept and comply with additional contractual obligations relating to the improvement of the Services assessed as insufficient progress;

28.1.2 reduce and / or recover from the Supplier Contract Charges paid by the Customer in respect of that part of the Services that has been assessed as having made insufficient progress;

28.1.3 suspend the payment of Contract Charges for current Learners for a specified period;

28.1.4 not consider any applications or pay any Contract Charges for new Learners for a specified period;

28.1.5 require the Supplier to inform all of its existing Employers and Subcontractors as relevant, about the outcome of the OFSTED visit;

28.1.6 require the Supplier to enter into a subcontracting arrangement with another provider in order to ensure that there is minimal disruption to the Supplier’s current Learners;

28.1.7 terminate this Contract for material Default in accordance with Clause 30.1.3 (Termination) where Learners may be at immediate risk on the grounds of safeguarding issues and / or the quality of leadership and / or training provision is such that one or more Learner has no reasonable prospect of achieving his or her training objective; and / or

28.1.8 terminate this Contract for material Default in accordance with Clause 30.1.3 (Termination) if the Supplier has two consecutive monitoring visits each resulting in one or more “insufficient progress” judgements in relation to one or more themes

28.2. Where the Customer is made aware that OFSTED has assessed a Subcontractor to the Supplier as having made “insufficient progress” during OFSTED’s Supplier monitoring visits, if requested in writing by the Customer, the Supplier will suspend the delivery of the Services under the Subcontract and shall not subcontract any further Services to the Subcontractor until permitted to do so by the Customer.

**OFSTED Inspection**

28.3. When the Supplier receives notification from OFSTED that the Services are going to be inspected, the Supplier shall on request provide the Customer with details of its quality improvement activity, and any other relevant information at the same time as it submits it to OFSTED in accordance with the timescale specified by OFSTED. The Supplier must notify the Customer in writing of the date of the meeting at which OFSTED will give feedback on the inspection and allow the Customer’s nominated representative to attend the meeting. The Supplier must confirm to the Customer in writing the outcome of the inspection within 5 Working Days of receiving OFSTED’s feedback.

28.4. OFSTED may, at any time during the Contract Period, undertake an inspection of the Supplier. The Customer will consider the outcome of any such inspection as follows

**Inadequate in Part**

28.5. Where OFSTED has assessed the Services to be inadequate in part, the Customer may, at its absolute discretion, take one or more of the following actions;

28.5.1 require the Supplier to accept and comply with additional contractual obligations relating to the improvement of the Services assessed as inadequate;

- 28.5.2 suspend the payment of Contract Charges for current Learners for a specified period;
- 28.5.3 not consider any applications or pay any Contract Charges for new Learners for a specified period;
- 28.5.4 reduce and / or recover from the Supplier Contract Charges paid by the Customer in respect of that part of the Services that has been assessed as inadequate;
- 28.5.5 require the Supplier to inform all of its existing Employers, Subcontractors and EmployerProviders, as relevant, about the outcome of the OFSTED visit; and / or
- 28.5.6 terminate this Contract for material Default in accordance with Clause 30.1.3 (Termination) where Learners may be at immediate risk on the grounds of safeguarding issues and / or the quality of leadership and / or training provision within the 'adult learning programmes' judgment is judged inadequate.

#### **Inadequate Overall**

- 28.6. Where OFSTED has assessed the Services as inadequate overall, the Customer may, at its absolute discretion take one or more of the following actions:
  - 28.6.1 require the Supplier to accept and comply with additional conditions relating to the improvement of the overall Services;
  - 28.6.2 suspend the payment of Contract Charges to the Supplier in relation to Learners for a specified period;
  - 28.6.3 not consider any applications or pay any Contract Charges for new Learners for a specified period;
  - 28.6.4 give consideration to the assessment of inadequate when considering access to Contract Charges in any subsequent agreements and / or contracts between the Parties;
  - 28.6.5 reduce and / or recover the Contract Charges paid to the Supplier;
  - 28.6.6 require the Supplier to inform all of its existing Employers, Subcontractors and EmployerProviders, as relevant, about the outcome of the OFSTED visit; and / or
  - 28.6.7 terminate this Contract for material Default in accordance with Clause 30.1 (Termination) if Learners may be at immediate risk on the grounds of safeguarding issues; and / or the quality of leadership is inadequate; and / or training provision within the 'adult learning programmes' is judged to be inadequate.
- 28.7. If a Sub-Contractor is assessed by OFSTED as having made "insufficient progress" in relation to one or more themes during an OFSTED monitoring visit, or judged as 'inadequate' in one or more theses in an Ofsted full inspection, unless permitted to continue by the Customer, the Supplier shall suspend delivery of the Services under the Sub-Contract and shall not subcontract any further Services to that Sub-Contractor.
- 28.8. The failure of the Supplier, as assessed by the Customer, to comply with any requirements of Clauses 28.1, 28.5 and 28.6 within such time as the Customer may deem reasonable may lead to the Customer taking such action as it deems appropriate which may include, but is not limited to, terminating this Contract in accordance with Clause 30.1.5 (Termination).
- 28.9. The Customer will take action based on OFSTED's provisional and confirmed outcomes. Where the Customer is made aware that the Supplier has made a complaint about the outcome of the OFSTED assessment, the Customer will continue to consider what action it needs to take under this Contract but will be mindful of the implications arising from the outcome of a complaint. The Customer will review any decisions made at such time when the outcome of any complaint is made known.

## **29. FORCE MAJEURE**

- 29.1. Subject to the remainder of Clause L, a Party may claim relief under Clause L 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, SubContractor or supplier shall be regarded as due to a Force Majeure Event only if that agent, SubContractor 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 Clause L to the extent that consequences of the relevant Force Majeure Event:
- 29.3.1 are capable of being mitigated by any of the provision of any Services, but the Supplier has failed to do so; and/or
  - 29.3.2 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.
- 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, an Affected Party fails to perform its obligations in accordance with this Contract, then during the continuance of the Force Majeure Event:
- 29.6.1 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 unless the provision of the Services is materially impacted by a Force Majeure Event which endures for a continuous period of more than ninety (90) days; and
  - 29.6.2 the Supplier shall not be liable for any Default arising as a result of such failure;
- 29.7. Where, as a result of a Force Majeure Event the Supplier fails to perform its obligations in accordance with this Contract:
- 29.7.1 the Customer shall not be entitled: during the continuance of the Force Majeure Event to exercise its step-in rights under Clause 27.1.2 and 27.1.3 (Customer Remedies for Default) as a result of such failure
  - 29.7.2 the Supplier shall be entitled to receive payment of the Contract Charges (or a proportional payment of them) only to the extent that the Services (or part of the Services) continue to be provided in accordance with the terms of this Contract during the occurrence of the Force Majeure Event.
- 29.8. 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.



29.9. Relief from liability for the Affected Party under Clause L 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 29.8.

## **M. TERMINATION AND EXIT MANAGEMENT**

### **30. CUSTOMER TERMINATION RIGHTS**

#### **Termination on Material Default**

30.1. The Customer may terminate this Contract for material Default by issuing a Termination Notice to the Supplier where:

30.1.1 the representation and warranty given by the Supplier pursuant to Clause 4.2.5 (Representations and Warranties) is materially untrue or misleading, and the Supplier fails to provide details of proposed mitigating factors which in the reasonable opinion of the Customer are acceptable;

30.1.2 as a result of any Defaults, the Customer incurs Losses in any Contract Year which exceed 80% (unless stated differently in the Contract Order Form) of the value of the Supplier's aggregate annual liability limit for that Contract Year as set out in Clauses 25.3 and 25.4 (Liability) ;

30.1.3 the Customer expressly reserves the right to terminate this Contract for material Default, including pursuant to any of the following Clauses: 10.4 (Disruption), 12.5 (Records, Audit Access and Open Book Data), 14.10.6 (ILR Data, Contract Charges and Payment) 15 (Promoting Tax Compliance), 23.18 (Confidentiality), 28.1.7 (Ofsted Monitoring Visits), 28.1.8 (Ofsted Monitoring Visits), 28.6.7 (Ofsted Inadequate Overall) 39.6.2 (Prevention of Fraud and Bribery), Paragraph 1.2.4 of the Annex to Part A and Paragraph 1.2.4 of the Annex to Part B of Contract Schedule 5 (Staff Transfer);

30.1.4 the Supplier commits any material Default of this Contract which is not, in the reasonable opinion of the Customer, capable of remedy; and/or

30.1.5 the Supplier commits a Default, including a material Default, which in the opinion of the Customer is remediable but has not remedied such Default to the satisfaction of the Customer in accordance with the Rectification Plan Process.

30.2. For the purpose of Clause 30.1, 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.

#### **Termination in Relation to Financial Standing**

30.3. The Customer may terminate this Contract by issuing a Termination Notice to the Supplier:

30.3.1 in the circumstances set out in Paragraph 6 of Schedule 15 (Financial Distress); or

30.3.2 where in the reasonable opinion of the Customer there is a material detrimental change in the financial standing and/or the credit rating of the Supplier which adversely impacts on the Supplier's ability to supply the Services under this Contract or which could reasonably be expected to have an adverse impact on the Supplier's ability to supply the Services under this Contract.

#### **Termination on Insolvency**

30.4. The Customer may terminate this Contract by issuing a Termination Notice to the Supplier where an Insolvency Event affecting the Supplier occurs.

#### **Termination on Change of Control**

30.5. The Supplier shall notify the Customer immediately in writing and as soon as the Supplier is aware (or ought reasonably to be aware) that it is anticipating, undergoing, undergoes or has undergone a Change of Control and provided such notification does not contravene any Law.

30.6. The Supplier shall ensure that any notification made pursuant to Clause 30.5 shall set out full details of the Change of Control including the circumstances suggesting and/or explaining the Change of Control.

30.7. The Customer may terminate this Contract by issuing a Termination Notice to the Supplier within six (6) Months of:

30.7.1 being notified in writing that a Change of Control is anticipated or in contemplation or has occurred; or

30.7.2 where no notification has been made, the date that the Customer becomes aware that a Change of Control is anticipated or is in contemplation or has occurred, but shall not be permitted to terminate where an Approval was granted prior to the Change of Control

#### **Termination in relation to IPR Indemnity**

30.8. The Customer may terminate this Contract with immediate effect by issuing a Termination Notice to the Supplier where the circumstances in Clause 22.20.1 (IPR Indemnity) arise.

#### **Termination for breach of Regulations**

30.9. The Customer may terminate this Contract by issuing a Termination Notice to the Supplier on the occurrence of any of the statutory provisos contained in Regulation 73 (1) (a) to (c) or any applicable relevant successor legislation.

#### **Termination Without Cause**

30.10. The Customer shall have the right to terminate this Contract at any time by issuing a Termination Notice to the Supplier giving at least ninety (90) Working Days written notice (unless stated differently in the Contract Order Form).

#### **Termination in Relation to Dynamic Purchasing Agreement**

30.11. The Customer may terminate this Contract by issuing a Termination Notice to the Supplier if a Call Off Contract entered under this Contract is terminated for any reason whatsoever.

### **31. SUPPLIER TERMINATION RIGHTS**

#### **Termination on Customer Failure to Pay**

31.1. The Supplier may, by issuing a Termination Notice to the Customer, terminate this Contract if the Customer fails to pay an undisputed sum due to the Supplier under this Contract which in aggregate exceeds an amount equal to one month's average Contract Charges (unless a different amount has been specified in the Contract Order Form), for the purposes of this Clause 31.1 (the "**Undisputed Sums Limit**"), and the said undisputed sum due remains outstanding for forty (40) Working Days (the "**Undisputed Sums Time Period**") after the receipt by the Customer of a written notice of non-payment from the Supplier specifying:

31.1.1 the Customer's failure to pay; and

- 31.1.2 the correct overdue and undisputed sum; and
- 31.1.3 the reasons why the undisputed sum is due; and
- 31.1.4 the requirement on the Customer to remedy the failure to pay;

31.2. If a Termination Notice is issued in accordance with Clause 31.1 this Contract will terminate on the date specified in the Termination Notice (which shall not be less than twenty (20) Working Days from the date of the issue of the Termination Notice).

31.3. Termination rights under Clause 31.1 shall not apply where the failure to pay is due to the Customer exercising its right(s) of retention and/or set off.

31.4. The Supplier shall not suspend the supply of the Services for failure of the Customer to pay undisputed sums of money (whether in whole or in part).

## **32. TERMINATION BY EITHER PARTY**

32.1. Either Party may, by issuing a Termination Notice to the other Party, terminate this Contract in accordance with Clause 29.6.1 (Force Majeure).

## **33. PARTIAL TERMINATION, SUSPENSION AND PARTIAL SUSPENSION**

33.1. Where the Customer has the right to terminate this Contract, the Customer shall be entitled to terminate or suspend all or part of this Contract provided always that, if the Customer elects to terminate or suspend this Contract in part, the parts of this Contract not terminated or suspended can, in the Customer's reasonable opinion, operate effectively to deliver the intended purpose of the surviving parts of this Contract.

33.2. Any suspension of this Contract under Clause 33.1 shall be for such period as the Customer may specify and without prejudice to any right of termination which has already accrued, or subsequently accrues, to the Customer.

## **34. CONSEQUENCES OF EXPIRY OR TERMINATION**

**Consequences of termination under Clauses 30.1 and 30.2 (Termination on Material Default), 30.3 (Termination in Relation to Financial Standing), 30.11 (Termination in Relation to DPA)**

34.1. Where the Customer:

- 34.1.1 terminates (in whole or in part) this Contract under any of Clauses 30.1, 30.2, 30.3 and 30.11; and

34.1.2 then makes other arrangements for the supply of the Services, the Customer may recover from the Supplier the cost reasonably incurred of making those other arrangements and any additional expenditure incurred by the Customer throughout the remainder of the Contract Period provided that Customer shall take all reasonable steps to mitigate such additional expenditure. No further payments shall be payable by the Customer to the Supplier until the Customer has established the final cost of making those other arrangements

**Consequences of termination under Clause 30.10 (Termination without Cause) and 31.1 (Termination on Customer Failure to Pay)**

34.2. Where:

- 34.2.1 the Customer terminates (in whole or in part) this Contract under Clause 30.10 (Termination without Cause); or
- 34.2.2 the Supplier terminates this Contract pursuant to Clause 31.1 (Termination on Customer

Failure to Pay),

the Customer shall indemnify the Supplier against any reasonable and proven Losses which would otherwise represent an unavoidable loss by the Supplier by reason of the termination of this Contract.

- 34.3. The Supplier shall take all reasonable steps to mitigate Losses identified in accordance with Clause 34.2.
- 34.4. The Supplier shall submit a fully itemised and costed list of such Losses identified in accordance with supporting evidence including such further evidence as the Customer may require, reasonably and actually incurred by the Supplier.
- 34.5. The Customer shall not be liable under Clause 34.2 to pay any sum which:
- 34.5.1 was claimable under insurance held by the Supplier, and the Supplier has failed to make a claim on its insurance, or has failed to make a claim in accordance with the procedural requirements of the insurance policy; or
- 34.5.2 when added to any sums paid or due to the Supplier under this Contract, exceeds the total sum that would have been payable to the Supplier if this Contract had not been terminated.

**Consequences of termination under Clause 32.1 (Termination for Continuing Force Majeure Event)**

- 34.6. The costs of termination incurred by the Parties shall lie where they fall if either Party terminates or partially terminates this Contract for a continuing Force Majeure Event pursuant to Clause 32.1 (Termination for Continuing Force Majeure Event).

**Consequences of Termination for any reason**

- 34.7. Save as otherwise expressly provided in this Contract,
- 34.7.1 termination or expiry of this Contract shall be without prejudice to any rights, remedies or obligations accrued under this Contract prior to termination or expiration and nothing in this Contract shall prejudice the right of either Party to recover any amount outstanding at the time of such termination or expiry; and
- 34.7.2 termination of this Contract shall not affect the continuing rights, remedies or obligations of the Customer or the Supplier under Clauses 12 (Records, Audit Access & Open Book Data), 22 (Intellectual Property Rights), 23.10 to 23.18 (Confidentiality), (Freedom of Information) 23.22 to 23.36 (Data Protection), 25 (Liability), 34 (Consequences of Expiry or Termination), 40 (Severance), 43 (Entire Agreement), 44 (Third Party Rights) 46 (Dispute Resolution) and 47 (Governing Law and Jurisdiction), and the provisions of Contract Schedule 1 (Definitions), Contract Schedule 3 (Contract Charges, Payment and Invoicing), Contract Schedule 5 (Staff Transfer), Contract Schedule 6 (Dispute Resolution Procedure) and, without limitation to the foregoing, any other provision of this Contract which expressly or by implication is to be performed or observed notwithstanding termination or expiry shall survive the Contract Expiry Date.
- 34.7.3 On or before the Contract Expiry Date or Termination Date, the Supplier must ensure that all documents or computer records in its possession, custody or control including but not limited to e-portfolios, which contain information relating to the Services including any documents in the possession, custody or control of a Sub-Contractor are made available upon request to the Customer.
- 34.7.4 For the avoidance of doubt, after notice of termination and/or an Insolvency Event affecting the Supplier, the Supplier must not share any information about Learners, including but not limited to Department Data, with another organisation unless the Department provides written authorisation for the Contractor to do so.

- 34.7.5 The Supplier hereby grants the Customer a non-exclusive licence to access the Supplier's Premises from the date of a notice of termination for such periods as may be reasonably necessary to enable the Customer to retrieve the information referred to in Clause 34.7.3. The Customer will exercise the rights provided under this clause where the Supplier has failed to comply with Clause 34.7.3.
- 34.7.6 The Customer reserves the right to retain Contract Charges that would otherwise be paid to the Supplier prior to the Expiry Date or Termination Date and/or to demand repayment of Contract Charges, as relevant, in order to reconcile what has already been paid to the Supplier under this Contract.
- 34.7.7 Where this Contract is terminated or expires, the Customer may elect to take the role of Data Controller to secure and protect Learner Files, Learner Records and/or Evidence Packs, including e-portfolios until the Learner information can be transferred to a new provider, the Learner, or destroyed in accordance with defined retention periods. If the Customer elects to assume this role, the Supplier shall co-operate fully to facilitate this.
- 34.7.8 On expiry or termination of this Contract for any reason, the Supplier shall do its utmost to minimise any disruption to Learners and shall co-operate fully with any reasonable requests made by the Customer relating to this. For the avoidance of doubt the  
  
Department will be entitled to request that where the Supplier cannot complete Learners that it will co-operate in transferring the Learners to a new provider even if this is prior to the Termination Date or Expiry Date of this Contract and the Supplier's Exit Plan should reflect this. The Customer will not be liable for any costs prior to or after the Termination Date or Expiry Date incurred by the Supplier in complying with this Clause 34.7.8.
- 34.7.9 If the Supplier does not co-operate with the Customer in relation to exit and the Customer incurs additional expenditure of any description as a result, the Customer reserves the right to require the Supplier to reimburse the Customer for this additional expenditure.

## **N. MISCELLANEOUS AND GOVERNING LAW**

### **35. COMPLIANCE**

#### **Health and Safety**

- 35.1. The Supplier shall perform its obligations under this Contract (including those in relation to the Services) in accordance with:
- 35.1.1 all applicable Law regarding health and safety; and
  - 35.1.2 the Customer's health and safety policy (as provided to the Supplier from time to time) whilst at the Customer Premises.
- 35.2. Each Party shall promptly notify the other of as soon as possible of any health and safety incidents or material health and safety hazards at the Customer Premises of which it becomes aware and which relate to or arise in connection with the performance of this Contract
- 35.3. While on the Customer Premises, the Supplier shall comply with any health and safety measures implemented by the Customer in respect of Supplier Personnel and other persons working there and any instructions from the Customer on any necessary associated safety measures.

#### **Equality and Diversity**

- 35.4. The Supplier shall:

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

- (a) all applicable equality Law (whether in relation to race, sex, gender reassignment, age, disability, sexual orientation, religion or belief, pregnancy, maternity or otherwise);
- (b) the Authority's equality and diversity policy as provided to the Supplier from time to time; and
- (c) 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

35.4.2 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).

#### **Finance Act**

35.5. The Supplier shall comply with the provisions of section 182 of the Finance Act 1989.

#### **Environmental Requirements**

35.6. The Supplier shall, when working on the Sites, perform its obligations under this Contract in accordance with the Environmental Policy of the Customer.

35.7. The Customer shall provide a copy of its written Environmental Policy (if any) to the Supplier upon the Supplier's written request.

#### **36. ASSIGNMENT AND NOVATION**

36.1. The Supplier shall not assign, novate, Sub-Contract or otherwise dispose of or create any trust in relation to any or all of its rights, obligations or liabilities under this Contract or any part of it without Approval.

36.2. The Customer may assign, novate or otherwise dispose of any or all of its rights, liabilities and obligations under this Contract or any part thereof to:

36.2.1 any other Contracting Authority; or

36.2.2 any other body established by the Crown or under statute in order substantially to perform any of the functions that had previously been performed by the Customer; or

36.2.3 any private sector body which substantially performs the functions of the Customer, and the Supplier shall, at the Customer's request, enter into a novation agreement in such form as the Customer shall reasonably specify in order to enable the Customer to exercise its rights pursuant to this Clause 36.2.

36.3. A change in the legal status of the Customer shall not, subject to Clause 36.4 affect the validity of this Contract and this Contract shall be binding on any successor body to the Customer.

36.4. If the Customer assigns, novates or otherwise disposes of any of its rights, obligations or liabilities under this Contract to a private sector body in accordance with Clause 36.2.3 (the "Transferee" in the rest of this Clause 36.4 the right of termination of the Customer in Clause 30.4 (Termination on Insolvency) shall be available to the Supplier in the event of insolvency of the Transferee (as if the references to Supplier in Clause 30.4 (Termination on Insolvency) and to Supplier or DPA Guarantor or Contract Guarantor in the definition of Insolvency Event were references to the Transferee).

### **37. WAIVER AND CUMULATIVE REMEDIES**

- 37.1. 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.
- 37.2. 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.

### **38. RELATIONSHIP OF THE PARTIES**

- 38.1. 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.

### **39. PREVENTION OF FRAUD AND BRIBERY**

- 39.1. The Supplier represents and warrants that neither it, nor to the best of its knowledge any Supplier Personnel, have at any time prior to the Contract Commencement Date:
- 39.1.1 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
  - 39.1.2 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.
- 39.2. The Supplier shall not during the Contract Period:
- 39.2.1 commit a Prohibited Act; and/or
  - 39.2.2 do or suffer anything to be done which would cause the Customer or any of the Customer'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.
- 39.3. The Supplier shall during the Contract Period:
- 39.3.1 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;
  - 39.3.2 keep appropriate records of its compliance with its obligations under Clause 39.3.1 and make such records available to the Customer on request;
  - 39.3.3 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;
  - 39.3.4 if so required by the Customer, within twenty (20) Working Days of the Contract Commencement Date, and annually thereafter, certify to the Customer in writing that the Supplier and all persons associated with it or its Sub-Contractors or other persons who are supplying the Services in connection with this Contract are compliant with the Relevant Requirements. The Supplier shall provide such supporting evidence of compliance as the Customer may reasonably request;

- 39.3.5 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 and
- 39.3.6 have, maintain and where appropriate enforce an anti-bribery policy (which shall be disclosed to the Customer on request) to prevent it and any Supplier Personnel or any person acting on the Supplier's behalf from committing a Prohibited Act.
- 39.4. The Supplier shall immediately notify the Customer in writing if it becomes aware of any breach of Clause 39.1 and/or Clause 39.2, or has reason to believe that it has or any of the Supplier Personnel have:
- 39.4.1 been subject to an investigation or prosecution which relates to an alleged Prohibited Act;
- 39.4.2 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
- 39.4.3 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.
- 39.5. If the Supplier makes a notification to the Customer pursuant to Clause 39.4, the Supplier shall respond promptly to the Customer's enquiries, co-operate with any investigation, and allow the Customer to audit any books, records and/or any other relevant documentation in accordance with Clause 12 (Records, Audit Access and Open Book Data).
- 39.6. If the Supplier is in Default under Clauses 39.1 and/or 39.2, the Customer may by notice:
- 39.6.1 require the Supplier to remove from performance of this Contract any Supplier Personnel whose acts or omissions have caused the Default; or
- 39.6.2 immediately terminate this Contract.
- 39.7. Any notice served by the Customer under Clause 39.4 shall specify the nature of the Prohibited Act, the identity of the Party who the Customer believes has committed the Prohibited Act and the action that the Customer has elected to take (including, where relevant, the date on which this Contract shall terminate).

#### **40. SEVERANCE**

- 40.1. 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.
- 40.2. In the event that any deemed deletion under Clause 40.1 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 practicable, achieves the Parties' original commercial intention.
- 40.3. If the Parties are unable to resolve the Dispute arising under Clause 40 within twenty (20) Working Days of the date of the notice given pursuant to Clause 40.2, 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 Clause 40.



## **41. MODERN SLAVERY**

### **41.1. The Supplier:**

- 41.1.1 shall not use, nor allow its Sub-Contractors to use forced, bonded or involuntary prison labour;
  - 41.1.2 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;
  - 41.1.3 warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world;
  - 41.1.4 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;
  - 41.1.5 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;
  - 41.1.6 shall have and maintain throughout the Contract Period 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;
  - 41.1.7 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;
  - 41.1.8 shall prepare and deliver to the Customer, an annual slavery and human trafficking report setting out 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;
  - 41.1.9 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;
  - 41.1.10 shall not use or allow child or slave labour to be used by its Sub-contractors; and
  - 41.1.11 shall report the discovery or suspicion of any slavery or trafficking by it or its subcontractors to the Customer and the Modern Slavery Helpline (modernslaveryhelpline.org).
- 41.2. In addition to any other rights under the Contract, the Customer may instruct the Supplier to carry out such an audit of any Sub-Contractor by an independent third party and, if so instructed, the Supplier shall deliver a report to the Customer within ninety (90) days of such instruction.
- 41.3. If the Supplier notifies the Customer pursuant to Clause 41.5 it shall respond promptly to the Customer's enquiries, co-operate with any investigation, and allow the Customer to audit any books, records and/or any other relevant documentation in accordance with the Contract.
- 41.4. If the Supplier is in Default under Clause 41.1 the Customer may by notice:
- 41.4.1 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
  - 41.4.2 immediately terminate the Contract.

## **Whistleblowing**

41.5. As soon as it is aware of it the Supplier and Supplier Personnel must report to the Customer any actual or suspected breach of;

41.5.1 Law;

41.5.2 Clauses 41.1

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

## **42. FURTHER ASSURANCES**

42.1. 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 necessary to give effect to the meaning of this Contract.

## **43. ENTIRE AGREEMENT**

43.1. This Contract and the documents referred to in it constitute the entire agreement between the Parties in respect of the matter and supersede and extinguish all prior negotiations, course of dealings or agreements made between the Parties in relation to its subject matter, whether written or oral.

43.2. 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.

43.3. Nothing in Clause 43 shall exclude any liability in respect of misrepresentations made fraudulently.

## **44. THIRD PARTY RIGHTS**

44.1. The provisions of paragraphs 2.1 and 2.6 of Part A, paragraphs 2.1, 2.6, 3.1 and 3.3 of Part B, paragraphs 2.1 and 2.3 of Part C and paragraphs 1.4, 2.3 and 2.8 of Part D of Contract Schedule 5 (Staff Transfer) (together "**Third Party Provisions**") confer benefits on persons named 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 CTRPA.

44.2. Subject to Clause 44.1, a person who is not a Party to this Contract has no right under the CTRPA 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.

44.3. No Third Party Beneficiary may enforce, or take any step to enforce, any Third Party Provision without the prior written consent of the Customer, which may, if given, be given on and subject to such terms as the Customer may determine.

44.4. Any amendments or modifications to this Contract may be made, and any rights created under Clause 44.1 may be altered or extinguished, by the Parties without the consent of any Third Party Beneficiary.

## **45. NOTICES**

45.1. Except as otherwise expressly provided within this Contract, any notices sent under this Contract must be in writing. For the purpose of Clause 45, an e-mail is accepted as being "in writing".

45.2. Subject to Clause 45.3, 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 delivery	Proof of Service

Email (Subject to Clauses 45.3 and 45.4)	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
Royal Mail Signed For™ 1 <sup>st</sup> 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

45.3. 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 Royal Mail Signed For™ 1<sup>st</sup> Class or other prepaid in the manner set out in the table in Clause 45.2:

45.3.1 any Termination Notice (Clause 30 (Customer Termination Rights)), 45.3.2

any notice in respect of:

- (a) partial termination, suspension or partial suspension (Clause 33 (Partial Termination, Suspension and Partial Suspension))
- (b) waiver (Clause 37 (Waiver and Cumulative Remedies))
- (c) Default ; and
- (d) Any Dispute Notice.

45.4. Failure to send any original notice by personal delivery or recorded delivery in accordance with Clause 45.3 shall invalidate the service of the related e-mail transmission. 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™ 1<sup>st</sup> Class delivery (as set out in the table in) or, if earlier, the time of response or acknowledgement by the other Party to the email attaching the notice.

45.5. Clause 45 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 the Dispute Resolution Procedure).

45.6. For the purposes of Clause 45, the address and email address of each Party shall be as specified in the Contract Order Form.

#### **46. DISPUTE RESOLUTION**

- 46.1. The Parties shall resolve Disputes arising out of or in connection with this Contract in accordance with the Dispute Resolution Procedure.
- 46.2. The Supplier shall continue to provide the Services in accordance with the terms of this Contract until a Dispute has been resolved.

#### **47. GOVERNING LAW AND JURISDICTION**

- 47.1. 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.
- 47.2. Subject to Clause 46 (Dispute Resolution) and Contract Schedule 6 (Dispute Resolution Procedure) (including the Customer's right to refer the Dispute to arbitration), the Parties agree that the courts of England and Wales (unless stated differently in the Contract Order Form) 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.

#### **CONTRACT SCHEDULE 1: DEFINITIONS**

1. In accordance with Clause 1 (Definitions and Interpretations), in this Dynamic Purchasing System Agreement including its Recitals the following expressions shall have the following meanings:

<b>"Academic Year"</b>	means 1 August to 31 July;
<b>"Achieve"</b>	means in respect of a Test, to successfully pass such Test without any Test Issues in accordance with the Test Strategy Plan and in respect of a Milestone, the issue of a Satisfaction Certificate in respect of that Milestone and <b>"Achieved"</b> , <b>"Achieving"</b> and <b>"Achievement"</b> shall be construed accordingly;

<b>"Acquired Rights Directive"</b>	the European Council Directive 2001/23/EC on the approximation of the laws of the member states of the European Union relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses, as amended or re-enacted from time to time;
<b>"Additional Clauses"</b>	means the additional Clauses in Contract Schedule 12 (Alternative and/or Additional Clauses) and any other additional Clauses set out in the Contract Order Form or elsewhere in this Contract;
<b>"Affected Party"</b>	means the party seeking to claim relief in respect of a Force Majeure;
<b>"Affiliates"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Alternative Clauses"</b>	means the alternative Clauses in Contract Schedule 12 (Alternative and/or Additional Clauses) and any other alternative Clauses set out in the Contract Order Form or elsewhere in this Contract;
<b>"Approval"</b>	means the prior written consent of the Customer and <b>"Approve"</b> and <b>"Approved"</b> shall be construed accordingly;
<b>"Approved Sub-Licensee"</b>	means any of the following: <ul style="list-style-type: none"> <li>a) a Central Government Body;</li> <li>b) any third party providing services to a Central Government Body; and/or</li> <li>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 Customer;</li> </ul>
<b>"Associated Persons"</b>	has the meaning as set out in Section 44(4) of the Criminal Finance Act 2017;
<b>"Auditor"</b>	means: <ul style="list-style-type: none"> <li>a) the Customer's internal and external auditors;</li> <li>b) the Customer's statutory or regulatory auditors;</li> <li>c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office;</li> <li>d) HM Treasury or the Cabinet Office;</li> <li>e) any party formally appointed by the Customer to carry out audit or similar review functions; and</li> <li>f) successors or assigns of any of the above.</li> </ul>
<b>"Authority"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"BACS"</b>	means the Bankers' Automated Clearing Services, which is a scheme for the electronic processing of financial transactions within the United Kingdom;
<b>"Call for Competition Procedure"</b>	means the competition procedure described in paragraph 2 of DPA Schedule 5 (Call for Competition Procedure);
<b>"Category"</b>	means the Institute for Apprenticeships and Technical Education occupational routes as referred to at <a href="#">Occupational Maps / Institute for Apprenticeships and Technical Education</a> ;

<b>"Comptroller and Auditor General"</b>	means the head of the National Audit Office;
<b>"Contract Commencement Date"</b>	means the date of commencement of this Contract set out in the Contract Order Form;
<b>"Contract "</b>	means this contract between the Customer and the Supplier (entered into pursuant to the provisions of the DPA), which consists of the terms set out in the Contract Order Form and the Contract Terms;
<b>"Contract Charges"</b>	means the prices (inclusive of any Milestone Payments and exclusive of any applicable VAT), payable to the Supplier by the Customer under this Contract, as set out in Annex 1 of Contract Schedule 3 (Contract Charges, Payment and Invoicing), for the full and proper performance by the Supplier of its obligations under this Contract less any Deductions;
<b>"Contract Finder"</b>	means the online portal administered by the UK Government that lets economic operators Contracts Finder lets you search for information about contracts worth over £10,000 with the UK Government and its agencies.
<b>"Contract Period"</b>	means the term of this Contract from the Contract Commencement Date until the Contract Expiry Date;
<b>"Contract Year"</b>	means a consecutive period of twelve (12) Months commencing on the Contract Commencement Date or each anniversary thereof;
<b>"Contract Expiry Date"</b>	means: <ul style="list-style-type: none"> <li>a) the end date of the Contract Initial Period or any Contract Extension Period; or</li> <li>b) if this Contract is terminated before the date specified in (a) above, the earlier date of termination of this Contract;</li> </ul>
<b>"Contract Extension Period"</b>	means such period or periods up to a maximum of the number of years in total as may be specified by the Customer, pursuant to Clause 5.2 and in the Contract Order Form;
<b>"Contract Initial Period"</b>	means the initial term of this Contract from the Contract Commencement Date to the end date of the initial term stated in the Contract Order Form;
<b>"Contract Order Form"</b>	means the order form applicable to this Contract containing details of the parties and the service to be provided that is generated at the end of the DPA process or otherwise provided;
<b>"Call for Competition Procedure"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Contract Schedule"</b>	means a schedule to this Contract;
<b>"Contract Tender"</b>	means the tender submitted by the Supplier in response to the Customer's Statement of Requirements following a Call for Competition Procedure and set out at Contract Schedule 5 (Contract Tender);
<b>"Contract Terms"</b>	means the terms applicable to and set out in this Contract;

<b>"Central Government Body"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Change in Law"</b>	means any change in Law which impacts on the supply of the Services and performance of the Contract which comes into force after the Contract Commencement Date;
<b>"Change of Control"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Charging Structure"</b>	means the structure to be used in the establishment of the charging model which is applicable to the Contract, which is set out in Contract Schedule 3 (Contract Prices and Charging Structure);
<b>"Commercially Sensitive Information"</b>	means the Confidential Information listed in the Contract Order Form (if any) comprising of commercially sensitive information relating to the Supplier, its IPR or its business or which the Supplier has indicated to the Customer that, if disclosed by the Customer, would cause the Supplier significant commercial disadvantage or material financial loss;
<b>"Comparable Supply"</b>	means the supply of Services to another customer of the Supplier that are the same or similar to the Services;
<b>"Confidential Information"</b>	means the Customer's Confidential Information and/or the Supplier's Confidential Information, as the context specifies;
<b>"Call Off Contract" or "Contract"</b>	means this contract;
<b>"Contract Charges"</b>	means the charges raised under or in connection with this Contract from time to time, which shall be calculated in a manner that is consistent with the Charging Structure;
<b>"Contract Commencement Date"</b>	means the date of commencement of the Contract as written at the top of the Contract;
<b>"Contract Monitoring Plan" or "CMP" and "Learner Datasheet" or "LD"</b>	means a submission by the Supplier that incorporates the information required in the form of contract monitoring plan set out at Schedule 2 Part 3 (Contract Management), Annex 1;
<b>"Contracting Authority"</b>	means the Authority, the Customer and any other bodies listed in the OJEU Notice;
<b>"Control"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Controller"</b>	take the meaning given in the GDPR
<b>"Conviction"</b>	means other than for minor road traffic offences, any previous or pending prosecutions, convictions, cautions and binding over orders (including any spent convictions as contemplated by section 1(1) of the Rehabilitation of Offenders Act 1974 by virtue of the exemptions specified in Part II of Schedule 1 of the Rehabilitation of Offenders Act 1974 (Exemptions) Order 1975 (SI 1975/1023) or any replacement or amendment to that Order, or being placed on a list kept pursuant to section 1 of the Protection of Children Act 1999 or being placed on a list kept pursuant to the Safeguarding Vulnerable Groups Act 2006;
<b>"Costs"</b>	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 Man Day, of engaging the Supplier Personnel, including:
  - i) base salary paid to the Supplier Personnel; ii) employer's national insurance contributions; iii) 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 provide the Services (but not including items included within limb (b) below); and
  - ix) reasonable recruitment costs, as agreed with the Customer;
- a) costs incurred in respect of those Supplier 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 Supplier Assets by the Supplier to the Customer or (to the extent that risk and title in any Supplier Asset is not held by the Supplier) any cost actually incurred by the Supplier in respect of those Supplier Assets;
- b) 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 provision of the Services;

**"Crown"** has the meaning given to it in DPA Schedule 1 (Definitions);

**"Crown Body"** has the meaning given to it in DPA Schedule 1 (Definitions);

**"CRTPA"** has the meaning given to it in DPA Schedule 1 (Definitions);

**"Customer"** means the customer(s) identified in the Contract Order Form;

**"Customer Assets"** means the Customer's infrastructure, data, software, materials, assets, equipment or other property owned by and/or licensed or leased to the Customer and which is or may be used in connection with the provision of the Services; **"Customer Background IPR"** means:

- a) IPRs owned by the Customer before the Contract Commencement Date, including IPRs contained in any of the Customer's Know-How, documentation, software, processes and procedures;
- b) IPRs created by the Customer independently of this Contract ; and/or
- c) Crown Copyright which is not available to the Supplier otherwise than under this Contract;

**"Customer Data"** means data that refers to or belongs to the Customer;

**"Customer Premises"** means premises owned, controlled or occupied by the Customer which are made available for use by the Supplier or its SubContractors for the provision of the Services (or any of them);



<b>"Customer Property"</b>	means the property, other than real property and IPR, including any equipment issued or made available to the Supplier by the Customer in connection with this Contract ;
<b>"Customer Representative"</b>	means the representative appointed by the Customer from time to time in relation to this Contract;
<b>"Customer Responsibilities"</b>	means the responsibilities of the Customer set out in the Contract Order Form or agreed in writing between the Parties from time to time in connection with this Contract ;
<b>"Customer's Confidential Information"</b>	<p>means:</p> <ul style="list-style-type: none"> <li>(a) all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, property rights, trade secrets, Know-How and IPR of the Customer (including all Customer Background IPR and Project Specific IPR);</li> <li>(b) any other information clearly designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered confidential which comes (or has come) to the Customer's attention or into the Customer's possession in connection with this Contract ; and</li> </ul> <p>information derived from any of the above;</p>
<b>"Data Loss Event", "Data Protection Impact Assessment", "Data Protection Officer", "Data Subject" "Data Subject Request", "Personal Data", "Processor" and "Processor Personnel"</b>	each have the meaning given to the relevant term in the Data Protection Act 2018;
<b>"Data Protection Legislation"</b>	<p>means:</p> <ul style="list-style-type: none"> <li>(i) The General Data Protection Regulation 2016/679 ("GDPR"), the law enforcement directive 2016/680 ("LED") and any applicable national implementing laws as amended from time to time;</li> <li>(ii) The DPA 2018 to the extent that it relates to processing of personal data and privacy;</li> <li>(iii) all applicable Law about the processing of personal data and privacy;</li> </ul>
<b>"Deductions"</b>	means any form of Service Credits, Delay Payments or any other deduction which the Customer is paid or is payable under this Contract;
<b>"Default"</b>	means any breach of the obligations of the Supplier (including but not limited to including abandonment of this Contract in breach of its terms) or any other default (including material Default), act, omission, negligence or statement of the Supplier, of its SubContractors or any Supplier Personnel howsoever arising in connection with or in relation to the subject-matter of this Contract and in respect of which the Supplier is liable to the Customer;

<b>"Deliverable"</b>	means an item or feature in the supply of the Services delivered or to be delivered by the Supplier at any other stage during the performance of this Contract;
<b>"Delivery"</b>	means delivery in accordance with the terms of this Contract as confirmed by the issue by the Customer of a Satisfaction Certificate in respect of the relevant Milestone thereof (if any) or otherwise in accordance with this Contract and accepted by the Customer and <b>"Deliver"</b> and <b>"Delivered"</b> shall be construed accordingly;
<b>"Delivery Plan"</b>	means the plan setting out key timings and trajectories for the Supplier's delivery during the Contract Period, as agreed by the Customer and including but not limited to <ul style="list-style-type: none"> <li>(a) the Delivery Plan Trajectory Points; and</li> <li>(b) how many Learners will start or Complete at each of those Delivery Plan Trajectory Points.</li> </ul> as is set out further in Schedule 2 Part 2 (Performance Management and Part 3 (Contract Management));;
<b>"Disclosing Party"</b>	has the meaning given to it in Clause 23.10 to 23.18 (Confidentiality);
<b>"Dispute"</b>	means 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 Variation Procedure or any matter where this Contract directs the Parties to resolve an issue by reference to the Dispute Resolution Procedure;
<b>"Dispute Notice"</b>	means a written notice served by one Party on the other stating that the Party serving the notice believes that there is a Dispute;
<b>"Dispute Resolution Procedure"</b>	means the dispute resolution procedure set out in Contract Schedule 6 (Dispute Resolution Procedure);
<b>"Dynamic Purchasing Agreement" or "DPA"</b>	means the Dynamic Purchasing Agreement between the Authority and the Supplier, dated referred to in the Contract Order Form;
<b>"DPA Schedule"</b>	means a schedule to the DPA;
<b>"Documentation"</b>	means all documentation as: <ul style="list-style-type: none"> <li>a) is required to be supplied by the Supplier to the Customer under this Contract;</li> <li>b) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Customer to develop, configure, build, deploy, run, maintain, upgrade and test the individual systems that provide the Services;</li> <li>c) is required by the Supplier in order to provide the Services; and/or</li> <li>d) has been or shall be generated for the purpose of providing the Services;</li> </ul>
<b>"DOTAS"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"DPA 2018"</b>	means Data Protection Act 2018;

<b>"Due Diligence Information"</b>	means any information supplied to the Supplier by or on behalf of the Customer prior to the Contract Commencement Date;
<b>"Employer"</b>	means the person or organisation that enters into a contract of employment with a person who becomes a Learner on a Skills Bootcamp Course delivered by or on behalf of the Supplier;
<b>"Employer-Provider"</b>	means an employer that delivers one or more Skills Bootcamp Courses to Learners that are its employees;
<b>"Employee Liabilities"</b>	<p>means 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 including in relation to the following:</p> <ul style="list-style-type: none"> <li>a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments;</li> <li>b) unfair, wrongful or constructive dismissal compensation;</li> <li>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;</li> <li>d) compensation for less favourable treatment of part time workers or fixed term employees;</li> <li>a) outstanding debts and unlawful deduction of wages including any PAYE and National Insurance Contributions in relation to payments made by the Customer or the Replacement Supplier to a Transferring Supplier Employee which would have been payable by the Supplier or the Sub-Contractor if such payment should have been made prior to the Service Transfer Date;</li> <li>f) claims whether in tort, contract or statute or otherwise;</li> <li>g) any investigation by the Equality and Human Rights Commission or other enforcement, regulatory or supervisory body and of implementing any requirements which may arise from such investigation;</li> </ul>
<b>"Employment Regulations"</b>	means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other Regulations implementing the Acquired Rights Directive;
<b>"Equality and Human Rights Commission"</b>	means the statutory and non-departmental public body established under the Equality Act 2006 as the national equality body for Great Britain;
<b>"Evidence Pack"</b>	means a file or dossier of information, either in physical or electronic form, that evidences a Learner's progress on a Skills Bootcamp Course;
<b>"Environmental Information Regulations or EIRs"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);



<b>"Environmental Policy"</b>	means to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment, including any written environmental policy of the Customer;
<b>"Exit Plan"</b>	means the exit plan described in paragraph 5 of Contract Schedule 10 (Exit Management);
<b>"Expedited Dispute Timetable"</b>	means the timetable set out in paragraph 5 of Contract Schedule 6 (Dispute Resolution Procedure);
<b>"FOIA"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Force Majeure"</b>	means 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 actions by that Party, including riots, war terrorism, acts of government, local government or regulatory bodies, fire, flood, earthquake, or other natural disaster but excluding any industrial dispute relating to the Supplier or Supplier Personnel or any other failure in the Supplier's or Sub-contractor's supply chain;;
<b>"Force Majeure Notice"</b>	means 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;
<b>"Former Supplier"</b>	means a supplier supplying the Services to the Customer before the Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any subcontractor of such supplier (or any sub-contractor of any such subcontractor);
<b>"Fraud"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"General Anti-Abuse Rule"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"General Change in Law"</b>	Has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Geographical Filter"</b>	refers to three types of area in England: (i) Regions, (ii) Mayoral Combined Authority areas, and (iii) Upper Tier Local Authority areas;
<b>"Good Industry Practice"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Government"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Government Procurement Card"</b>	means the Government's preferred method of purchasing and payment for low value goods or services <a href="https://www.gov.uk/government/publications/government-procurement-card--2">https://www.gov.uk/government/publications/government-procurement-card--2</a> ;
<b>"Halifax Abuse Principle"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"HMRC"</b>	means His Majesty's Revenue and Customs;
<b>"Holding Company"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);

<b>"ICT Policy"</b>	means the Customer's policy in respect of information and communications technology, referred to in the Contract Order Form, which is in force as at the Contract Commencement Date (a copy of which has been supplied to the Supplier), as updated from time to time;
<b>"Implementation Plan"</b>	means the plan devised by the Supplier as to how it will mobilise the Services;
<b>"Information"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Insolvency Event"</b>	means, in respect of the Supplier or DPA Guarantor or Contract Guarantor (as applicable): <ul style="list-style-type: none"> <li>a) a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or of any other composition scheme or arrangement with, or assignment for the benefit of, its creditors; or</li> <li>b) a shareholders' meeting is convened for the purpose of considering a resolution that it be wound up or a resolution for its winding-up is passed (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation); or</li> <li>c) a petition is presented for its winding up (which is not dismissed within fourteen (14) Working Days of its service) or an application is made for the appointment of a provisional liquidator or a creditors' meeting is convened pursuant to section 98 of the Insolvency Act 1986; or</li> <li>d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets; or</li> <li>e) an application order is made either for the appointment of an administrator or for an administration order, an administrator is appointed, or notice of intention to appoint an administrator is given; or</li> <li>f) it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986; or</li> <li>g) being a "small company" within the meaning of section 382(3) of the Companies Act 2006, a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or</li> <li>h) where the Supplier or DPA Guarantor or Contract Guarantor is an individual or partnership, any event analogous to those listed in limbs (a) to (g) (inclusive) occurs in relation to that individual or partnership; or</li> <li>i) any event analogous to those listed in limbs (a) to (h) (inclusive) occurs under the law of any other jurisdiction;</li> </ul>

<b>"Intellectual Property Rights" or "IPR"</b>	means <ul style="list-style-type: none"> <li>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 or business names, designs, KnowHow, trade secrets and other rights in Confidential Information;</li> <li>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</li> <li>c) all other rights having equivalent or similar effect in any country or jurisdiction;</li> </ul>
<b>"IPR Claim"</b>	means any claim of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPR, 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 Customer in the fulfilment of its obligations under this Contract;
<b>"IPR Register"</b>	has the meaning given to it in Clause 22.21;
<b>"Joint Controllers"</b>	means where two or more Controllers jointly determine the purposes and means of processing;
<b>"Key Sub-Contract"</b>	means each Sub-Contract with a Key Sub-Contractor;
<b>"Key Sub-Contractor"</b>	means any Sub-Contractor: <ul style="list-style-type: none"> <li>a) nominated as such as part of the Selection Questionnaire (SQ);</li> <li>b) which, in the opinion of the Customer, performs (or would perform if appointed) a critical role in the provision of all or any part of the Services which shall include but is not limited to the delivery of the Services to the Learners by way of education and training; and/or</li> <li>c) with a Sub-Contract with a contract value which at the time of appointment exceeds (or would exceed if appointed) 20% of the aggregate Contract Charges forecast to be payable under this Contract;</li> </ul>
<b>"Know-How"</b>	means all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of knowhow relating to the Services but excluding know-how already in the other Party's possession before the Contract Commencement Date;
<b>"Law"</b>	means any law, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, enforceable right within the meaning of Section 2 of the European Communities Act 1972, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements, with which the Supplier is bound to comply;
<b>"Learner"</b>	means an applicant who is accepted on to a Skills Bootcamp course;
<b>"Losses"</b>	means all losses, liabilities, damages, costs, expenses (including legal fees), disbursements, costs of investigation, litigation, settlement, judgment, interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise and <b>"Loss"</b> shall be interpreted accordingly;

<b>"Man Day"</b>	means 7.5 Man Hours, whether or not such hours are worked consecutively and whether or not they are worked on the same day;
<b>"Man Hours"</b>	means the hours spent by the Supplier Personnel properly working on the provision of the Services including time spent travelling (other than to and from the Supplier's offices, or to and from the Sites) but excluding lunch breaks;
<b>"Management Charge"</b>	means a charge levied by the Authority on the Supplier where the Customer is a contracting authority other than the Authority itself;
<b>"Milestone"</b>	means each of the Delivery Plan Trajectory Points as set out in the Delivery Plan.
<b>"Milestone Date"</b>	means the date on which a Milestone is to be achieved by the Supplier;
<b>"Milestone Payment"</b>	means the payment of the relevant sum of Contract Charges that the Supplier will receive for achieving the relevant Milestone at the relevant Delivery Plan Trajectory Point;
<b>"Month"</b>	means a calendar month and <b>"Monthly"</b> shall be interpreted accordingly;
<b>"Occasion of Tax Non-Compliance"</b>	<p>means:</p> <ul style="list-style-type: none"> <li>a) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which is found on or after 1 April 2013 to be incorrect as a result of: <ul style="list-style-type: none"> <li>i) 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 in any jurisdiction that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle; ii) 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 DOTAS or any equivalent.</li> </ul> </li> <li>b) <ul style="list-style-type: none"> <li>any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which 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 Contract Commencement Date or to a civil penalty;</li> </ul> </li> </ul>
<b>"Open Book Data "</b>	<p>means complete and accurate financial and non-financial information which is sufficient to enable the Customer to verify the Contract Charges already paid or payable and Contract Charges forecast to be paid during the remainder of this Contract, including details and all assumptions relating to:</p> <ul style="list-style-type: none"> <li>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 services;</li> </ul>



- b) operating expenditure relating to the provision of the Services 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; a list of Costs underpinning those rates for each manpower grade, being the agreed rate less the Supplier's Profit Margin;
- c) Overheads;
- d) all interest, expenses and any other third party financing costs incurred in relation to the provision of the Services;
- e) the Supplier Profit achieved over the Contract Period and on an annual basis;
- f) confirmation that all methods of Cost apportionment and Overhead allocation are consistent with and not more onerous than such methods applied generally by the Supplier;
- g) an explanation of the type and value of risk and contingencies associated with the provision of the Services, including the amount of money attributed to each risk and/or contingency; and
- h) the actual Costs profile for each Service Period.

<b>"Order"</b>	means the order for the provision of the Services placed by the Customer with the Supplier in accordance with the DPA and under the terms of this Contract ;
<b>"Other Supplier"</b>	means any supplier to the Customer (other than the Supplier) which is notified to the Supplier from time to time and/or of which the Supplier should have been aware;
<b>"Overhead"</b>	means 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";
<b>"Parent Company"</b>	means any company which is the ultimate Holding Company of the Supplier and which is either responsible directly or indirectly for the business activities of the Supplier or which is engaged by the same or similar business to the Supplier. The term "Holding or Parent Company" shall have the meaning ascribed by the Companies Act 2006 or any statutory re-enactment or amendment thereto;
<b>"Party"</b>	means the Customer or the Supplier and <b>"Parties"</b> shall mean both of them;
<b>"Performance Measures"</b>	means the Tier 1 measures set out in Table 1 and the Tier 2 measures set out in Table 3 Schedule 2 Part 2 (Performance Management);.
<b>"Prohibited Act"</b>	means any of the following:

- a) to directly or indirectly offer, promise or give any person working for or engaged by the Customer and/or the Customer or any other public body 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) committing any offence:
  - i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act); or
  - ii) under legislation or common law concerning fraudulent acts; or iii) defrauding, attempting to defraud or conspiring to defraud the Customer; or iv) 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;

**"Protected Measures"**

means appropriate technical and organisational measures 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 Contract Schedule 4 (Security);

**"Project Specific IPR"**

means:

- 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) IPR in or arising as a result of the performance of the Supplier's obligations under this Contract and all updates and amendments to the same; but shall not include the Supplier Background IPR;

**"Quality Standards"**

means any:

- a) standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent bodies (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector as the Supplier would reasonably and ordinarily be expected to comply with;

	<ul style="list-style-type: none"> <li>b) standards detailed in the specification in DPA Schedule 2 Part 1 (Services);</li> <li>c) standards detailed by the Customer in the Contract Order Form or agreed between the Parties from time to time;</li> <li>d) relevant Government codes of practice and guidance applicable from time to time.</li> </ul>
<b>"Recipient"</b>	has the meaning given to it in Clauses 23.10 to 23.18 (Confidentiality);
<b>"Rectification Plan"</b>	means the rectification plan pursuant to the Rectification Plan Process;
<b>"Rectification Plan Process"</b>	means the process set out in Clause 27.3 (Rectification Plan Process);
<b>"Registers"</b>	has the meaning given to in Contract Schedule 10 (Exit Management);
<b>"Regulations"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Related Supplier"</b>	means any person who provides services to the Customer which are related to the Services from time to time;
<b>"Relevant Conviction"</b>	means a Conviction that is relevant to the nature of the Services to be provided or as specified in the Contract Order Form;
<b>"Relevant Requirements"</b>	means 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;
<b>"Relevant Tax Authority"</b>	means HMRC, or, if applicable, the tax authority in the jurisdiction in which the Supplier is established;
<b>"Relevant Transfer"</b>	means a transfer of employment to which the Employment Regulations applies;
<b>"Relevant Transfer Date"</b>	means, in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place;
<b>"Replacement Services"</b>	means any services which are substantially similar to any of the Services and which the Customer receives in substitution for any of the Services following the Contract Expiry Date, whether those services are provided by the Customer internally and/or by any third party;
<b>"Replacement Sub-Contractor"</b>	means 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);
<b>"Replacement Supplier"</b>	means any third party provider of Replacement Services appointed by or at the direction of the Customer from time to time or where the Customer is providing Replacement Services for its own account, shall also include the Customer;

<b>"Security Management Plan"</b>	means the Supplier's security management plan prepared pursuant to paragraph 4 of Contract Schedule 4 (Security) a draft of which has been provided by the Supplier to the Customer in accordance with paragraph 4 of Contract Schedule 4 (Security) and as updated from time to time;
<b>"Security Policy"</b>	means the Customer's security policy, referred to in the Contract Order Form and / or in contract Schedule 2 (Services, Performance Management and Contract Management), in force as at the Contract Commencement Date (a copy of which has been supplied to the Supplier), as updated from time to time and notified to the Supplier;
<b>"Security Policy Framework"</b>	the current HMG Security Policy DPA that can be found at <a href="https://www.gov.uk/government/publications/securitypolicy-DPA">https://www.gov.uk/government/publications/securitypolicy-DPA</a> ;
<b>"Service Failure"</b>	means a failure to substantially meet the Performance Measures set out in Contract Schedule 2 Part 2 (Performance Management);
<b>"Service Transfer"</b>	means 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;
<b>"Service Transfer Date"</b>	means the date of a Service Transfer;
<b>"Services"</b>	means the services to be provided by the Supplier to the Customer as referred to Schedule 2 Part A (Services);
<b>"Skills Bootcamp Course"</b>	means a course delivered by or on behalf of the Supplier under this Contract;
<b>"Skills Bootcamp Guidance"</b>	means guidance produced by the Authority relating to skills bootcamps which can be found at <a href="https://www.gov.uk/government/publications/skills-bootcamps-funding-and-performance-management">Skills Bootcamps funding and performance management - GOV.UK (www.gov.uk)</a>
<b>"Sites"</b>	means any premises (including the Customer Premises, the Supplier's premises or third party premises) or any virtual environment from, to or at which: <ul style="list-style-type: none"> <li>a) the Services are (or are to be) provided; or</li> <li>b) the Supplier manages, organises or otherwise directs the provision or the use of the Services.</li> </ul>
<b>"Specific Change in Law"</b>	means a Change in Law that relates specifically to the business of the Customer and which would not affect a Comparable Supply;
<b>"Staffing Information"</b>	has the meaning give to it in Contract Schedule 5 (Staff Transfer);
<b>"Sub-category 1"</b>	refers the Institute for Apprenticeships and Technical Education occupational pathways which are set out at <a href="https://www.gov.uk/government/publications/occupational-maps-institute-for-apprenticeships-and-technical-education">Occupational Maps / Institute for Apprenticeships and Technical Education</a> ;
<b>"Sub-category 2"</b>	refers to the extent to which delivery of the Skills Bootcamp can correspond to Green Skills and Pathways to Accelerated Apprenticeships;
<b>"Request for Information"</b>	means a request for information or an apparent request relating to this Contract or the provision of the Services or an apparent request for such information under the FOIA or the EIRs;

<b>"Sub-Contract"</b>	means any contract or agreement (or proposed contract or agreement), other than this Contract or the DPA, pursuant to which a third party: <ul style="list-style-type: none"> <li>a) provides the Services (or any part of them);</li> <li>b) provides facilities or services necessary for the provision of the Services (or any part of them); and/or</li> <li>c) is responsible for the management, direction or control of the provision of the Services (or any part of them);</li> </ul>
<b>"Sub-Contractor"</b>	means any person other than the Supplier, who is a party to a SubContract and the servants or agents of that person;
<b>"Supplier"</b>	means the person, firm or company with whom the Customer enters into this Contract as identified in the Contract Order Form;
<b>"Supplier Assets"</b>	means all assets and rights used by the Supplier to provide the Services in accordance with this Contract but excluding the Customer Assets;
<b>"Supplier Background IPR"</b>	means <ul style="list-style-type: none"> <li>a) Intellectual Property Rights owned by the Supplier before the Contract Commencement 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</li> <li>b) Intellectual Property Rights created by the Supplier independently of this Contract;</li> </ul>
<b>"Supplier's Confidential Information"</b>	means <ul style="list-style-type: none"> <li>a) any information, however it is conveyed, that relates to the business, affairs, developments, IPR of the Supplier (including the Supplier Background IPR) trade secrets, Know-How, and/or personnel of the Supplier;</li> <li>b) any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential and which comes (or has come) to the Supplier's attention or into the Supplier's possession in connection with this Contract;</li> <li>c) information derived from any of the above.</li> </ul>
<b>"Supplier Equipment"</b>	means the Supplier's hardware, computer and telecoms devices, equipment, plant, materials and such other items supplied and used by the Supplier (but not hired, leased or loaned from the Customer) in the performance of its obligations under this Contract;
<b>"Supplier Personnel"</b>	means 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;

<b>"Supplier Profit"</b>	means, in relation to a period or a Milestone (as the context requires), the difference between the total Contract Charges (in nominal cash flow terms but excluding any Deductions) and total Costs (in nominal cash flow terms) for the relevant period or in relation to the relevant Milestone;
<b>"Supplier Profit Margin"</b>	means, in relation to a period or a Milestone (as the context requires), the Supplier Profit for the relevant period or in relation to the relevant Milestone divided by the total Contract Charges over the same period or in relation to the relevant Milestone and expressed as a percentage;
<b>"Supplier Representative"</b>	means the representative appointed by the Supplier named in the Contract Order Form;
<b>"Template Contract Order Form"</b>	means the Template Contract Order Form in Annex 1 of DPA Schedule 4 (Template Contract Order Form and Template Contract Terms);
<b>"Template Contract Terms"</b>	means the template terms and conditions in Annex 2 of DPA Schedule 4 (Template Order Form and Template Contract Terms);
<b>"Tender"</b>	means the tender submitted by the Supplier to the Customer and annexed to or referred to in Contract Schedule 5;
<b>"Termination Notice"</b>	means 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 on a specified date and setting out the grounds for termination;
<b>"Test Issue"</b>	means any variance or non-conformity of the Services or Deliverables from their requirements as set out in the Contract;
<b>"Third Party IPR"</b>	means Intellectual Property Rights owned by a third party which is or will be used by the Supplier for the purpose of providing the Services;
<b>"Transferring Customer Employees"</b>	those employees of the Customer to whom the Employment Regulations will apply on the Relevant Transfer Date;
<b>"Transferring Former Supplier Employees"</b>	in relation to a Former Supplier, those employees of the Former Supplier to whom the Employment Regulations will apply on the Relevant Transfer Date;
<b>"Transferring Supplier Employees"</b>	means those employees of the Supplier and/or the Supplier's SubContractors to whom the Employment Regulations will apply on the Service Transfer Date;
<b>"Undelivered Services"</b>	has the meaning given to it in Clause 8.5 (Services);
<b>"Undisputed Sums Time Period"</b>	has the meaning given to it Clause 31.1 (Termination of Customer Failure to Pay);
<b>"Valid Invoice"</b>	means an invoice issued by the Supplier to the Customer that complies with the invoicing procedure in paragraph 7 (Invoicing Procedure) of Contract Schedule 3 (Contract Charges, Payment and Invoicing);
<b>"Variation"</b>	has the meaning given to it in Clause 13.3 (Variation Procedure);
<b>"Variation Form"</b>	means the form set out in Schedule 11 (Variation Form);

<b>"VAT"</b>	has the meaning given to it in DPA Schedule 1 (Definitions);
<b>"Worker"</b>	means any one of the Supplier Personnel which the Customer, in its reasonable opinion, considers is an individual to which Procurement Policy Note 08/15 (Tax Arrangements of Public Appointees) <a href="https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees">https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees</a>
<b>"Working Day"</b>	means any day other than a Saturday or Sunday or public holiday in England and Wales unless specified otherwise by Parties in this Contract;

## **CONTRACT SCHEDULE 2: SERVICES, PERFORMANCE MANAGEMENT AND CONTRACT MANAGEMENT**

### **1. INTRODUCTION**

1.1 This Contract Schedule 2 Part 1 specifies the Services to be provided under this Contract, Part 2 sets out the requirements for Performance Management and Part 3 sets out the requirements for Contract Management and Management Information:

Please refer to:

- DPA Schedule 2 Service Requirements
- DPS First Competitions Tender Document 4a Contract Order Form – Digital Competition
- DPS First Competitions Tender Document 4b Contract Order Form – Sales, Marketing and Procurement Competition.



#### **PART 1: THE SERVICES**

1. The Supplier will provide the Services as detailed in the Contract Order Form and/or as amended by special terms set out below in this Part 1.
2. The Supplier will provide any additional supplementary services required and specified by Contracting Authorities and as outlined in the Customer Needs under supplementary requirements.

## PART 2: PERFORMANCE MANAGEMENT

In this section the words below have the following meaning:

<b>“Contract Performance Review”</b>	means a monthly review of the Supplier’s performance under this Contract.
<b>“Complete or Completion”</b>	<p>(a) means as follows;</p> <p>(b) for Learners – completion by the Learner of their training and final assessment;</p> <p>(c) for Independent Learners – an offer of an interview for a vacancy which meet the criteria set out in the Service Requirements;</p> <p>(d) for Self-Employed Learners -written confirmation from the SelfEmployed Leaners of how the Skills Bootcamp training has been or will be applied to enable them to secure new work of contract, which meet the criteria set out in the Service Requirements; and</p> <p>(e) for Co-Funded Learners – an offer of an interview for a new role or responsibility or an offer of a new role or responsibility which in either case meets the criteria set out in the Service Requirements.</p> <p>(f) Including any definition as defined within the payment terms/profile</p>
<b>“Drop Out”</b>	means a Learner who starts but does not Complete a Skills Bootcamp
<b>“Delivery Plan”</b>	<p>means the plan setting out key timings and trajectories for the Supplier’s delivery during the Contract Period, as agreed by the Customer and including but not limited to</p> <p>(a) the Delivery Plan Trajectory Points; and</p> <p>(b) how many Learners will start or Complete at each of those Delivery Plan Trajectory Points.</p>
<b>“Delivery Plan Trajectory Point”</b>	<p>means, but is not limited to, the anticipated dates on which Milestone Payments in relation to specified numbers of Learners would be scheduled to be paid by the Customer to the Supplier as follows: (a) Commencement Date</p> <p>(b) Mid-course Milestone Date</p> <p>(c) Course Completion and offer of interview Milestone Date</p> <p>(d) Positive Outcome (or equivalent) Milestone Date</p> <p>(e) Finishing the Course;</p> <p>(f) Completion including offer of an interview Milestone Date.</p>
<b>“Improvement Plan”</b>	means a plan for improvement that the Customer can request from the Supplier within ten (10) Working Days in the event of failure.
<b>“Management Information”</b>	means the data and information relevant to the Services and performance the Supplier shall collate and provide to the Customer in accordance with this Schedule.

<b>“Management Information Report”</b>	means the report containing the Management Information that the Supplier is required to submit to the Customer in accordance with this Schedule.
<b>“Performance Management”</b>	means how the Customer will measure the Supplier’s performance and progress against the Service Requirements (Schedule 2: Part 1), and the Delivery Plan.
<b>“Performance Manager”</b>	means the person the Supplier will appoint to ensure that the Contract is delivered as specified in the Contract and that Service Levels, Recruitment Targets and Performance Measures are achieved.
<b>“Performance Measures”</b>	means the Tier 1 measures set out in Table 1 and the Tier 2 measures set out in Table 3.
<b>“Reporting Period”</b>	means the reporting period that occurs every calendar month from X of each month to the X of the following month and will commence on the Contract Commencement Date.
<b>“Service Level”</b>	means the Service Levels as set out in Table 1 of this Schedule by which the Contractor’s performance will be measured.

## 1. PERFORMANCE MEASURES

- 1.1. This section sets out the Performance Measures against which the Parties shall measure the Supplier’s performance.
- 1.2. The objective of the Performance Measures is to:
  - 1.2.1 ensure that the Services are of a consistently high quality and meet the requirements of the Customer;
  - 1.2.2 provide a mechanism whereby the Customer can attain meaningful recognition of inconvenience and/or loss resulting from the Supplier’s failure to deliver the Services; and
  - 1.2.3 incentivise the Supplier to meet the Performance Measures and to remedy any failure to meet the required standards expeditiously.

### Performance Measures Targets

- 1.3. The Supplier shall ensure compliance with the Tier 1 Performance Measures listed in Table 1 and the Tier 2 Performance Measures in Table 3.
- 1.4. The Customer reserves the right to revise Performance Measures and introduce subject specific Performance Measures as required.
- 1.5. The Supplier and the Customer shall monitor the Supplier’s performance against each of the Tier 1 and Tier 2 Performance Measures.
- 1.6. The Supplier shall complete and return the monthly Customer Reporting Template outlining performance against the Performance Measures to date and confirm whether they have been achieved.
- 1.7. If the Supplier fails to meet any one Performance Measure in any Reporting Period, the Customer reserves the right to take action in line with Paragraph 3 (Consequence of Service Failure in relation to a Tier 1 Performance Measure) and in line with Paragraph 5 (Consequence of Service Failure in relation to a Tier 2 Performance Measure) in relation to a Tier 2 Performance Measure.

## 1. TIER 1 PERFORMANCE MEASURES

1.1. The Tier 1 Performance Measures are set out in Table 1 below.

**Table 1: Tier 1 Performance Measures**

Performance Measure Description	Performance Measure Metric:
<b>Tier 1 Performance Measure 1: Completions</b> Learners who successfully Complete the Skills Bootcamp Course, of those Learners who Start the Skills Bootcamp. For the purposes of this measure, Completion must be achieved within 8 weeks of the training finishing.	<b>Green:</b> 80% or more of Learners  <b>Amber:</b> Between 79 – 40% of Learners  <b>Red:</b> Less than 40% of Learners
<b>Tier 1 Performance Measure 2: Positive Outcomes</b> Learners who successfully achieve a Positive Outcome within six months of Completing the Skills Bootcamp, of those Learners who Complete the Skills Bootcamp	<b>Green:</b> 75% of Learners  <b>Amber:</b> 74 – 40% of Learners  <b>Red:</b> Less than 40% of Learners
<b>Tier 1 Performance Measure 3: Data Requests from DfE</b> The Supplier must submit timely, accurate and complete data and evidence. This includes: <ul style="list-style-type: none"> <li>- The Supplier shall submit the Contract Monitoring Plan (CMP) Report on a monthly basis on a date specified by the Customer.</li> <li>- The Learner Datasheet (LD) must be submitted each time the Supplier makes an ILR submission to provide supporting information for the ILR submission.</li> </ul>	Data returns will be checked on an ongoing basis to review if they are on time, accurate and complete. <b>Green:</b> 90% or more of data returns are timely, accurate and complete  <b>Amber:</b> 89 – 40% of data returns are timely, accurate and complete  <b>Red:</b> Less than 40% of data returns are timely, accurate and complete

1.2. The Customer shall monitor the Supplier's performance against each of the Performance Measures listed in Table 1 – Tier 1 Performance Measures. The Supplier's performance will be measured and its performance rated in accordance with the criteria set out in Table 2 below.

**Table 2: Tier 1 Performance Measures Rating and Performance Management Implications**

Rating	Criteria
<b>Green</b> - Good	The Supplier is meeting or exceeding the Tier 1 Performance Measure Target

Amber Improvement Needed	The performance of the Supplier is below the Tier 1 Performance Measure Target
Red - Unacceptable	The performance of the Supplier is significantly below the Tier 1 Performance Measure Target

- 1.3. If at the measurement or reporting point for an individual Tier 1 Performance Measure, the Supplier;
- 1.3.1 achieves a rating of “Green – Good” for an individual Tier 1 Performance Measure Target no further action will be required;
- 1.3.2 achieves a rating of “Amber - Improvement Needed” or “Red – Unacceptable” for any Tier 1 Performance Measure Target, the Supplier will incur a Service Failure and the provisions of Paragraph 3 of this Schedule will apply;
- 1.3.3 achieves a rating of “Red - Unacceptable”, the Supplier will not be entitled to participate in any Call Off Competitions under the DPA while the Supplier’s performance against the relevant Performance Measure Target remains “Red - Unacceptable”. If the Supplier achieves a rating of “Red – Unacceptable” at Completion, then the Supplier will not be entitled to participate in any Further Competitions for Skills Bootcamps for 12 months;
- 1.3.4 if the Supplier’s performance remains “Red – Unacceptable” at the next agreed measurement or reporting point at which the Tier 1 Performance Measure is being considered, the Customer reserves the right to terminate this Contract and / or the DPA with regards to the Supplier.
- 1.4. In line with the cross-government transparency agenda the Customer reserves the right to make the Supplier’s performance against the Performance Measures in Table 1 of this Schedule available in the public domain, which may include publishing them on gov.uk and including them in any related transparency reporting

## 2. CONSEQUENCE OF SERVICE FAILURE IN RELATION TO A TIER 1 PERFORMANCE MEASURE

- 2.1. Without prejudice to any other rights or remedies arising under this Contract, including under Clause 30 (Termination) for material Default, if the Supplier incurs a Service Failure in relation to any Tier 1 Performance Measure in any Reporting Period, the Supplier acknowledges and agrees that the Customer shall have the right to exercise (in its absolute and sole discretion) all or any of the following remedial actions:
- 2.1.1 The Customer shall be entitled to require the Supplier, and the Supplier agrees to prepare and provide to the Customer, a plan for improvement (an “Improvement Plan”) within ten (10) Working Days of a written request by the Customer for such Improvement Plan. Such Improvement Plan shall be subject to the Customer’s prior approval and the Supplier will be required to implement any approved Improvement Plan, as soon as reasonably practicable;
- 2.1.2 The Customer shall be entitled to require the Supplier, and the Supplier agrees to attend, within a reasonable time one (1) or more meetings at the request of the Customer in order to resolve the issues raised by the Customer in its notice to the Supplier requesting such meetings;

2.1.3 Without prejudice to Paragraph 3.1.1, the Customer shall be entitled to serve a notice of improvement (“Improvement Notice”) on the Supplier and the Supplier shall implement such requirements for improvement as set out in the Improvement Notice;

2.1.4 The Customer shall be entitled to issue interim Performance Measures and/or milestones in order to monitor the Supplier’s implementation of any Improvement Plan or Improvement Notice.

2.2. If at the date stated in the Improvement Plan or Improvement Notice by which time the Service Failures(s) should have been remedied, the Customer is not satisfied that the Supplier has:

2.2.1 implemented the actions set out in the Improvement Notice (if an Improvement Notice has been served) and as a consequence the Service Failure is ongoing; and/or

2.2.2 implemented an Improvement Plan approved by the Customer and as a consequence the Service Failure is ongoing; and/or

2.2.3 met the interim performance measures and/or milestones;

and the relevant original Service Failure was originally “Amber – Requires Improvement”, the Service Failure will be escalated to be “Red – Unacceptable” and the provisions of Paragraph 2.3.3 and if relevant Paragraph 2.3.4 will apply. If the original Service Failure was “Red – Unacceptable”, Paragraph 2.3.4 will apply.

### 3. TIER 2 PERFORMANCE MEASURES

3.1. The Tier 2 Performance Measures are set out in Table 3 below:

**Table 3: Tier 2 Performance Measures**

Service Level Description	Service Level Metric	Final date for measure to be assessed
<b>Tier 2 Performance Measure 5: Drop outs</b>  Learners who leave a Skills Bootcamp (after they have started at milestone 1) but before they finish the training, of those Learners who Start the Skills Bootcamp	Green: 15% or fewer of Learners Amber: 16 – 25% of Learners Red: More than 25% of Learners	This measure will be assessed on an ongoing basis
<b>Tier 2 Performance Measure 6: meeting Delivery Plan Trajectory Points</b>  Likelihood of achieving the Tier 1 performance measure targets.	Green: The Supplier is likely or very likely Amber: The Supplier is unlikely Red: The Supplier is very unlikely	This measure will be assessed on an ongoing basis

<p><b>Tier 2 Performance Measure 7: Social Value</b></p> <p>Total percentage of full-time equivalent (FTE) people from groups under-represented in the provider workforce employed under the contract, as a proportion of the total FTE contract workforce, including apprentices. <b>(Please note that the contract workforce can include contractors and T-level placements.)</b></p>	<p><b>Green</b> 10% and above improvement the : lifetime of the contract from the within position startin</p> <p>: above 0 to less than 10%</p> <p><b>Amber</b> or decline</p> <p><b>Red</b>: 0</p>	<p>This measure will be assessed at the end of the contract term.</p> <p>Ongoing reporting will be required throughout the contract.</p>

<p><i>Contractor to declare percentage position at contract start and achieve a percentage point improvement on that starting position by contract end. i.e., If at contract start the 20% are from under-represented groups, a 10% improvement would mean that by contract end 22% are from underrepresented groups.</i></p> <p><b><i>Under-represented groups defined as those with protected characteristics as defined under the Equality Act 2010 (age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation) as well those who may face barriers to employment such as veterans and prison leavers.</i></b></p>		
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<p><b>Tier 2 Performance Measure 8: Employer Engagement</b></p> <p>The Supplier has engaged employers at the design, delivery and post-Skills Bootcamp stage as set out in Table 5 below.</p>	<p>The Supplier should be able to evidence Employer Engagement at the Design Stage, Learner Recruitment during the Delivery Stage and Post Skills Bootcamp Stage on every Skills Bootcamp. An Employer Engagement Pro Forma will be sent to all Suppliers to complete at the commencement of the Contract.</p> <p>The Supplier should list the Employers they have engaged (updated from bid stage) and include the role of each Employer and contact details.</p> <p>The Supplier will then need to provide evidence at four Points (as set out in Table 5 below) that Employers have been engaged in the way set out in the Pro Forma and the Supplier has achieved a minimum level of Employer satisfaction for the Skills Bootcamp.</p> <p><b>Green:</b> the Supplier has met all Points to date</p> <p><b>Amber:</b> the Supplier has not met one of the Points to date</p> <p><b>Red:</b> the Supplier has not met two or more Points to date</p>	<p>This measure will be assessed on an ongoing basis</p>
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3.2. The Customer shall monitor the Supplier's performance against each of the Performance Measures listed in Table 3 – Tier 2 Performance Measures. The Supplier's performance will be measured and its performance rated in accordance with the criteria set out in Table 4 below:

**Table 4: Tier 2 Performance Measures Rating and Performance Management Implications**

Rating	Criteria
<b>Green</b> - Good	The Supplier is meeting or exceeding the Tier 2 Performance Measure Target
<b>Amber</b> Improvement Needed	The performance of the Supplier is below the Tier 2 Performance Measure Target
<b>Red</b> - Unacceptable	The performance of the Supplier is significantly below the Tier 2 Performance Measure Target

3.3. If at the agreed measurement or reporting point for an individual Tier 2 Performance Measure, the Supplier:

3.3.1 achieves a rating of "**Green** - Good" for an individual Tier 2 Performance Measure Target, no further action will be required;



- 3.4. achieves a rating of “Amber – Improvement Needed” or “Red – Unacceptable” for any Tier 2 Performance Measure Target, the Supplier will incur a Service Failure and the provisions of Paragraph 5 of this Schedule will apply. In line with the cross-government transparency agenda the Customer reserves the right to make the Supplier’s performance against the Performance Measures in Table 3 of this Schedule available in the public domain, which may include publishing them on gov.uk and including them in any related transparency reporting.

#### **4. CONSEQUENCE OF SERVICE FAILURE IN RELATION TO A TIER 2 PERFORMANCE MEASURE**

- 4.1. Without prejudice to any other rights or remedies arising under this Contract, including under Clause 30 (Termination) for material Default, if the Supplier incurs a Service Failure in relation to any Tier 2 Performance Measure in any Reporting Period, the Supplier acknowledges and agrees that the Customer shall have the right to exercise (in its absolute and sole discretion) all or any of the following remedial actions:

- 4.1.1 the Service Failure for the relevant Tier 2 Performance Measure is assessed as being “Amber – Requires Improvement”, the Supplier will, where instructed to do so by the Customer, attend Contract Performance Review meetings with the Customer at an interval specified by the Customer until the next date on which the relevant Tier 2 Performance Measure will be assessed and reported on;
- 4.1.2 If the relevant Tier 2 Performance Measure remains “Amber – Requires Improvement” at the time the Tier 2 Performance Measure is reassessed, the provisions set out in Paragraph 3 of this Schedule will apply as if the references to “Tier 1 Performance Measures” have been replaced with “Tier 2 Performance Measures”;
- 4.1.3 If the performance of the Supplier in relation to the relevant Tier 2 Performance Measure worsens to “Red – Unacceptable” at the time the Tier 2 Performance Measure is reassessed, the Tier 2 Performance Measure will be immediately escalated to a Tier 1 Performance Measure Service Failure and Paragraph 2.3.2 will apply;
- 4.1.4 If after complying with Paragraph 5.4.2, the Tier 2 Performance Measure remains “Amber – Requires Improvement”, the Tier 2 Performance Measure will be immediately escalated to a Tier 1 Performance Measure Service Failure and Paragraph 2.3.2 will apply;
- 4.1.5 If the Service Failure for the relevant Tier 2 Performance Measure is assessed as being “Red – Unacceptable”, the Performance Measure will be immediately escalated to a Tier 1 Performance Measure Service Failure and Paragraph 2.3.2 will apply.

**Table 5: Tier 2: Employer Engagement Performance Measure – Full Details**

Monitoring Stage	When this will be measured	<p><b>How this will be measured</b> - An Employer Engagement Pro Forma will be sent to all Suppliers for the Call-Off Contract to complete on mobilisation. The Supplier will list the Employers engaged with each of the Supplier's Skills Bootcamps (updated from bid stage) within that Call-Off Contract with the role of each Employer and contact details provided.</p> <p>The supplier must include satisfactory explanation of the differences between Employers cited in bids or letters of support, and an updated list where some Employers have dropped out with an explanation of any dropouts and replacement Employers identified to ensure sufficient engagement and interviews for vacancies can be secured further on.</p>
Point 1 - Understanding skills needs and learner screening	At or before Commencement payment	<ul style="list-style-type: none"> <li>• Evidence confirming how at least one employer contributed to the learner screening process and that employer skills need informed the learner recruitment process, such as (but not limited to) one of the following learner screening activities:</li> <li>• Confirming agreement with the employer regarding which learner eligibility requirements are needed in addition to the standard Skills Bootcamps eligibility requirements to ensure successful completion of the Skills Bootcamp OR confirmation that no further eligibility requirements are needed as agreed with the employer based on their skills needs;</li> <li>• Co-designing recruitment criteria, interview criteria, or pre-interview recruitment assessments (for example situational judgement tests if applicable) with the employer;</li> <li>• And/or the employer conducting learner recruitment activities, including interviews.</li> </ul> <p><i>Depending on the form of Employer engagement from the above list examples of acceptable forms of evidence for this stage may include:-</i></p> <ul style="list-style-type: none"> <li>• <i>email/written statement or confirmation from the Employer;</i></li> <li>• <i>photograph of the employer engaging with the Learner screening process with supporting email/written confirmation from the Supplier explaining what the photo indicates.</i></li> </ul> <p><i>The Customer reserves the right to amend/expand this list as necessary and where it does so will confirm the requirements.</i></p>

Point 2 - Course Content Agreement	At or before Commencement payment	<p>Evidence confirming that at least one employer engaged in at least one of the ways below to ensure effective course content alignment with existing skills need:</p> <ul style="list-style-type: none"> <li>Engagement on the part of the employer in the co-design or co-development of the Skills Bootcamp to ensure that course provision will meet their existing skills need and what form this engagement took;</li> <li>Contribution of feedback by the employer on the course design process regarding ensuring that the Skills Bootcamp's course design would meet their existing need with confirmation of how this was implemented. For example, has the supplier carried out a needs analysis with the employer's business in order to develop the Skills Bootcamp, and the solution proposed as a result is approved by the employer [this line is from the current EE KPI Guidance around the training needs analysis].</li> </ul>
Point 3 - Course Delivery	At or before completion payment	<p>Evidence confirming that at least one employer was engaged in the delivery of the Skills Bootcamp and what form this took, for example via (but not limited to) one or more of the following activities:</p> <ul style="list-style-type: none"> <li>Employer presentation(s);</li> <li>Employer panel talk(s);</li> <li>Employer-delivered course content;</li> <li>Employer-led visit(s) to a workplace</li> <li>Learner mentoring or coaching session(s);</li> <li>Providing Learners with feedback on their work/performance;</li> <li>Employer-led insight day(s);</li> <li>Employer-led interview training and/or mock interview(s).</li> </ul> <p><i>Depending on the form of Employer engagement from the above list examples of acceptable forms of evidence for this stage may include:-</i></p> <ul style="list-style-type: none"> <li><i>Email/written statement or confirmation from the employer confirming they participated in one or more of such course delivery activities;</i></li> <li><i>Photograph of the employer engaging with the course delivery process via one or more of the above course delivery activities or equivalent with supporting email/written confirmation from the Supplier explaining what the photo indicates.</i></li> </ul> <p><i>The Customer reserves the right to amend/expand this list as necessary and where it does so will confirm the requirements.</i></p>
Point 4 - Course and Candidate Suitability Review	At or before Outcome payment	<p>Evidence via an Employer survey (Employer Satisfaction Questionnaire), confirming the level of satisfaction held by at least one Employer on:</p> <ul style="list-style-type: none"> <li>the course's overall effectiveness in upskilling or reskilling Learners to the required standard in the required skills, knowledge and behaviours as outlined in the original tender;</li> <li>the suitability of Learner candidates who attended guaranteed interviews provided by the Employer.</li> </ul>

		<p><i>Acceptable evidence format for this stage:-</i></p>
		<ul style="list-style-type: none"> <li>• Course Content was approved by the employer as meeting the requirements of actual vacancies they hold or expect to hold within the next 12 months, or that the Skills Bootcamp meets the needs to train their own employees for a new role or new responsibilities.</li> </ul> <p><i>Depending on the form of Employer engagement from the above list examples of acceptable forms of evidence for this stage may include:-</i></p> <ul style="list-style-type: none"> <li>• <i>email/written statement or confirmation from the Employer;</i></li> <li>• <i>photograph of the Employer engaging with the course content agreement process with supporting email/written confirmation from the Supplier explaining what the photo indicates.</i></li> </ul> <p><i>The Customer reserves the right to amend/expand this list as necessary and where it does so will confirm the requirements.</i></p>

- Completion of a Skills Bootcamp Employer Satisfaction Questionnaire by the employer, which is then submitted as evidence via the supplier.

The Customer reserves the right to amend/expand this list as necessary and where it does so will confirm the requirements.

[Provisional] **Employer Satisfaction Questionnaire Part A** requirements:-

**Part A – Course Review:**

Within the questionnaire, the Employer will be asked their satisfaction levels with the Skills Bootcamp and to what extent it met their needs overall with a score from 0-4.

**Part A: Scoring Matrix**

<b>4: Excellent</b>	The Supplier has fully met the needs of the Employer to an excellent standard, providing significant value and benefit to the Employer
<b>3: Good</b>	The Supplier has met the needs of the Employer to a good and satisfactory standard, providing good value and benefit to the Employer
<b>2: Unsatisfactory</b>	The Supplier has failed to meet the needs of the Employer, in many ways and/or materially in one or more ways
<b>1: Poor</b>	The Supplier failed to meet the needs of the Employer, in a significant number of ways and/or inadequate or no supporting evidence has been provided to support the response
<b>0: Unacceptable</b>	The Employer details are absent or incomplete and/ or the employer is not involved in the Skills Bootcamp.

The RAG rating for measuring success will be:-

<b>Green</b> - Good	Suppliers scoring 3 (Good) or above
<b>Amber</b> – Improvement Needed	Suppliers scoring 2 (Unsatisfactory) or above




		Red	Suppliers scoring 1 (Poor) or below
		<p>[Provisional] <b>Employer Satisfaction Questionnaire Part B</b> requirements:-</p> <p><b>Part B – Candidate Suitability Review:</b></p> <p>Within the questionnaire, the Employer will be asked their satisfaction levels regarding the suitability of Learner candidates that attended the guaranteed interviews, that they led for the agreed roles under consideration (in answer to the question below or equivalent) and assessed using the scoring matrix below.</p>	

Please confirm your level of satisfaction with the suitability of interview candidates via indicating your level of agreement with the following statement:  
*'The Skills Bootcamp Supplier provided suitable Learner candidates for the Employer's vacancies at the guaranteed interview stage.'*

**Part B Scoring Matrix**

<b>4</b>	Strongly Agree
<b>3</b>	Agree
<b>2</b>	Neither Agree nor Disagree
<b>1</b>	Disagree
<b>0</b>	Strongly Disagree

The RAG rating for measuring success will be:-

 <b>Green</b> - Good	Suppliers scoring 3 (Agree) or above
 <b>Amber</b> – Improvement Needed	Suppliers scoring 2 (Neither Agree nor Disagree) or above
 <b>Red</b> -	Suppliers scoring 1 (Disagree) or below







### **PART 3: CONTRACT MANAGEMENT AND MANAGEMENT INFORMATION**

#### **1. PERFORMANCE MANAGEMENT REVIEW MEETINGS**

- 1.1 The Supplier will work with the Customer and/or Other Contracting Authorities as appropriate to establish and maintain an effective and beneficial working relationship and to ensure that this Call Off Contract(s) is being delivered to at least the minimum required standard as specified in Schedule 2 (Services, Performance Management and Contract Management).
- 1.2 This Call Off Contract will be contract managed (including performance management) in accordance with the terms of this Call Off Contract. Where the Supplier has been awarded one or more Call Off Contracts, the Customer reserves the right to consolidate the contract management of each Call Off Contract into one contract management process and manage it through the DPA. For the avoidance of doubt, each Call Off Contract would still be contract managed in accordance with its own terms.
- 1.3 The Customer will conduct regular formal Performance Management Review Meetings at a frequency (usually monthly) determined by the Customer from time to time to monitor, measure and review the Supplier's performance under this Call Off Contract.
- 1.4 The objectives of the Performance Management Review Meetings will be to manage the Supplier's performance under the Call Off Contract awarded to the Supplier and shall include but not be limited to: -
- (a) Monitoring and reviewing the Supplier's compliance with its obligations under this Call Off Contract;
  - (b) reviewing the performance of the Supplier against the Tier 1 and Tier 2 Performance Measures set out in the Call Off Contract, and conformance by the Supplier to all other standards and policies set out elsewhere in the Call Off Contract;
  - (c) reviewing Improvement Plans;
  - (d) agreeing any changes to the Call Off Contract, which have been raised through the Variation Procedure as detailed in Clause 13 (Change);
  - (e) reviewing the Service Requirements set out in Schedule 2 Part 1 (Services);
  - (f) resolving operational and contractual problems, which may have been raised using the Dispute Resolution Procedure as set out in Schedule 6 (Dispute Resolution Procedure);
  - (g) identifying and recording Service Failures;
  - (h) the Supplier's System Assurance in accordance with Paragraph 2 of this Schedule.
- 1.5 Any agenda for the Performance Management Review Meetings shall be produced by the Customer in conjunction with the Supplier.
- 1.6 The Supplier shall supply all information requested by the Customer for the purpose of conducting the Performance Management Review Meetings.
- 1.7 The Supplier shall provide suitable representatives with the necessary authority to consider service performance and to ensure that any issues impacting the Customer are discussed and resolved.

1.8 The Customer shall make, retain and distribute a record of the meetings.

## **2 SUPPLIER'S SYSTEM ASSURANCE**

2.1 The Supplier shall comply with the Customer's requirements for Supplier's Systems Assurance as described in this Paragraph 2;

2.2 The Supplier shall have systems in place to:

- (a) Detect and prevent duplicate Contract Charges;
- (b) Prepare and submit accurate, valid, supported, timely Contract Charges and cost information;
- (c) Carry out effective monitoring of Sub-Contractors in accordance with Clause 18 and Schedule 14 (Sub-Contracting) of the Call Off Contract;
- (d) Quality assure the content of Contract Monitoring Reports and Management Information; and
- (e) Respond to compliance monitoring and Supplier Review Meetings with an appropriate action plan.

2.3 The Customer will discuss any Supplier's System Assurance issues at the Performance Management Review Meetings. Any discussion on the Supplier's System Assurance will focus on the Supplier's internal control systems for:

- (a) Governance— Supplier systems for tracking and reporting performance including anti-fraud measures;
- (b) Service delivery – Supplier systems for ensuring the activities are delivered to the required standards and to prevent any delays to achieving the requirements for Milestone Payments;
- (c) Claim procedures and payment – Supplier systems to support claims for payment, including appropriate segregation of duties.

## **3 PERFORMANCE RECORDS**

3.1 The Supplier shall keep appropriate documents and records (including but not limited to Learner eligibility records, attendance sheets, training records, complaints received) in relation to the Services being delivered. The records and documents of the Supplier shall be available for inspection by the Customer and/or its nominee at any time and the Customer and/or its nominee may make copies of any such records and documents.

3.2 In addition to the requirement in Paragraph 3.1 maintain appropriate documents and records, the Supplier shall provide to the Customer with such supporting documentation as the Customer may reasonably require in order to verify the level of the performance of the Supplier.

## **4 CONTRACT MONITORING PLAN AND LEARNER DATASHEET**

4.1 The Supplier shall collect a range of data and report on its performance against the Performance Measures set out in this Schedule and the Service Levels set out in Table 1 of this Schedule.

4.2 The Supplier shall submit the Contract Monitoring Plan (CMP) Report on a monthly basis. on a date specified by the Customer. The Learner Datasheet (LD) must be submitted each time the Supplier makes an ILR submission to provide supporting information for the ILR submission. The Customer may amend the reporting frequency and format in respect of any or all Contract Monitoring or Learner Datasheets or

waive the requirement for any aspect of the Contract Monitoring or Learner Datasheets to be reported upon, by giving the Supplier not less than one (1) months' notice in writing.

- 4.3 The content and format of the CMP and LD shall be specified by the Customer but unless otherwise stated, it shall be presented in a tabular format or MS Excel and it shall include the formulas and calculations used by the Supplier to calculate the performance.
- 4.4 The Supplier shall include in its CMP suitable commentary and narrative statements in respect of the report performance, including specifying any reasons for reported failures.
- 4.5 The Customer will use the data presented by the Supplier and the CMP and LD to inform Supplier Reviews and contract management discussions, progress against Milestones and Performance Measures, auditing, reporting performance to other government departments, for Quality Assurance purposes as well as to support an independent evaluation of the Supplier. The Customer will also use independent evaluation of the Supplier to help assess whether the Supplier has achieved the relevant Delivery Plan Trajectory as set out in the Delivery Plan. The Customer will share data and the contents of the CMP for these purposes.
- 4.6 The Supplier ensures it (and its Sub-Contractors do likewise) receives the necessary consent and puts in place data sharing agreements where necessary (with Learners, Sub-Contractors, third parties and the like), in relation to the collation and sharing of any data that is reported in its CMP and LD.
- 4.7 In addition to the Contract Monitoring, the Supplier must respond to ad-hoc requests for information relating to the Activities and or Services from the Customer.
- 4.8 The Authority may require additional information from a supplier outside these stated requirements to validate the service requirements are being met. Any such requirement will be communicated as part of contract management.
- 4.9 Where any discrepancies, omissions or errors are identified in the CMP or LD, the Supplier shall correct and rectify the CMP or LD within 5 (five) Working Days of the date on which the discrepancy, omission or error was identified.
- 4.10 For the avoidance of doubt, the Supplier is responsible for the collection of data including data collected by Sub-Contractors and ensuring it is collected in a timely, secure, consistent and compliant manner.
- 4.11 As the Supplier will be required to provide personal information about Learners, the Supplier must ensure this data collection template is returned to the Customer using the encrypted system; Galaxkey.

## **5 DELIVERY PLAN TRAJECTORIES**

- 5.1 In accordance with the Performance Measures set out at Part 2 of this Schedule, the Customer will assess if the Supplier has achieved the Delivery Plan trajectories. If the Supplier does not achieve a Delivery Plan Trajectory, the Customer reserves the right to apply any or all of the following:
- (a) immediately require the Supplier to stop all or any part of the Services or not to continue to progress to deliver any further element of the Services (including those being provided under other call off contracts);
  - (b) require the Supplier to:
    - (i) revise and resubmit their Delivery Plan
    - (ii) reschedule any activity;

- (iii) attend additional Supplier Review meetings with the Customer, submit reports, report on progress, provide additional resources and take the necessary action to provide assurances to the Customer that the failure to achieve the Delivery Plan Trajectory will not adversely affect the overall delivery of the Services within the stated timescale for the Skills Bootcamp, or any amended timescale as agreed by the Customer;
  - (iv) recover any Contract Charges already paid to the Supplier in relation to any Milestone Payment the requirements for which were not actually achieved by the Supplier prior to the Milestone Payment having been made;
  - (v) If the Supplier fails to achieve any one of the Delivery Plan Trajectories and at the same time is delivering Services under another call off contract, the Customer reserves the right to apply any or all of the following in relation to that call off contract:
  - (vi) immediately require the Supplier to stop all or any part of the Services or not to continue to progress to deliver any further element of the Services, including delaying the Contract Commencement Date;
- (c) require the Supplier to:
  - (i) revise and resubmit their Delivery Solution;
  - (ii) reschedule any activity;
  - (iii) attend meetings with the Customer, submit reports, report on progress, provide additional resources and take the necessary action to provide assurances to the Customer that the failure to achieve the Delivery Plan Trajectory on one call off contract will not adversely affect the overall delivery of the Services within the stated timescale for the Skills Bootcamp, or any amended timescale as agreed by the Customer in relation to any other Call Off Contract.

**Annex 1: Contract Monitoring Plan (provide in tender documentation as CMP document)**

**CONTRACT SCHEDULE 3: CONTRACT CHARGES, PAYMENT AND INVOICING**

**1. GENERAL PROVISIONS**

- 1.1 This Contract Schedule 3 details:
  - 1.1.1 the Contract Charges the Services under this Contract; and
  - 1.1.2 the payment terms/profile for the Contract Charges;
  - 1.1.3 the invoicing procedure; and
  - 1.1.4 the procedure applicable to any adjustments of the Contract Charges.

## **2. CONTRACT CHARGES**

2.1 The Contract Charges which are applicable to this Contract are set out in Annex 1 of this Contract Schedule 3.

2.2 The Supplier acknowledges and agrees that the Contract Charges cannot be increased during the Contract Period.

## **3. COSTS AND EXPENSES**

3.1 The Contract Charges include all costs and expenses relating to the Services and/or the Supplier's performance of its obligations under this Contract and no further amounts shall be payable by the Customer to the Supplier in respect of such performance, including in respect of matters such as:

3.1.1 any incidental expenses that the Supplier incurs, including travel, subsistence and lodging, document or report reproduction, shipping, desktop or office equipment costs required by the Supplier Personnel, network or data interchange costs or other telecommunications charges; or

3.1.2 any amount for any services provided or costs incurred by the Supplier prior to the Contract Commencement Date.

## **4. PAYMENT TERMS/PAYMENT PROFILE**

4.1 The payment terms/profile which are applicable to this Contract are set out in Annex 2 of this Contract Schedule 3.

## **5. PAYMENT AND INVOICING PROCEDURES**

5.1 Paragraphs 5.2 to 5.4 shall apply where the Customer is the Department for Education.

5.2 The Payment Profile for the Call Off Contract will be based upon the Milestones outlined in Part A of Schedule 3 (Pricing and Charging Structure) of the DPA which will be amended to reflect the detailed specific category requirement specified in the Call for Competition Statement of Requirements.

5.3 The Supplier must submit promptly to the Customer an accurate Individualised Learning Record ("ILR") in relation to each individual Learner in accordance with this Contract and the ILR technical documents, guidance and requirements as amended and updated from time to time.

5.4 Provided that the Supplier has complied with its obligation to complete the ILR, as set out in clause 14 and has fulfilled the criteria for the relevant Milestone Payment, the Customer shall pay the Milestone Payment on the 14<sup>th</sup> Working Day of the month following the date on which the Supplier submitted data onto the ILR related to the Milestone Payment. The Supplier must submit data by the 4<sup>th</sup> Working Day of the month to be paid on the 14<sup>th</sup> Working Day of that same month, otherwise the Supplier will be paid on the 14<sup>th</sup> Working Day of the following month. For the avoidance of doubt, there is no requirement for the Supplier to submit an invoice for a Milestone Payment.

5.5 The provisions in clauses 14.14 – 14.16 apply in relation to the Contract Charges and the Customer may reduce and/or recover Contract Charges accordingly.

5.6 Paragraphs 5.7 – 5.12 shall apply where the Customer is not the Department for Education unless that Customer specifies an alternative payment and/or invoicing process in the Call for Competition.

5.7 The Customer shall pay all sums properly due and payable to the Supplier in cleared funds within thirty (30) days of receipt of a Valid Invoice, submitted to the address specified by the Customer and in accordance with the provisions of this Contract.

- 5.8 The Supplier shall ensure that each invoice (whether submitted electronically through a purchase-to-pay (P2P) automated system (or similar) or in a paper form, as the Customer may specify (but, in respect of paper form, subject to paragraph 5.3 below)):
- 5.8.1 contains:
    - (a) all appropriate references, including the unique order reference number set out in the Contract Order Form; and
    - (b) a detailed breakdown of the Services, including the Milestone(s) (if any) and Deliverable(s) within this Contract to which the Services relate, against the applicable due and payable Contract Charges; and
  - 5.8.2 shows separately:
    - (a) any form of Service Credits due to the Customer; and
    - (b) the VAT added to the due and payable Contract Charges in accordance with Clause 14.22 of this Contract (VAT) and the tax point date relating to the rate of VAT shown; and
  - 5.8.3 is exclusive of any Management Charge (and the Supplier shall not attempt to increase the Contract Charges or otherwise recover from the Customer as a surcharge the Management Charge levied on it by the Authority); and
  - 5.8.4 it is supported by any other documentation reasonably required by the Customer to substantiate that the invoice is a Valid Invoice.
- 5.9 If the Customer is a Central Government Body, the Customer's right to request paper form invoicing shall be subject to procurement policy note 11/15 (available at [Procurement policy note 11/15: unstructured electronic invoices - Publications - GOV.UK](#) which sets out the policy in respect of unstructured electronic invoices submitted by the Supplier to the Customer (as may be amended from time to time).
- 5.10 The Supplier shall accept the Government Procurement Card as a means of payment for the Services where such card is agreed with the Customer to be a suitable means of payment. The Supplier shall be solely liable to pay any merchant fee levied for using the Government Procurement Card and shall not be entitled to recover this charge from the Customer.
- 5.11 All payments due by one Party to the other shall be made within thirty (30) days of receipt of a Valid Invoice unless otherwise specified in this Contract, in cleared funds, to such bank or building society account as the recipient Party may from time to time direct.
- 5.12 The Supplier shall submit invoices directly to the Customer's billing address set out in the Contract Order Form.

## **6. ADJUSTMENT OF CONTRACT CHARGES**

- 6.1 The Contract Charges shall only be varied:
  - 6.1.1 due to a Specific Change in Law in relation to which the Parties agree that a change is required to all or part of the Contract Charges in accordance with Clause 13.1 to 13.2 of this Contract (Legislative Change); or
  - 6.1.2 and/ or in accordance with DMP Schedule 3 (DMP Prices and Charging structure), Part A Pricing Matrix Quarterly Adjustment Schedule.

## **ANNEX 1: CONTRACT CHARGES**

The Contract Charges are as set out in the Summary of Funding taken from the Suppliers Pricing Sheet.

## ANNEX 2: PAYMENT TERMS/PROFILE

1.1 Payment by the Customer of the Contract Charges is to be made in accordance with the payment profile set out in the Milestone Table below:

**PAYMENT PROFILE: MILESTONE TABLE**

Commencement	Contract Delivery		Outcome
	Mid-course	Course completion and interview offered	On job offer (or equivalent)
<b>40%</b>	<b>0%</b>	<b>30%</b>	<b>30%</b>



<p>Paid on the learner completing 14 qualifying days of training and on completion of the initial assessment (initial assessment as set out in the service requirements). Learners must achieve 14 qualifying days of the training course and a minimum of 10 guided learning hours.</p> <p>Suppliers must achieve Starts by 31<sup>st</sup> March 2024, in line with delivery plans and in time to achieve Completions by this deadline also. The Supplier should report on the next monthly reporting cycle any new learner Starts via the ILR, Contract Monitoring Plan and Learner Datasheet. More detail on reporting is set out in the funding guidance.</p>	<p><b>Course completion and interview offered:</b></p> <p>Completion of the training and completion of a final assessment (final assessment as set out in the service requirements), and;</p> <ul style="list-style-type: none"> <li>For the independent learner: an offer of an interview for a vacancy which meets the criteria set out under the service requirements;</li> <li>For the co-funded learner: an offer of an interview which meets the criteria set out under the service requirements</li> <li>For the self-employed learner: written confirmation of how the new training has been/will be applied to get new work or contracts which meet the criteria set out under the service requirements</li> </ul> <p>If an independent learner plans to be self-employed, they can achieve a selfemployed learner completion; and a self-employed learner who plans to become employed can achieve an independent learner completion.</p> <p>Suppliers must achieve Completions by 31<sup>st</sup> March 2024 and in line with delivery plans. The Supplier should report on the next monthly reporting cycle any new learner Completions via the ILR,</p>	<ul style="list-style-type: none"> <li>For the independent learner: An offer for a job which meets the criteria set out in the service requirements</li> <li>For the co-funded learner: the offer or commencement of a new role/responsibility within the current organisation which meets the criteria set out in the service requirements</li> <li>For the self employed learner: Learner has secured new work/new contracts which meet the criteria set out in the service requirements</li> </ul> <p>If an independent learner plans to be selfemployed, they can achieve a selfemployed learner outcome; and a selfemployed learner who plans to become employed can achieve an independent learner outcome.</p> <p>Suppliers should note that the learner must have finished the training element of the Skills Bootcamp for the Supplier to be able to claim a Positive Outcome payment.</p> <p>Suppliers must achieve Positive Outcomes within the six months after the training finishes. The Supplier should report on the next monthly reporting cycle any new learner Positive Outcomes via the ILR, Contract Monitoring Plan and Learner Datasheet.</p>
	Contract Monitoring Plan and Learner Datasheet.	

#### Pathways to Accelerated Apprenticeships

Commencement	Contract Delivery	Outcome
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	Mid-course	Course completion and interview offered	On job offer (or equivalent)
40%	0%	30%	30%
<p>Paid on the learner completing 14 qualifying days of training and on completion of the initial assessment (initial assessment as set out in the service requirements). Learners must achieve 14 qualifying days of the training course and a minimum of 10 guided learning hours.</p> <p>Suppliers must achieve Starts by 31<sup>st</sup> March 2024, in line with delivery plans and in time to achieve Completions by this deadline also. The Supplier should report on the next monthly reporting cycle any new learner Starts via the ILR, Contract Monitoring Plan and Learner Datasheet. More detail on reporting is set out in the funding guidance.</p>	<p>Course completion and interview offered:</p> <p>Completion of the training and completion of a final assessment (final assessment as set out in the service requirements), and;</p> <ul style="list-style-type: none"><li>For the independent learner: an offer of an interview for an apprenticeship or other job vacancy which meets the criteria set out under the service requirements;</li><li>For the co-funded learner: an offer of an interview which meets the criteria set out under the service requirements</li><li>For the self-employed learner: written confirmation of how the new training has been/will be applied to get new work or contracts which meet the criteria set out under the service requirements</li></ul> <p>If an independent learner plans to be selfemployed, they can achieve a selfemployed learner completion; and a selfemployed learner who plans to become employed can achieve an independent learner completion.</p> <p>Suppliers must achieve Completions by 31<sup>st</sup> March 2024 and in line with</p>	<ul style="list-style-type: none"><li>For the independent learner: An offer for an accelerated apprenticeship or for a job (which is not an apprenticeship) that meets the criteria set out in the service requirements.</li><li>For the co-funded learner the offer or commencement of a new role/responsibility within the current organisation which meets the criteria set out in the service requirements</li><li>For the self employed learner: Learner has secured new work/new contracts which meet the criteria set out in the service requirements.</li></ul> <p>If an independent learner plans to be selfemployed, they can achieve a selfemployed learner outcome; and a selfemployed learner who plans to become employed can achieve an independent learner outcome.</p> <p>The offer of an apprenticeship that has not been accelerated cannot be used to claim for the Outcome payment in this model. Suppliers should note that the learner must have completed the training element of the Skills Bootcamp to be able to claim an outcome payment.</p>	

	delivery plans. The Supplier should report on the next monthly reporting cycle any new learner Completions via the ILR, Contract Monitoring Plan and Learner Datasheet.	Suppliers must achieve Positive Outcomes within the six months after the training finishes. The Supplier should report on the next monthly reporting cycle any new learner Positive Outcomes via the ILR, Contract Monitoring Plan and Learner Datasheet.
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1.2 At each Milestone Date specified in the above table, the Customer will assess if the Supplier has achieved the relevant Milestone. If the Supplier does not achieve a Milestone, the Customer reserves the right to apply any or all of the following:

1.2.1 immediately require the Supplier to stop or not start any part of the Services (including those being provided under other call off contracts).

1.2.2 require the Supplier to:

1.2.2.1 revise and resubmit their Delivery and Implementation Plan;

1.2.2.2 reschedule any activity;

1.2.2.3 attend meetings with the Customer and/or its QA Function, submit reports, report on progress, provide additional resources and take the necessary action to provide assurances to the Customer that the Milestone will be achieved by a revised Milestone Date with time being of the essence;

1.2.3 withhold any Contract Charges that would have been due to the Supplier if the Supplier had achieved the Milestone;

1.2.4 recover any Contract Charges already paid to the Supplier.

1.3 If the Supplier fails to achieve any one of the Milestones and at the same time is delivering Services under another call off contract, the Supplier reserves the right to also take action under that call off contract.

1.4 The customer reserves the right to review the milestones and where it does so will confirm the requirements.

#### CONTRACT SCHEDULE 4: SECURITY

##### 1. DEFINITIONS

“BPSS”

“Baseline Contractor Staff Security Standard”

a level of security clearance described as pre-employment checks in the National Vetting Policy. Further information can be found at:  
<https://www.gov.uk/government/publications/government-baseline-contractor-staff-security-standard>

“CCSC”

“Certified Cyber Security Consultancy”

“CCP”

“Certified Professional”

is NCSC's approach to assessing the services provided by consultancies and confirming that they meet NCSC's standards. This approach builds on the strength of CLAS and certifies the competence of suppliers to deliver a wide and complex range of cyber security consultancy services to both

“CC”

“Common Criteria”

“Cloud Security Principles”

the public and private sectors. See website:

<https://www.ncsc.gov.uk/scheme/certifiedcyberconsultancy>

is a NCSC scheme in consultation with government, industry and academia to address the growing need for specialists in the cyber security profession and are building a community of recognised professionals in both the UK public and

private sectors. See website:

<https://www.ncsc.gov.uk/scheme/certified-professional>

the Common Criteria scheme provides assurance that a developer's claims about the security features of their product are valid and have been independently tested against recognised criteria.

Is a set of guidance on cloud security principles, including

their goals and technical implementation:

<https://www.ncsc.gov.uk/collection/cloud/thecloudsecurity-principles>

“CPA”

is an ‘information assurance commercial off the shelf (CO

“Commercial Product Assurance”

developers against published security and development

[formerly called “CESG Product Assurance”] standards. These CPA certified products can be used by

government, the wider public sector and industry. See website:

<https://www.ncsc.gov.uk/scheme/commercialproductassurance-cpa>

“Cyber Essentials”

“Cyber Essentials Plus”

Cyber Essentials is the government backed, industry supported scheme to help organisations protect themselves against common cyber-attacks. Cyber Essentials and Cyber Essentials Plus are levels within the scheme.

There are a number of certification bodies that can be approached for further advice on the scheme; the link below points to one of these providers:

<https://www.iasme.co.uk/apply-for-self-assessment/>

"Department's Data"	is any data or information owned or retained in order to meet departmental business objectives and tasks, including:
"Department's Information"	<ul style="list-style-type: none"> <li>(a) any data, text, drawings, diagrams, images or sounds (together with any repository or database made up of any of these components) which are embodied in any electronic, magnetic, optical or tangible media, and which are: <ul style="list-style-type: none"> <li>(i) supplied to the Supplier by or on behalf of the Customer; or</li> <li>(ii) which the Supplier is required to generate, process, store or transmit pursuant to this Contract; or</li> </ul> </li> <li>(b) any Personal Data for which the Department is the Data Controller;</li> </ul>
"Authority", "Customer"	means the Department for Education
"Department"	
"Departmental Security Standards"	means the Customer's security policy or any standards, procedures, process or specification for security that the Supplier is required to deliver.
"Digital Marketplace / GCloud"	the Digital Marketplace is the online framework for identifying and procuring cloud technology and people for digital projects. Cloud services (e.g. web hosting or IT health checks) are on the G-Cloud framework.
"FIPS 140-2"	this is the Federal Information Processing Standard (FIPS) Publication 140-2, (FIPS PUB 140-2), entitled 'Security Requirements for Cryptographic Modules'. This document is the de facto security standard used for the accreditation of cryptographic modules.
"Good Industry Practice"	means the exercise of that degree of skill, care, prudence, efficiency, foresight and timeliness as would be expected from a leading company within the relevant industry or business sector.
"Industry Good Practice"	
"Good Industry Standard"	means the implementation of products and solutions, and the exercise of that degree of skill, care, prudence, efficiency, foresight and timeliness as would be expected from a leading company within the relevant industry or business sector.
"Industry Good Standard"	
"GSC"	means the Government Security Classification Policy which establishes the rules for classifying HMG information. The policy is available at:
"GSCP"	<a href="https://www.gov.uk/government/publications/government-security-classifications">https://www.gov.uk/government/publications/government-security-classifications</a>

<p>“HMG”</p> <p>“ICT”</p>	<p>means His Majesty’s Government</p> <p>means Information and Communications Technology (ICT) is used as an extended synonym for information technology (IT), used to describe the bringing together of enabling technologies used to deliver the end-to-end solution</p>
<p>“ISO/IEC 27001” “ISO 27001”</p>	<p>is the International Standard for Information Security Management Systems Requirements</p>
<p>“ISO/IEC 27002” “ISO 27002”</p>	<p>is the International Standard describing the Code of Practice for Information Security Controls.</p>
<p>“ISO 22301”</p>	<p>is the International Standard describing for Business Continuity</p>
<p>“IT Security Health Check (ITSHC)”</p> <p>“IT Health Check (ITHC)”</p> <p>“Penetration Testing”</p>	<p>means an assessment to identify risks and vulnerabilities in systems, applications and networks which may compromise the confidentiality, integrity or availability of information held on that IT system.</p>
<p>“Need-to-Know”</p>	<p>the Need-to-Know principle is employed within HMG to limit the distribution of classified information to those people with a clear ‘need to know’ in order to carry out their duties.</p>
<p>“NCSC”</p>	<p>The National Cyber Security Centre (NCSC) formerly CESG is the UK government’s National Technical Authority for Information Assurance. The NCSC website is <a href="https://www.ncsc.gov.uk">https://www.ncsc.gov.uk</a></p>
<p>“OFFICIAL”</p> <p>“OFFICIAL-SENSITIVE”</p>	<p>the term ‘OFFICIAL’ is used to describe the baseline level of ‘security classification’ described within the Government Security Classification Policy (GSCP) which details the level of protection to be afforded to information by HMG, for all routine public sector business, operations and services. The ‘OFFICIAL–SENSITIVE’ caveat is used to identify a limited subset of OFFICIAL information that could have more damaging consequences (for individuals, an organisation or government generally) if it were lost, stolen or published in the media, as described in the Government Security Classification Policy.</p>

“RBAC” “Role Based Access Control” Role Based Access

restricting a person’s or process’ access to information depending on the role or functions assigned to them.

“Secure Sanitisation”

Secure sanitisation is the process of treating data held on storage media to reduce the likelihood of retrieval and reconstruction to an acceptable level. Some forms of sanitisation will allow you to re-use the media, while others are destructive in nature and render the media unusable. Secure sanitisation was previously covered by “Information Assurance Standard No. 5 - Secure Sanitisation” (“IS5”) issued by the former CESG. Guidance can now be found at:

<https://www.ncsc.gov.uk/guidance/securesanitisationstorage-media>

The disposal of physical documents and hardcopy materials advice can be found at:

<https://www.cpni.gov.uk/securedestruction>

“Security and Information Risk Advisor”  
“CCP SIRA”  
“SIRA”

the Security and Information Risk Advisor (SIRA) is a role defined under the NCSC Certified Professional (CCP) Scheme. See also:

<https://www.ncsc.gov.uk/articles/aboutcertifiedprofessional-scheme>

“Service Standards”

The Service Standard helps teams to create and run great public services ensuring user needs are at the centre of design

<https://www.gov.uk/service-manual/service-standard>

“SPF”  
“HMG Security Policy Framework”

This is the definitive HMG Security Policy which describes the expectations of the Cabinet Secretary and Government’s Official Committee on Security on how HMG organisations and third parties handling HMG information and other assets will apply protective security to ensure HMG can function effectively, efficiently and securely.

<https://www.gov.uk/government/publications/securitypolicyframework>

“Technology Code of Practice”

The Technology Code of Practice is a set of criteria to help

Control, a method of

“Tailored Assurance”

[formerly called “CTAS”, or, “CESG Tailored Assurance”]  
government design, build and operate technology services effectively and efficiently.

<https://www.gov.uk/guidance/the-technology-codeofpractice>

is an ‘information assurance scheme’ which provides assurance for a wide range of HMG, MOD, Critical National Infrastructure (CNI) and public sector customers procuring IT systems, products and services, ranging from simple

software components to national infrastructure networks.

<https://www.ncsc.gov.uk/documents/ctas-principlesandmethodology>

- 1.1. The Supplier shall comply with the relevant HMG security policy framework, NCSC guidelines, Cloud Security Principles, and where applicable Departmental Security Standards which include but are not constrained to the following paragraphs.
- 1.2. If the Supplier is providing a Technology Solution and / or as the Supplier will be handling information at OFFICIAL on behalf of the Customer, the requirements under Cabinet Office Procurement Policy Note – Use of Cyber Essentials Scheme certification - Action Note 09/14 25 May 2016, or any subsequent updated document, are mandated; that “contractors supplying products or services to HMG shall have achieved, and retain certification at the appropriate level, under the HMG Cyber Essentials Scheme”. The certification scope must be relevant to the services supplied to, or on behalf of, the Customer.
- 1.3. The Supplier shall be able to demonstrate conformance to, and show evidence of such conformance to the ISO/IEC 27001 (Information Security Management Systems Requirements) standard, including the application of controls from ISO/IEC 27002 (Code of Practice for Information Security Controls).
- 1.4. The Supplier shall follow the UK Government Security Classification Policy (GSCP) in respect of any Departmental Data being handled in the course of providing these Services, and will handle this data in accordance with its security classification. (In the event where the Supplier has an existing Protective Marking Scheme then the Supplier may continue to use this but must map the HMG security classifications against it to ensure the correct controls are applied to the Departmental Data).
- 1.5. Departmental Data being handled in the course of providing an ICT solution or service must be segregated from all other data on the Supplier’s or Sub-Contractor’s own IT equipment to protect the Departmental Data and enable the data to be identified and securely deleted when required. In the event that it is not possible to segregate any Departmental Data then the Supplier and any SubContractor shall be required to ensure that it is stored in such a way that it is possible to securely delete the data in line with Paragraph 1.16.
- 1.6. The Supplier shall have in place and maintain physical security, in line with those outlined in ISO/IEC 27002 including, but not limited to, entry control mechanisms (e.g. door access) to premises and sensitive areas.
- 1.7. The Supplier shall have in place and maintain an access control policy and process for the logical access (e.g. identification and authentication) to ICT systems to ensure only authorised Staff have access to Departmental Data. This policy should include appropriate segregation of duties and if applicable role based access controls (RBAC). User credentials that give access to Departmental Data or systems shall be considered to be sensitive data and must be protected accordingly.
- 1.8. The Supplier shall have in place and shall maintain procedural, Staff, physical and technical safeguards to protect Departmental Data, including but not limited to:
  - i. physical security controls;
  - ii. good industry standard policies and processes; iii. malware protection;
  - iv. boundary access controls including firewalls, application gateways, etc;
  - v. maintenance and use of fully supported software packages in accordance with vendor recommendations;
  - vi. use of secure device configuration and builds;



- vii. software updates and patching regimes including malware signatures, for operating systems, network devices, applications and services;
  - viii. user identity and access controls, including the use of multi-factor authentication for sensitive data and privileged account accesses;
  - ix. Services provided to the Customer must capture audit logs for security events in an electronic format at the application, service and system level to meet the Customer's logging and auditing requirements, plus logs shall be:
    - a. retained and protected from tampering for a minimum period of six months;
    - b. made available to the Customer on request.
- 1.9. Any data in transit using either physical or electronic transfer methods across public space or cyberspace, including mail and courier systems, or third party provider networks must be protected via encryption which has been certified to FIPS 140-2 standard or a similar method approved by the Customer prior to being used for the transfer of any Departmental Data.
  - 1.10. Storage of Departmental Data on any portable devices or media shall be limited to the absolute minimum required to deliver the stated business requirement and shall be subject to Paragraph 1.11 and 1.12 below.
  - 1.11. Any portable removable media (including but not constrained to pen drives, flash drives, memory sticks, CDs, DVDs, or other devices) which handle, store or process Departmental Data to deliver and support the service, shall be under the control and configuration management of the Supplier or SubContractors providing the Services, shall be both necessary to deliver the Services and shall be encrypted using a product which has been certified to FIPS140-2 standard or another encryption standard that is acceptable to the Customer.
  - 1.12. All portable ICT devices, including but not limited to laptops, tablets, smartphones or other devices, such as smart watches, which handle, store or process Departmental Data to deliver and support the Services, shall be under the control and configuration management of the Supplier or Sub-Contractors providing the Services, and shall be necessary to deliver the Services. These devices shall be full-disk encrypted using a product which has been certified to FIPS140-2 standard or another encryption standard that is acceptable to the Customer.
  - 1.13. Whilst in the Supplier's care all removable media and hardcopy paper documents containing Departmental Data must be handled securely and secured under lock and key when not in use and shall be securely destroyed when no longer required, using either a cross-cut shredder or a professional secure disposal organisation.
  - 1.14. When necessary to hand carry removable media and/or hardcopy paper documents containing Departmental Data, the media or documents being carried shall be kept under cover and transported in such a way as to ensure that no unauthorised person has either visual or physical access to the material being carried. This requirement shall apply equally regardless of whether the material is being carried inside or outside of company premises. The term 'under cover' means that the information is carried within an opaque folder or envelope within official premises and buildings and within a closed briefcase or other similar bag or container when outside official premises or buildings.
  - 1.15. In the event of termination of the Contract due to expiry, as a result of an Insolvency Event or for Default by the Supplier, all products and materials provided, created or resulting from provision of the Services shall not be considered as the Supplier's assets and must be returned to the Customer and written assurance obtained from an appropriate officer of the Supplier that these assets regardless of location and format have been fully sanitised throughout the Supplier's organisation in line with paragraph 1.16.

- 1.16. At the end of the Contract Period or in the event of equipment failure or obsolescence, all Departmental information and data, in either hardcopy or electronic format, that is physically held or logically stored on the Supplier's ICT infrastructure must be securely sanitised or destroyed and accounted for in accordance with the current HMG policy using a NCSC approved product or method. Where sanitisation or destruction is not possible for legal, regulatory or technical reasons, such as a Storage Area Network (SAN) or shared backup tapes, then the Supplier or Sub-Contractor shall protect the Customer's information and data until the time, which may be long after the end of the contract, when it can be securely cleansed or destroyed. Evidence of secure destruction will be required in all cases.
- 1.17. In the event of termination of Contract due to expiry, the Supplier will ensure that any purchased domain name (or domain names) in connection with the provision of the Services transfers ownership of those domains to the Customer free of charge as part of Exit Plan activity. Agreement on domain name will be made between the Government Digital Service and the Customer.
- 1.18. Access by the Supplier or Sub-Contractor Staff to Departmental Data shall be confined to those individuals who have a "need-to-know" in order to carry out their role; and have undergone mandatory pre-employment screening, to a minimum of HMG Baseline Contractor Staff Security Standard (BPSS); or hold an appropriate National Security Vetting clearance as required by the Customer. All Supplier or Sub-Contractor Staff must complete this process before access to Departmental Data is permitted. Any Supplier Staff who will be in contact with children or vulnerable adults must, in addition to any security clearance, have successfully undergone an Enhanced DBS (Disclosure and Barring Service) check prior to any contact.
- 1.19. All Supplier or Sub-Contractor Staff who handle Departmental Data must have annual awareness training in protecting information.
- 1.20. Notwithstanding any other provisions as to business continuity and disaster recovery in the Contract, the Supplier shall, as a minimum, have in place robust Business Continuity arrangements and processes including IT disaster recovery plans and procedures that conform to ISO 22301 to ensure that the delivery of the Services is not adversely affected in the event of an incident. An incident shall be defined as any situation that might, or could lead to, a disruption, loss, emergency or crisis to the services delivered. If a ISO 22301 certificate is not available, the Supplier will provide evidence of the effectiveness of their ISO 22301 conformant Business Continuity arrangements and processes including IT disaster recovery plans and procedures. This should include evidence that the Supplier has tested or exercised these plans within the last 12 months and produced a written report of the outcome, including required actions.
- 1.21. Any suspected or actual breach of the confidentiality, integrity or availability of Departmental Data being handled in the course of providing this service, or any non-compliance with these Departmental Security Standards for Contractors, or other Security Standards pertaining to the solution, shall be recorded as an incident. This includes any non-compliance with the Departmental Security Standards and these provisions, or other security standards pertaining to the solution. Incidents shall be reported to the Customer immediately, wherever practical, even if unconfirmed or when full details are not known, but always within 24 hours of discovery. If incident reporting has been delayed by more than 24 hours, the Supplier should provide an explanation about the delay. Incidents shall be reported through the Customer's nominated system or service owner. Incidents shall be investigated by the Supplier with outcomes being notified to the Customer.
- 1.22. The Supplier shall ensure that any IT systems and hosting environments that are used to handle, store or process Departmental Data shall be subject to independent IT Health Checks (ITHC) using a NCSC approved ITHC provider before go-live and periodically (at least annually) thereafter. The findings of the ITHC relevant to the Services being provided are to be shared with the Customer and all necessary remedial work carried out. In the event of significant security issues being identified, a follow up remediation test may be required.



**“Eligible Employee”**

agrees to participate in the Schemes as amended from time to time;

any Fair Deal Employee who at the relevant time is an eligible employee as defined in the Admission Agreement;

**“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 parttime 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;

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;

**“Fair Deal Employees”**

those Transferring Customer Employees who are on the Relevant Transfer Date entitled to the protection of New Fair Deal and any Transferring Former Supplier Employees who originally transferred pursuant to a Relevant Transfer under the Employment Regulations (or the predecessor legislation to the Employment Regulations), from employment with a public sector employer and who were once eligible to participate in the Schemes and who at the

	Relevant Transfer Date become entitled to the protection of New Fair Deal;
<b>“Former Supplier”</b>	a supplier supplying services to the Customer before the Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any sub-contractor of such supplier (or any sub-contractor of any such subcontractor);
<b>“New Fair Deal”</b>	the revised Fair Deal position set out in the HM Treasury guidance: <i>“Fair Deal for staff pensions: staff transfer from central government”</i> issued in October 2013;
<b>“Notified Sub-Contractor”</b>	a Sub-Contractor identified in the Annex to this Contract Schedule 5 to whom Transferring Customer Employees and/or Transferring Former Supplier Employees will transfer on a Relevant Transfer Date;
<b>“Replacement Sub-Contractor”</b>	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 subcontractor);
<b>“Relevant Transfer”</b>	a transfer of employment to which the Employment Regulations applies;
<b>“Relevant Transfer Date”</b>	in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place;
<b>“Schemes”</b>	the Principal Civil Service Pension Scheme available to employees of the civil service and employees of bodies under the Superannuation Act 1972, as governed by rules adopted by Parliament; the Partnership Pension Account and its (i) Ill health Benefits Scheme and (ii) Death Benefits Scheme; the Civil Service Additional Voluntary Contribution Scheme; and the 2015 New Scheme (with effect from a date to be notified to the Supplier by the Minister for the Cabinet Office);
<b>“Service Transfer”</b>	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;
<b>“Service Transfer Date”</b>	the date of a Service Transfer;

## **“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, such information as the Customer may reasonably request (subject to all applicable provisions of the DPA), but including in an anonymised format:

- (a) their ages, dates of commencement of employment or engagement and gender;
- (b) details of whether they are employed, selfemployed contractors or consultants, agency workers or otherwise;
- (c) the identity of the employer or relevant contracting party;
- (d) their relevant contractual notice periods and any other terms relating to termination of employment, including redundancy procedures, and redundancy payments;
- (e) their wages, salaries and profit sharing arrangements as applicable;
- (f) details of other employment-related benefits, including (without limitation) medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and company car schedules applicable to them;
- (g) any outstanding or potential contractual, statutory or other liabilities in respect of such individuals (including in respect of personal injury claims);
- (h) details of any such individuals on long term sickness absence, parental leave, maternity leave or other authorised long term absence;
- (i) copies of all relevant documents and materials relating to such information, including copies of relevant contracts of employment (or relevant standard contracts if applied generally in respect of such employees); and
- (j) any other “employee liability information” as such term is defined in regulation 11 of the Employment Regulations;

## **“Supplier’s Final Supplier**

**Personnel List”** who will transfer under the Employment Regulations on the Relevant Transfer Date;

**“Supplier’s Provisional Supplier Personnel List”** a list prepared and updated by the Supplier of all Supplier Personnel who are engaged in or wholly or mainly 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 Customer Employees”** those employees of the Customer 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”** 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**

Where a provision in this Contract Schedule 5 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 Customer, Former Supplier, Replacement Supplier or Replacement Sub-Contractor, as the case may be.

## **PART A**

### **TRANSFERRING CUSTOMER EMPLOYEES AT COMMENCEMENT OF SERVICES**

#### **1. RELEVANT TRANSFERS**

##### **1.1. The Customer and the Supplier agree that:**

1.1.1. the commencement of the provision of the Services or of each relevant part of the Services will be a Relevant Transfer in relation to the Transferring Customer Employees; and

1.1.2. as a result of the operation of the Employment Regulations, the contracts of employment between the Customer and the Transferring Customer Employees (except in relation to any terms disapplied through operation of regulation 10(2) of the Employment Regulations) will have effect on and from the Relevant Transfer Date as if originally made between the Supplier and/or any Notified Sub-Contractor and each such Transferring Customer Employee.

1.2. The Customer shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of the Transferring Customer Employees in respect of the period arising up to (but not including) the Relevant 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 which in any case are attributable in whole or in part to the period up to (but not including) the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Customer; and

(ii) the Supplier and/or any Notified Sub-Contractor (as appropriate).

## **2. CUSTOMER INDEMNITIES**

2.1. Subject to Paragraph 2.2, the Customer shall indemnify the Supplier and any Notified Sub-Contractor against any Employee Liabilities in respect of any Transferring Customer Employee (or, where applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:

2.1.1. any act or omission by the Customer occurring before the Relevant Transfer Date; 2.1.2. the breach or non-observance by the Customer before the Relevant Transfer Date of:

- a any collective agreement applicable to the Transferring Customer Employees; and/or
- b any custom or practice in respect of any Transferring Customer Employees which the Customer is contractually bound to honour;

2.1.3. any claim by any trade union or other body or person representing the Transferring Customer Employees arising from or connected with any failure by the Customer to comply with any legal obligation to such trade union, body or person arising before the Relevant Transfer Date;

2.1.4. 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:

- (a) in relation to any Transferring Customer Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising before the Relevant Transfer Date; and
- (b) in relation to any employee who is not a Transferring Customer Employee 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 Customer to the Supplier and/or any Notified Sub-Contractor as appropriate, to the extent that the proceeding, claim or demand by the HMRC or other statutory authority relates to financial obligations arising before the Relevant Transfer Date.

2.1.5. a failure of the Customer 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 Customer Employees arising before the Relevant Transfer Date;

2.1.6. any claim made by or in respect of any person employed or formerly employed by the Customer other than a Transferring Customer Employee for whom it is alleged the Supplier and/or any Notified Sub-Contractor as appropriate may be liable by virtue of the Employment Regulations and/or the Acquired Rights Directive; and

2.1.7. any claim made by or in respect of a Transferring Customer Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Customer Employee relating to any act or omission of the Customer 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 Supplier or any Sub-Contractor to comply with regulation 13(4) of the Employment Regulations.

2.2. The indemnities in Paragraph 2.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier or any Sub-Contractor (whether or not a Notified SubContractor) whether occurring or having its origin before, on or after the Relevant Transfer Date including any Employee Liabilities:

2.2.1. arising out of the resignation of any Transferring Customer Employee before the Relevant Transfer Date on account of substantial detrimental changes to his/her working conditions



- proposed by the Supplier and/or any Sub-Contractor to occur in the period from (and including) the Relevant Transfer Date; or
- 2.2.2. arising from the failure by the Supplier or any Sub-Contractor to comply with its obligations under the Employment Regulations.
- 2.3. If any person who is not identified by the Customer as a Transferring Customer Employee claims, or it is determined in relation to any person who is not identified by the Customer as a Transferring Customer Employee, that his/her contract of employment has been transferred from the Customer to the Supplier and/or any Notified Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:
- 2.3.1. the Supplier shall, or shall procure that the Notified Sub-Contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Customer; and
- 2.3.2. the Customer may offer (or may procure that a third party may offer) employment to such person within 15 Working Days of receipt of the notification by the Supplier and/or any Notified Sub-Contractor, or take such other reasonable steps as the Customer considers appropriate to deal with the matter provided always that such steps are in compliance with Law.
- 2.4. If an offer referred to in Paragraph 2.3.2 is accepted, or if the situation has otherwise been resolved by the Customer, the Supplier shall, or shall procure that the Notified Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.
- 2.5. If by the end of the 15 Working Day period specified in Paragraph 2.3.2:
- 2.5.1. no such offer of employment has been made;
- 2.5.2. such offer has been made but not accepted; or 2.5.3 the situation has not otherwise been resolved, the Supplier and/or any Notified Sub-Contractor may within 5 Working Days give notice to terminate the employment or alleged employment of such person.
- 2.6. Subject to the Supplier and/or any Notified Sub-Contractor acting in accordance with the provisions of Paragraphs 2.3 to 2.5 and in accordance with all applicable proper employment procedures set out in applicable Law, the Customer shall indemnify the Supplier and/or any Notified Sub-Contractor (as appropriate) against all Employee Liabilities arising out of the termination pursuant to the provisions of Paragraph 2.5 provided that the Supplier takes, or procures that the Notified Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.
- 2.7. The indemnity in Paragraph 2.6:
- 2.7.1. shall not apply to:
- (a) any claim for:
- (i) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
- (ii) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees, in any case in relation to any alleged act or omission of the Supplier and/or any Sub-Contractor; or
- (b) any claim that the termination of employment was unfair because the Supplier and/or Notified Sub-Contractor neglected to follow a fair dismissal procedure; and

2.7.2. shall apply only where the notification referred to in Paragraph 2.3.1 is made by the Supplier and/or any Notified Sub-Contractor (as appropriate) to the Customer within 6 months of the Contract Commencement Date.

2.8. If any such person as is referred to in Paragraph 2.3 is neither re-employed by the Customer nor dismissed by the Supplier and/or any Notified Sub-Contractor within the time scales set out in Paragraph 2.5 such person shall be treated as having transferred to the Supplier and/or any Notified Sub-Contractor and the Supplier shall, or shall procure that the Notified Sub-Contractor shall, comply with such obligations as may be imposed upon it under applicable Law.

### **3. SUPPLIER INDEMNITIES AND OBLIGATIONS**

3.1. Subject to Paragraph 3.2 the Supplier shall indemnify the Customer against any Employee Liabilities in respect of any Transferring Customer Employee (or, where applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:

3.1.1. any act or omission by the Supplier or any Sub-Contractor whether occurring before, on or after the Relevant Transfer Date;

3.1.2. the breach or non-observance by the Supplier or any Sub-Contractor on or after the Relevant Transfer Date of:

- (a) any collective agreement applicable to the Transferring Customer Employees; and/or
- (b) any custom or practice in respect of any Transferring Customer Employees which the Supplier or any Sub-Contractor is contractually bound to honour;

3.1.3. any claim by any trade union or other body or person representing any Transferring Customer Employees arising from or connected with any failure by the Supplier or any SubContractor to comply with any legal obligation to such trade union, body or person arising on or after the Relevant Transfer Date;

3.1.4. any proposal by the Supplier or a Sub-contractor made before the Relevant Transfer Date to make changes to the terms and conditions of employment or working conditions of any Transferring Customer Employees to their material detriment on or after their transfer to the Supplier or the relevant Sub-Contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Customer Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Relevant Transfer Date as a result of or for a reason connected to such proposed changes;

3.1.5. any statement communicated to or action undertaken by the Supplier or any SubContractor to, or in respect of, any Transferring Customer Employee before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Customer in writing;

3.1.6. 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:

- (a) in relation to any Transferring Customer Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date; and
- (b) in relation to any employee who is not a Transferring Customer Employee, 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 Customer to the Supplier or a Sub-Contractor, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date;

3.1.7. 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 Customer Employees in respect of the period from (and including) the Relevant Transfer Date; and

3.1.8. any claim made by or in respect of a Transferring Customer Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Customer Employee relating to any act or omission of the Supplier or any Sub-Contractor in relation to their obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the Customer's failure to comply with its obligations under regulation 13 of the Employment Regulations.

3.2. The indemnities in Paragraph 3.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Customer whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities arising from the Customer's failure to comply with its obligations under the Employment Regulations.

3.3. The Supplier shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations (including its obligation to inform and consult in accordance with regulation 13 of 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 the Transferring Customer Employees, from (and including) the Relevant 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 which in any case are attributable in whole or in part to the period from and including the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between the Customer and the Supplier.

#### **4. INFORMATION**

4.1. The Supplier shall, and shall procure that each Sub-Contractor shall, promptly provide to the Customer in writing such information as is necessary to enable the Customer to carry out its duties under regulation 13 of the Employment Regulations. The Customer shall promptly provide to the Supplier and each Notified Sub-Contractor in writing such information as is necessary to enable the Supplier and each Notified Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

#### **5. PRINCIPLES OF GOOD EMPLOYMENT PRACTICE**

5.1. The Parties agree that the Principles of Good Employment Practice issued by the Cabinet Office in December 2010 apply to the treatment by the Supplier of employees whose employment begins after the Relevant Transfer Date, and the Supplier undertakes to treat such employees in accordance with the provisions of the Principles of Good Employment Practice.

5.2. The Supplier shall, and shall procure that each Sub-Contractor shall, comply with any requirement notified to it by the Customer relating to pensions in respect of any Transferring Customer Employee as set down in:

5.2.1. the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007;

- 5.2.2. HM Treasury's guidance "Staff Transfers from Central Government: A Fair Deal for Staff Pensions of 1999;
  - 5.2.3. HM Treasury's guidance "Fair deal for staff pensions: procurement of Bulk Transfer Agreements and Related Issues" of June 2004; and/or
  - 5.2.4. the New Fair Deal.
- 5.3. Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraphs 5.1 or 5.2 shall be agreed in accordance with the Variation Procedure.

## **6. PENSIONS**

- 6.1. The Supplier shall, and shall procure that each of its Sub-Contractors shall, comply with the pensions provisions in the following Annex.

### **ANNEX TO PART A: PENSIONS**

#### **1. PARTICIPATION**

- 1.1 The Supplier undertakes to enter into the Admission Agreement.
- 1.2 The Supplier and the Customer:
  - 1.2.1 undertake to do all such things and execute any documents (including the Admission Agreement) as may be required to enable the Supplier to participate in the Schemes in respect of the Fair Deal Employees;
  - 1.2.2 agree that the Customer is entitled to make arrangements with the
  - 1.2.3 body responsible for the Schemes for the Customer to be notified if the Supplier breaches the Admission Agreement;
  - 1.2.4 notwithstanding Paragraph 1.2.2 of this Annex, the Supplier shall notify the Customer in the event that it breaches the Admission Agreement; and
  - 1.2.5 agree that the Customer may terminate this Contract for material default in the event that the Supplier breaches the Admission Agreement.
- 1.3 The Supplier shall bear its own costs and all costs that the Customer reasonably incurs in connection with the negotiation, preparation and execution of documents to facilitate the Supplier participating in the Schemes.

#### **2. FUTURE SERVICE BENEFITS**

- 2.1 The Supplier shall procure that the Fair Deal Employees, shall be either admitted into, or offered continued membership of, the relevant section of the Schemes that they currently contribute to, or were eligible to join immediately prior to the Relevant Transfer Date and the Supplier shall procure that the Fair Deal Employees continue to accrue benefits in accordance with the provisions governing the relevant section of Schemes for service from (and including) the Relevant Transfer Date.
- 2.2 The Supplier undertakes that should it cease to participate in the Schemes for whatever reason at a time when it has Eligible Employees, that it will, at no extra cost to the Customer, provide to any Fair Deal Employee who immediately prior to such cessation remained an Eligible Employee with access to an occupational pension scheme certified by the Government Actuary's Department or any actuary nominated by the Customer in accordance with relevant guidance

produced by the Government Actuary's Department as providing benefits which are broadly comparable to those provided by the Schemes at the relevant date.

2.3 The Parties acknowledge that the Civil Service Compensation Scheme and the Civil Service Injury Benefit Scheme (established pursuant to section 1 of the Superannuation Act 1972) are not covered by the protection of New Fair Deal.

### **3. FUNDING**

3.1 The Supplier undertakes to pay to the Schemes all such amounts as are due under the Admission Agreement and shall deduct and pay to the Schemes such employee contributions as are required by the Schemes.

3.2 The Supplier shall indemnify and keep indemnified the Customer on demand against any claim by, payment to, or loss incurred by, the Schemes in respect of the failure to account to the Schemes for payments received and the non-payment or the late payment of any sum payable by the Supplier to or in respect of the Schemes.

### **4. PROVISION OF INFORMATION**

The Supplier and the Customer respectively undertake to each other:

4.1 to provide all information which the other Party may reasonably request concerning matters referred to in this Annex and set out in the Admission Agreement, and to supply the information as expeditiously as possible; and

4.2 not to issue any announcements to the Fair Deal Employees prior to the Relevant Transfer Date concerning the matters stated in this Annex without the consent in writing of the other Party (not to be unreasonably withheld or delayed).

### **5. INDEMNITY**

5.1 The Supplier undertakes to the Customer to indemnify and keep indemnified the Customer on demand from and against all and any Losses whatsoever arising out of or in connection with any liability towards the Fair Deal Employees arising in respect of service on or after the Relevant Transfer Date which relate to the payment of benefits under an occupational pension scheme (within the meaning provided for in section 1 of the Pension Schemes Act 1993) or the Schemes.

### **6. EMPLOYER OBLIGATION**

6.1 The Supplier shall comply with the requirements of the Pensions Act 2008 and the Transfer of Employment (Pension Protection) Regulations 2005.

### **7. SUBSEQUENT TRANSFERS**

The Supplier shall:

7.1 not adversely affect pension rights accrued by any Fair Deal Employee in the period ending on the date of the relevant future transfer;

7.2 provide all such co-operation and assistance as the Schemes and the Replacement Supplier and/or the Customer may reasonably require to enable the Replacement Supplier to participate in the Schemes in respect of any Eligible Employee and to give effect to any transfer of accrued rights required as part of participation under New Fair Deal; and

7.3 for the period either:

7.3.1 after notice (for whatever reason) is given, in accordance with the other provisions of this Contract, to terminate the Contract or any part of the Services; or

- 7.3.2 after the date which is two (2) years prior to the date of expiry of this Contract, ensure that no change is made to pension, retirement and death benefits provided for or in respect of any person who will transfer to the Replacement Supplier or the Customer, no category of earnings which were not previously pensionable are made pensionable and the contributions (if any) payable by such employees are not reduced without (in any case) the prior approval of the Customer (such approval not to be unreasonably withheld). Save that this subparagraph shall not apply to any change made as a consequence of participation in an Admission Agreement.

## **PART B**

### **TRANSFERRING FORMER SUPPLIER EMPLOYEES AT COMMENCEMENT OF SERVICES**

#### **1. RELEVANT TRANSFERS**

- 1.1 The Customer and the Supplier agree that:
- 1.1.1 the commencement of the provision of the Services or of any relevant part of the Services will be a Relevant Transfer in relation to the Transferring Former Supplier Employees; and
  - 1.1.2 as a result of the operation of the Employment Regulations, the contracts of employment between each Former Supplier and the Transferring Former Supplier Employees (except in relation to any terms disapplied through the operation of regulation 10(2) of the Employment Regulations) shall have effect on and from the Relevant Transfer Date as if originally made between the Supplier and/or Notified Sub-Contractor and each such Transferring Former Supplier Employee.
- 1.2 Subject to Paragraph 6, the Customer shall procure that each Former Supplier shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of all the Transferring Former Supplier Employees in respect of the period up to (but not including) the Relevant 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 which in any case are attributable in whole or in part in respect of the period up to (but not including) the Relevant Transfer Date) and the Supplier shall make, and the Customer shall procure that each Former Supplier makes, any necessary apportionments in respect of any periodic payments.

#### **2. FORMER SUPPLIER INDEMNITIES**

- 2.1 Subject to Paragraphs 2.2 and 6, the Customer shall procure that each Former Supplier shall indemnify the Supplier and any Notified Sub-Contractor against any Employee Liabilities in respect of any Transferring Former Supplier Employee (or, where applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:
- 2.1.1 any act or omission by the Former Supplier arising before the Relevant Transfer Date;
  - 2.1.2 the breach or non-observance by the Former Supplier arising before the Relevant Transfer Date of:
    - (a) any collective agreement applicable to the Transferring Former Supplier Employees; and/or
    - (b) any custom or practice in respect of any Transferring Former Supplier Employees which the Former Supplier is contractually bound to honour;

- 2.1.3 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:
- (a) in relation to any Transferring Former Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising before the Relevant Transfer Date; and
  - (b) in relation to any employee who is not a Transferring Former Supplier Employee 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 Former Supplier to the Supplier and/or any Notified Sub-Contractor as appropriate, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations in respect of the period to (but excluding) the Relevant Transfer Date;
- 2.1.4 a failure of the Former Supplier 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 Former Supplier Employees in respect of the period to (but excluding) the Relevant Transfer Date;
- 2.1.5 any claim made by or in respect of any person employed or formerly employed by the Former Supplier other than a Transferring Former Supplier Employee for whom it is alleged the Supplier and/or any Notified Sub-Contractor as appropriate may be liable by virtue of this Contract and/or the Employment Regulations and/or the Acquired Rights Directive; and
- 2.1.6 any claim made by or in respect of a Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee relating to any act or omission of the Former Supplier 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 Supplier or any Sub-Contractor to comply with regulation 13(4) of the Employment Regulations.
- 2.2 The indemnities in Paragraph 2.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier or any Sub-Contractor whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities:
- 2.2.1 arising out of the resignation of any Transferring Former Supplier Employee before the Relevant Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Supplier or any Sub-Contractor to occur in the period from (and including) the Relevant Transfer Date; or
  - 2.2.2 arising from the failure by the Supplier and/or any Sub-Contractor to comply with its obligations under the Employment Regulations.
- 2.3 If any person who is not identified by the Customer as a Transferring Former Supplier Employee claims, or it is determined in relation to any person who is not identified by the Customer as a Transferring Former Supplier Employee, that his/her contract of employment has been transferred from a Former Supplier to the Supplier and/or any Notified SubContractor pursuant to the Employment Regulations or the Acquired Rights Directive then:
- 2.3.1 the Supplier shall, or shall procure that the Notified Sub-Contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Customer and, where required by the Customer, to the Former Supplier; and

- 2.3.2 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 and/or the Notified Sub-Contractor or take such other reasonable steps as the Former Supplier considers appropriate to deal with the matter provided always that such steps are in compliance with applicable Law.
- 2.4 If an offer referred to in Paragraph 2.3.2 is accepted, or if the situation has otherwise been resolved by the Former Supplier and/or the Customer, the Supplier shall, or shall procure that the Notified Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.
- 2.5 If by the end of the 15 Working Day period specified in Paragraph 2.3.2:
- 2.5.1 no such offer of employment has been made;
- 2.5.2 such offer has been made but not accepted; or 2.5.3 the situation has not otherwise been resolved, the Supplier and/or any Notified Sub-Contractor may within 5 Working Days give notice to terminate the employment or alleged employment of such person.
- 2.6 Subject to the Supplier and/or any Notified Sub-Contractor acting in accordance with the provisions of Paragraphs 2.3 to 2.5 and in accordance with all applicable proper employment procedures set out in Law, the Customer shall procure that the Former Supplier indemnifies the Supplier and/or any Notified Sub-Contractor (as appropriate) against all Employee Liabilities arising out of the termination pursuant to the provisions of Paragraph 2.5 provided that the Supplier takes, or shall procure that the Notified Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.
- 2.7 The indemnity in Paragraph 2.6:
- 2.7.1 shall not apply to: (a)
- any claim for:
- i discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
- ii equal pay or compensation for less favourable treatment of parttime workers or fixedterm employees,
- in any case in relation to any alleged act or omission of the Supplier and/or any Sub-Contractor; or
- (b) any claim that the termination of employment was unfair because the Supplier and/or Notified Sub-Contractor neglected to follow a fair dismissal procedure; and
- 2.7.2 shall apply only where the notification referred to in Paragraph 2.3.1 is made by the Supplier and/or any Notified Sub-Contractor (as appropriate) to the Customer and, if applicable, the Former Supplier, within 6 months of the Contract Commencement Date.
- 2.8 If any such person as is described in Paragraph 2.3 is neither re-employed by the Former Supplier nor dismissed by the Supplier and/or any Notified Sub-Contractor within the time scales set out in Paragraph 2.5, such person shall be treated as having transferred to the Supplier or Notified Sub-Contractor and the Supplier shall, or shall procure that the Notified Sub-Contractor shall, comply with such obligations as may be imposed upon it under the Law.



### **3. SUPPLIER INDEMNITIES AND OBLIGATIONS**

3.1 Subject to Paragraph 3.2, the Supplier shall indemnify the Customer and/or the Former Supplier against any Employee Liabilities in respect of any Transferring Former Supplier Employee (or, where applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:

3.1.1 any act or omission by the Supplier or any Sub-Contractor whether occurring before, on or after the Relevant Transfer Date;

3.1.2 the breach or non-observance by the Supplier or any Sub-Contractor on or after the Relevant Transfer Date of:

(a) any collective agreement applicable to the Transferring Former Supplier Employee; and/or

(b) any custom or practice in respect of any Transferring Former Supplier Employees which the Supplier or any Sub-Contractor is contractually bound to honour;

3.1.3 any claim by any trade union or other body or person representing any Transferring Former 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 after the Relevant Transfer Date;

3.1.4 any proposal by the Supplier or a Sub-Contractor prior to the Relevant Transfer Date to make changes to the terms and conditions of employment or working conditions of any Transferring Former Supplier Employees to their material detriment on or after their transfer to the Supplier or a Sub-Contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Former Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Relevant Transfer Date as a result of or for a reason connected to such proposed changes;

3.1.5 any statement communicated to or action undertaken by the Supplier or a SubContractor to, or in respect of, any Transferring Former Supplier Employee before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Customer and/or the Former Supplier in writing;

3.1.6 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:

(a) in relation to any Transferring Former Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date; and

(b) in relation to any employee who is not a Transferring Former Supplier Employee, 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 Former Supplier to the Supplier or a Sub-Contractor, to the extent that the proceeding, claim or demand by the HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date;

3.1.7 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 Former Supplier Employees in respect of the period from (and including) the Relevant Transfer Date; and

3.1.8 any claim made by or in respect of a Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee relating to any act or omission of the Supplier or any Sub-Contractor in relation to obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the

Former Supplier's failure to comply with its obligations under regulation 13 of the Employment Regulations.

3.2 The indemnities in Paragraph 3.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Former Supplier whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities arising from the Former Supplier's failure to comply with its obligations under the Employment Regulations.

3.3 The Supplier shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations (including without limitation its obligation to inform and consult in accordance with regulation 13 of 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 all the Transferring Former Supplier Employees, on and from the Relevant 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 which in any case are attributable in whole or in part to the period from (and including) the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between the Supplier and the Former Supplier.

#### **4. INFORMATION**

4.1 The Supplier shall, and shall procure that each Sub-Contractor shall, promptly provide to the Customer and/or at the Customer's direction, the Former Supplier, in writing such information as is necessary to enable the Customer and/or the Former Supplier to carry out their respective duties under regulation 13 of the Employment Regulations. Subject to Paragraph 6, the Customer shall procure that the Former Supplier shall promptly provide to the Supplier and each Notified Sub-Contractor in writing such information as is necessary to enable the Supplier and each Notified Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

#### **5. PRINCIPLES OF GOOD EMPLOYMENT PRACTICE**

5.1 The Supplier shall, and shall procure that each Sub-Contractor shall, comply with any requirement notified to it by the Customer relating to pensions in respect of any Transferring Former Supplier Employee as set down in:

5.1.1 the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007;

5.1.2 HM Treasury's guidance "Staff Transfers from Central Government: A Fair Deal for Staff Pensions of 1999;

5.1.3 HM Treasury's guidance: "Fair deal for staff pensions: procurement of Bulk Transfer Agreements and Related Issues" of June 2004; and/or

5.1.4 the New Fair Deal.

5.2 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraph 5.1 shall be agreed in accordance with the Variation Procedure.

**6. PROCUREMENT OBLIGATIONS**

6.1 Notwithstanding any other provisions of this Part B, where in this Part B the Customer 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 Customer's contract with the Former Supplier contains a contractual right in that regard which the Customer may enforce, or otherwise so that it requires only that the Customer must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

**7. PENSIONS**

7.1 The Supplier shall, and shall procure that each Sub-Contractor shall, comply with the pensions provisions in the following Annex in respect of any Transferring Former Supplier Employees who transfer from the Former Supplier to the Supplier.

## **ANNEX TO PART B: PENSIONS**

### **1. PARTICIPATION**

- 1.1 The Supplier undertakes to enter into the Admission Agreement.
- 1.2 The Supplier and the Customer:
  - 1.2.1 undertake to do all such things and execute any documents (including the Admission Agreement) as may be required to enable the Supplier to participate in the Schemes in respect of the Fair Deal Employees;
  - 1.2.2 agree that the Customer is entitled to make arrangements with the body responsible for the Schemes for the Customer to be notified if the Supplier breaches the Admission Agreement;
  - 1.2.3 notwithstanding Paragraph 1.2.2 of this Annex, the Supplier shall notify the Customer in the event that it breaches the Admission Agreement; and
  - 1.2.4 agree that the Customer may terminate this Contract for material default in the event that the Supplier breaches the Admission Agreement.
- 1.3 The Supplier shall bear its own costs and all costs that the Customer reasonably incurs in connection with the negotiation, preparation and execution of documents to facilitate the Supplier participating in the Schemes.

### **2. FUTURE SERVICE BENEFITS**

- 2.1 If the Supplier is rejoining the Schemes for the first time, the Supplier shall procure that the Fair Deal Employees shall be either admitted to or offered continued membership of the relevant section of the Schemes that they became eligible to join on the Relevant Transfer Date and shall continue to accrue or accrue benefits in accordance with the provisions governing the relevant section of the Schemes for service from (and including) the Relevant Transfer Date.
- 2.2 If staff have already been readmitted to the Schemes, the Supplier shall procure that the Fair Deal Employees, shall be either admitted into, or offered continued membership of, the relevant section of the Schemes that they currently contribute to, or were eligible to join immediately prior to the Relevant Transfer Date and the Supplier shall procure that the Fair Deal Employees continue to accrue benefits in accordance with the provisions governing the relevant section of the Schemes for service from (and including) the Relevant Transfer Date.
- 2.3 The Supplier undertakes that should it cease to participate in the Schemes for whatever reason at a time when it has Eligible Employees, that it will, at no extra cost to the Customer, provide to any Fair Deal Employee who immediately prior to such cessation remained an Eligible Employee with access to an occupational pension scheme certified by the Government Actuary's Department or any actuary nominated by the Customer in accordance with relevant guidance produced by the Government Actuary's Department as providing benefits which are broadly comparable to those provided by the Schemes at the relevant date.
- 2.4 The Parties acknowledge that the Civil Service Compensation Scheme and the Civil Service Injury Benefit Scheme (established pursuant to section 1 of the Superannuation Act 1972) are not covered by the protection of New Fair Deal.

### **3. FUNDING**

- 3.1 The Supplier undertakes to pay to the Schemes all such amounts as are due under the Admission Agreement and shall deduct and pay to the Schemes such employee contributions as are required by the Schemes.

3.2 The Supplier shall indemnify and keep indemnified the Customer on demand against any claim by, payment to, or loss incurred by the Schemes in respect of the failure to account to the Schemes for payments received and the non-payment or the late payment of any sum payable by the Supplier to or in respect of the Schemes.

#### **4. PROVISION OF INFORMATION**

The Supplier and the Customer respectively undertake to each other:

4.1 to provide all information which the other Party may reasonably request concerning matters (i) referred to in this Annex and (ii) set out in the Admission Agreement, and to supply the information as expeditiously as possible; and

4.2 not to issue any announcements to the Fair Deal Employees prior to the Relevant Transfer Date concerning the matters stated in this Annex without the consent in writing of the other Party (not to be unreasonably withheld or delayed).

#### **5. INDEMNITY**

5.1 The Supplier undertakes to the Customer to indemnify and keep indemnified the Customer on demand from and against all and any Losses whatsoever arising out of or in connection with any liability towards the Fair Deal Employees arising in respect of service on or after the Relevant Transfer Date which relate to the payment of benefits under an occupational pension scheme (within the meaning provided for in section 1 of the Pension Schemes Act 1993) or the Schemes.

#### **6. EMPLOYER OBLIGATION**

6.1 The Supplier shall comply with the requirements of the Pensions Act 2008 and the Transfer of Employment (Pension Protection) Regulations 2005.

#### **7. SUBSEQUENT TRANSFERS**

The Supplier shall:

7.1 not adversely affect pension rights accrued by any Fair Deal Employee in the period ending on the date of the relevant future transfer;

7.2 provide all such co-operation and assistance as the Schemes and the Replacement Supplier and/or the Customer may reasonably require to enable the Replacement Supplier to participate in the Schemes in respect of any Eligible Employee and to give effect to any transfer of accrued rights required as part of participation under the New Fair Deal; and

7.3 for the period either

7.3.1 after notice (for whatever reason) is given, in accordance with the other provisions of this Contract, to terminate the Contract or any part of the Services; or

7.3.2 after the date which is two (2) years prior to the date of expiry of this Contract,

7.3.3 ensure that no change is made to pension, retirement and death benefits provided for or in respect of any person who will transfer to the Replacement Supplier or the Customer, no category of earnings which were not previously pensionable are made pensionable and the contributions (if any) payable by such employees are not reduced without (in any case) the prior approval of the Customer (such approval not to be unreasonably withheld). Save that this subparagraph shall not apply to any change made as a consequence of participation in an Admission Agreement.

## **PART C NO TRANSFER OF EMPLOYEES AT COMMENCEMENT OF SERVICES**

### **1. PROCEDURE IN THE EVENT OF TRANSFER**

- 1.1 The Customer 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 Customer and/or any Former Supplier.
- 1.2 If any employee of the Customer and/or a Former Supplier claims, or it is determined in relation to any employee of the Customer and/or a Former Supplier, that his/her contract of employment has been transferred from the Customer and/or the Former Supplier to the Supplier and/or any Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:
  - 1.2.1 the Supplier shall, and shall procure that the relevant Sub-Contractor shall, within five (5) Working Days of becoming aware of that fact, give notice in writing to the Customer and, where required by the Customer, give notice to the Former Supplier; and
  - 1.2.2 the Customer and/or the Former Supplier may offer (or may procure that a third party may offer) employment to such person within fifteen (15) Working Days of the notification by the Supplier or the Sub-Contractor (as appropriate) or take such other reasonable steps as the Customer 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 1.2.2 is accepted (or if the situation has otherwise been resolved by the Customer and/or the Former Supplier), the Supplier shall, or shall procure that the SubContractor shall, immediately release the person from his/her employment or alleged employment.
- 1.4 If by the end of the fifteen (15) Working Day period specified in Paragraph 1.2.2:
  - 1.4.1 no such offer of employment has been made;
  - 1.4.2 such offer has been made but not accepted; or 1.4.3 the situation has not otherwise been resolved, the Supplier and/or the Sub-Contractor may within five (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 Customer shall:
  - 2.1.1 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 Customer 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
  - 2.1.2 subject to paragraph 3, 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 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 Customer and/or the Former Supplier as appropriate nor dismissed by the Supplier and/or any SubContractor within the fifteen (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 Customer and any Former Supplier, and shall procure that the Sub-Contractor shall indemnify the Customer 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:

2.4.1 shall not apply to:

(a) any claim for:

(i) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or

(ii) equal pay or compensation for less favourable treatment of parttime workers or fixed-term employees,

in any case in relation to any alleged act or omission of the Supplier and/or any SubContractor; or

(b) 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

2.4.2 shall apply only where the notification referred to in Paragraph 1.2.1 is made by the Supplier and/or any Sub-Contractor to the Customer and, if applicable, Former Supplier within 6 months of the Contract Commencement Date.

### **3. PROCUREMENT OBLIGATIONS**

3.1 Where in this Part C the Customer 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 Customer's contract with the Former Supplier contains a contractual right in that regard which the Customer may enforce, or otherwise so that it requires only that the Customer must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

## **PART D EMPLOYMENT EXIT PROVISIONS**

### **1. PRE-SERVICE TRANSFER OBLIGATIONS**

1.1 The Supplier agrees that within twenty (20) Working Days of the earliest of:

- 1.1.1 receipt of a notification from the Customer of a Service Transfer or intended Service Transfer;
  - 1.1.2 receipt of the giving of notice of early termination or any Partial Termination of this Contract ;
  - 1.1.3 the date which is twelve (12) Months before the end of the Term; and
  - 1.1.4 receipt of a written request of the Customer at any time (provided that the Customer shall only be entitled to make one such request in any six (6) month period),
- it 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 in relation to the Supplier's Provisional Supplier Personnel List and it shall provide an updated Supplier's Provisional Supplier Personnel List at such intervals as are reasonably requested by the Customer.
- 1.2 At least thirty (30) Working Days prior to the Service Transfer Date, the Supplier shall provide to the Customer or at the direction of the Customer to any Replacement Supplier and/or any Replacement Sub-Contractor:
    - 1.2.1 the Supplier's Final Supplier Personnel List, which shall identify which of the Supplier Personnel are Transferring Supplier Employees; and
    - 1.2.2 the Staffing Information in relation to the Supplier's Final Supplier Personnel List (insofar as such information has not previously been provided).
  - 1.3 The Customer 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 Customer, 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, 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 Services who is not listed on the Supplier's Provisional Supplier Personnel List and shall not without the approval of the Customer (not to be unreasonably withheld or delayed):
    - 1.5.1 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;
    - 1.5.2 make, promise, propose or permit any material changes to the terms and conditions of employment of the Supplier Personnel (including any payments connected with the termination of employment);
    - 1.5.3 increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the Supplier Personnel save for fulfilling assignments and projects previously scheduled and agreed;
    - 1.5.4 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;
    - 1.5.5 increase or reduce the total number of employees so engaged, or deploy any other person to perform the Services (or the relevant part of the Services); or



1.5.6 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 SubContractor shall promptly notify, the Customer or, at the direction of the Customer, any Replacement

Supplier and any Replacement Sub-Contractor of any notice to terminate employment given by the Supplier or relevant SubContractor 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 Customer any information the Customer may reasonably require relating to the manner in which Services are organised, which shall include:

1.6.1 the numbers of employees engaged in providing the Services;

1.6.2 the percentage of time spent by each employee engaged in providing the Services; and

1.6.3 a description of the nature of the work undertaken by each employee by location.

1.7 The Supplier shall provide, and shall procure that each Sub-Contractor shall provide, all reasonable cooperation and assistance to the Customer, any Replacement Supplier and/or any Replacement Sub-Contractor 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 five (5) Working Days following the Service Transfer Date, the Supplier shall provide, and shall procure that each SubContractor shall provide, to the Customer or, at the direction of the Customer, 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:

1.7.1 the most recent month's copy pay slip data;

1.7.2 details of cumulative pay for tax and pension purposes;

1.7.3 details of cumulative tax paid;

1.7.4 tax code;

1.7.5 details of any voluntary deductions from pay; and

1.7.6 bank/building society account details for payroll purposes.

## **2. EMPLOYMENT REGULATIONS EXIT PROVISIONS**

2.1 The Customer 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 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 and/or the Acquired Rights Directive will apply. The Customer 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 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 (but not 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 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, where a Relevant Transfer occurs the Supplier shall indemnify the Customer and/or the Replacement Supplier and/or any Replacement Sub-Contractor against any Employee Liabilities in respect of any Transferring Supplier Employee (or, where applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:

2.3.1 any act or omission of the Supplier or any Sub-Contractor whether occurring before, on or after the Service Transfer Date;

2.3.2 the breach or non-observance by the Supplier or any Sub-Contractor occurring on or before the Service Transfer Date of:

(a) any collective agreement applicable to the Transferring Supplier Employees; and/or

(b) 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;

2.3.3 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;

2.3.4 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:

(a) 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

(b) in relation to any employee who is not a Transferring Supplier Employee, 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 Customer 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;

2.3.5 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);

2.3.6 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 for whom it is alleged the Customer 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/or the Acquired Rights Directive; and

2.3.7 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 Customer 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:

2.4.1 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

2.4.2 arising from the Replacement Supplier's failure, and/or Replacement SubContractor's failure, to comply with its obligations under the Employment Regulations.

2.5 If any person who is not a Transferring Supplier Employee claims, or it is determined in relation to any person who is not a Transferring Supplier Employee, that his/her contract of employment has been transferred from the Supplier or any Sub-Contractor to the Replacement Supplier and/or Replacement Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive, then:

2.5.1 the Customer shall procure that the Replacement Supplier shall, or any Replacement Sub-Contractor shall, within five (5) Working Days of becoming aware of that fact, give notice in writing to the Supplier; and

2.5.2 the Supplier may offer (or may procure that a Sub-Contractor may offer) employment to such person within fifteen (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 Customer 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 fifteen (15) Working Day period specified in Paragraph 2.5.2 has elapsed:
- 2.7.1 no such offer of employment has been made;
- 2.7.2 such offer has been made but not accepted; or 2.7.3
- the situation has not otherwise been resolved
- the Customer shall advise the Replacement Supplier and/or Replacement Sub-Contractor, as appropriate that it may within five (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 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:
- 2.9.1 shall not apply to:
- (a) any claim for:
- (i) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
- (ii) equal pay or compensation for less favourable treatment of part-time workers 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
- (b) 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
- 2.9.2 shall apply only where the notification referred to in Paragraph 2.5.1 is made by the Replacement Supplier and/or Replacement Sub-Contractor to the Supplier within six (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 and the Replacement Supplier and/or Replacement Sub-Contractor shall comply with such obligations as may be imposed upon it under applicable Law.
- 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 the Transferring Supplier Employees 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 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:

2.11.1 the Supplier and/or any Sub-Contractor; and

2.11.2 the Replacement Supplier and/or the Replacement Sub-Contractor.

2.12 The Supplier shall, and shall procure that each Sub-Contractor shall, promptly provide to the Customer and any Replacement Supplier and/or Replacement Sub-Contractor, in writing such information as is necessary to enable the Customer, the Replacement Supplier and/or Replacement Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations. The Customer 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, where a Relevant Transfer occurs the Customer 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 in respect of each Transferring Supplier Employee (or, where applicable any employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee) arising from or as a result of:

2.13.1 any act or omission of the Replacement Supplier and/or Replacement SubContractor;

2.13.2 the breach or non-observance by the Replacement Supplier and/or Replacement Sub-Contractor on or after the Service Transfer Date of:

(a) any collective agreement applicable to the Transferring Supplier Employees; and/or

(b) any custom or practice in respect of any Transferring Supplier Employees which the Replacement Supplier and/or Replacement SubContractor is contractually bound to honour;

2.13.3 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 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 Relevant Transfer Date;

2.13.4 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 on or after their transfer to the Replacement Supplier or Replacement Sub-Contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person 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 Relevant Transfer Date as a result of or for a reason connected to such proposed changes;

2.13.5 any statement communicated to or action undertaken by the Replacement Supplier or Replacement Sub-Contractor to, or in respect of, any Transferring

Supplier Employee on or before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Supplier in writing;

2.13.6 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:

- (a) 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 after the Service Transfer Date; and
- (b) in relation to any employee who is not a Transferring Supplier Employee, 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;

2.13.7 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 in respect of the period from (and including) the Service Transfer Date; and

2.13.8 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 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 SubContractor (as applicable) whether occurring or having its origin before, on or after the Relevant 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.

#### **ANNEX TO SCHEDULE 5: LIST OF NOTIFIED SUB-CONTRACTORS**

## CONTRACT SCHEDULE 6: DISPUTE RESOLUTION PROCEDURE

### 1. DEFINITIONS

1.1. In this Contract Schedule 6, the following definitions shall apply:

**"CEDR"** the Centre for Effective Dispute Resolution of International Dispute Resolution Centre, 70 Fleet Street, London, EC4Y 1EU;

**"Counter Notice"** has the meaning given to it in paragraph of this Contract Schedule 6;

**"Exception"** a deviation of project tolerances in accordance with PRINCE2 methodology in respect of this Contract or in the supply of the Services;

**"Expert"** the person appointed by the Parties in accordance with paragraph 5.2 of this Contract Schedule 6; and

**"Mediation Notice"** has the meaning given to it in paragraph 3.2 of this Contract Schedule 6;

**"Mediator"** the independent third party appointed in accordance with paragraph 4.2 of this Contract Schedule 6.

### 2. INTRODUCTION

2.1. If a Dispute arises then:

2.1.1. the representative of the Customer and the Supplier Representative shall attempt in good faith to resolve the Dispute; and

2.1.2. if such attempts are not successful within a reasonable time either Party may give to the other a Dispute Notice.

2.2. The Dispute Notice shall set out:

2.2.1. the material particulars of the Dispute;

2.2.2. the reasons why the Party serving the Dispute Notice believes that the Dispute has arisen; and

2.2.3. if the Party serving the Dispute Notice believes that the Dispute should be dealt with under the Expedited Dispute Timetable as set out in paragraph 2.6 of this Contract Schedule 6, the reason why.

2.3. 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 the referral of the Dispute to the Dispute Resolution Procedure.

2.4. Subject to paragraph 3.2 of this Contract Schedule 6, the Parties shall seek to resolve Disputes:

2.4.1. first by commercial negotiation (as prescribed in paragraph 3 of this Contract Schedule 6);

2.4.2. then by mediation (as prescribed in paragraph 4 of this Contract Schedule 6); and

- 2.4.3. lastly by recourse to arbitration (as prescribed in paragraph 6 of this Contract Schedule 6) or litigation (in accordance with Clause 47 of this Contract (Governing Law and Jurisdiction)).
- 2.5. Specific issues shall be referred to Expert Determination (as prescribed in paragraph 5 of this Contract Schedule 6) where specified under the provisions of this Contract and may also be referred to Expert Determination where otherwise appropriate as specified in paragraph 5 of this Contract Schedule 6.
- 2.6. In exceptional circumstances where the use of the times in this Contract Schedule 6 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 of the Expedited Dispute Timetable within five (5) Working Days of the issue of the Dispute Notice, the use of the Expedited Dispute Timetable shall be at the sole discretion of the Customer.
- 2.7. If the use of the Expedited Dispute Timetable is determined in accordance with paragraph 2.5 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:
  - 2.7.1. in paragraph 3.2.3, ten (10) Working Days;
  - 2.7.2. in paragraph 4.2, ten (10) Working Days;
  - 2.7.3. in paragraph 5.2, five (5) Working Days; and
  - 2.7.4. in paragraph 6.2, ten (10) Working Days.
- 2.8. 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. Any agreed extension shall have the effect of delaying the start of the subsequent stages by the period agreed in the extension.

### 3. **COMMERCIAL NEGOTIATIONS**

- 3.1. Following the service of a Dispute Notice, the Customer and the Supplier shall use reasonable endeavours to resolve the Dispute as soon as possible, by discussion between the Customer Representative and the Supplier Representative.
- 3.2. If:
  - 3.2.1. either Party is of the reasonable opinion that the resolution of a Dispute by commercial negotiation, or the continuance of commercial negotiations, will not result in an appropriate solution;
  - 3.2.2. 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 negotiations in accordance with this paragraph 3 of this Contract Schedule 6; or
  - 3.2.3. the Parties have not settled the Dispute in accordance with paragraph 3.1 of this Contract Schedule 6 within thirty (30) Working Days of service of the Dispute Notice,
 either Party may serve a written notice to proceed to mediation (a “**Mediation Notice**”) in accordance with paragraph 4 of this Contract Schedule 6.

### 4. **MEDIATION**

- 4.1. If a Mediation Notice is served, the Parties shall attempt to resolve the dispute in accordance with CEDR's Model Mediation Agreement which shall be deemed to be incorporated by reference into this Contract.



- 4.2. If the Parties are unable to agree on the joint appointment of a Mediator within thirty (30) Working Days from service of the Mediation Notice then either Party may apply to CEDR to nominate the Mediator.
- 4.3. If the Parties are unable to reach a settlement in the negotiations at the mediation, and only if the Parties so request and the Mediator agrees, the Mediator shall produce for the Parties a nonbinding 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.
- 4.4. 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 Variation Procedure where appropriate). The Mediator shall assist the Parties in recording the outcome of the mediation.

## 5. **EXPERT DETERMINATION**

- 5.1. If a Dispute relates to any aspect of the technology underlying the provision of the Services or otherwise relates to a financial technical or other aspect of a technical nature (as the Parties may agree) and the Dispute has not been resolved by discussion or mediation, then either Party may request (which request will not be unreasonably withheld or delayed) by written notice to the other that the Dispute is referred to an Expert for determination.
- 5.2. The Expert shall be appointed by agreement in writing between the Parties, but in the event of a failure to agree within ten (10) Working Days, or if the person appointed is unable or unwilling to act, the Expert shall be appointed on the instructions of the relevant professional body.
- 5.3. The Expert shall act on the following basis:
  - 5.3.1. he/she shall act as an expert and not as an arbitrator and shall act fairly and impartially;
  - 5.3.2. the Expert's determination shall (in the absence of a material failure to follow the agreed procedures) be final and binding on the Parties;
  - 5.3.3. the Expert shall decide the procedure to be followed in the determination and shall be requested to make his/her determination within thirty (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;
  - 5.3.4. any amount payable by one Party to another as a result of the Expert's determination shall be due and payable within twenty (20) Working Days of the Expert's determination being notified to the Parties;
  - 5.3.5. the process shall be conducted in private and shall be confidential; and
  - 5.3.6. the Expert shall determine how and by whom the costs of the determination, including his/her fees and expenses, are to be paid.

## 6. **ARBITRATION**

- 6.1. The Customer may at any time before court proceedings are commenced refer the Dispute to arbitration in accordance with the provisions of paragraph 6.4 of this Contract Schedule 6.
- 6.2. Before the Supplier commences court proceedings or arbitration, it shall serve written notice on the Customer of its intentions and the Customer shall have fifteen (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 6.4 of

this Contract Schedule 6 or be subject to the jurisdiction of the courts in accordance with Clause 47 of this Contract (Governing Law and Jurisdiction). The Supplier shall not commence any court proceedings or arbitration until the expiry of such fifteen (15) Working Day period.

6.3. If:

6.3.1. the Counter Notice requires the Dispute to be referred to arbitration, the provisions of paragraph 6.4 of this Contract Schedule 6 shall apply;

6.3.2. the Counter Notice requires the Dispute to be subject to the exclusive jurisdiction of the courts in accordance with Clause 47 of this Contract (Governing Law and Jurisdiction), the Dispute shall be so referred to the courts and the Supplier shall not commence arbitration proceedings;

6.3.3. the Customer does not serve a Counter Notice within the fifteen (15) Working Days period referred to in paragraph 6.2 of this Contract Schedule 6, the Supplier may either commence arbitration proceedings in accordance with paragraph 6.4 of this Contract Schedule 6 or commence court proceedings in the courts in accordance with Clause 47 of this Contract (Governing Law and Jurisdiction) which shall (in those circumstances) have exclusive jurisdiction.

6.4. In the event that any arbitration proceedings are commenced pursuant to paragraphs 6.1 to 6.3 of this Contract Schedule 6, the Parties hereby confirm that:

6.4.1. all disputes, issues or claims arising out of or in connection with this Contract (including as to its existence, validity or performance) shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration ("LCIA") (subject to paragraphs 6.4.5 to 6.4.7 of this Contract Schedule 6);

6.4.2. the arbitration shall be administered by the LCIA;

6.4.3. 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;

6.4.4. if the Parties fail to agree the appointment of the arbitrator within ten (10) 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;

6.4.5. the chair of the arbitral tribunal shall be British;

6.4.6. the arbitration proceedings shall take place in London and in the English language; and

6.4.7. the seat of the arbitration shall be London.

**7. URGENT RELIEF**

7.1. Either Party may at any time take proceedings or seek remedies before any court or tribunal of competent jurisdiction:

7.1.1. 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

7.1.2. where compliance with paragraph 2.1 of this Contract Schedule 6 and/or referring the Dispute to mediation may leave insufficient time for that Party to commence proceedings before the expiry of the limitation period.

**CONTRACT SCHEDULE 7: PROCESSING PERSONAL DATA AND DATA SUBJECTS**

This Schedule shall be completed by the Controller, who may take account of the view of the Processors, however the final decision as to the content of this Schedule shall be with the Controller at its absolute discretion.

1. The contact details of the Controller's Data Protection Officer are: Emma Wharram, Deputy Director - Departmental Data Protection Officer, dataprotection.office@education.gov.uk, Department for Education, 7 & 8 Wellington Place, Wellington Street, Leeds, LS1 4AW
2. The contact details of the Processor's Data Protection Officer are: **(to be confirmed at contract mobilisation)**
3. The Processor shall comply with any further written instructions with respect to processing by the Controller.
4. Any such further instructions shall be incorporated into this Schedule.

Description	Details
Identity of the Controller and Processor	The Parties acknowledge that for the purposes of the Data Protection Legislation, the Customer is the Controller and the Contractor is the Processor in accordance with Clause 23.22.
Subject matter of the processing	<p>The processing of personal data relating to applicants for, Learners and employers taking part in Skills Bootcamp(s) is required to ensure the mandatory requirements of the Service Requirements are delivered by the contractor.</p> <p>Where this information may already be collected or processed by the processor, this is to be considered separate processing activities and the contractor will be the data controller for those processing activities and out of scope for this contract.</p>
Duration of the processing	From the commencement date of the call off agreement until the Expiry Date.
Nature and purposes of the processing	<p>Personal data will be collected, stored, used and disclosed by the processor</p> <p>For the purposes of:</p> <ul style="list-style-type: none"> <li>• Recruitment of Learners to enrol on Skills Bootcamps courses</li> <li>• Provision of wraparound support for Learners</li> <li>• Monitoring and Assessment of Learners undertaking Skills Bootcamps and</li> <li>• meeting the evidence requirements of the Call Off Contract</li> </ul>

Type of Personal Data being Processed	<p>All Applicants:</p> <ul style="list-style-type: none"> <li>• Date of Birth</li> <li>• Gender</li> <li>• <i>Disability/long-term health condition</i></li> <li>• <i>Ethnicity</i></li> <li>• Marriage and civil partnership status</li> <li>• <i>Sexual orientation</i></li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Gender re-assignment</i></li> <li>• Pregnancy and maternity</li> <li>• Religion or belief</li> </ul> <p>Learners:</p> <ul style="list-style-type: none"> <li>• Name (first name and surname)</li> <li>• National Insurance number</li> <li>• Postcode</li> <li>• Email address</li> <li>• Telephone number</li> </ul> <p>Employer Contacts:</p> <ul style="list-style-type: none"> <li>• Name</li> <li>• Email address</li> <li>• Telephone Number</li> </ul>
Categories of Data Subject	<ul style="list-style-type: none"> <li>• Applicants for a Skills Bootcamp</li> <li>• Learners taking part in Skills Bootcamps.</li> <li>• Employers</li> </ul>
<p>Plan for return and destruction of the data once the processing is complete</p> <p>UNLESS requirement under union or member state law to preserve that type of data</p>	<p>Unless further written instructions are provided by the Controller:</p> <p>Personal Data will be retained for six years past the end of the financial year in which the last payment is made, to support audit requirements, at which point it will be securely destroyed in line with the Service Requirements.</p>

#### CONTRACT SCHEDULE 8: JOINT CONTROLLER AGREEMENT

**[Guidance:** It is anticipated that the arrangement will be Controller and Processor. Insert this schedule only where a Joint Controller arrangement applies in Schedule 7]

[In this Annex the Parties must outline each party's responsibilities for:

- providing information to data subjects under [Article 13 and 14](#) of the GDPR.
- responding to data subject requests under [Articles 15-22](#) of the GDPR

- notifying the Information Commissioner (and data subjects) where necessary about data breaches
- maintaining records of processing under [Article 30](#) of the GDPR
- carrying out any required Data Protection Impact Assessment
- The agreement must include a statement as to who is the point of contact for data subjects.

The essence of this relationship shall be published.

You may wish to incorporate some clauses equivalent to those specified in Clauses 23.22 - 23.36

You may also wish to include an additional clause apportioning liability between the parties arising out of data protection; of data that is jointly controlled.

Where there is a Joint Control relationship, but no controller to processor relationship under the Call Off Contract, this completed Contract Schedule 8 should be used instead of Clause 23.22 - 23.36]

**CONTRACT SCHEDULE 9: NOT USED**

## CONTRACT SCHEDULE 10: EXIT MANAGEMENT

### 1. DEFINITIONS

1.1. In this Contract Schedule 10, the following definitions shall apply:

**"Exclusive Assets"** means those Supplier 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 to it in paragraph 4.1 of this Contract Schedule 10;

**"Exit Manager"** means the person appointed by each Party pursuant to paragraph 3.4 of this Contract Schedule 10 for managing the Parties' respective obligations under this Contract Schedule 10;

**"Net Book Value"** means the net book value of the relevant Supplier 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 Customer of even date with this Contract;

**"Non-Exclusive Assets"** means those Supplier 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;

**"Registers"** means the register and configuration database referred to in paragraphs 3.1.1 and 3.1.2 of this Contract Schedule 10;

**"Termination Assistance"**

means the activities to be performed by the Supplier pursuant to the Exit Plan, and any other assistance required by the Customer pursuant to the Termination Assistance Notice;

**"Termination Assistance**

**Termination Assistance Notice"**

has the Contract

**Period"**

means 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 Assistance as such period may be extended pursuant to paragraph 6.2 of this Contract Schedule 10;

**"Transferable Assets"**

means those of the Exclusive Assets which are capable of legal transfer to the Customer;

**"Transferable Contracts"**

means the Sub-Contracts, licences for Supplier Background IPR, Project Specific IPR, licences for Third Party IPR or other agreements which are necessary to enable the Customer or any Replacement Supplier to provide the Services or the Replacement

Services, including in relation to licences all relevant Documentation;

**"Transferring Assets"** has the meaning given to it in paragraph 9.2.1 of this Contract Schedule 10;

**"Transferring Contracts"** has the meaning given to it in paragraph 9.2.3 of this Contract Schedule 10.

## 2. INTRODUCTION

2.1. This Contract Schedule 10 describes provisions that should be included in the Exit Plan, the duties and responsibilities of the Supplier to the Customer leading up to and covering the Contract Expiry Date and the transfer of service provision to the Customer and/or a Replacement Supplier.

2.2. The objectives of the exit planning and service transfer arrangements are to ensure a smooth transition of the availability of the Services from the Supplier to the Customer and/or a Replacement Supplier at the Contract Expiry Date.

## 3. OBLIGATIONS DURING THE CONTRACT PERIOD TO FACILITATE EXIT

3.1. During the Contract Period, the Supplier shall:

3.1.1. create and maintain a Register of all:

- (a) Supplier Assets, detailing their: make, model and
  - i) asset number;
  - ii) ownership and status as either Exclusive Assets or Non Exclusive Assets;
  - iii) Net Book Value;
  - iv) condition and physical location; and
  - v) use (including technical specifications);
- (b) 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;
- (c) Information and data relating to Learners (including Learner files) and course material used for the Skill Bootcamps; and
- (d) Supplier Background IPR, Third Party IPR, Project Specific IPR, Customer Background IPR and Customer Data.

3.1.2. Customer Data. 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 Customer 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;

3.1.3. agree the format of the Registers with the Customer as part of the process of agreeing the Exit Plan; and



- 3.1.4. at all times keep the Registers up to date, in particular in the event that Assets, SubContracts or other relevant agreements and information relating to the Learners (including Learner files) and / or course material used for the Skill Bootcamps are added to or removed from the Services.
- 3.2. The Supplier shall:
  - 3.2.1. 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; and
  - 3.2.2. (unless otherwise agreed by the Customer in writing) procure that all licences for Third Party IPR and all Sub-Contracts shall be assignable and/or capable of novation at the request of the Customer to the Customer (and/or its nominee) and/or any Replacement Supplier upon the Supplier ceasing to provide the Services (or part of them) without restriction (including any need to obtain any consent or approval) or payment by the Customer.
- 3.3. Where the Supplier is unable to procure that any Sub-Contract or other agreement referred to in paragraph 3.2.2 of this Contract Schedule 10 which the Supplier proposes to enter into after the Contract Commencement Date is assignable and/or capable of novation to the Customer (and/or its nominee) and/or any Replacement Supplier without restriction or payment, the Supplier shall promptly notify the Customer of this and the Parties shall (acting reasonably and without undue delay) discuss the appropriate action to be taken which, where the Customer so directs, may include the Supplier seeking an alternative SubContractor or provider of services to which the relevant agreement relates.
- 3.4. Each Party shall appoint a person for the purposes of managing the Parties' respective obligations under this Contract Schedule 10 and provide written notification of such appointment to the other Party within three (3) Months of the Contract Commencement Date. The Supplier's Exit Manager shall be responsible for ensuring that the Supplier and its employees, agents and Sub-Contractors comply with this Contract Schedule 10. 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 Contract Schedule 10. 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 Contract Schedule 10 and each Party's compliance with it.

#### 4. **OBLIGATIONS TO ASSIST ON RE-TENDERING OF SERVICES**

- 4.1. On reasonable notice at any point during the Contract Period, the Supplier shall provide to the Customer and/or its potential Replacement Supplier's (subject to the potential Replacement Supplier's entering into reasonable written confidentiality undertakings), the following material and information in order to facilitate the preparation by the Customer of any invitation to tender and/or to facilitate any potential Replacement Supplier's undertaking due diligence:
  - 4.1.1. details of the Service(s);
  - 4.1.2. a copy of the Registers, updated by the Supplier up to the date of delivery of such Registers;
  - 4.1.3. an inventory of Customer Data in the Supplier's possession or control;
  - 4.1.4. details of any key terms of any third party contracts and licences, particularly as regards charges, termination, assignment and novation;

- 4.1.5. a list of on-going and/or threatened disputes in relation to the provision of the Services;
  - 4.1.6. all information relating to Transferring Supplier Employees required to be provided by the Supplier under this Contract; and
  - 4.1.7. such other material and information as the Customer shall reasonably require, (together, the “**Exit Information**”).
- 4.2. The Supplier acknowledges that the Customer may disclose the Supplier’s Confidential Information to an actual or prospective Replacement Supplier or any third party whom the Customer is considering engaging to the extent that such disclosure is necessary in connection with such engagement (except that the Customer may not under this paragraph 4.2 of this Contract Schedule 10 disclose any Supplier’s Confidential Information which is information relating to the Supplier’s or its Sub-Contractors’ prices or costs).
- 4.3. The Supplier shall:
- 4.3.1. notify the Customer within five (5) Working Days of any material change to the Exit Information which may adversely impact upon the provision of any Services and shall consult with the Customer regarding such proposed material changes; and
  - 4.3.2. provide complete updates of the Exit Information on an as-requested basis as soon as reasonably practicable and in any event within ten (10) Working Days of a request in writing from the Customer.
- 4.4. The Supplier may charge the Customer for its reasonable additional costs to the extent the Customer requests more than four (4) updates in any six (6) month period.
- 4.5. 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:
- 4.5.1. prepare an informed offer for those Services; and
  - 4.5.2. not be disadvantaged in any subsequent procurement process
  - 4.5.3. compared to the Supplier (if the Supplier is invited to participate).

## 5. **EXIT PLAN**

- 5.1. The Supplier shall, within three (3) Months after the Contract Commencement Date, deliver to the Customer an Exit Plan which:
- 5.1.1. sets out the Supplier’s proposed methodology for achieving an orderly transition of the Services from the Supplier to the Customer and/or its Replacement Supplier on the expiry or termination of this Contract;
  - 5.1.2. complies with the requirements set out in paragraph 5.3 of this Contract Schedule 10;
  - 5.1.3. sets out an orderly transfer of the items recorded in the Registers including but not limited to the IPR rights as referred to in Paragraph 3.1.1 (d).
  - 5.1.4. is otherwise reasonably satisfactory to the Customer.
- 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 twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

- 5.3. Unless otherwise specified by the Customer or Approved, the Exit Plan shall set out, as a minimum:
- 5.3.1. how the Exit Information is obtained;
  - 5.3.2. the management structure to be employed during both transfer and cessation of the Services;
  - 5.3.3. the management structure to be employed during the Termination Assistance Period;
  - 5.3.4. a detailed description of both the transfer and cessation processes, including a timetable;
  - 5.3.5. how the Services will transfer to the Replacement Supplier and/or the Customer, including details of the processes, documentation, data transfer, systems migration, security and the segregation of the Customer's technology components from any technology components operated by the Supplier or its Sub-Contractors (where applicable);
  - 5.3.6. details of contracts (if any) which will be available for transfer to the Customer and/or the Replacement Supplier upon the Contract Expiry Date together with any reasonable costs required to effect such transfer (and the Supplier agrees that all assets and contracts used by the Supplier in connection with the provision of the Services will be available for such transfer);
  - 5.3.7. proposals for the training of key members of the Replacement Supplier's personnel in connection with the continuation of the provision of the Services following the Contract Expiry Date charged at rates agreed between the Parties at that time;
  - 5.3.8. proposals for providing the Customer or a Replacement Supplier copies of all documentation:
    - (a) used in the provision of the Services and necessarily required for the continued use thereof, in which the Intellectual Property Rights are owned by the Supplier; and
    - (b) relating to the use and operation of the Services;
  - 5.3.9. proposals for the assignment or novation of the provision of all services, leases, maintenance agreements and support agreements utilised by the Supplier in connection with the performance of the supply of the Services;
  - 5.3.10. proposals for the identification and return of all Customer Property in the possession of and/or control of the Supplier or any third party (including any SubContractor);
  - 5.3.11. proposals for the disposal of any redundant Services and materials;
  - 5.3.12. procedures to deal with requests made by the Customer and/or a Replacement Supplier for Staffing Information pursuant to Contract Schedule 10 (Staff Transfer);
  - 5.3.13. how each of the issues set out in this Contract Schedule 10 will be addressed to facilitate the transition of the Services from the Supplier to the Replacement Supplier and/or the Customer with the aim of ensuring that there is no disruption to or degradation of the Services during the Termination Assistance Period; and
  - 5.3.14. proposals for the supply of any other information or assistance reasonably required by the Customer or a Replacement Supplier in order to effect an orderly handover of the provision of the Services.

## 6. **TERMINATION ASSISTANCE**

6.1. The Customer shall be entitled to require the provision of Termination Assistance at any time during the Contract Period by giving written notice to the Supplier (a "**Termination Assistance Notice**") at least four (4) Months prior to the Contract Expiry Date or as soon as reasonably practicable (but in any event, not later than one (1) month) following the service by either Party of a Termination Notice. The Termination Assistance Notice shall specify:

- 6.1.1. the date from which Termination Assistance is required;
- 6.1.2. the nature of the Termination Assistance required; and
- 6.1.3. the period during which it is anticipated that Termination Assistance will be required, which shall continue no longer than twelve (12) Months after the date that the Supplier ceases to provide the Services.

6.2. The Customer shall have an option to extend the Termination Assistance Period beyond the period specified in the Termination Assistance Notice provided that such extension shall not extend for more than six (6) Months after the date the Supplier ceases to provide the Services or, if applicable, beyond the end of the Termination Assistance Period and provided that it shall notify the Supplier to such effect no later than twenty (20) Working Days prior to the date on which the provision of Termination Assistance is otherwise due to expire. The Customer shall have the right to terminate its requirement for Termination Assistance by serving not less than (20) Working Days' written notice upon the Supplier to such effect.

## 7. **TERMINATION ASSISTANCE PERIOD**

7.1. Throughout the Termination Assistance Period, or such shorter period as the Customer may require, the Supplier shall:

- 7.1.1. continue to provide the Services (as applicable) and, if required by the Customer pursuant to paragraph 6.1 of this Contract Schedule 10, provide the Termination Assistance;
- 7.1.2. in addition to providing the Services and the Termination Assistance, provide to the Customer any reasonable assistance requested by the Customer to allow the Services to continue without interruption following the termination or expiry of this Contract and to facilitate the orderly transfer of responsibility for and conduct of the Services to the Customer and/or its Replacement Supplier;
- 7.1.3. use all reasonable endeavours to reallocate resources to provide such
- 7.1.4. assistance as is referred to in paragraph 7.1.2 of this Contract Schedule 10 without additional costs to the Customer;
- 7.1.5. provide the Services and the Termination Assistance at no detriment to the Service Level Performance Measures, save to the extent that the Parties agree otherwise in accordance with paragraph 7.3; and
- 7.1.6. at the Customer's request and on reasonable notice, deliver up-to-date Registers to the Customer.

7.2. Without prejudice to the Supplier's obligations under paragraph 7.1.3 of this Contract Schedule 10, if it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in paragraph 7.1.2 of this Contract Schedule 10 without additional costs to the Customer, any additional costs incurred by the Supplier in providing such reasonable assistance which is not already in the scope of the Termination Assistance or the Exit Plan shall be subject to the Variation Procedure.

- 7.3. If the Supplier demonstrates to the Customer's reasonable satisfaction that transition of the Services and provision of the Termination Assist during the Termination Assistance Period will have a material, unavoidable adverse effect on the Supplier's ability to meet one or more particular Service Level Performance Measure(s), the Parties shall vary the relevant Service Level Performance Measure(s) and/or the applicable Service Credits to take account of such adverse effect.

## **8. TERMINATION OBLIGATIONS**

- 8.1. The Supplier shall comply with all of its obligations contained in the Exit Plan.
- 8.2. 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 Assistance and its compliance with the other provisions of this Contract Schedule 10), the Supplier shall:
- 8.2.1. cease to use the Customer Data;
  - 8.2.2. provide the Customer and/or the Replacement Supplier with a complete and uncorrupted version of the Customer Data in electronic form (or such other format as reasonably required by the Customer);
  - 8.2.3. 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 Customer Data and promptly certify to the Customer that it has completed such deletion;
  - 8.2.4. return to the Customer such of the following as is in the Supplier's possession or control:
    - (a) all materials created by the Supplier under this Contract in which the IPRs are owned by the Customer;
    - (b) any equipment which belongs to the Customer;
    - (c) any items that have been on-charged to the Customer, such as consumables; and
    - (d) any sums prepaid by the Customer in respect of Services not Delivered by the Contract Expiry Date; and
    - (e) all Information and data relating to Learners (including Learner files) and course material used for the Skill Bootcamps
  - 8.2.5. vacate any Customer Premises;
  - 8.2.6. remove the Supplier Equipment together with any other materials used by the Supplier to supply the Services and shall leave the Sites in a clean, safe and tidy condition. The Supplier is solely responsible for making good any damage to the Sites or any objects contained thereon, other than fair wear and tear, which is caused by the Supplier and/or any Supplier Personnel;
  - 8.2.7. provide access during normal working hours to the Customer and/or the Replacement Supplier for up to twelve (12) Months after expiry or termination to:
    - (a) such information relating to the Services as remains in the possession or control of the Supplier; and
    - (b) 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 Customer and/or the Replacement Supplier

shall pay the reasonable costs of the Supplier actually incurred in responding to requests for access under this paragraph.

- 8.3. 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 Assistance and its compliance with the other provisions of this Contract Schedule 10), each Party shall return to the other Party (or if requested, destroy or delete) all Confidential Information of the other Party 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.
- 8.4. Except where this Contract provides otherwise, all licences, leases and authorisations granted by the Customer to the Supplier in relation to the Services shall be terminated with effect from the end of the Termination Assistance Period.

## 9. ASSETS AND SUB-CONTRACTS

- 9.1. Following notice of termination of this Contract and during the Termination Assistance Period, the Supplier shall not, without the Customer's prior written consent:
- 9.1.1. terminate, enter into or vary any Sub-Contract;
  - 9.1.2. (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Supplier Assets or acquire any new Supplier Assets; or
  - 9.1.3. terminate, enter into or vary any licence for software in connection with the provision of the Services.
- 9.2. Within twenty (20) Working Days of receipt of the up-to-date Registers provided by the Supplier pursuant to paragraph 7.1.5 of this Contract Schedule 10, the Customer shall provide written notice to the Supplier setting out:
- 9.2.1. which, if any, of the Transferable Assets the Customer requires to be transferred to the Customer and/or the Replacement Supplier ("**Transferring Assets**");
  - 9.2.2. which, if any, of:
    - (a) the Exclusive Assets that are not Transferable Assets; and
    - (b) the Non-Exclusive Assets, the Customer and/or the Replacement Supplier requires the continued use of; and
  - 9.2.3. which, if any, of Transferable Contracts the Customer requires to be assigned or novated to the Customer and/or the Replacement Supplier
  - 9.2.4. (the "**Transferring Contracts**"), in order for the Customer and/or its Replacement Supplier to provide the Services from the expiry of the Termination Assistance Period. Where requested by the Customer and/or its Replacement Supplier, the Supplier shall provide all reasonable assistance to the Customer and/or its Replacement Supplier to enable it to determine which Transferable Assets and Transferable Contracts the Customer and/or its Replacement Supplier requires to provide the Services or the Replacement Services.
- 9.3. With effect from the expiry of the Termination Assistance Period, the Supplier shall sell the Transferring Assets to the Customer and/or its nominated Replacement Supplier for a consideration equal to their Net Book Value, except where the cost of the Transferring Asset has been partially or fully paid for through the Contract Charges at the Contract Expiry Date,

in which case the Customer shall pay the Supplier the Net Book Value of the Transferring Asset less the amount already paid through the Contract Charges.

- 9.4. Risk in the Transferring Assets shall pass to the Customer or the Replacement Supplier (as appropriate) at the end of the Termination Assistance Period and title to the Transferring Assets shall pass to the Customer or the Replacement Supplier (as appropriate) on payment for the same.
- 9.5. Where the Supplier is notified in accordance with paragraph 9.2.2 of this Contract Schedule 10 that the Customer 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:
  - 9.5.1. procure a non-exclusive, perpetual, royalty-free licence (or licence on such other terms that have been agreed by the Customer) for the Customer and/or the Replacement Supplier to use such assets (with a right of sub-licence or assignment on the same terms); or failing which
  - 9.5.2. procure a suitable alternative to such assets and the Customer or the Replacement Supplier shall bear the reasonable proven costs of procuring the same.
- 9.6. The Supplier shall as soon as reasonably practicable assign or procure the novation to the Customer and/or the Replacement Supplier of the Transferring Contracts. The Supplier shall execute such documents and provide such other assistance as the Customer reasonably requires to effect this novation or assignment.
- 9.7. The Customer shall:
  - 9.7.1. accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and
  - 9.7.2. once a Transferring Contract is novated or assigned to the Customer 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.
- 9.8. The Supplier shall hold any Transferring Contracts on trust for the Customer until such time as the transfer of the relevant Transferring Contract to the Customer and/or the Replacement Supplier has been effected.
- 9.9. The Supplier shall indemnify the Customer (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 Customer (and/or Replacement Supplier) pursuant to paragraph 9.6 of this Contract Schedule 10 in relation to any matters arising prior to the date of assignment or novation of such Transferring Contract.

## 10. **SUPPLIER PERSONNEL**

- 10.1. The Customer and Supplier agree and acknowledge that in the event of the Supplier ceasing to provide the Services or part of them for any reason, Contract Schedule 10 (Staff Transfer) shall apply.
- 10.2. The Supplier shall not take any step (expressly or implicitly and 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 Customer and/or the Replacement Supplier.

- 10.3. During the Termination Assistance Period, the Supplier shall give the Customer and/or the Replacement Supplier reasonable access to the Supplier's personnel to present the case for transferring their employment to the Customer and/or the Replacement Supplier.
- 10.4. The Supplier shall immediately notify the Customer or, at the direction of the Customer, 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.
- 10.5. The Supplier shall not for a period of twelve (12) Months from the date of transfer re-employ or re-engage or entice any employees, Supplier's or Sub-Contractors whose employment or engagement is transferred to the Customer and/or the Replacement Supplier, unless approval has been obtained from the Customer which shall not be unreasonably withheld.

## 11. CHARGES

- 11.1. Except as otherwise expressly specified in this Contract, the Supplier shall not make any charges for the services provided by the Supplier pursuant to, and the Customer shall not be obliged to pay for costs incurred by the Supplier in relation to its compliance with, this Contract Schedule 10 including the preparation and implementation of the Exit Plan, the Termination Assistance and any activities mutually agreed between the Parties to carry on after the expiry of the Termination Assistance Period.

## 12. APPORTIONMENTS

- 12.1. 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 Customer and the Supplier and/or the Replacement Supplier and the Supplier (as applicable) as follows:
- 12.1.1. the amounts shall be annualised and divided by 365 to reach a daily rate;
- 12.1.2. the Customer 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
- 12.1.3. the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice.
- 12.2. Each Party shall pay (and/or the Customer shall procure that the Replacement Supplier shall pay) any monies due under paragraph 12.1 of this Contract Schedule 10 as soon as reasonably practicable.

### CONTRACT SCHEDULE 11: VARIATION FORM No

of Contract Order Form being varied:

.....

Variation Form No:

.....

BETWEEN:

[insert name of Customer] ("**the Customer**") and

[insert name of Supplier] ("**the Supplier**")



1 This Contract is varied as follows and shall take effect on the date signed by both Parties:

***[Insert details of the Variation]***

2 Words and expressions in this Variation shall have the meanings given to them in this Contract.

3 This Contract, including any previous Variations, shall remain effective and unaltered except as amended by this Variation.

Signed by an authorised signatory for and on behalf of the Customer

Signature

Date

Name (in Capitals)

Address

Signed by an authorised signatory to sign for and on behalf of the Supplier

Signature

Date

Name (in Capitals)

Address

## **CONTRACT SCHEDULE 12: ALTERNATIVE AND/OR ADDITIONAL CLAUSES**

### **1. INTRODUCTION**

1.1 This Contract Schedule 12 specifies the range of Alternative Clauses and Additional Clauses that may be requested in the Contract Order Form and, if requested in the Contract Order Form, shall apply to this Contract.

### **2. CLAUSES SELECTED**

2.1 The Customer may, in the Contract Order Form, request the following Alternative Clauses

2.1.1 Financial Limits (see paragraph 4.5 of this Contract Schedule 12).

2.2 The Customer may, in the Contract Order Form, request the following Additional Clauses should apply:

2.2.1 Security Measures (see paragraph 5.1 of this Contract Schedule 12);

### 3. IMPLEMENTATION

3.1 The appropriate changes have been made in this Contract to implement the Alternative and/or Additional Clauses specified in paragraph 2.1 of this Contract Schedule 12 and the Additional Clauses specified in paragraphs 2.2 and 2.2.1 of this Contract Schedule 12 shall be deemed to be incorporated into this Contract.

### 4. ALTERNATIVE CLAUSES

#### 4.1 FINANCIAL LIMITS

In Clause 25.3 remove the monetary amount and the percentage stated therein and replace respectively with:

[enter monetary amount in words] [£ X]

[enter percentage in words] [£ X]

### 5. ADDITIONAL CLAUSES: GENERAL

#### 5.1 SECURITY MEASURES

5.1.1 The following definitions to be added to Contract Schedule 1 (Definitions) to the Contract Order Form and the Contract Terms:

"**Document**" includes specifications, plans, drawings, photographs and books;

"**Secret Matter**" means any matter connected with or arising out of the performance of this Contract which has been, or may hereafter be, by a notice in writing given by the Customer to the Supplier be designated 'top secret', 'secret', or 'confidential';

"**Servant**" where the Supplier is a body corporate shall include a director of that body and any person occupying in relation to that body the position of director by whatever name called.

5.1.2 The following new Clause [58] shall apply:

#### **58. [SECURITY MEASURES]**

58.1. The Supplier shall not, either before or after the completion or termination of this Contract, do or permit to be done anything which it knows or ought reasonably to know may result in information about a secret matter being:

58.1.1. without the prior consent in writing of the Customer, disclosed to or acquired by a person who is an alien or who is a British subject by virtue only of a certificate of naturalisation in which his name was included;

58.1.2. disclosed to or acquired by a person as respects whom the Customer has given to the Supplier a notice in writing which has not been cancelled stating that the Customer requires that secret matters shall not be disclosed to that person;

58.1.3. without the prior consent in writing of the Customer, disclosed to or acquired by any person who is not a servant of the Supplier; or

58.1.4. disclosed to or acquired by a person who is an employee of the Supplier except in a case where it is necessary for the proper performance of this Contract that such person shall have the information.

- 58.2. Without prejudice to the provisions of Clause 58.1, the Supplier shall, both before and after the completion or termination of this Contract, take all reasonable steps to ensure:
- 58.2.1. no such person as is mentioned in Clauses 58.1, 58.1.1 or 58.1.2 hereof shall have access to any item or document under the control of the Supplier containing information about a secret matter except with the prior consent in writing of the Customer;
  - 58.2.2. that no visitor to any premises in which there is any item to be supplied under this Contract or where Services are being supplied shall see or discuss with the Supplier or any person employed by him any secret matter unless the visitor is authorised in writing by the Customer so to do;
  - 58.2.3. that no photograph of any item to be supplied under this Contract or any portions of the Services shall be taken except insofar as may be necessary for the proper performance of this Contract or with the prior consent in writing of the Customer, and that no such photograph shall, without such consent, be published or otherwise circulated;
  - 58.2.4. that all information about any secret matter and every document model or other item which contains or may reveal any such information is at all times strictly safeguarded, and that, except insofar as may be necessary for the proper performance of this Contract or with the prior consent in writing of the Customer, no copies of or extracts from any such document, model or item shall be made or used and no designation of description which may reveal information about the nature or contents of any such document, model or item shall be placed thereon; and
  - 58.2.5. that if the Customer gives notice in writing to the Supplier at any time requiring the delivery to the Customer of any such document, model or item as is mentioned in Clause 58.2.3, that document, model or item (including all copies of or extracts therefrom) shall forthwith be delivered to the Customer who shall be deemed to be the owner thereof and accordingly entitled to retain the same.
- 58.3. The decision of the Customer on the question whether the Supplier has taken or is taking all reasonable steps as required by the foregoing provisions of Clause 58 shall be final and conclusive.
- 58.4. If and when directed by the Customer, the Supplier shall furnish full particulars of all people who are at any time concerned with any secret matter.
- 58.6. If, at any time either before or after the expiry or termination of this Contract, it comes to the notice of the Supplier that any person acting without lawful authority is seeking or has sought to obtain information concerning this Contract or anything done or to be done in pursuance thereof, the matter shall be forthwith reported by the Supplier to the Customer and the report shall, in each case, be accompanied by a statement of the facts, including, if possible, the name, address and occupation of that person, and the Supplier shall be responsible for making all such arrangements as it may consider appropriate to ensure that if any such occurrence comes to the knowledge

of any person employed by it, that person shall forthwith report the matter to the Supplier with a statement of the facts as aforesaid.

- 58.7. The Supplier shall place every person employed by it, other than a SubContractor, who in its opinion has or will have such knowledge of any secret matter as to appreciate its significance, under a duty to the Supplier to observe the same obligations in relation to that matter as are imposed on the Supplier by Clauses 58.1 and 58.2 and shall, if directed by the Customer, place every person who is specified in the direction or is one of a class of people so specified, under the like duty in relation to any secret matter which may be specified in the direction, and shall at all times use its best endeavours to ensure that every person upon whom obligations are imposed by virtue of Clause 58 observes the said obligations, and the Supplier shall give such instructions and information to every such person as may be necessary for that purpose, and shall, immediately upon becoming aware of any act or omission which is or would be a breach of the said obligations, report the facts to the Supplier with all necessary particulars.
- 58.8. The Supplier shall, if directed by the Customer, include in the Sub-Contract provisions in such terms as the Customer may consider appropriate for placing the Sub-Contractor under obligations in relation to secrecy and security corresponding to those placed on the Supplier by Clause 58, but with such variations (if any) as the Customer may consider necessary. Further the Supplier shall:
- 58.8.1. give such notices, directions, requirements and decisions to its SubContractors as may be necessary to bring the provisions relating to secrecy and security which are included in Sub-Contracts under Clause 58 into operation in such cases and to such extent as the Customer may direct;
  - 58.8.2. if there comes to its notice any breach by the Subcontractor of the obligations of secrecy and security included in their Sub-Contracts in pursuance of Clause 58, notify such breach forthwith to the Customer; and
  - 58.8.3. if and when so required by the Customer, exercise its power to determine the Sub-Contract under the provision in that SubContract which corresponds to Clause 58.11.
- 58.9. The Supplier shall give the Customer such information and particulars as the Customer may from time to time require for the purposes of satisfying the Customer that the obligations imposed by or under the foregoing provisions of Clause 58 have been and are being observed and as to what the Supplier has done or is doing or proposes to do to secure the observance of those obligations and to prevent any breach thereof, and the Supplier shall secure that a representative of the Customer duly authorised in writing shall be entitled at reasonable times to enter and inspect any premises in which anything is being done or is to be done under this Contract or in which there is or will be any item to be supplied under this Contract, and also to inspect any document or item in any such premises or which is being made or used for the purposes of this Contract and that any such representative shall be given all such information as he may require on the occasion of, or arising out of, any such inspection.

58.10. Nothing in Clause 58 shall prevent any person from giving any information or doing anything on any occasion when it is, by virtue of any enactment, the duty of that person to give that information or do that thing.

58.11. If the Customer shall consider that any of the following events has occurred:

58.11.1. that the Supplier has committed a breach of, or failed to comply with any of, the foregoing provisions of Clause 58; or

58.11.2. that the Supplier has committed a breach of any obligations in relation to secrecy or security imposed upon it by any other contract with the Customer, or with any department or person acting on behalf of the Crown; or

58.11.3. that by reason of an act or omission on the part of the Supplier, or of a person employed by the Supplier, which does not constitute such a breach or failure as is mentioned in 58.11.2, information about a secret matter has been or is likely to be acquired by a person who, in the opinion of the Customer, ought not to have such information;

and shall also decide that the interests of the State require the termination of this Contract, the Customer may by notice in writing terminate this Contract forthwith.

58.12. A decision of the Customer to terminate this Contract in accordance with the provisions of Clause 58.11 shall be final and conclusive and it shall not be necessary for any notice of such termination to specify or refer in any way to the event or considerations upon which the Customer's decision is based.

58.13. Supplier's notice

58.13.1. The Supplier may within five (5) Working Days of the termination of this Contract in accordance with the provisions of Clause 58.11, give the Customer notice in writing requesting

the Customer to state whether the event upon which the Customer's decision to terminate was based is an event mentioned in Clauses 58.11, 58.11.1 or 58.11.2 and to give particulars of that event; and

58.13.2. the Customer shall within ten (10) Working Days of the receipt of such a request give notice in writing to the Supplier containing such a statement and particulars as are required by the request.

58.14. Matters pursuant to termination

58.14.1. The termination of this Contract pursuant to Clause 58.11 shall be without prejudice to any rights of either party which shall have accrued before the date of such termination;

58.14.2. The Supplier shall be entitled to be paid for any work or thing done under this Contract and accepted but not paid for by the Customer at the date of such termination either at the price which would have been payable under this Contract if this Contract had not been terminated, or at a reasonable price;

58.14.3. The Customer may take over any work or thing done or made under this Contract (whether completed or not) and not accepted at the date of such termination which the Customer may by notice

in writing to the Supplier given within thirty (30) Working Days from the time when the provisions of Clause 58 shall have effect, elect to take over, and the Supplier shall be entitled to be paid for any work or thing so taken over a price which, having regard to the stage which that work or thing has reached and its condition at the time it is taken over, is reasonable. The Supplier shall in accordance with directions given by the Customer, deliver any work or thing taken over under this Clause, and take all such other steps as may be reasonably necessary to enable the Customer to have the full benefit of any work or thing taken over under this Clause; and

58.14.4. Save as aforesaid, the Supplier shall not be entitled to any payment from the Customer after the termination of this Contract.

58.15. If, after notice of termination of this Contract pursuant to the provisions of 58.11:

58.15.1. the Customer shall not within ten (10) Working Days of the receipt of a request from the Supplier, furnish such a statement and particulars as are detailed in Clause 58.13.1; or

58.15.2. the Customer shall state in the statement and particulars detailed in Clause 58.13.2. that the event upon which the Customer's decision to terminate this Contract was based is an event mentioned in Clause 58.11.3,

the respective rights and obligations of the Supplier and the Customer shall be terminated in accordance with the following provisions:

58.15.3. the Customer shall take over from the Supplier at a fair and reasonable price all unused and undamaged materials, boughtout parts and components and articles in course of manufacture

in the possession of the Supplier upon the termination of this Contract under the provisions of Clause 58.11 and properly provided by or supplied to the Supplier for the performance of this Contract, except such materials, bought-out parts and components and articles in course of manufacture as the Supplier shall, with the concurrence of the Customer, elect to retain;

58.15.4. the Supplier shall prepare and deliver to the Customer within an agreed period or in default of agreement within such period as the Customer may specify, a list of all such unused and undamaged materials, bought-out parts and components and articles in course of manufacture liable to be taken over by or previously belonging to the Customer and shall deliver such materials and items in accordance with the directions of the Customer who shall pay to the Supplier fair and reasonable handling and delivery charges incurred in complying with such directions;

58.15.5. the Customer shall indemnify the Supplier against any commitments, liabilities or expenditure which are reasonably and properly chargeable by the Supplier in connection with this

Contract to the extent to which the said commitments, liabilities or expenditure would otherwise represent an unavoidable loss by the Supplier by reason of the termination of this Contract;

- 58.15.6. if hardship to the Supplier should arise from the operation of Clause 58.15 it shall be open to the Supplier to refer the circumstances to the Customer who, on being satisfied that such hardship exists shall make such allowance, if any, as in its opinion is reasonable and the decision of the Customer on any matter arising out of this Clause 58.15 shall be final and conclusive; and

subject to the operation of Clauses 58.15.3, 58.15.4, 58.15.5 and 58.15.6 termination of this Contract shall be without prejudice to any rights of either party that may have accrued before the date of such termination. **CONTRACT SCHEDULE**

#### **13: CONTRACT TENDER**

**NOTE: the Supplier's quality tender response for the Call-Off Contract will be attached to the**

**back**

#### **SCHEDULE 14: SUB-CONTRACTING**

##### **General**

- 1.1. The Supplier must select its Sub-Contractors fairly and without discrimination and must comply with any procurement rules that apply when doing so, including the Public Contracts Regulations 2015 where the Supplier is a contracting authority under those regulations.
- 1.2. The Supplier must ensure that proposed Sub-Contractors are of adequate financial standing and have sufficient capacity and capability to deliver the Services that are to be Sub-Contracted.
- 1.3. The Supplier must have a direct contractual relationship by way of a Sub- Contract with all of its SubContractors. The Supplier must ensure that its Sub-Contractors do not sub-contract any of the Services further to other Suppliers unless the Customer has given its expression written permission for further Sub-Contracting
- 1.4. The Supplier must not enter into any agreement for Brokerage in relation to the Services under this Contract.

##### **Requirements for Sub-Contracts**

- 1.5. The Supplier must enter into a written Sub-Contract with any supplier that the Supplier is proposing to use as a Sub-Contractor. The Supplier and the Sub-Contractor must enter into the Sub-Contract before the Sub-Contractor commences the delivery of the proposed sub-contracted Services.
- 1.6. The Sub-Contract must include:
  - 1.6.1. terms and conditions substantially the same as those set out in this Contract;
  - 1.6.2. payment provisions such that the Supplier must pay the Sub- Contractor within 30 days of receiving a valid invoice;
  - 1.6.3. an obligation on the Sub-Contractor to obtain express written permission from the Supplier before enrolling any Learners;

1.6.4. an obligation on the Sub-Contractor to participate in any rectification plan as appropriate in the event that the Sub-Contractor has committed an act which would constitute a material Default of this Contract (whether or not it is also a breach of the Sub-Contract); and

1.6.5. sanctions on the Sub-Contractor for material Default of the Sub- Contract substantially the same as those set out in this Contract.

1.7. Sub-Contracts must be available at all times for the Customer to inspect on request.

### **Supplier Obligations**

1.8. The Supplier must make payment to any Sub-Contractor within 30 days of receiving a valid invoice in accordance with the required provisions of the Sub- Contract set out at paragraph 1.8.2 of this Schedule.

1.9. The Supplier must manage and monitor its Sub-Contractors in accordance with the relevant SubContract to ensure that the Sub-Contractors deliver the sub-contracted Services to the standard set out in Clause 3 (Service Delivery) of this Contract.

1.10. The Supplier must inform the Customer whenever a Sub-Contractor goes into administration or liquidation.

1.11. The Supplier must have a contingency plan in place to ensure that there is continuity of Services for existing Learners in the event of any circumstances that may arise that render a Sub-Contractor unable to deliver the sub- contracted Services including but not limited to the expiry or termination of the Sub-Contract.

1.12. The Supplier must ensure that a Sub-Contractor that has committed an act which constitutes a material Default of this Contract (whether or not it is also a breach of its Sub-Contract) participates in any rectification plan as appropriate.

1.13. The Supplier must carry out an investigation at its own cost if there is any evidence of a Sub-Contractor having irregular financial or delivery activity and notify the Customer of this and of the outcome of any such investigation.

1.14. The Supplier must not enter new sub-contracting arrangements or increase the value of existing arrangements, without the written consent of the Customer, if any of the following circumstances apply:

1.14.1. Ofsted has rated the Contractor's management and leadership as inadequate;

1.14.2. the outcome of the Contractor's annual financial health assessment is inadequate, unless the Customer has provided its written consent to the proposed sub-contracting arrangement in advance of a Sub- Contract being entered into;

1.14.3. a Sub-Supplier has been inspected and judged to be inadequate by Ofsted; or

1.14.4. a Sub-Contractor is subject to ongoing intervention or investigation by the Customer.

### **Financial Thresholds**

1.15. Where the annual value of this Contract in any Academic Year exceeds £5 million and the Supplier wants to sub-contract one or more of the Services the following provisions apply:

1.15.1. The Supplier will advertise on Contracts Finder all sub-contract opportunities arising from or in connection with the provision of the Services above a minimum threshold of £25,000 that arise during the Contract Period.

1.15.2. Once a Sub-Contract has been awarded, the Supplier will update the notice on Contracts Finder with the details of the successful Sub-Contractor.



1.15.3. In addition to any other management information requirements set out in this Contract, the Supplier agrees and acknowledges that it will, at no charge, provide timely, full, accurate and complete SME Management Information ("MI") Reports to the Customer which incorporate the following:

- (a) The total revenue received directly from the Contract
- (b) The total value of Services under the Contract that have been sub-contracted (including revenues for non-SMEs/non-VCSEs); and (c)

The total value of sub-contracted revenues to SMEs and VCSEs.

1.15.4. The SME Management Information Reports will be provided in the correct format as required by the Customer and any guidance issued by the Customer from time to time.

1.16. Where the Customer requests it, the Supplier must obtain an annual report from an external auditor if the aggregate total of Services in respect of which the Supplier has entered into Sub-Contracts exceeds or is anticipated to exceed £50,000 in any single Contract Year. The aggregate of the sums paid by the Supplier to its Sub-Contractors relates solely to Services that the Supplier is required to deliver under this Call Off Contract.

#### **Departmental Rights**

1.17. In the event that the Supplier fails to comply with any of the requirements set out in this Schedule the Customer reserves the right to take such remedial action under this Contract as it considers appropriate in the circumstances, which may include but is not limited to requiring the Supplier to terminate an existing Sub-Contract and/ or prohibiting the Supplier from entering into any new SubContract to deliver the Services under this Contract.

#### **Key Sub-Contractor**

2.1. The following are agreed between the Parties to be Key Sub-Contracts at the Contract Commencement Date:

2.1.1. [insert full name details]

## SCHEDULE 15: FINANCIAL DISTRESS

### 1. DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

**“Applicable Financial Indicators”** means the financial indicators from Paragraph 5.1 of this Schedule which are to apply to the Monitored Suppliers as set out in Paragraph 5.2 of this Schedule;

**“Board”** means the Supplier’s board of directors;

**“Board Confirmation”** means written confirmation from the Board in accordance with Paragraph 8 of this Schedule;

**“Credit Rating Level”** a credit rating level as specified in Annex 1 of this Schedule;

**“Credit Rating Threshold”** the minimum Credit Rating Level 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] and the [Monitored Suppliers]];

**“Financial Indicators”** in respect of the Supplier, Key Sub-Contractors and the Guarantor, means each of the financial indicators set out at Paragraph 5.1 of this Schedule; and in respect of each Monitored Supplier, means those Applicable Financial Indicators;

**“Financial Target Thresholds”** means the target thresholds for each of the Financial Indicators set out at Paragraph 5.1 of this Schedule;

**“Monitored Suppliers”** means those entities specified at Paragraph 5.2 of this Schedule; **“Rating Agencies”** the rating agencies listed in Annex 1 of this Schedule.

### 2. WARRANTIES AND DUTY TO NOTIFY

2.1 The Supplier warrants and represents to the Customer for the benefit of the Customer that as at the Contract Commencement Date:

2.1.1 the long term credit ratings issued for each entity in the FDE Group by each of the Rating Agencies are as set out in Annex 2 of this Schedule; and

2.1.2 the financial position or, as appropriate, the financial performance of each of the Supplier, Guarantor and Key Sub-Contractors satisfies the Financial Target Thresholds.

2.2 The Supplier shall promptly notify (or shall procure that its auditors promptly notify) the Customer in writing if there is any downgrade in the credit rating issued by any Rating Agency for any entity in the FDE Group (and in any event within 5 Working Days of the occurrence of the downgrade).

2.3 The Supplier shall:

- 2.3.1 regularly monitor the credit ratings of each entity in the FDE Group with the Rating Agencies;
  - 2.3.2 monitor and report on the Financial Indicators for each entity in the FDE Group against the Financial Target Thresholds at least at the frequency set out for each at Paragraph 5.1 (where specified) and in any event, on a regular basis and no less than once a year within one hundred and twenty (120) days after the Accounting Reference Date; and
  - 2.3.3 promptly notify (or shall procure that its auditors promptly notify) the Customer 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).
- 2.4 For the purposes of determining whether a Financial Distress Event has occurred pursuant to the provisions of Paragraphs 3.1.10, and for the purposes of determining relief under Paragraph 7.1, the credit rating of an FDE Group entity shall be deemed to have dropped below the applicable Credit Rating Threshold if:
- 2.4.1 any of the Rating Agencies have given a Credit Rating Level for that entity which is below the applicable Credit Rating Threshold; or
  - 2.4.2 a Rating Agency that is specified as holding a Credit Rating for an entity as set out at Annex 2 of this Schedule ceases to hold a Credit Rating for that entity.
- 2.5 Each report submitted by the Supplier pursuant to Paragraph 2.3.2 shall:
- 2.5.1 be a single report with separate sections for each of the FDE Group entities;
  - 2.5.2 contain a sufficient level of information to enable the Customer to verify the calculations that have been made in respect of the Financial Indicators;
  - 2.5.3 include key financial and other supporting information (including any accounts data that has been relied on) as separate annexes;
  - 2.5.4 be based on the audited accounts for the date or period on which the Financial Indicator is based or, where the Financial Indicator is not linked to an accounting period or an accounting reference date, on unaudited management accounts prepared in accordance with their normal timetable; and
  - 2.5.5 include a history of the Financial Indicators reported by the Supplier in graph form to enable the Customer to easily analyse and assess the trends in financial performance.

### **3. FINANCIAL DISTRESS EVENTS**

#### **3.1 The following shall be Financial Distress Events:**

- 5.1.3 the credit rating of an FDE Group entity dropping below the applicable Credit Rating Threshold;
- 3.1.2 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;

- 3.1.3 there being a public investigation into improper financial accounting and reporting, suspected fraud or any other impropriety of an FDE Group entity;
- 3.1.4 an FDE Group entity committing a material breach of covenant to its lenders;
- 3.1.5 a Key Sub-Contractor notifying the Customer that the Supplier has not satisfied any material sums properly due under a specified invoice and not subject to a genuine dispute;
- 3.1.6 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 Customer which the Customer (acting reasonably) considers to be adequate;
- 3.1.7 any FDE Group entity is late to file its annual accounts without a public notification or an explanation to the Customer which the Customer, acting reasonably, considers to be adequate;
- 3.1.8 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;
- 3.1.9 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 £5m or obligations under a service contract with a total contract value greater than £5m;
  - (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 Customer 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; and
- 3.1.10 any [one] of the Financial Indicators set out at Paragraph 5 for any of the FDE Group entities failing to meet the required Financial Target Threshold.

#### **4. CONSEQUENCES OF FINANCIAL DISTRESS EVENTS**

- 4.1 Immediately upon notification by the Supplier of a Financial Distress Event (or if the Customer 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 Customer 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 3.1.5, the Customer shall not exercise any of its rights or remedies under Paragraph 4.3 without first giving the Supplier 10 Working Days to:
- 4.2.1 rectify such late or non-payment; or
  - 4.2.2 demonstrate to the Customer's reasonable satisfaction that there is a valid reason for late or non-payment.
- 4.3 The Supplier shall (and shall procure that any Monitored Supplier, the Guarantor and/or any relevant Key Sub-Contractor shall):
- 4.3.1 at the request of the Customer, meet the Customer 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 Customer 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
  - 4.3.2 where the Customer reasonably believes (taking into account the discussions and any representations made under Paragraph 4.3.1 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 Customer 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 Customer 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, any Monitored Supplier, Key Sub-Contractors and/or the Guarantor as the Customer 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 Customer shall not withhold its approval of a draft Financial Distress Remediation Plan unreasonably. If the Customer 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 Customer within 5 Working Days of the rejection of the first draft. This process shall be repeated until the Financial Distress Remediation Plan is either:
- 4.4.1 approved by the Customer;
  - 4.4.2 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

- 4.4.3 finally rejected by the Customer.
- 4.5 Following approval of the Financial Distress Remediation Plan by the Customer, the Supplier shall:
- 4.5.1 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 Customer, 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 Customer 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;
- 4.5.2 where updates are made to the Financial Distress Remediation Plan in accordance with Paragraph 4.5.1 submit an updated Financial Distress Remediation Plan to the Customer for its approval, and the provisions of Paragraphs 4.4 and 4.5.1 shall apply to the review and approval process for the updated Financial Distress Remediation Plan; and
- 4.5.3 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 Customer 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 4.3.2(ii) is available when required and on request from the Customer and within reasonable timescales. Such measures may include:
- 4.7.1 obtaining in advance written authority from Key Sub-Contractors, the Guarantor and/or Monitored Suppliers authorising the disclosure of the information to the Customer and/or entering into confidentiality agreements which permit disclosure;
  - 4.7.2 agreeing in advance with the Customer, Key Sub-Contractors, the Guarantor and/or Monitored Suppliers a form of confidentiality agreement to be entered by the relevant parties to enable the disclosure of the information to the Customer;
  - 4.7.3 putting in place any other reasonable arrangements to enable the information to be lawfully disclosed to the Customer (which may include making price sensitive information available to Customer nominated personnel through confidential arrangements, subject to their consent); and
  - 4.7.4 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

- 5.1 Subject to the calculation methodology set out at Annex 3 of this Schedule, the Financial Indicators and the corresponding calculations and thresholds used to determine whether a Financial Distress Event has occurred in respect of those Financial Indicators, shall be as follows:

Financial Indicator	Calculation <sup>1</sup>	Financial Target Threshold:	Monitoring and Reporting Frequency
<b>1</b> <b>Operating Margin</b> <b>OR</b> <b>The higher of (a) the Operating Margin for the most recent 12 month period and (b) the average Operating Margin for the last two 12 month periods</b>	$[\text{Operating Margin} = \text{Operating Profit} / \text{Revenue}]$	$[> [X\%]]$	<i>Tested and reported yearly in arrears within 120 days of each accounting reference date based upon figures for the 12 months ending on the relevant accounting reference date</i>
<b>2</b> <b>Free Cash Flow to Net Debt Ratio</b> <b>OR</b> <b>Net Debt to EBITDA Ratio</b>	$[\text{Free Cash Flow to Net Debt Ratio} = \text{Free Cash Flow} / \text{Net Debt}]$ <p style="text-align: center;">OR</p> $[\text{Net Debt to EBITDA ratio} = \text{Net Debt} / \text{EBITDA}]$	$[> [X\%]]$ OR $[< [X]] \text{ times}$	<i>Tested and reported yearly in arrears within 120 days of each accounting reference date ] based upon [Free Cash Flow / EBITDA] for the 12 months ending on, and Net Debt at, the relevant accounting reference date</i>
<b>3</b> <b>Net Debt + Net Pension Deficit to EBITDA ratio</b>	$[\text{Net Debt} + \text{Net Pension Deficit to EBITDA Ratio} = (\text{Net Debt} + \text{Net Pension Deficit}) / \text{EBITDA}]$	$[< [X]] \text{ times}$	<i>Tested and reported yearly in arrears within 120 days of each accounting reference date based upon EBITDA for the 12 months ending on, and the Net Debt and Net Pension Deficit at, the relevant accounting reference date</i>
<b>4</b> <b>[Net Interest Paid Cover]</b>	$[\text{Net Interest Paid Cover} = \text{Earnings Before Interest and Tax} / \text{Net Interest Paid}]$	$[> [X]] \text{ times}$	<i>Tested and reported yearly in arrears within 120 days of each accounting reference date based upon figures for the 12 months ending on the relevant [accounting reference date / half year end]</i>

<b>5</b> <b>[Acid Ratio]</b>	<i>[Acid Ratio = (Current Assets – Inventories) / Current Liabilities]</i>	<i>[&gt; [X]] times</i>	<i>Tested and reported yearly in arrears within 120 days of each accounting reference date based upon figures at the relevant accounting reference date</i>
<b>6</b> <b>[Net Asset value]</b>	<i>[Net Asset Value = Net Assets]</i>	<i>[&gt; £0]</i>	<i>Tested and reported yearly in arrears within 120 days of each accounting reference date based upon figures at the relevant accounting reference date</i>
<b>7</b> <b>[Group Exposure Ratio]</b>	<i>[Group Exposure / Gross Assets]</i>	<i>[&lt; [X]]%</i>	<i>Tested and reported yearly in arrears within 120 days of each accounting reference date based upon figures at the relevant accounting reference date</i>

Key: <sup>1</sup> – See Annex 3 of this Schedule which sets out the calculation methodology to be used in the calculation of each Financial Indicator.

## 5.2 Monitored Suppliers

<b>Monitored Supplier</b>	<b>Applicable Financial Indicators</b>  (these are the Financial Indicators from the table in Paragraph 0 which are to apply to the Monitored Suppliers)
Group Member, Sub-contractor, Relevant Parent Company	[1] [2] [3][4][5][6][7]

## 6. TERMINATION RIGHTS

6.1 The Customer shall be entitled to terminate this Contract under Clause 30.3.1 (Termination in relation to Financial Standing) if:

6.1.2 the Supplier fails to notify the Customer of a Financial Distress Event in accordance with Paragraph 2.3.3;

6.1.3 the Supplier fails to comply with any part of Paragraph 4.3;

6.1.4 the Customer finally rejects a Financial Distress Remediation Plan (or any updated Financial Distress Remediation Plan) in accordance with Paragraphs 4.4 to 4.5.1; and/or

6.1.5 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 4.5.3.



## **7. PRIMACY OF CREDIT RATINGS**

- 7.1 Without prejudice to the Supplier's obligations and the Customer's rights and remedies under Paragraph 2, if, following the occurrence of a Financial Distress Event pursuant to any of Paragraphs 3.1.2 to 3.1.10 the Rating Agencies review and report subsequently that the credit ratings for the FDE Group entities do not drop below the relevant Credit Rating Thresholds specified for those entities in Annex 2 of this Schedule, then:

- 7.1.1 the Supplier shall be relieved automatically of its obligations under Paragraphs 4.3 to 4.5; and
- 7.1.2 the Customer shall not be entitled to require the Supplier to provide financial information in accordance with Paragraph 4.3.2(ii)4(ii).

## **8. BOARD CONFIRMATION**

- 8.1 Subject to Paragraph 8.4 of this Schedule, the Supplier shall within one hundred and twenty (120) days after each Accounting Reference Date or within 15 months of the previous Board Confirmation

(whichever is the earlier) provide a Board Confirmation to the Customer in the form set out at Annex 4 of this Schedule, confirming that to the best of the Board's knowledge and belief, it is not aware of and has no knowledge:

- 8.1.1 that a Financial Distress Event has occurred since the later of the Contract Commencement Date or the previous Board Confirmation or is subsisting; or
- 8.1.2 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 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 Board Confirmation to be provided under this Contract, the Supplier shall provide the Board Confirmation within 15 months of the Contract Commencement 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 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 Board Confirmation, a statement from the Board of Directors to the Customer (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 AGENCIES AND THEIR STANDARD RATING SYSTEM**

NOT USED

## **ANNEX 2: CREDIT RATINGS AND CREDIT RATING THRESHOLDS**

NOT USED

### ANNEX 3: CALCULATION METHODOLOGY FOR FINANCIAL INDICATORS

The Supplier shall ensure that it uses the following general and specific methodologies for calculating the Financial Indicators against the Financial Target Thresholds:

#### General methodology

Financial Indicator	Specific Methodology
<b>1</b> <b>[Operating Margin]</b>	<p>The elements used to calculate the Operating Margin should be shown on the face of the Income Statement in a standard set of financial statements.</p> <p>Figures for Operating Profit and Revenue should exclude the entity's share of the results of any joint ventures or Associates.</p> <p>Where an entity has an operating loss (i.e. where the operating profit is negative), Operating Profit should be taken to be zero.</p>

<p><b>2</b></p> <p><b>[Free Cash Flow to Net Debt Ratio]</b></p>	<p><i>["Free Cash Flow" = Net Cash Flow from Operating Activities – Capital Expenditure</i></p> <p><i>"Capital Expenditure" = Purchase of property, plant &amp; equipment + purchase of intangible assets</i></p> <p><i>"Net Debt" = Bank overdrafts + Loans and borrowings + Finance Leases + Deferred consideration payable – Cash and cash equivalents</i></p> <p>The majority of the elements used to calculate the Free Cash Flow to Net Debt Ratio should be shown on the face of the Statement of Cash Flows and the Balance Sheet in a standard set of financial statements.</p> <p><u>Net Cash Flow from Operating Activities</u>: This should be stated after deduction of interest and tax paid.</p> <p><u>Capital expenditure</u>: The elements of capital expenditure may be described slightly differently but will be found under 'Cash flows from investing activities' in the Statement of Cash Flows; they should be limited to the purchase of fixed assets (including intangible assets) for the business and exclude acquisitions. The figure should be shown gross without any deduction for any proceeds of sale of fixed assets.</p> <p><u>Net Debt</u>: The elements of Net Debt may also be described slightly differently and should be found either on the face of the Balance Sheet or in the</p>
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1. *Terminology*: The terms referred to in this Annex are those used by UK companies in their financial statements. Where the entity is not a UK company, the corresponding items should be used even if the terminology is slightly different (for example a charity would refer to a surplus or deficit rather than a profit or loss).
1. *Groups*: Where the entity is the holding company of a group and prepares consolidated financial statements, the consolidated figures should be used.
2. *Foreign currency conversion*: Figures denominated in foreign currencies should be converted at the exchange rate in force at the relevant date for which the Financial Indicator is being calculated.
3. *Treatment of non-underlying items*: Financial Indicators should be based on the figures in the financial statements before adjusting for non-underlying items.

#### **Specific Methodology**

<p>OR</p> <p><b>[Net Debt to EBITDA Ratio]</b></p>	<p>relevant note to the financial statements. All interest bearing liabilities (other than retirement benefit obligations) should be treated as borrowings as should, where disclosed, any liabilities (less any assets) in respect of any hedges designated as linked to borrowings (but not non-designated hedges). Borrowings should also include balances owed to other group members.</p> <p>Deferred consideration payable should be included in Net Debt despite typically being non-interest bearing.</p> <p>Cash and cash equivalents should include short-term financial investments shown in current assets.</p> <p>Where Net debt is negative (i.e. an entity has net cash), the relevant Financial Target Threshold should be treated as having been met.]</p> <p>OR</p> <p><i>["Net Debt" = Bank overdrafts + Loans and borrowings + Finance leases + Deferred consideration payable – Cash and cash equivalents</i></p> <p><i>"EBITDA" = Operating profit + Depreciation charge + Amortisation charge</i></p> <p>The majority of the elements used to calculate the Net Debt to EBITDA Ratio should be shown on the face of the Balance sheet, Income statement and Statement of Cash Flows in a standard set of financial statements but will otherwise be found in the notes to the financial statements.</p> <p><u>Net Debt</u>: The elements of Net Debt may be described slightly differently and should be found either on the face of the Balance Sheet or in the relevant note to the financial statements. All interest bearing liabilities (other than retirement benefit obligations) should be included as borrowings as should, where disclosed, any liabilities (less any assets) in respect of any hedges designated as linked to borrowings (but not non-designated hedges). Borrowings should also include balances owed to other group members.</p> <p>Deferred consideration payable should be included in Net Debt despite typically being non-interest bearing.</p> <p>Cash and cash equivalents should include short-term financial investments shown in current assets.</p> <p>Where Net debt is negative (i.e. an entity has net cash), the relevant Financial Target Threshold should be treated as having been met.</p> <p><u>EBITDA</u>: Operating profit should be shown on the face of the Income Statement and, for the purposes of calculating this Financial Indicator, should include the entity's share of the results of any joint ventures or Associates. <i>The depreciation and amortisation charges for the period may be found on the face of the Statement of Cash Flows or in a Note to the Accounts. Where EBITDA is negative, the relevant Financial Target Threshold should be treated as not having been met (unless Net Debt is also negative, in which case the relevant Financial Target Threshold should be treated as having been met).]</i></p>
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<p><b>3</b></p> <p><b>[Net Debt + Net Pension Deficit to EBITDA ratio]</b></p>	<p><i>[“<b>Net Debt</b>” = Bank overdrafts + Loans and borrowings + Finance leases + Deferred consideration payable – Cash and cash equivalents</i></p> <p><i>“<b>Net Pension Deficit</b>” = Retirement Benefit Obligations – Retirement Benefit Assets</i></p>
	<p><i>“<b>EBITDA</b>” = Operating profit + Depreciation charge + Amortisation charge</i></p> <p>The majority of the elements used to calculate the Net Debt + Net Pension Deficit to EBITDA Ratio should be shown on the face of the Balance sheet, Income statement and Statement of Cash Flows in a standard set of financial statements but will otherwise be found in the notes to the financial statements.</p> <p><u><i>Net Debt</i></u>: The elements of Net Debt may be described slightly differently and should be found either on the face of the Balance Sheet or in the relevant note to the financial statements. All interest bearing liabilities (other than retirement benefit obligations) should be included as borrowings as should, where disclosed, any liabilities (less any assets) in respect of any hedges designated as linked to borrowings (but <i>not</i> non-designated hedges). Borrowings should also include balances owed to other group members.</p> <p>Deferred consideration payable should be included in Net Debt despite typically being non-interest bearing.</p> <p>Cash and cash equivalents should include short-term financial investments shown in current assets.</p> <p><u><i>Net Pension Deficit</i></u>: Retirement Benefit Obligations and Retirement Benefit Assets may be shown on the face of the Balance Sheet or in the notes to the financial statements. They may also be described as pension benefits / obligations, post-employment obligations or other similar terms.</p> <p>Where ‘Net Debt + Net Pension Deficit’ is negative, the relevant Financial Target Threshold should be treated as having been met.</p> <p><u><i>EBITDA</i></u>: Operating profit should be shown on the face of the Income Statement and, for the purposes of calculating this Financial Indicator, should include the entity’s share of the results of any joint ventures or Associates.</p> <p>The depreciation and amortisation charges for the period may be found on the face of the Statement of Cash Flows or in a Note to the Accounts.</p> <p>Where EBITDA is negative, the relevant Financial Target Threshold should be treated as not having been met (unless ‘Net Debt + Net Pension Deficit’ is also negative, in which case the relevant Financial Target Threshold should be regarded as having been met).]</p>

<p><b>4</b></p> <p><b>[Net Interest Paid Cover]</b></p>	<p><i>[“Earnings Before Interest and Tax” = Operating profit</i></p> <p><i>“Net Interest Paid” = Interest paid – Interest received</i></p> <p>Operating profit should be shown on the face of the Income Statement in a standard set of financial statements and, for the purposes of calculating this Financial Indicator, should include the entity’s share of the results of any joint ventures or Associates.</p> <p>Interest received and interest paid should be shown on the face of the Cash Flow statement.</p> <p>Where Net interest paid is negative (i.e. the entity has net interest received), the relevant Financial Target Threshold should be treated as having been met.]</p>
<p><b>5</b></p> <p><b>[Acid Ratio]</b></p>	<p>[All elements that are used to calculate the Acid Ratio are available on the face of the Balance Sheet in a standard set of financial statements.]</p>
<p><b>6</b></p> <p><b>[Net Asset value]</b></p>	<p>[Net Assets are shown (but sometimes not labelled) on the face of the Balance Sheet of a standard set of financial statements. Net Assets are sometimes called net worth or ‘Shareholders’ Funds’. They represent the net assets available to the shareholders. Where an entity has a majority interest in another entity in which there are also minority or non-controlling interests (i.e. where it has a subsidiary partially owned by outside investors), Net Assets should be taken inclusive of minority or non-controlling interests (as if the entity owned 100% of such entity).]</p>



<p>7</p> <p>[Group Exposure Ratio]</p>	<p><i>[“Group Exposure” = Balances owed by Group Undertakings + Contingent liabilities assumed in support of Group Undertakings]</i></p> <p><i>“Gross Assets” = Fixed Assets + Current Assets</i></p> <p><u>Group Exposure</u>: Balances owed by (i.e. receivable from) Group Undertakings are shown within Fixed assets or Current assets either on the face of the Balance Sheet or in the relevant notes to the financial statements. In many cases there may be no such balances, in particular where an entity is not a member of a group or is itself the ultimate holding company of the group.</p> <p>Contingent liabilities assumed in support of Group Undertakings are shown in the Contingent Liabilities note in a standard set of financial statements. They include guarantees and security given in support of the borrowings of other group companies, often as part of group borrowing arrangements. Where the contingent liabilities are capped, the capped figure should be taken as their value. Where no cap or maximum is specified, the relevant Financial Target Threshold should automatically be regarded as not having been met.</p> <p>In many cases an entity may not have assumed any contingent liabilities in support of Group Undertakings, in particular where an entity is not a member of a group or is itself the ultimate holding company of the group.</p> <p><u>Gross Assets</u>: Both Fixed assets and Current assets are shown on the face of the Balance Sheet]</p>
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#### ANNEX 4: BOARD CONFIRMATION

**Supplier Name:**

**Contract Reference Number:**

The Board of Directors acknowledge the requirements set out at paragraph 8 of Schedule 15 (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 Board to prepare this statement.

The Board of Directors confirms, to the best of its knowledge and belief, that as at the date of this 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 Board Confirmation and the Contract Commencement 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 Board of Directors:

Chair .....  
Signed .....  
Date .....

Director .....  
Signed .....  
Date .....

**2a: Course Content**

Complete the table below for each proposed Skills Bootcamp:

	Question	Answer
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Q.1	Lead Provider Name	PET-Xi Training Limited
Q.2	Skills Bootcamp Title	The Cyber Security Digital Bootcamp for Entrepreneurs
Q.3	Delivery Partner(s)	None
Q.4	Region of Delivery. Please also state if this includes any areas of high economic deprivation (if so, which areas, and what evidence do you have of deprivation in that area?)	<p>West Midlands, East Midlands, East of England, and Yorkshire and the Humber regions with a focus on the most deprived areas within the regions. For example: In the West Midlands areas such as in Nuneaton and Bedworth 13.6% of the population is income-deprived with 15 neighbourhoods in Bedworth and 14 in Nuneaton being most income deprived in England. North Warwickshire sits within the middle of the rankings for the least deprived local authorities in the country and ranks 190 out of the 326 local authorities. (1st being most deprived and 326th being least deprived), although there are two specific wards within the Borough where deprivation is much higher. One of these, <b>Mancetter South &amp; Ridge Lane</b> is in the top 10% of most deprived Lower Layer Super Output Areas nationally and another <b>Atherstone Central-Centre</b> sits within the top 10%20% of deprived wards; these are some of the most deprived neighbourhoods in the whole of England. Educational attainment in North Warwickshire is currently the lowest in the County, the health of our population is also amongst the poorest in the County, whilst our Borough also includes some of the most remote and diverse rural communities in Warwickshire. We therefore propose to actively target these areas through our bootcamps to align skills and employment opportunities whilst driving new business startups. According to One East Midlands the East Midlands is the fourth most deprived region, behind Yorkshire and Humber and ahead of the West Midlands, containing 7% of the 20% most deprived areas in the country. The most educationally and employment deprived local authority being <b>Mansfield with the City of Leicester</b> being the most deprived in relation to income, we therefore will target these areas to raise educational attainment and earning potential underpinning this with our Cyber Security Digital Bootcamp for Entrepreneurs.</p> <p>According to public Health England Kingston upon Hull is one of the 20% most deprived districts/unitary authorities in England and about 27.4% (14,430)</p>

		<p>children live in low income families. Life expectancy for both men and women is lower than the England average. this is compounded in areas such as <b>Bransholme which is amongst the most deprived parts of Hull</b>. According to the Hull &amp; East Yorkshire Local Skills Report (Jan2022) there is a need for digital upskilling across all sectors to meet employer needs. Working Futures data predicts that 46% of jobs in the wider Humber region will require Level 4+ qualifications by 2030. This indicates a mismatch between the current qualification profile and future demands in the area putting residence at a disadvantage.</p>
Q.5	Total unit cost of Skills Bootcamp	

Q.6	Please detail the high-level course content (identifying delivery subjects in each week of the Skills Bootcamp)	<p>The Cyber Security Digital Bootcamp for Entrepreneurs will prepare participants for selfemployment in a digital age by completing a combination of face to face and online modules leading to the setting up of their business with an emphasis on Cyber Security and digital inclusion. This content delivered over 14 weeks as outlined below</p> <p>Week 1) Developing a business plan.  Week 2) Developing business ideas this session including when possible a guest entrepreneurial speaker to give an insight to running a small business  Week 3) Market analysis and feasibility  Week 4) Access to funding including for example loans venture capital and business angels.  Week 5) Legal compliance including legal structures.  Week 6) Community &amp; Voluntary Sector Support for Entrepreneurship  Week 7) How to market your business  Week 8) Core terminology and Cyber Awareness including Vulnerabilities and Threats  Week 9) Cyber security applications  Week 10) Utilisation digital skills such as website optimisation including SEO, web bots and basic CSS.  Week 11) Encryption techniques and certificates.  Week 12) Introduction to book-keeping and the need for sound accounting.  Week 13) Business structure, registration and grant applications.  Week 14) Business coaching and career mentoring session.</p> <p>In addition to the above participants will be assisted registering with HMRC/Companies House and for those going onto self-employment with the setting up their own website and ordering business cards and some promotional materials. Note: some unit content may change in line with specific cohort needs nevertheless subjects will remain.</p>
Q.7	Number of Guided Learning Hours* for each cohort (minimum 120 GLH).	126
Q.8	Number of independent learning hours	40
Q.9	Mode of delivery (remote/classroom/blended)	Blended

Q.10	Number of Cohorts proposed	21
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Q.11	Planned start/end dates for each cohort (dates should fall within the maximum length of time of 16 weeks)	<p><b>Sept</b> - Start Date 04/09/2023 End Date 15/12/2023 ,</p> <p><b>Oct</b> - Start Date 09/10/2023 End Date 19/01/2024 , Start Date 23/10/2023 End Date 02/02/2024</p> <p><b>Nov</b> - Start Date 06/11/2023 End Date 16/02/2024 , Start Date 20/11/2023 End Date 01/03/2024</p> <p><b>Dec</b> - Start Date 04/12/2023 End Date 22/03/2024 , Jan – , Start Date 15/01/2023 End Date 27/04/2023 , Start Date 22/01/2023 End Date 04/05/2023 , Start Date 29/01/2023 End Date 11/05/2023</p> <p><b>Feb</b> - Start Date 12/02/2023 End Date 25/05/2023 , Start Date 19/02/2023 End Date 01/06/2023 , Start Date 26/02/2023 End Date 08/06/2023</p> <p><b>March</b> – Start Date 04/03/2023 End Date 14/06/2023 , Start Date 11/03/2023 End Date 21/06/2023 , Start Date 25/03/2023 End Date 05/07/2023</p> <p><b>April</b> - Start Date 08/04/2023 End Date 19/07/2023 , Start Date 15/04/2023 End Date 26/07/2023 , Start Date 29/04/2023 End Date 09/08/2023</p> <p><b>May</b> - Start Date 06/05/2023 End Date 16/08/2023 , Start Date 13/05/2023 End Date 23/08/2023 , Start Date 20/05/2023 End Date 30/08/2023</p>
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Q.12	<p>Identify how your initial and final assessments will establish the knowledge, skills and behaviours the learner has gained through the Skills Bootcamp.</p>	<p>We will engage participants using career coaching assessments to identify their starting point, personal aspirations leading to career-coaching assessments and on-line personal and business skills development courses. Our robust process includes English and Maths assessment and diagnostic; Star Performer a behavioural assessment which measures soft outcomes and distance travelled using KPIs such as timekeeping and confidence can also be used to enhance interventions for participants. This enables us to design programmes at the right level and pace to meet multiple needs including additional specialist support. Initial assessment: Is thorough, robust and undertaken diligently, this enables us to understand the starting point of each individual, any protected characteristics to be accommodated, any barriers to participation and self-employment and career goals. This enables us to design programmes with the right content, pace and delivery method. For example, we can deliver the bootcamp at fast pace in 10 weeks or extend the programme by 4 weeks if required. Similarly we can deliver 100% face to face; or a mix of classroom learning and digital learning; digital learning can include live webinars, podcasts; one to few and one to many sessions.</p> <p>Individual Learning Plan: The results of initial assessment translate into an ILP which captures every aspect of how the programme will be delivered taking full account of the needs and preferences of the individual. The detail of the ILP is agreed between the learner and their business mentor/trainer. It can be amended to meet changing needs and circumstances. It can also include specialist wrap around support such as developing their business idea and health and wellbeing for the self-employed. All ILPs include SMART targets with a timeline and agreed method of measurement.</p> <p>Regular reviews: Monitor the progress of each learner drawing on information from the dedicated business coach, digital trainer, virtual learning environment and of course the learner themselves. This includes overall and incremental progress toward each of the targets set ensuring knowledge, skills and behaviours are evidenced. Reviews are undertaken face to face between the learner and their trainer/coach and provide an opportunity to put into place additional support should a learner be struggling with a particular aspect of the programme or any area of their lives.</p> <p>Exit interview and exit plan: When the training ends the programme doesn't, it continues for 3 months</p>
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		<p>through extended coaching and mentoring. We conduct an exit review with their business mentor where we celebrate the progress made and plan how the participant can reach their self-employment goal. We ask participants what kind of support they wish to access, the level of support, the frequency and the mode of support. Through the tripartite meeting we re-evaluate the knowledge , skills and behaviours learnt and those in development. Additional training needs and skills progression pathways are identified and the participant then signposted to further provision to aid their business start -up and assist with sustainability. ie, CWLEP Chamber Business Incubator</p>
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Q.13	Identify and/or quantify the measurement of successful completion of the training element of the Skills Bootcamp	<p>Qualitative, and quantitative controls PET-Xi has a number of Qualitative and Quantitative controls already in place which will serve to scrutinise and measure successful completion of the bootcamp. These consist of learning plan completion, progressions and outcomes including job outcomes and in work progressions. For example Qualitative controls include learner questionnaires and feedback, Employer questionnaire, Learner/Tutor feedback, case studies bespoke to individual employers and observations of teaching and learning. Quantitative controls include; referrals to start, MIS data, achievement rates, retention rates, timely completion, positive destination data including increases in resident earnings and additional responsibility gained and start/end point assessment through ILP monitoring .Each programme of learning with PET-Xi will also hold an embedded Qualitative and Quantitative risk assessment plan and this is owned and refreshed monthly by the contract manager with feedback to SLT and Governors quarterly. Measurements monitored will include learners engaged and enrolled, learners by priority area (40%), career progression plans completed (100%), achievement of all required mandatory modules in bootcamp (95%) and job outcomes including self employment within 4 weeks of completing boot camp which we have set at (75%). Learner/Employer feedback questionnaires at mid and end point provide a differing viewpoint of successful completion and the use of net promoter scoring contributes directly to our SAR/QIP.</p>
Q.14	Size of cohorts (max/min)	7 to 15
Q.15	Skill level of this Skills Bootcamp (levels 3-5 or equivalent)	4
Q.16	Is this Skills Bootcamp mapped to an IfATE occupational standard? If so, please specify the name and level of the occupational standard(s)	No
Q.17	Will training be accredited? If yes, by which Awarding organization?	No

Q.18	If the training is not mapped or accredited, please identify the method for recognising and recording progress and achievement	<p>Each learner's progress will be measured against their own starting point being informed by comprehensive IAG with smart targets being identified on their Individual learning plans. In addition, each learner will be required to provide an Assignment linked to their business idea in the form of a Business Plan.</p> <p>Although the Cyber element is non-accredited many of the elements will be mapped to parts of units allowing maximum flexibility whilst providing a foundation for setting assessment criteria and recording individuals progress. Although the programme is not accredited it is still modalized to allow for the effective tracking of completed modules against a set of pre-defined criteria. This also allows for this to not only be recognised but also makes for the effective recording and recognition of both progress and achievement which will be recorded within individuals Learning Plans and course tracking sheet.</p> <p>Each learner will complete a portfolio of evidence to include records of learner self-assessment, group, tutor records of assessment activities and individual or group progress and achievement. This may include Learners' files, portfolios, performances, individual learner testimony, photographs and other forms of evidence. This may also include evidence of their company's house registration or registration with HMRC as being self-employed. All learners will undertake a mid-point and end of programme exit review to measure changes in their understanding, knowledge and behaviours and distance travelled against their initial SMART Learning plan. Learners completing the programme will receive a completion certificate in addition our VLE will provide a mechanism for setting assessments and automatically issue certificates to learners outlining their achievement in relation to a set of predetermined criteria, tutors will be able to verify these when undertaking progress checks and the edit reviews to ensure learning has taken place. This will allow us to measure the intent, implementation and impact at an individual learner level. We will continue to monitor individuals once they have left programme to ensure they are in sustainable employment and we are able to effectively provide or signpost them to further learning and support, in addition to further comparing and recognising their achievements.</p>
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Q. 19	Can you confirm that the training, including initial and final assessment, and securing any relevant accreditation, can be completed within 16 weeks?	Yes
	<p><b>Guidance:</b></p> <p>* = Guided Learning Hours are the time a learner spends being taught or instructed by - or otherwise participating in education or training under the immediate guidance or supervision of - a lecturer, supervisor, tutor or other appropriate provider of education or training, whether online or in person.</p>	

### To attract and recruit potential learners, including those in underrepresented groups

PET-Xi Invests in getting to know the target groups through the implementation of community **INNOVATORS** (living and work in the very community we target) – Based nationally, innovators embed themselves within community activities, interests, networks, and social gathering places, to motivate and energise stakeholder engagement.

Customising recruitment practices based on local knowledge and target groups we individually target those such as economically inactive, Informal, and precarious workers, LGBTQI+, Migrants, Minorities, Older persons, disabilities, Refugees/asylum seekers, Rural workers and populations. PET-Xi hold strong stakeholder relationships such as Reed and Jobs22 as well as organisations within the local community such as Endike Community Centre (Kingston upon Hull) and Centre 4 (Grimsby), both charities or social enterprises that already work with disadvantaged people to better understand their needs and will act as feeders for our programme.

PET-Xi uses a **FAST CONNECTED screening method** to ensure learners are contacted within 24 hours of their initial enquiry in collaboration with a community **INNOVATOR**, an overview of the project is discussed face to face/virtually, which builds a rapport with the learner instantly, whilst checking the learner has the correct identity. Learners are **FAST CONNECTED** and provided with a personalised **COMMUNITY ACTIVATOR** who **WORKS DIRECTLY ALONGSIDE THE EMPLOYER** to complete a demographic onboarding assessment, robust English and Maths diagnostics and career fit profiler. To ensure the project meets the individualised skills needs, additional behavioural assessments **STAR PERFORMER** will measure soft outcomes and distance travelled via a career learning/progression plan. Once the learner positively meets the project requirements and the onboarding has been agreed by both the **COMMUNITY ACTIVATOR** and Employer, confirmation of the project start date is confirmed.

**PET-Xi supports learners throughout Skills Bootcamps to promote retention by** using COMMUNITY ACTIVATORS, providing an individualised wraparound service to coordinate the learners journey ensuring the learner receives a service of tailored delivery excellence, this is evidenced from the robust initial diagnostic, assessments which are embedded into the career learning/progression plan. Additional needs are recorded from the demographic onboarding assessments to ensure every learner is supported within HEALTH, FINANCES and ACCOMODATION making every adult matter (MEAM), thus improving the life chances of adults facing multiple disadvantages, enabling the holistic wrap around service throughout the service delivery. Our programme is based on a very successful CRF bootcamp pilot in Warwickshire where we achieved 72% positive outcomes and 100% retention rates through our SPACED LEARNING model, demonstrating an effective learning strategy implementing several modules of shorter durations with spaced intervals, offering flexible timings to learning including weekends, evenings and staggered times for carers. Our BLENDED LEARNING style enabling learners to access both on and offline, twinned with our innovative programme development of creating animation videos to illustrate complex processes interactively actively promotes **high retention** whilst ensuring all content is relevant to the learners individualised goals.

**PET-Xi supports learners to promote positive outcomes** through 5 steps:

- 1) Developing a business plan
- 2) Market analysis and feasibility
- 3) Access to funding including business angels
- 4) Legal compliance including legal structures

**STEP 1 INNOVATE** identify participants using Community Innovators

**STEP 2 ACTIVATE** engage participants using career coaching assessments to identify their starting point, personal aspirations leading to career-coaching assessments and online personal and business skills development courses.

Commented [SP1]: I think we need some evidence show this works and you are experienced

Commented [SP2]: Do we need to tell them that this was the Bootcamp pilot?

STEP 3 **EMERGE** Residents will begin to complete individualised mentoring packages and specific entrepreneurial digital requirements to meet their set targets for progression.

STEP 4 **EVOLVE** participants utilise website optimisation, web bots, writing CSS, encryption certificates and cyber security applications in the setup of their new entrepreneurial venture. Alongside these digital pillars, residents will prepare the self-employment element of their bootcamp by completing.

#### Community & Voluntary Sector Support for Entrepreneurship

STEP 5 **LEGACY** continuing business mentoring through test trading period and until the

**Our training is available** to a diverse cohort within communities we deliver by using our social value modelling, ensuring a social inclusive model that effectively represents a diverse representation of the communities we serve. We actively hold a positive market share with national consortia groups (Panoptic) enabling us to reach neurodivergent learners with dual diagnosis, LGBTQ+ community, BAME, individuals over 50+ and more specific religious diversity through our work with local faith leaders within targeted community settings. Geo marketing is used alongside targeted social media campaigns via community forums and community interest pages.

Commented [SP3]

[ice to back up this approach](#)

6) Marketing your business

7) Business structure, registration, grant applications

PET-Xi use dedicated **Community Activators** and **Business Mentors** to review participant development and monitor progress. business becomes established and viable.

**PET-Xi** design new programmes in collaboration with industry leading employers ie, Crown Paints and Panoptic Group. A round table approach during curriculum design allows soft skills such as employability, entrepreneurship and employer industry experience to be closely aligned to the digital cyber technical core elements to meet the needs of current and future business/economic needs. Collecting feedback from local and national business on performance, successful key drivers, and new product development now and in the future is a vital technical skill to ensure our programmes meet the needs of learners.

**PET-Xi's** curriculum team engage industry leaders from multinational and global blue-chip organisations as well as more local employers to effectively ensure programme design and delivery of value to learners. PET-Xi gains signed guarantees from all employers we engage to ensure that:

- 1) Each learner is matched closely to an employer who will act as their mentor and provide support and advice, e.g., advising on business plans.
- 2) Larger employers allocate internal trainers to work alongside PET-Xi technical trainers
- 3) Employers deliver webinars accessible via our VLE on specialist topics e.g. Squirrel Forensics on new business cyber applications and barriers.
- 4) Learners encouraged to build relationships with other employers in established networks such as the Local LEP, Humber Employer Partnership and Enterprising Women Network to learn the intricacies, etiquette techniques of successful business to business networking in building a business.
- 5) Employer representative attends all training sessions including engagement and prescreening.

**PET-Xi** cultivates a culture of learning that is embedded within the knowledge, skills, and behaviours of its subject matter expert delivery team. Through individualised learner career progression plans, both the delivery team and employer representative fully understand the specific needs of the learner to create a learning environment that is naturally engaging throughout the lifetime of the Skills Bootcamp and directly aligns with progression pathways.

Learners will acquire and apply new knowledge through an empowering engaging process, gaining relevant and meaningful insights into similar businesses within the learners' area of interest including having access to Industry representatives/role models, sector work experience tasters, Employer specific training days and Wrap around support awareness sessions including added value modules in HR/Finance and Health and Safety.

Through signed partnership agreements with our employer partners we:

- Cultivate customer relationship management through regular collaboration meetings.
- Employ Employer Engagement relationship/marketing managers
- Communicate openly with **Employer Business Mentors** through weekly meetings.
- Set proper expectations as part of the co-design stage and review milestones frequently.
- Create a feedback loop – enabling constant flow of employer feedback to head office curriculum writers.
- Establish an **Employer Business Mentor** forum across regions to showcase best practice and actively involve our employers as guest speakers.
- Continuously enhance customer experiences by inviting previous learners now self-employed to be involved in new programme design.

Our Digital Cyber Entrepreneurship bootcamp has been designed by national successful entrepreneurs including Fleur Sexton DL, Sarah Windrum and John Kilvington, all relevant industry experts capable of matching bootcamp resources/curriculum to very latest industry cyber entrepreneurship requirements. However due to the sector, the goal is self-employment, interviews will not be required. Instead, all our learners will benefit from wraparound employer support via mentoring and masterclasses with employers to ensure a high volume of job starts through constant employer interaction.

**PET-Xi** values feedback from stakeholder engagement listening to employers at a global and local level, incorporating as many (SMEs) feedback. This enables the community **ACTIVATOR** to sector specific match the full range of employers to the learners that they may eventually work with. It is not enough to simply rely on the feedback of a few chosen partners due to the individualisation of each business



model, and local area needs. PET-Xi work closely with the Chambers of Commerce and organisations such as 'Champions' where we will find a high majority of SME businesses, many of which were started by entrepreneurs themselves.

Through our Employer Business SME Mentor Forum we ensure high value proposition by informing employers of local and national funding opportunities, additional business growth information, and open up employer awareness of support available to them, which would support the organisations environmental obligations of Return on Investment (ROI). For example in Warwickshire through the SME Business Forum we were able to link Squirrel Forensics new business startup with Panoptic Group to offer complimentary cyber data webinars to their customers. A link to a regional welfare to work provider also provided free job advertisements and screening to enable cost neutral recruitment whilst making a positive impact on economic well-being, financial contribution and business growth.

## 2b: Employer

### Engagement

**Table 1: Supplier**

status

Q1. Through the Skills Bootcamp, will you be training only your current employees to take up new roles/responsibilities within your own organisation?	No
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If you answered 'no' to Q1 in Table 1, please also complete Table 2 and Table 3 below. If you answered 'yes', you're not required to complete Tables 2 and 3.

**Table 2: Area of employer**

involvement

Area of Skills Bootcamp delivery	Name of employer who is willing to be involved in this area of Skills Bootcamp delivery	Named contact from employer	Named contact's email address	Named contact's telephone number	In which job roles would the employer be interested in employing Skills Bootcamps learners
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<b>Recruitment:</b> Contributing to the learner screening process and/or to ensure employer skills needs have informed the learner recruitment process (e.g. employer helps to confirm any learner eligibility requirements needed in addition to the standard Skills Bootcamps eligibility requirements; or helps to inform the recruitment criteria; or helps to conduct learner recruitment activities)					
<b>Content:</b> Helping to co-design or co-develop the Skills Bootcamp to ensure					

that course provision will meet their existing skills need (e.g. employer provides feedback on the course design; or the supplier carries out a needs analysis on the employer's business to help develop the Skills Bootcamp and the employer approves the solution; or the employer confirms that the course content will help meet their skills needs)					
<b>Delivery:</b> Helping to deliver the Skills Bootcamp (e.g., employer delivers a presentation, delivers some of the course content, helps to deliver mock interviews)					

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<p><b>Outcomes:</b> the employer would be interested in employing learners who complete the proposed Skills Bootcamps. (This can include being interested in employing learners in new roles/responsibilities within the organisation for employers who would be co-funding their employees to participate in the Skills Bootcamp.) In column G, please state what types of roles they would be interested in employing learners in.</p>					

[illegible]

Table 3 - Employer written signatures	
Named contact from Table 2 in Tab 2b	Written signature
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]


**Based on our discussions with employer entrepreneurs who will act as mentors on this programme** the £660,995.34 funding requested will act as an enabler for 210 participants to gain and use transferable digital, technical cyber skills and knowledge to take up the challenge of starting a business opportunity. This rationale is based on a recently completed delivery of a Community Renewal Funded Business Futures programme (pilot) in Warwickshire supporting 42 new business start-ups (72% sustained work) with cyber digital skills at its core. This has provided the opportunity to test the concept which has resulted in the design of the Cyber Digital Entrepreneurship Bootcamp which due to its success has been picked up by both the West Midlands Combined Authority (WMCA) and South Yorkshire Combined Authority (SYCA). Employers (GI Group) who have already agreed to participate in the regions above have reconfirmed that monthly rolling cohorts of 10-15 participants per area allows our flexible and innovative model to move at pace whilst ensuring enough business entrepreneur mentors are available.

PET-Xi has worked closely with both Louise Phipps at WMCA and Roz White at SYCA through skills board round tables to develop our Digital Cyber Entrepreneurship Bootcamp ensuring a clear gap in original bootcamp implementation was identified whilst carefully **still aligning and not duplicating skills priorities across Combined Authorities and LEP's**. PET-Xi is tendering to deliver Bootcamps in West Midlands, Yorkshire & Humber, East of England and East Midlands, specifically within Non-Devolved areas and as such is seeking to launch this carefully crafted bootcamp to participants who have been excluded so far. PET-Xi's Bootcamp is an excellent route into full-time employment status. Success will be measured in new business start-ups which harness cyber digital knowledge, skills and processes and spanning multiple sectors and occupations all of which aligns seamlessly across all geographic regions we propose.

Our Bootcamp is made up of specific vocational modules at Levels 3 and 4 which has been **co-designed with our employer entrepreneurs to provide a clear curriculum** which specifically aligns with pre identified business needs and current high demand cyber/digital

skills. Our highly skilled trainers are Digital/Cyber experts who use their business knowledge to directly relate to the self-employed marketplace and a learners curriculum is made up of a series of 'core' Digital/Cyber modules wrapped between specific industry Entrepreneurship support which provides clear visibility of what **skills learners will gain** as well as generating high volume outcomes.

PET-Xi can confirm that as part of our recently completed highly successful Community Renewal Fund Programme in Warwickshire, together with our national commercial training team that we have **sufficient trainer resource** in place to commence delivery on successful contract award. **Highly qualified experienced practitioners from the Cyber and Digital Industries are paired with entrepreneurship mentors from Industry** to provide a seamless Bootcamp Journey to employment outcome, a model which showcased 72% employment outcomes during our CRF programme. As a recently awarded OFSTED Grade 2 provider (October 21) we can confirm that all trainers hold extensive industry knowledge and relevant qualifications and safer recruitment checks.

To ensure we **deliver positive outcomes for learners, both in terms of delivering to time and in terms of meeting the relevant performance measure targets**, PET-Xi will:

- Utilise our new Digital Entrepreneurial Initial screener (Career Fit) which showcased 92% accuracy in profiling to self-employment programmes during our test pilot.
- Business leading entrepreneurs providing inspiration and motivation.
- 1-1 dedicated experienced business coach's providing tailored wraparound support.
- Virtual Support via our PET-Xi Live platform allowing flexible learning and gamification.
- Robust contract management focussing on KPI's including tracking of outcomes and timely completion.
- Quality team to ensure impact and outcomes and distance travelled is fully captured and recorded. Eg ILP/ILR Monitoring and learner feedback
- YETI MIS system set up to collate, monitor, inspect, verify and claim all required outputs & results.
- A Risk Register is maintained throughout to ensure steady state contract performance, This will document any deviations from plan, perceived risks and mitigations.

PET-Xi uses proven **cyber learning training resources and tools**, co-developed as part of our CRF Business Futures Programme by Employers which have been tested to provide 72% employment outcomes. Our **resources** and **equipment** are constantly updated due to the nature of the content and this forms part of our continuous quality improvement cycle. Laptop loans and 4G data sticks are made available to those who require equipment as this can be a particular barrier for someone entering self-employment and further aide in attending supplementary online sessions or wraparound support delivered during weekends or evenings.

As a national provider for DFE, DWP and multiple combined Authorities our continuous improvement processes are embedded throughout teaching and learning and feed directly in to our SAR/QIP. We have a comprehensive MIS system in place (YETI) which is already utilised to capture and transmit data in a timely, accurate and complete format. Our MIS team hold extensive industry experience and recent 2022 assurance audits from both DWP and DfE have shown 0% error rates. PET-Xi does not intend to subcontract as part of this tender.



PET-Xi continuously use our data to evidence, review and improve our performance. For example, PET-Xi have recently completed a pilot programme through CRF where the data directly evidenced our evaluation report and was reviewed in the design of our Bootcamp. We have undertaken an extensive evaluation of the programme to inform service delivery improvements including case loading mentors by geographic location to maximise efficiency and further enhanced the flexibility of the programme i.e., night school, staggered timings for carers to aid learner retention and to develop new ways of working. Employer engagement data reviewed monthly by Operational Managers to track industry sectors participating and signed Equality and Diversity partnership agreements with employers allows the programmes to specifically target underrepresented groups to ensure a diverse representative of the communities we deliver in whilst also driving specific targeted outcomes eg over 50's job starts.

As a PRIME OFSTED 'Good' contractor for DfE ,DWP and Combined Authorities we can confirm that we hold robust and auditable procedures for logging, managing, escalating, and resolving issues, complaints, and risks resulting in 100% compliance at November DWP Audit.

- A comprehensive complaints procedure and policy is in place with a highly visible log capable of capturing complaints through multiple formats including social media, post, telephone call, text message and email.
- Our operational teams are trained at both induction and annually as part of CPD on logging handling and resolving complaints and are actively included alongside learner focus groups in the production of new processes and procedures for logging and managing learner interaction over such matters.
- Our bootcamps use implementation plans and ongoing contract reporting, are reviewed weekly to ensure the escalation of issues or concerns and shared with the SLT and Governors. Plans take into account key milestones and interdependencies.
- Risk register will be maintained throughout implementation, delivery and contract close detailing emergent risks, mitigating actions and a timeline for resolution.

PET-Xi employs a diverse workforce, our innovative recruitment practices stand out from the crowd and are designed to reach those with protected characteristics and support them to thrive and progress their careers:

- Grassroots engagement in the heart of communities, use neighbourhood engagement vehicles, community group social media pages.
- Community Champions attend events such as car boot sales and community events to promote vacancies to under-represented groups.
- Use of role models who can speak out about the way their life and families life has improved aspirations as a result of working for us has meant many others continue to follow.
- We hold strong cross working relationships with fellow RESTART providers and this enables our vacancies to reach many long term unemployed people where typically multiple protected characteristic barriers are found.
- Targeted marketing campaigns with local faith leaders within community settings has led to an 12% increase in underrepresented groups within our workforce demographics.
- PET-Xi works actively with organisations such as AFV Launchpad for ex-veterans, Shelter, Princes Trust and Turn2Us for prisoners on pre release programmes. Our

vacancies are shared monthly and we are proud that in 21/22 PET-Xi successfully achieved our target of hiring two ex-offenders at a total social value of £49,054.

Social value commitment is monitored, measured and reported with the aid of our continuous improvement plan which lists clear embedded Social Value targets, reviewed monthly and reported at all levels within our organisation. We use a social value calculator as part of our commitment to 'Thrive' at work and additionally use the Social Value Portal online to forecast, track, report and measure in real time, with snap shot analysis available to the DFE. Directly informing our Self-Assessment Process this information is disseminated at each operational meeting all the way to Board/Governor level including all key stakeholders eg CWLEP.