

SCHEDULE TO THE CONDITIONS OF CONTRACT - CHANGE CONTROL PROCEDURE

1. GENERAL PRINCIPLES OF CHANGE CONTROL PROCEDURE

- 1.1 This schedule sets out the procedure for effecting changes to the Contract.
- 1.2 Operational Changes shall be processed in accordance with paragraph 6 below. If any Party is in doubt about whether a change falls within the definition of an Operational Change then it will be processed as a Contract Change.
- 1.3 Under this Change Control Procedure:
 - 1.3.1 any Party may request a Contract Change which they shall initiate by issuing a Change Request in accordance with paragraph 3;
 - 1.3.2 the Councils shall have the right to request amendments to a Change Request, approve it or reject it in the manner set out in paragraph 4;
 - 1.3.3 the Contractor shall have the right to reject a Change Request solely in the manner set out in paragraph 5;
 - 1.3.4 no proposed Contract Change shall be implemented by the Contractor until such time as a Change Authorisation Note has been signed and issued by the Councils in accordance with paragraph 4.2; and
- 1.4 Until such time as a Change Authorisation Note has been signed and issued by the Councils in accordance with paragraph 4.2, then:
 - 1.4.1 unless the Councils expressly agree otherwise in writing, the Contractor shall continue to supply the Services in accordance with the existing terms of the Contract as if the proposed Contract Change did not apply; and
 - 1.4.2 any discussions, negotiations or other communications which may take place between the Councils and the Contractor in connection with any proposed Contract Change shall be without prejudice to each Party's other rights under this Contract.

2. COSTS

- 2.1 Each Party shall bear its own costs in relation to the preparation and agreement of each Change Request.
- 2.2 The Contractor will only be entitled to increase its charges if it can demonstrate that the proposed Contract Change requires additional resources and that such additional resources are not accounted for within the scope of its charges that are already payable by the Councils. In any event, any change to its charges resulting from a Contract Change (whether the change will cause an increase or a decrease in the Charges) will be strictly proportionate to the increase or decrease in the level of resources required for the provision of the Services as amended by the Contract Change.

3. CHANGE REQUEST

- 3.1 Either Party may issue a Change Request to the other Party at any time during the Term. The Change Request shall be substantially in the form of Appendix 1 to this schedule.

4. COUNCILS' RIGHT OF APPROVAL

- 4.1 Within 30 Working Days of receiving the Change Request, the Councils shall evaluate the Change Request and shall do one of the following:
- 4.1.1 approve the proposed Contract Change, in which case the Parties shall follow the procedure set out in paragraph 4.2 below;
 - 4.1.2 in their absolute discretion reject the Contract Change, in which case they shall notify the Contractor of the rejection. The Councils shall not reject any proposed Contract Change to the extent that the Contract Change is necessary for the Contractor or the Services to comply with any Changes in Law. If the Councils do reject a Contract Change, then they shall explain their reasons in writing to the Contractor as soon as is reasonably practicable following such rejection;
 - 4.1.3 require the Contractor to modify the Change Request in which event the Contractor shall make such modifications within 30 Working Days of such request. On receiving the modified Change Request, the Councils shall approve or reject the proposed Contract Change within 30 Working Days.
- 4.2 If the Councils approve the proposed Contract Change pursuant to paragraph 4.1 and it has not been rejected by the Contractor in accordance with paragraph 5 below, then they shall inform the Contractor and the Contractor shall prepare three copies of a Change Authorisation Note which it shall sign and deliver to the Councils for their signature. Following receipt by the Councils of the Change Authorisation Note, they shall sign the copies and return one copy to the Contractor. On the Councils' signature, the Change Authorisation Note shall constitute a binding variation to the Contract.

5. CONTRACTOR'S RIGHT OF APPROVAL

- 5.1 If the Contractor reasonably believes that any proposed Contract Change:
- 5.1.1 would materially and adversely affect the risks to the health and safety of any person; or
 - 5.1.2 would require the Services to be performed in a way that infringes any Law; or
 - 5.1.3 is outside the Contractor's technical capability where:
 - 5.1.3.1 the Contractor can demonstrate to the Councils' reasonable satisfaction that the proposed Contract Change is impossible to implement; and
 - 5.1.3.2 the proposed Contract Change is outside the technical scope of the Services as set out in the Contract,
- then the Contractor shall be entitled to reject the proposed Contract Change and shall notify the Councils of its reasons for doing so.

6. OPERATIONAL CHANGE PROCEDURE

- 6.1 Any changes identified by the Contractor to improve operational efficiency of the Services may be implemented by the Contractor without following the Change Control Procedure for proposed Contract Changes provided they do not:
 - 6.1.1 have an impact on the Councils;
 - 6.1.2 require a change to the Contract;
 - 6.1.3 have a direct impact on use of the Services; or
 - 6.1.4 involve the Councils in paying any additional Charges or other costs.
- 6.2 The Councils may request an Operational Change by submitting a written request for Operational Change ("RFOC") to the Contractor Representative.
- 6.3 The RFOC shall include the following details:
 - 6.3.1 the proposed Operational Change; and
 - 6.3.2 time-scale for completion of the Operational Change.
- 6.4 The Contractor shall inform the Councils of any impact on the Services that may arise from the proposed Operational Change.
- 6.5 The Contractor shall complete the Operational Change by the timescale specified for completion of the Operational Change in the RFOC, and shall promptly notify the Councils when the Operational Change is completed.

APPENDIX 1

Change Request Form

CR NO:	TITLE:	TYPE OF CHANGE:
PROJECT:		REQUIRED BY DATE:
ACTION:	NAME:	DATE:
RAISED BY:		
AREA(S) IMPACTED:		
CONTRACTOR REFERENCE NO:		
FULL DESCRIPTION OF REQUESTED CONTRACT CHANGE:		
DETAILS OF ANY PROPOSED ALTERNATIVE SCENARIOS:		
REASONS FOR AND BENEFITS AND DISADVANTAGES OF REQUESTED CONTRACT CHANGE:		
SIGNATURE OF REQUESTING CHANGE OWNER:		
DATE OF REQUEST:		

APPENDIX 2

Change Authorisation Note

CR NO:	TITLE:	DATE RAISED:
PROJECT:	TYPE OF CHANGE:	REQUIRED BY DATE:
[KEY MILESTONE DATE: <i>[if any]</i>]		
DETAILED DESCRIPTION OF CONTRACT CHANGE AND DETAILS OF ANY RELATED CONTRACT CHANGES:		
PROPOSED ADJUSTMENT TO THE CHARGES RESULTING FROM THE CONTRACT CHANGE:		
DETAILS OF PROPOSED ONE-OFF ADDITIONAL CHARGES AND MEANS FOR DETERMINING THESE (E.G. FIXED PRICE OR COST-PLUS BASIS):		
SIGNED ON BEHALF OF THE COUNCILS: Signature: Name: Position: Date:	SIGNED ON BEHALF OF THE CONTRACTOR: Signature: Name: Position: Date:	