

**DEFFORM 8 (Edn 06/23)**



██████████  
Commercial Officer – HOCS BP1  
Ministry of Defence  
Main Building,  
Whitehall,  
London  
SW1A 2HB  
United Kingdom  
Email: ██████████

---

To Deloitte LLP  
2, New Street Square  
Greater London  
EC4A 3BZ

Your Reference:

Our Reference: 709091450

FAO: ██████████

Date: 22 December 2023

---

Dear ██████████,

**Offer Of Contract 709091450 for provision of services for the Systems Evolution – Migration to Cloud through Crown Commercial Service Framework RM1557- G-Cloud 13 lot 4 – further competition.**

1. As you are aware, the Authority intends to enter into the above contract with you.
2. Please sign and return the enclosed final version of the Contract within 10 working days of the date of this letter to acknowledge your acceptance of the Terms and Conditions.
3. Please note that no Contract will come into force until both parties have signed it. The Authority will countersign the Contract and return a copy of the same to you.
4. Payment will be made in accordance with the attached Terms and Conditions. If your company has not already provided its banking details to the Defence Business Services (DBS) Finance Branch, please complete the Form CX723, which is available from the Gov.uk (<https://www.gov.uk/government/publications/dbb-finance-payments-nominate-a-bank-form>) and forward to DBS Finance, Walker House, Exchange Flags, Liverpool, L2 3YL.
5. The Authority may publish notification of the Contract and shall publish Contract documents under the FOI Act except where publishing such information would hinder law enforcement; would otherwise be contrary to the public interest; would prejudice the legitimate commercial interest of any person or might prejudice fair competition in the supply chain.
6. If you wish to make a similar announcement you must seek approval from the named Commercial Officer.

## OFFICIAL

To aid the Authority with obligations placed on it by HM Treasury regarding International Financial Reporting Standard (IFRS) 16, please advise in writing to [REDACTED], whether or not there are any assets (which are Contractor-owned or the Contractor has leased that are being used through the Contract) for which the Authority has a right-of-use explicitly or implicitly present within the Contract. Where you identify such assets, please provide a full list in writing, including their location and the extent of the right-of-use by the Authority. The lease term<sup>1</sup> will be assumed to be the duration of the Contract (from start and end dates); if the asset is not available for use for the Contract duration, please provide start and end dates of when the asset is available for use. Please refer to the [HM Treasury IFRS 16 Leases Application Guidance](#) for further information. You will not be required to provide this for any associated asset under the Contract which is valued, when new, at less than £25,000 (subject to it not being defined as a peppercorn lease).

7. Under no circumstances should you confirm to any third party that you are entering into a legally binding contract for provision of services for the Systems Evolution – Migration to Cloud prior to both parties signing the Terms and Conditions, or ahead of the Authority's announcement of the Contract award.

Yours sincerely,

[REDACTED]

---

<sup>1</sup> Lease term includes:

- a. periods covered by an option to extend the lease if the MOD is reasonably certain to exercise that option; and
- b. periods covered by an option to terminate the lease if the MOD is reasonably certain not to exercise that option.

## Table of Contents

DEFFORM 8 (Edn 06/23) .....	1
Table of Contents .....	3
Framework Schedule 6 (Order Form Template and Call-Off Schedules) .....	4
Schedule 1 – Statement of the Requirement (SOR).....	9
Schedule 2 – Pricing Schedule.....	14
Schedule 3 - G-Cloud 13 L4 Core terms.....	15
Schedule 4 - DEFFORM 532.....	39
Schedule 5 - DEFFORM 539A .....	42
Schedule 6 - DEFFORM 711.....	43
Schedule 7 - DEFFORM 111.....	44
Schedule 8 - Security Aspects Letter (SAL).....	46
UK OFFICIAL AND UK OFFICIAL-SENSITIVE CONTRACTUAL SECURITY CONDITIONS.....	48
Call-Off Schedule 17 (MOD Terms) .....	57
Call-Off Schedule 4 (Call Off Tender) .....	62

## Framework Schedule 6 (Order Form Template and Call-Off Schedules)

### Order Form

CALL-OFF REFERENCE:	709091450
THE BUYER:	
BUYER ADDRESS	Main Building, Whitehall, London SW1A 2HB
THE SUPPLIER:	Deloitte LLP
SUPPLIER ADDRESS:	2, New Street Square Greater London EC4A 3BZ
REGISTRATION NUMBER:	OC303675
DUNS NUMBER:	364807771
SID4GOV ID:	364807771

#### APPLICABLE FRAMEWORK CONTRACT

This Order Form is for the provision of the Call-Off Deliverables and dated 22 December 2023.

It's issued under the Framework Contract with the reference number RM1557.13L4 for the provision of G-Cloud 13 Lot 4 services.

## CALL-OFF INCORPORATED TERMS

This is a Bronze Contract.

The following documents are incorporated into this Call-Off Contract. Where numbers are missing, we are not using those schedules. If the documents conflict, the following order of precedence applies:

1. This Order Form including the Call-Off Special Terms and Call-Off Special Schedules.
2. Joint Schedule 1(Definitions and Interpretation) **RM1557.13L4**
3. Framework Special Terms
4. The following Schedules in equal order of precedence:
  - Joint Schedules for **RM1557.13L4**
    - Joint Schedule 2 (Variation Form)
    - Joint Schedule 3 (Insurance Requirements)
    - Joint Schedule 4 (Commercially Sensitive Information)
    - Joint Schedule 10 (Rectification Plan)
    - Joint Schedule 11 (Processing Data) - replaced by DEFCON 532B and DEFCON 660
  - Call-Off Schedules for 709091450
    - Call-Off Schedule 1 (Transparency Reports)
    - Call-Off Schedule 2 (Staff Transfer)
    - Call-Off Schedule 3 (Continuous Improvement)
    - Call-Off Schedule 6 (ICT Services)
    - Call-Off Schedule 7 (Key Supplier Staff)
    - Call-Off Schedule 8 (Business Continuity and Disaster Recovery)] [amended for a Bronze Contract as per paragraph 10 of Part A of that Schedule]
    - Call-Off Schedule 9 (Security) – part A
    - Call-Off Schedule 10 (Exit Management)
    - Call-Off Schedule 13 (Implementation Plan and Testing) – applicable for phase 2
    - Call-Off Schedule 14 (Service Levels) – applicable for phase 2
    - Call-Off Schedule 15 (Call-Off Contract Management) – applicable for phase 2
    - Call-Off Schedule 17 (MOD Terms) – attached
    - Call-Off Schedule 18 (Background Checks)
5. CCS Core Terms (version 3.0.11)
6. Joint Schedule 5 (Corporate Social Responsibility) **RM1557.13**
7. Call-Off Schedule 4 (Call-Off Tender)

No other Supplier terms are part of the Call-Off Contract. That includes any terms written on the back of, added to this Order Form, or presented at the time of delivery.

## CALL-OFF SPECIAL TERMS

The following Special Terms are incorporated into this Call-Off Contract:

### Special Term 1.Third Party IPR Authorisation

#### AUTHORISATION BY THE CROWN FOR USE OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS

Notwithstanding any other provisions of the Contract and for the avoidance of doubt, award of the Contract by the Authority and placement of any contract task under it does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949. The Contractor acknowledges that any such authorisation by the Authority under its statutory powers must be expressly provided in writing, with reference to the acts authorised and the specific intellectual property involved.

CALL-OFF START DATE: 8 January 2024

CALL-OFF EXPIRY DATE: 7 January 2027

CALL-OFF INITIAL PERIOD: 36 months, with the option to extend once by up to 12 months

## CALL-OFF DELIVERABLES

Discovery (phase 1): start date 22 January 2024 and delivery date 29 March 2024.

Implementation (phase 2): option to be commissioned at the Authority discretion.

## MAXIMUM LIABILITY

The limitation of liability for this Call-Off Contract is stated in Clause 11.2 of the Core Terms.

The Estimated Year 1 Charges used to calculate liability in the first Contract Year is

- £226,360.00 applicable if only phase 1 (Discovery) is commissioned.
- £1,212,280.00 applicable if the Authority decides to commission phase 2 (Implementation).

## CALL-OFF CHARGES

- £226,360.00 for phase 1 (Discovery)
- £985,920.00 for phase 2 (Implementation), option to the call-off contract to be commissioned at the Authority discretion.

See details in Call-Off Schedule 5 (Pricing Details)

The Charges will not be impacted by any change to the Framework Prices. The Charges can only be changed by agreement in writing between the Buyer and the Supplier because of:

- Indexation
- Specific Change in Law
- Benchmarking using Call-Off Schedule 16 (Benchmarking)

## REIMBURSABLE EXPENSES

Recoverable as stated in the Framework Contract

Framework Ref: RM1557.13L4

Project Version: v1.0

Model Version: v3.8

**PAYMENT METHOD**

As per DEFCON 522 (Edn. 11/21) - Payment and Recovery of Sums Due

**BUYER'S INVOICE ADDRESS:**

The Invoice Paying Authority is:

Ministry of Defence, DBS Finance, Walker House, Exchange Flags Liverpool, L2 3YL  
0151-242-2000 Fax: 0151-242-2809

Website is:

<https://www.gov.uk/government/organisations/ministryofdefence/about/procurement#in-voice-processing>

**BUYER'S AUTHORISED REPRESENTATIVE**

[REDACTED]

Higher Executive Officer

Email: [REDACTED]

Main Building, Whitehall, London SW1A 2HB

**BUYER'S ENVIRONMENTAL POLICY**

Not applicable.

**BUYER'S SECURITY POLICY**

Not applicable.

**SUPPLIER'S AUTHORISED REPRESENTATIVE**

[REDACTED]

Partner Deloitte

[REDACTED]

1 New Street Square, London, United Kingdom, EC4A 3HQ

**SUPPLIER'S CONTRACT MANAGER**

[REDACTED]

Director Deloitte

[REDACTED]

1 New Street Square, London, United Kingdom, EC4A 3HQ

**PROGRESS REPORT FREQUENCY**

On the first Working Day of each calendar month.

**PROGRESS MEETING FREQUENCY**

Quarterly on the first Working Day of each quarter.

**KEY STAFF**

[REDACTED]

Engagement Manager / Lead Architect

[REDACTED]

1 New Street Square, London, United Kingdom, EC4A 3HQ

Framework Ref: RM1557.13L4

Project Version: v1.0

Model Version: v3.8

**KEY SUBCONTRACTOR(S)**

IBM UK Ltd

**COMMERCIALLY SENSITIVE INFORMATION**

As per Schedule 5 - DEFFORM 539A.

**SERVICE CREDITS**

Service Credits will accrue in accordance with Call-Off Schedule 14 (Service Levels), to be completed in the Authority decides to commission phase 2.

**ADDITIONAL INSURANCES**

Not applicable

**GUARANTEE**

Not applicable

**SOCIAL VALUE COMMITMENT**

The Supplier agrees, in providing the Deliverables and performing its obligations under the Call-Off Contract, that it will comply with the social value commitments in Call-Off Schedule 4 (Call-Off Tender)]

<b>For and on behalf of the Supplier:</b>		<b>For and on behalf of the Buyer:</b>	
Signature:	██████████	Signature:	██████████
Name:	██████████	Name:	██████████
Role:	██████████	Role:	Commercial Office
Date:	22 December 2023	Date:	22 December 2023



## Schedule 1 – Statement of the Requirement (SOR)

### Cloud Technical Specialists

1. Defence Business Services Civilian Personnel (DBS Civ Pers) uses a range of software to deliver services to the Ministry Of Defence (MOD). Services are delivered and supported by use of applications at an enterprise level which are hosted on physical hardware at on-premise data centres located across the country. These include Production, Test, Development and Disaster Recovery environments.
2. DBS's cloud-first strategy has instigated a pivot to hosting systems on Infrastructure-as-a-Service (IaaS) cloud services, identifying opportunities to simplify using Platform-as-a-Service (PaaS) where possible.
3. Oracle Cloud Infrastructure (OCI) is the chosen hosting platform for DBS software services and has already been stood up to host these applications. Applications currently include the Software-as-a-Service (SaaS) Human Resources and Payroll system as well as low-code bespoke applications developed using Application Express (APEX)
4. The next phase of work is to Rehost existing DBS applications "as-is" to OCI. There are 12 systems that need to be Rehosted as part of this work stream. These are as follows:



\*Please note these applications are hosted on a single web platform

It is possible additional web applications will be added to this list in response to urgent business needs, but it is not anticipated the list will grow significantly.

### Task 1 - Systems Evolution Rehosting Discovery:

5. **Technical Resources** required to undertake analysis of systems and to create a detailed design, delivery schedule, costing option to commence Task 2, and a document containing key risks and dependencies for commencement of Task 2. The details of each of these documents are set out below for clarity:

#### The detailed design should include details of the following:

- i. Infrastructure - The cloud environment provides sufficient computing resources (virtual machines, containers, or serverless functions etc), including backup schedules and Disaster Recovery (DR) resilience
- ii. Networking - Configuration of firewalls, load balancers, subnets, gateways and security groups
- iii. Integration – Connectivity and automated data transfer mechanisms between applications
- iv. Data Migration - Data associated with the applications is migrated from on-premises storage systems to the cloud ensuring data integrity, confidentiality and compliance with appropriate Defence Joint Service Publications
- v. Storage - Performance, scalability and availability requirements of the applications can be met within the cloud.
- vi. Security and Compliance - Security and compliance standards including data security regulations, Identity and access management (IdAM) controls, authentication and encryption mechanisms
- vii. Scalability and Availability – How applications may leverage cloud services' scalability features to accommodate varying workloads and ensure optimal performance during peak usage including use of load balancers, auto-scaling and redundancy mechanisms
- viii. Monitoring and Management – Plan to monitor activity and interaction with the network and its components, ensuring these are communicated to the Defence Digital Service Operating Centre (SOC) to defend against security vulnerabilities
- ix. Testing and Validation Strategy – Test and validation strategy to ensure the rehosted applications perform as expected in the cloud environment.

#### The delivery schedule and costing should include details of the following:

- x. Key milestones, deliverables and timeframes
- xi. Resources required to complete all of the milestones
- xii. Costings for an implementation phase (aligned with the schedule as cost is often driven by the time it will take to complete the work).

#### Key risks and dependencies for commencement of Task 2 should include the following:

- xiii. Identify any aspects which could affect the time, cost or quality of the project
- xiv. Risks should be evaluated using the impact on the project and likelihood of occurrence and can be technical, internal, external and other sub-categories
- xv. Dependencies a required to understand the relationships between tasks and reliance on each task to perform the next.

Task 2 – Systems Evolution Rehosting Implementation (Option):

- xvi. Dependent on the output of Task 1, Task 2 shall be available to execute as an option to the Authority until 30 September 2024 including provision of appropriate resources.
- xvii. The Authority does not have a detailed SOR for Task 2 before completing the Discovery. Full details of the scope of Task 2 shall be provided to the Contractor at the completion of Task 1.

**6. Skillsets and Experience requirements:**

- i. SC Cleared Resources – Contractor will ensure clearances are in place in time for the work to commence.
- ii. Experience Rehosting to Cloud based platforms; Specifically, OCI, including:
  - a. Architecture of Virtual Cloud Networks (VCNs) and other cloud hosting infrastructure components
  - b. Opportunities to simplify architecture by taking advantage of PaaS services where available, e.g. Autonomous Database, Object Storage, Integration Cloud
- iii. Skills architecting and administering Oracle Database Links, SFTP transfer of flat files and other integration techniques
- iv. Experience of creating robust delivery schedules including MS Project plans
- v. Experience standing up data migration infrastructure and recommending best practice
- vi. Experience implementing and/or adapting inter-network connectivity and traffic, including IPSec tunnels and Oracle FastConnect
- vii. Experience implementing encryption at network, database and data transfer level
- viii. Knowledge of IdAM tools and techniques, including Oracle IDCS, SAML, LDAP

## 7. Deliverables:

The supplier will be responsible for delivery of the following:

Task 1 - Systems Evolution Rehosting Discovery. The below deliverables are specific for this contract and are set out in detail above (see item 5)

- i. Detailed Design
- ii. Delivery Schedule
- iii. Costing Option to commence Task 2
- iv. Document containing key risks and dependencies for commencement of Task 2

Deadline: 15 March 2024

Task 2 – Systems Evolution Rehosting Implementation (Option):

- i. Monthly reports on progress against Delivery Schedule
- ii. Successful transition of applications to OCI as defined in the Delivery Schedule
- iii. Knowledge and Skills Transfer to internal MoD staff which can be demonstrated through the completion of an upskilling tracker.
- iv. Final sign off report detailing all work completed under the contract

- 8. **Mode of delivery:** Hybrid working approach. Remote working combined with 1 day a week site visits to DBS Bristol office (Abbey Wood North). Expenses are included in the firm price of the deliverables.
- 9. **Engagement:** Contract kick off meeting, weekly progress meetings, ad hoc meetings internal and with Oracle as required, contract sign off meeting are expected via online methods such as MTeams/Skype. A full list of meeting attendees will be provided as part of the discovery phase.
- 10. Official emails will be exchanged for purposes of work requirements definition and deliverables.
- 11. **Grade or engineer:** To be defined by Task 1 – Discovery.
- 12. **Milestone payments** will be made upon Authority acceptance of deliverables against Task 1 & Task 2.
- 13. **Pre-Mobilisation:** Supplier to ensure SC cleared resources availability. DBS to provide MODNET account and MODNET laptop.
- 14. **Contract Exit:** Authority acceptance of all deliverables against Task 1 & Task 2. Acceptance criteria will also include Knowledge Transfer and Skills Transfer from the supplier to the internal team which will be monitored using an upskilling tracker. This upskilling tracker will be created collaboratively as part of the work package.
- 15. **IR35:** The requirement is out of scope of IR35, off-payroll working rules do not apply.
- 16. **KPI's:** to be applicable for phase 2 and to be defined after phase 1.

## Call-Off Contract charges and Milestones

For each individual Service, the applicable Call-Off Contract Charges (in accordance with the Supplier's Digital Marketplace pricing document) can't be amended during the term of the Call-Off Contract. The detailed Charges breakdown for the provision of Services during the Term will include:

Task	Start Date	Task Completed NLT	
Task 1 – (Phase 1) Systems Evolution Rehosting Discovery	22 January 2024	No later than 29 March 2024	
Task 2 – (Phase 2) Systems Evolution Rehosting Implementation (Option)	To be confirmed.	To be confirmed.	This will be an option in the contract, subject to the budget and the discretion of the Authority.

## **Schedule 2 – Pricing Schedule**

All prices are expressed in Great British Pounds Sterling (£) exclusive of VAT.

Prices are Firm Price valid for the duration of the call-off contract.

Phase 1 refers to Discovery and phase 2 refers to the Implementation.

Please note that phase 2 is optional and the Authority reserves the right to commission or not.



## Schedule 3 - G-Cloud 13 L4 Core terms



Crown  
Commercial  
Service

# Core Terms

## **1. Definitions used in the contract**

Interpret this Contract using Joint Schedule 1 (Definitions).

## **2. How the contract works**

- 2.1 The Supplier is eligible for the award of Call-Off Contracts during the Framework Contract Period.
- 2.2 CCS does not guarantee the Supplier any exclusivity, quantity or value of work under the Framework Contract.
- 2.3 CCS has paid one penny to the Supplier legally to form the Framework Contract. The Supplier acknowledges this payment.
- 2.4 If the Buyer decides to buy Deliverables under the Framework Contract it must use Framework Schedule 7 (Call-Off Award Procedure) and must state its requirements using Framework Schedule 6 (Order Form Template and Call-Off Schedules). If allowed by the Regulations, the Buyer can:
  - (a) make changes to Framework Schedule 6 (Order Form Template and Call-Off Schedules);
  - (b) create new Call-Off Schedules;
  - (c) exclude optional template Call-Off Schedules; and/or
  - (d) use Special Terms in the Order Form to add or change terms.
- 2.5 Each Call-Off Contract:
  - (a) is a separate Contract from the Framework Contract;
  - (b) is between a Supplier and a Buyer;
  - (c) includes Core Terms, Schedules and any other changes or items in the completed Order Form; and
  - (d) survives the termination of the Framework Contract.
- 2.6 Where the Supplier is approached by any Other Contracting Authority requesting Deliverables or substantially similar goods or services, the Supplier must tell them about this Framework Contract before accepting their order.
- 2.7 The Supplier acknowledges it has all the information required to perform its obligations under each Contract before entering into a Contract. When information is provided by a Relevant Authority no warranty of its accuracy is given to the Supplier.
- 2.8 The Supplier will not be excused from any obligation, or be entitled to additional Costs or Charges because it failed to either:
  - (a) verify the accuracy of the Due Diligence Information; or
  - (b) properly perform its own adequate checks.



- 2.9 CCS and the Buyer will not be liable for errors, omissions or misrepresentation of any information.
- 2.10 The Supplier warrants and represents that all statements made and documents submitted as part of the procurement of Deliverables are and remain true and accurate.

### **3. What needs to be delivered**

#### **3.1 All deliverables**

3.1.1 The Supplier must provide Deliverables:

- (a) that comply with the Specification, the Framework Tender Response and, in relation to a Call-Off Contract, the Call-Off Tender (if there is one);
- (b) to a professional standard;
- (c) using reasonable skill and care;
- (d) using Good Industry Practice;
- (e) using its own policies, processes and internal quality control measures as long as they do not conflict with the Contract;
- (f) on the dates agreed; and
- (g) that comply with Law.

3.1.2 The Supplier must provide Deliverables with a warranty of at least 90 days from Delivery against all obvious defects.

#### **3.2 Goods clauses**

3.2.1 All Goods delivered must be new, or as new if recycled, unused and of recent origin.

3.2.2 All manufacturer warranties covering the Goods must be assignable to the Buyer on request and for free.

3.2.3 The Supplier transfers ownership of the Goods on Delivery or payment for those Goods, whichever is earlier.

3.2.4 Risk in the Goods transfers to the Buyer on Delivery of the Goods, but remains with the Supplier if the Buyer notices damage following Delivery and lets the Supplier know within 3 Working Days of Delivery.

3.2.5 The Supplier warrants that it has full and unrestricted ownership of the Goods at the time of transfer of ownership.

3.2.6 The Supplier must deliver the Goods on the date and to the specified location during the Buyer's working hours.

3.2.7 The Supplier must provide sufficient packaging for the Goods to reach the point of

Delivery safely and undamaged.

- 3.2.8 All deliveries must have a delivery note attached that specifies the order number, type and quantity of Goods.
- 3.2.9 The Supplier must provide all tools, information and instructions the Buyer needs to make use of the Goods.
- 3.2.10 The Supplier must indemnify the Buyer against the costs of any Recall of the Goods and give notice of actual or anticipated action about the Recall of the Goods.
- 3.2.11 The Buyer can cancel any order or part order of Goods which has not been Delivered. If the Buyer gives less than 14 days notice then it will pay the Supplier's reasonable and proven costs already incurred on the cancelled order as long as the Supplier takes all reasonable steps to minimise these costs.
- 3.2.12 The Supplier must at its own cost repair, replace, refund or substitute (at the Buyer's option and request) any Goods that the Buyer rejects because they do not conform with Clause 3. If the Supplier does not do this it will pay the Buyer's costs including repair or re-supply by a third party.

### **3.3 Services clauses**

- 3.3.1 Late Delivery of the Services will be a Default of a Call-Off Contract.
- 3.3.2 The Supplier must co-operate with the Buyer and third party suppliers on all aspects connected with the Delivery of the Services and ensure that Supplier Staff comply with any reasonable instructions.
- 3.3.3 The Supplier must at its own risk and expense provide all Supplier Equipment required to Deliver the Services.
- 3.3.4 The Supplier must allocate sufficient resources and appropriate expertise to each Contract.
- 3.3.5 The Supplier must take all reasonable care to ensure performance does not disrupt the Buyer's operations, employees or other contractors.
- 3.3.6 The Supplier must ensure all Services, and anything used to Deliver the Services, are of good quality and free from defects.
- 3.3.7 The Buyer is entitled to withhold payment for partially or undelivered Services, but doing so does not stop it from using its other rights under the Contract.

## **4. Pricing and payments**

- 4.1 In exchange for the Deliverables, the Supplier must invoice the Buyer for the Charges in the Order Form.

- 4.2 CCS must invoice the Supplier for the Management Charge and the Supplier must pay it using the process in Framework Schedule 5 (Management Charges and Information).
- 4.3 All Charges and the Management Charge:
- (a) exclude VAT, which is payable on provision of a valid VAT invoice; and
  - (b) include all costs connected with the Supply of Deliverables.
- 4.4 The Buyer must pay the Supplier the Charges within 30 days of receipt by the Buyer of a valid, undisputed invoice, in cleared funds using the payment method and details stated in the Order Form.
- 4.5 A Supplier invoice is only valid if it:
- (a) includes all appropriate references including the Contract reference number and other details reasonably requested by the Buyer;
  - (b) includes a detailed breakdown of Delivered Deliverables and Milestone(s) (if any); and
  - (c) does not include any Management Charge (the Supplier must not charge the Buyer in any way for the Management Charge).
- 4.6 The Buyer must accept and process for payment an undisputed Electronic Invoice received from the Supplier.
- 4.7 The Buyer may retain or set-off payment of any amount owed to it by the Supplier if notice and reasons are provided.
- 4.8 The Supplier must ensure that all Subcontractors are paid, in full, within 30 days of receipt of a valid, undisputed invoice. If this does not happen, CCS or the Buyer can publish the details of the late payment or non-payment.
- 4.9 If CCS or the Buyer can get more favourable commercial terms for the supply at cost of any materials, goods or services used by the Supplier to provide the Deliverables, then CCS or the Buyer may require the Supplier to replace its existing commercial terms with the more favourable terms offered for the relevant items.
- 4.10 If CCS or the Buyer uses Clause 4.9 then the Framework Prices (and where applicable, the Charges) must be reduced by an agreed amount by using the Variation Procedure.
- 4.11 The Supplier has no right of set-off, counterclaim, discount or abatement unless they are ordered to do so by a court.

## **5. The buyer's obligations to the supplier**

- 5.1 If Supplier Non-Performance arises from an Authority Cause:
- (a) neither CCS or the Buyer can terminate a Contract under Clause 10.4.1;
  - (b) the Supplier is entitled to reasonable and proven additional expenses and to relief from

- liability and Deduction under this Contract;
- (c) the Supplier is entitled to additional time needed to make the Delivery; and
- (d) the Supplier cannot suspend the ongoing supply of Deliverables.

5.2 Clause 5.1 only applies if the Supplier:

- (a) gives notice to the Party responsible for the Authority Cause within 10 Working Days of becoming aware;
- (b) demonstrates that the Supplier Non-Performance would not have occurred but for the Authority Cause; and
- (c) mitigated the impact of the Authority Cause.

## **6. Record keeping and reporting**

6.1 The Supplier must attend Progress Meetings with the Buyer and provide Progress Reports when specified in the Order Form.

6.2 The Supplier must keep and maintain full and accurate records and accounts on everything to do with the Contract:

- (a) during the Contract Period;
- (b) for 7 years after the End Date; and
- (c) in accordance with UK GDPR, including but not limited to the records and accounts stated in the definition of Audit in Joint Schedule 1.

6.3 The Relevant Authority or an Auditor can Audit the Supplier.

6.4 During an Audit, the Supplier must:

- (a) allow the Relevant Authority or any Auditor access to their premises to verify all contract accounts and records of everything to do with the Contract and provide copies for an Audit; and
- (b) provide information to the Relevant Authority or to the Auditor and reasonable co-operation at their request.

6.5 Where the Audit of the Supplier is carried out by an Auditor, the Auditor shall be entitled to share any information obtained during the Audit with the Relevant Authority.

6.6 If the Supplier is not providing any of the Deliverables, or is unable to provide them, it must immediately:

- (a) tell the Relevant Authority and give reasons;
- (b) propose corrective action; and
- (c) provide a deadline for completing the corrective action.

- 6.7 The Supplier must provide CCS with a Self Audit Certificate supported by an audit report at the end of each Contract Year. The report must contain:
- (a) the methodology of the review;
  - (b) the sampling techniques applied;
  - (c) details of any issues; and
  - (d) any remedial action taken.
- 6.8 The Self Audit Certificate must be completed and signed by an auditor or senior member of the Supplier's management team that is qualified in either a relevant audit or financial discipline.

## **7. Supplier staff**

- 7.1 The Supplier Staff involved in the performance of each Contract must:
- (a) be appropriately trained and qualified;
  - (b) be vetted using Good Industry Practice and the Security Policy; and
  - (c) comply with all conduct requirements when on the Buyer's Premises.
- 7.2 Where a Buyer decides one of the Supplier's Staff is not suitable to work on a contract, the Supplier must replace them with a suitably qualified alternative.
- 7.3 If requested, the Supplier must replace any person whose acts or omissions have caused the Supplier to breach Clause 27.
- 7.4 The Supplier must provide a list of Supplier Staff needing to access the Buyer's Premises and say why access is required.
- 7.5 The Supplier indemnifies CCS and the Buyer against all claims brought by any person employed by the Supplier caused by an act or omission of the Supplier or any Supplier Staff.

## **8. Rights and protection**

- 8.1 The Supplier warrants and represents that:
- (a) it has full capacity and authority to enter into and to perform each Contract;
  - (b) each Contract is executed by its authorised representative;
  - (c) it is a legally valid and existing organisation incorporated in the place it was formed;
  - (d) there are no known legal or regulatory actions or investigations before any court, administrative body or arbitration tribunal pending or threatened against it or its Affiliates that might affect its ability to perform each Contract;
  - (e) it maintains all necessary rights, authorisations, licences and consents to perform its obligations under each Contract;

- (f) it does not have any contractual obligations which are likely to have a material adverse effect on its ability to perform each Contract;
  - (g) it is not impacted by an Insolvency Event; and
  - (h) it will comply with each Call-Off Contract.
- 8.2 The warranties and representations in Clauses 2.10 and 8.1 are repeated each time the Supplier provides Deliverables under the Contract.
- 8.3 The Supplier indemnifies both CCS and every Buyer against each of the following:
  - (a) wilful misconduct of the Supplier, Subcontractor and Supplier Staff that impacts the Contract; and
  - (b) non-payment by the Supplier of any Tax or National Insurance.
- 8.4 All claims indemnified under this Contract must use Clause 26.
- 8.5 The description of any provision of this Contract as a warranty does not prevent CCS or a Buyer from exercising any termination right that it may have for breach of that clause by the Supplier.
- 8.6 If the Supplier becomes aware of a representation or warranty that becomes untrue or misleading, it must immediately notify CCS and every Buyer.
- 8.7 All third party warranties and indemnities covering the Deliverables must be assigned for the Buyer's benefit by the Supplier.

## **9. Intellectual Property Rights (IPRs)**

- 9.1 Each Party keeps ownership of its own Existing IPRs. The Supplier gives the Buyer a non-exclusive, perpetual, royalty-free, irrevocable, transferable worldwide licence to use, change and sub-license the Supplier's Existing IPR to enable it to both:
  - (a) receive and use the Deliverables; and
  - (b) make use of the deliverables provided by a Replacement Supplier.
- 9.2 Any New IPR created under a Contract is owned by the Buyer. The Buyer gives the Supplier a licence to use any Existing IPRs and New IPRs for the purpose of fulfilling its obligations during the Contract Period.
- 9.3 Where a Party acquires ownership of IPRs incorrectly under this Contract it must do everything reasonably necessary to complete a transfer assigning them in writing to the other Party on request and at its own cost.
- 9.4 Neither Party has the right to use the other Party's IPRs, including any use of the other Party's names, logos or trademarks, except as provided in Clause 9 or otherwise agreed

in writing.

- 9.5 If there is an IPR Claim, the Supplier indemnifies CCS and each Buyer against all losses, damages, costs or expenses (including professional fees and fines) incurred as a result.
- 9.6 If an IPR Claim is made or anticipated the Supplier must at its own expense and the Buyer's sole option, either:
- (a) obtain for CCS and the Buyer the rights in Clause 9.1 and 9.2 without infringing any third party IPR; or
  - (b) replace or modify the relevant item with substitutes that do not infringe IPR without adversely affecting the functionality or performance of the Deliverables.
- 9.7 In spite of any other provisions of a Contract and for the avoidance of doubt, award of a Contract by the Buyer and placement of any contract task under it does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949. The Supplier acknowledges that any authorisation by the Buyer under its statutory powers must be expressly provided in writing, with reference to the acts authorised and the specific IPR involved.

## **10. Ending the contract or any subcontract**

### **10.1 Contract Period**

- 10.1.1 The Contract takes effect on the Start Date and ends on the End Date or earlier if required by Law.
- 10.1.2 The Relevant Authority can extend the Contract for the Extension Period by giving the Supplier no less than 3 Months' written notice before the Contract expires.

### **10.2 Ending the contract without a reason**

- 10.2.1 CCS has the right to terminate the Framework Contract at any time without reason by giving the Supplier at least 30 days' notice.
- 10.2.2 Each Buyer has the right to terminate their Call-Off Contract at any time without reason by giving the Supplier not less than 90 days' written notice.

### **10.3 Rectification plan process**

- 10.3.1 If there is a Default, the Relevant Authority may, without limiting its other rights, request that the Supplier provide a Rectification Plan, within 10 working days .
- 10.3.2 When the Relevant Authority receives a requested Rectification Plan it can either:
- (a) reject the Rectification Plan or revised Rectification Plan, giving reasons; or
  - (b) accept the Rectification Plan or revised Rectification Plan (without limiting its rights) and the Supplier must immediately start work on the actions in the Rectification Plan at its own cost,

unless agreed otherwise by the Parties.

10.3.3 Where the Rectification Plan or revised Rectification Plan is rejected, the Relevant Authority:

- (a) must give reasonable grounds for its decision; and
- (b) may request that the Supplier provides a revised Rectification Plan within 5 Working Days.

10.3.4 If the Relevant Authority rejects any Rectification Plan, including any revised Rectification Plan, the Relevant Authority does not have to request a revised Rectification Plan before exercising its right to terminate its Contract under Clause 10.4.3(a).

## **10.4 When CCS or the buyer can end a contract**

10.4.1 If any of the following events happen, the Relevant Authority has the right to immediately terminate its Contract by issuing a Termination Notice to the Supplier:

- (a) there is a Supplier Insolvency Event;
- (b) there is a Default that is not corrected in line with an accepted Rectification Plan;
- (c) the Supplier does not provide a Rectification Plan within 10 days of the request;
- (d) there is any material Default of the Contract;
- (e) there is any material Default of any Joint Controller Agreement relating to any Contract;
- (f) there is a Default of Clauses 2.10, 9, 14, 15, 27, 32 or Framework Schedule 9 (Cyber Essentials) (where applicable) relating to any Contract;
- (g) there is a consistent repeated failure to meet the Performance Indicators in Framework Schedule 4 (Framework Management);
- (h) there is a Change of Control of the Supplier which is not pre-approved by the Relevant Authority in writing;
- (i) if the Relevant Authority discovers that the Supplier was in one of the situations in 57 (1) or 57(2) of the Regulations at the time the Contract was awarded; or
- (j) the Supplier or its Affiliates embarrass or bring CCS or the Buyer into disrepute or diminish the public trust in them.

10.4.2 CCS may terminate the Framework Contract if a Buyer terminates a Call-Off Contract for any of the reasons listed in Clause 10.4.1.

10.4.3 If any of the following non-fault based events happen, the Relevant Authority has the right to immediately terminate its Contract by issuing a Termination Notice to the Supplier:

- (a) the Relevant Authority rejects a Rectification Plan;
- (b) there is a Variation which cannot be agreed using Clause 24 (Changing the contract) or resolved using Clause 34 (Resolving disputes);
- (c) if there is a declaration of ineffectiveness in respect of any Variation; or



- (d) the events in 73 (1) (a) of the Regulations happen.

## **10.5 When the supplier can end the contract**

The Supplier can issue a Reminder Notice if the Buyer does not pay an undisputed invoice on time. The Supplier can terminate a Call-Off Contract if the Buyer fails to pay an undisputed invoiced sum due and worth over 10% of the annual Contract Value within 30 days of the date of the Reminder Notice.

## **10.6 What happens if the contract ends**

10.6.1 Where a Party terminates a Contract under any of Clauses 10.2.1, 10.2.2, 10.4.1, 10.4.2, 10.4.3, 10.5 or 20.2 or a Contract expires all of the following apply:

- (a) The Buyer's payment obligations under the terminated Contract stop immediately.
- (b) Accumulated rights of the Parties are not affected.
- (c) The Supplier must promptly repay to the Buyer any and all Charges the Buyer has paid in advance in respect of Deliverables not provided by the Supplier as at the End Date.
- (d) The Supplier must promptly delete or return the Government Data except where required to retain copies by Law.
- (e) The Supplier must promptly return any of CCS or the Buyer's property provided under the terminated Contract.
- (f) The Supplier must, at no cost to CCS or the Buyer, co-operate fully in the handover and re-procurement (including to a Replacement Supplier).

10.6.2 In addition to the consequences of termination listed in Clause 10.6.1, where the Relevant Authority terminates a Contract under Clause 10.4.1 the Supplier is also responsible for the Relevant Authority's reasonable costs of procuring Replacement Deliverables for the rest of the Contract Period.

10.6.3 In addition to the consequences of termination listed in Clause 10.6.1, if either the Relevant Authority terminates a Contract under Clause 10.2.1 or 10.2.2 or a Supplier terminates a Call-Off Contract under Clause 10.5:

- (a) the Buyer must promptly pay all outstanding Charges incurred to the Supplier; and
- (b) the Buyer must pay the Supplier reasonable committed and unavoidable Losses as long as the Supplier provides a fully itemised and costed schedule with evidence - the maximum value of this payment is limited to the total sum payable to the Supplier if the Contract had not been terminated.

10.6.4 In addition to the consequences of termination listed in Clause 10.6.1, where a Party terminates under Clause 20.2 each Party must cover its own Losses.

10.6.5 The following Clauses survive the termination or expiry of each Contract: 3.2.10, 4.2, 6, 7.5, 9, 11, 12.2, 14, 15, 16, 17, 18, 31.3, 34, 35 and any Clauses and Schedules which are

expressly or by implication intended to continue.

## **10.7 Partially ending and suspending the contract**

- 10.7.1 Where CCS has the right to terminate the Framework Contract it can suspend the Supplier's ability to accept Orders (for any period) and the Supplier cannot enter into any new Call-Off Contracts during this period. If this happens, the Supplier must still meet its obligations under any existing Call-Off Contracts that have already been signed.
- 10.7.2 Where CCS has the right to terminate a Framework Contract it is entitled to terminate all or part of it.
- 10.7.3 Where the Buyer has the right to terminate a Call-Off Contract it can terminate or suspend (for any period), all or part of it. If the Buyer suspends a Contract it can provide the Deliverables itself or buy them from a third party.
- 10.7.4 The Relevant Authority can only partially terminate or suspend a Contract if the remaining parts of that Contract can still be used to effectively deliver the intended purpose.
- 10.7.5 The Parties must agree any necessary Variation required by Clause 10.7 using the Variation Procedure, but the Supplier may not either:
- (a) reject the Variation; or
  - (b) increase the Charges, except where the right to partial termination is under Clause 10.2.
- 10.7.6 The Buyer can still use other rights available, or subsequently available to it if it acts on its rights under Clause 10.7.

## **10.8 When subcontracts can be ended**

At the Buyer's request, the Supplier must terminate any Subcontracts in any of the following events:

- (a) there is a Change of Control of a Subcontractor which is not pre-approved by the Relevant Authority in writing;
- (b) the acts or omissions of the Subcontractor have caused or materially contributed to a right of termination under Clause 10.4; or
- (c) a Subcontractor or its Affiliates embarrasses or brings into disrepute or diminishes the public trust in the Relevant Authority.

## **11. How much you can be held responsible for**

- 11.1 Each Party's total aggregate liability in each Contract Year under this Framework

Contract (whether in tort, contract or otherwise) is no more than £1,000,000.

11.2 Each Party's total aggregate liability in each Contract Year under each Call-Off Contract (whether in tort, contract or otherwise) is no more than the greater of £5 million or 150% of the Estimated Yearly Charges unless specified in the Call-Off Order Form.

11.3 No Party is liable to the other for:

- (a) any indirect Losses; or
- (b) Loss of profits, turnover, savings, business opportunities or damage to goodwill (in each case whether direct or indirect).

11.4 In spite of Clause 11.1 and 11.2, neither Party limits or excludes any of the following:

- (a) its liability for death or personal injury caused by its negligence, or that of its employees, agents or Subcontractors;
- (b) its liability for bribery or fraud or fraudulent misrepresentation by it or its employees;
- (c) any liability that cannot be excluded or limited by Law;
- (d) its obligation to pay the required Management Charge or Default Management Charge.

11.5 In spite of Clauses 11.1 and 11.2, the Supplier does not limit or exclude its liability for any indemnity given under Clauses 7.5, 8.3(b), 9.5, 31.3 or Call-Off Schedule 2 (Staff Transfer) of a Contract.

11.6 In spite of Clauses 11.1, 11.2 but subject to Clauses 11.3 and 11.4, the Supplier's aggregate liability in each and any Contract Year under each Contract under Clause 14.8 shall in no event exceed the Data Protection Liability Cap.

11.7 Each Party must use all reasonable endeavours to mitigate any Loss or damage which it suffers under or in connection with each Contract, including any indemnities.

11.8 When calculating the Supplier's liability under Clause 11.1 or 11.2 the following items will not be taken into consideration:

- (a) Deductions; and
- (b) any items specified in Clauses 11.5 or 11.6.

11.9 If more than one Supplier is party to a Contract, each Supplier Party is jointly and severally liable for their obligations under that Contract.

## **12. Obeying the law**

12.1 The Supplier must use reasonable endeavours to comply with the provisions of Joint

Schedule 5 (Corporate Social Responsibility).

- 12.2 To the extent that it arises as a result of a Default by the Supplier, the Supplier indemnifies the Relevant Authority against any fine or penalty incurred by the Relevant Authority pursuant to Law and any costs incurred by the Relevant Authority in defending any proceedings which result in such fine or penalty.
- 12.3 The Supplier must appoint a Compliance Officer who must be responsible for ensuring that the Supplier complies with Law, Clause 12.1 and Clauses 27 to 32.

## **13. Insurance**

The Supplier must, at its own cost, obtain and maintain the Required Insurances in Joint Schedule 3 (Insurance Requirements) and any Additional Insurances in the Order Form.

## **14. Data protection**

- 14.1 The Supplier must process Personal Data and ensure that Supplier Staff process Personal Data only in accordance with Joint Schedule 11 (Processing Data).
- 14.2 The Supplier must not remove any ownership or security notices in or relating to the Government Data.
- 14.3 The Supplier must make accessible back-ups of all Government Data, stored in an agreed off-site location and send the Buyer copies every 6 Months.
- 14.4 The Supplier must ensure that any Supplier system holding any Government Data, including back-up data, is a secure system that complies with the Security Policy and any applicable Security Management Plan.
- 14.5 If at any time the Supplier suspects or has reason to believe that the Government Data provided under a Contract is corrupted, lost or sufficiently degraded, then the Supplier must notify the Relevant Authority and immediately suggest remedial action.
- 14.6 If the Government Data is corrupted, lost or sufficiently degraded so as to be unusable the Relevant Authority may either or both:
  - (a) tell the Supplier to restore or get restored Government Data as soon as practical but no later than 5 Working Days from the date that the Relevant Authority receives notice, or the Supplier finds out about the issue, whichever is earlier; and/or
  - (b) restore the Government Data itself or using a third party.
- 14.7 The Supplier must pay each Party's reasonable costs of complying with Clause 14.6 unless CCS or the Buyer is at fault.
- 14.8 The Supplier:

- (a) must provide the Relevant Authority with all Government Data in an agreed open format within 10 Working Days of a written request;
- (b) must have documented processes to guarantee prompt availability of Government Data if the Supplier stops trading;
- (c) must securely destroy all Storage Media that has held Government Data at the end of life of that media using Good Industry Practice;
- (d) securely erase all Government Data and any copies it holds when asked to do so by CCS or the Buyer unless required by Law to retain it; and
- (e) indemnifies CCS and each Buyer against any and all Losses incurred if the Supplier breaches Clause 14 and any Data Protection Legislation.

## **15. What you must keep confidential**

### **15.1 Each Party must:**

- (a) keep all Confidential Information it receives confidential and secure;
- (b) except as expressly set out in the Contract at Clauses 15.2 to 15.4 or elsewhere in the Contract, not disclose, use or exploit the Disclosing Party's Confidential Information without the Disclosing Party's prior written consent; and
- (c) immediately notify the Disclosing Party if it suspects unauthorised access, copying, use or disclosure of the Confidential Information.

### **15.2 In spite of Clause 15.1, a Party may disclose Confidential Information which it receives from the Disclosing Party in any of the following instances:**

- (a) where disclosure is required by applicable Law or by a court with the relevant jurisdiction if, to the extent not prohibited by Law, the Recipient Party notifies the Disclosing Party of the full circumstances, the affected Confidential Information and extent of the disclosure;
- (b) if the Recipient Party already had the information without obligation of confidentiality before it was disclosed by the Disclosing Party;
- (c) if the information was given to it by a third party without obligation of confidentiality;
- (d) if the information was in the public domain at the time of the disclosure;
- (e) if the information was independently developed without access to the Disclosing Party's Confidential Information;
- (f) on a confidential basis, to its auditors;
- (g) on a confidential basis, to its professional advisers on a need-to-know basis; or
- (h) to the Serious Fraud Office where the Recipient Party has reasonable grounds to believe that the Disclosing Party is involved in activity that may be a criminal offence under the Bribery Act 2010.

### **15.3 In spite of Clause 15.1, the Supplier may disclose Confidential Information on a confidential basis to Supplier Staff on a need-to-know basis to allow the Supplier to meet its obligations under the Contract. The Supplier Staff must enter into a direct confidentiality agreement with the Relevant Authority at its request.**

### **15.4 In spite of Clause 15.1, CCS or the Buyer may disclose Confidential Information in any of the following cases:**

- (a) on a confidential basis to the employees, agents, consultants and contractors of CCS or the Buyer;
- (b) on a confidential basis to any other Central Government Body, any successor body to a Central Government Body or any company that CCS or the Buyer transfers or proposes to transfer all or any part of its business to;
- (c) if CCS or the Buyer (acting reasonably) considers disclosure necessary or appropriate to carry out its public functions;
- (d) where requested by Parliament; or
- (e) under Clauses 4.7 and 16.

15.5 For the purposes of Clauses 15.2 to 15.4 references to disclosure on a confidential basis means disclosure under a confidentiality agreement or arrangement including terms as strict as those required in Clause 15.

15.6 Transparency Information is not Confidential Information.

15.7 The Supplier must not make any press announcement or publicise the Contracts or any part of them in any way, without the prior written consent of the Relevant Authority and must take all reasonable steps to ensure that Supplier Staff do not either.

## **16. When you can share information**

16.1 The Supplier must tell the Relevant Authority within 48 hours if it receives a Request For Information.

16.2 Within five (5) Working Days of the Buyer's request the Supplier must give CCS and each Buyer full co-operation and information needed so the Buyer can:

- (a) publish the Transparency Information;
- (b) comply with any Freedom of Information Act (FOIA) request; and/or
- (c) comply with any Environmental Information Regulations (EIR) request.

16.3 The Relevant Authority may talk to the Supplier to help it decide whether to publish information under Clause 16. However, the extent, content and format of the disclosure is the Relevant Authority's decision in its absolute discretion.

## **17. Invalid parts of the contract**

If any part of a Contract is prohibited by Law or judged by a court to be unlawful, void or unenforceable, it must be read as if it was removed from that Contract as much as required and rendered ineffective as far as possible without affecting the rest of the Contract, whether it is valid or enforceable.

## **18. No other terms apply**

The provisions incorporated into each Contract are the entire agreement between the Parties. The Contract replaces all previous statements, agreements and any course of dealings made between the Parties, whether written or oral, in relation to its subject matter. No other provisions apply.

## **19. Other people's rights in a contract**

No third parties may use the Contracts (Rights of Third Parties) Act 1999 (CRTPA) to enforce any term of the Contract unless stated (referring to CRTPA) in the Contract. This does not affect third party rights and remedies that exist independently from CRTPA.

## **20. Circumstances beyond your control**

20.1 Any Party affected by a Force Majeure Event is excused from performing its obligations under a Contract while the inability to perform continues, if it both:

- (a) provides a Force Majeure Notice to the other Party; and
- (b) uses all reasonable measures practical to reduce the impact of the Force Majeure Event.

20.2 Either Party can partially or fully terminate the affected Contract if the provision of the Deliverables is materially affected by a Force Majeure Event which lasts for 90 days continuously.

## **21. Relationships created by the contract**

No Contract creates a partnership, joint venture or employment relationship. The Supplier must represent themselves accordingly and ensure others do so.

## **22. Giving up contract rights**

A partial or full waiver or relaxation of the terms of a Contract is only valid if it is stated to be a waiver in writing to the other Party.

## **23. Transferring responsibilities**

23.1 The Supplier cannot assign, novate or transfer a Contract or any part of a Contract without the Relevant Authority's written consent.

23.2 The Relevant Authority can assign, novate or transfer its Contract or any part of it to any Central Government Body, public or private sector body which performs the functions of the Relevant Authority.

- 23.3 When CCS or the Buyer uses its rights under Clause 23.2 the Supplier must enter into a novation agreement in the form that CCS or the Buyer specifies.
- 23.4 The Supplier can terminate a Contract novated under Clause 23.2 to a private sector body that is experiencing an Insolvency Event.
- 23.5 The Supplier remains responsible for all acts and omissions of the Supplier Staff as if they were its own.
- 23.6 If CCS or the Buyer asks the Supplier for details about Subcontractors, the Supplier must provide details of Subcontractors at all levels of the supply chain including:
- (a) their name;
  - (b) the scope of their appointment; and
  - (c) the duration of their appointment.

## **24. Changing the contract**

- 24.1 Either Party can request a Variation which is only effective if agreed in writing and signed by both Parties.
- 24.2 The Supplier must provide an Impact Assessment either:
- (a) with the Variation Form, where the Supplier requests the Variation; or
  - (b) within the time limits included in a Variation Form requested by CCS or the Buyer.
- 24.3 If the Variation cannot be agreed or resolved by the Parties, CCS or the Buyer can either:
- (a) agree that the Contract continues without the Variation; or
  - (b) terminate the affected Contract, unless in the case of a Call-Off Contract, the Supplier has already provided part or all of the provision of the Deliverables, or where the Supplier can show evidence of substantial work being carried out to provide them; or
  - (c) refer the Dispute to be resolved using Clause 34 (Resolving Disputes).
- 24.4 CCS and the Buyer are not required to accept a Variation request made by the Supplier.
- 24.5 If there is a General Change in Law, the Supplier must bear the risk of the change and is not entitled to ask for an increase to the Framework Prices or the Charges.
- 24.6 If there is a Specific Change in Law or one is likely to happen during the Contract Period the Supplier must give CCS and the Buyer notice of the likely effects of the changes as soon as reasonably practical. They must also say if they think any Variation is needed either to the Deliverables, Framework Prices or a Contract and provide evidence:



- (a) that the Supplier has kept costs as low as possible, including in Subcontractor costs; and
- (b) of how it has affected the Supplier's costs.

- 24.7 Any change in the Framework Prices or relief from the Supplier's obligations because of a Specific Change in Law must be implemented using Clauses 24.1 to 24.4.
- 24.8 For 101(5) of the Regulations, if the Court declares any Variation ineffective, the Parties agree that their mutual rights and obligations will be regulated by the terms of the Contract as they existed immediately prior to that Variation and as if the Parties had never entered into that Variation.

## **25. How to communicate about the contract**

- 25.1 All notices under the Contract must be in writing and are considered effective on the Working Day of delivery as long as they are delivered before 5:00pm on a Working Day. Otherwise the notice is effective on the next Working Day. An email is effective at 9:00am on the first Working Day after sending unless an error message is received.
- 25.2 Notices to CCS must be sent to the CCS Authorised Representative's address or email address in the Framework Award Form.
- 25.3 Notices to the Buyer must be sent to the Buyer Authorised Representative's address or email address in the Order Form.
- 25.4 This Clause does not apply to the service of legal proceedings or any documents in any legal action, arbitration or dispute resolution.

## **26. Dealing with claims**

- 26.1 If a Beneficiary is notified of a Claim then it must notify the Indemnifier as soon as reasonably practical and no later than 10 Working Days.
- 26.2 At the Indemnifier's cost the Beneficiary must both:
  - (a) allow the Indemnifier to conduct all negotiations and proceedings to do with a Claim; and
  - (b) give the Indemnifier reasonable assistance with the claim if requested.
- 26.3 The Beneficiary must not make admissions about the Claim without the prior written consent of the Indemnifier which can not be unreasonably withheld or delayed.
- 26.4 The Indemnifier must consider and defend the Claim diligently using competent legal advisors and in a way that does not damage the Beneficiary's reputation.
- 26.5 The Indemnifier must not settle or compromise any Claim without the Beneficiary's prior written consent which it must not unreasonably withhold or delay.
- 26.6 Each Beneficiary must take all reasonable steps to minimise and mitigate any losses that

it suffers because of the Claim.

26.7 If the Indemnifier pays the Beneficiary money under an indemnity and the Beneficiary later recovers money which is directly related to the Claim, the Beneficiary must immediately repay the Indemnifier the lesser of either:

- (a) the sum recovered minus any legitimate amount spent by the Beneficiary when recovering this money; or
- (b) the amount the Indemnifier paid the Beneficiary for the Claim.

## **27. Preventing fraud, bribery and corruption**

27.1 The Supplier must not during any Contract Period:

- (a) commit a Prohibited Act or any other criminal offence in the Regulations 57(1) and 57(2); or
- (b) do or allow anything which would cause CCS or the Buyer, including any of their employees, consultants, contractors, Subcontractors or agents to breach any of the Relevant Requirements or incur any liability under them.

27.2 The Supplier must during the Contract Period:

- (a) create, maintain and enforce adequate policies and procedures to ensure it complies with the Relevant Requirements to prevent a Prohibited Act and require its Subcontractors to do the same;
- (b) keep full records to show it has complied with its obligations under Clause 27 and give copies to CCS or the Buyer on request; and
- (c) if required by the Relevant Authority, within 20 Working Days of the Start Date of the relevant Contract, and then annually, certify in writing to the Relevant Authority, that they have complied with Clause 27, including compliance of Supplier Staff, and provide reasonable supporting evidence of this on request, including its policies and procedures.

27.3 The Supplier must immediately notify CCS and the Buyer if it becomes aware of any breach of Clauses 27.1 or 27.2 or has any reason to think that it, or any of the Supplier Staff, has either:

- (a) been investigated or prosecuted for an alleged Prohibited Act;
- (b) been debarred, suspended, proposed for suspension or debarment, or is otherwise ineligible to take part in procurement programmes or contracts because of a Prohibited Act by any government department or agency;
- (c) received a request or demand for any undue financial or other advantage of any kind related to a Contract; or
- (d) suspected that any person or Party directly or indirectly related to a Contract has committed or attempted to commit a Prohibited Act.

27.4 If the Supplier notifies CCS or the Buyer as required by Clause 27.3, the Supplier must respond promptly to their further enquiries, co-operate with any investigation and allow

the Audit of any books, records and relevant documentation.

27.5 In any notice the Supplier gives under Clause 27.3 it must specify the:

- (a) Prohibited Act;
- (b) identity of the Party who it thinks has committed the Prohibited Act; and
- (c) action it has decided to take.

## **28. Equality, diversity and human rights**

28.1 The Supplier must follow all applicable equality Law when they perform their obligations under the Contract, including:

- (a) protections against discrimination on the grounds of race, sex, gender reassignment, religion or belief, disability, sexual orientation, pregnancy, maternity, age or otherwise; and
- (b) any other requirements and instructions which CCS or the Buyer reasonably imposes related to equality Law.

28.2 The Supplier must take all necessary steps, and inform CCS or the Buyer of the steps taken, to prevent anything that is considered to be unlawful discrimination by any court or tribunal, or the Equality and Human Rights Commission (or any successor organisation) when working on a Contract.

## **29. Health and safety**

29.1 The Supplier must perform its obligations meeting the requirements of:

- (a) all applicable Law regarding health and safety; and
- (b) the Buyer's current health and safety policy while at the Buyer's Premises, as provided to the Supplier.

29.2 The Supplier and the Buyer must as soon as possible notify the other of any health and safety incidents or material hazards they are aware of at the Buyer Premises that relate to the performance of a Contract.

## **30. Environment**

30.1 When working on Site the Supplier must perform its obligations under the Buyer's current Environmental Policy, which the Buyer must provide.

30.2 The Supplier must ensure that Supplier Staff are aware of the Buyer's Environmental Policy.

## 31. Tax

- 31.1 The Supplier must not breach any Tax or social security obligations and must enter into a binding agreement to pay any late contributions due, including where applicable, any interest or any fines. CCS and the Buyer cannot terminate a Contract where the Supplier has not paid a minor Tax or social security contribution.
- 31.2 Where the Charges payable under a Contract with the Buyer are or are likely to exceed £5 million at any point during the relevant Contract Period, and an Occasion of Tax Non-Compliance occurs, the Supplier must notify CCS and the Buyer of it within 5 Working Days including:
- (a) the steps that the Supplier is taking to address the Occasion of Tax Non-Compliance and any mitigating factors that it considers relevant; and
  - (b) other information relating to the Occasion of Tax Non-Compliance that CCS and the Buyer may reasonably need.
- 31.3 Where the Supplier or any Supplier Staff are liable to be taxed or to pay National Insurance contributions in the UK relating to payment received under a Call-Off Contract, the Supplier must both:
- (a) comply with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax, the Social Security Contributions and Benefits Act 1992 (including IR35) and National Insurance contributions; and
  - (b) indemnify the Buyer against any Income Tax, National Insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made during or after the Contract Period in connection with the provision of the Deliverables by the Supplier or any of the Supplier Staff.
- 31.4 If any of the Supplier Staff are Workers who receive payment relating to the Deliverables, then the Supplier must ensure that its contract with the Worker contains the following requirements:
- (a) the Buyer may, at any time during the Contract Period, request that the Worker provides information which demonstrates they comply with Clause 31.3, or why those requirements do not apply, the Buyer can specify the information the Worker must provide and the deadline for responding;
  - (b) the Worker's contract may be terminated at the Buyer's request if the Worker fails to provide the information requested by the Buyer within the time specified by the Buyer;
  - (c) the Worker's contract may be terminated at the Buyer's request if the Worker provides information which the Buyer considers is not good enough to demonstrate how it complies with Clause 31.3 or confirms that the Worker is not complying with those requirements; and
  - (d) the Buyer may supply any information they receive from the Worker to HMRC for revenue collection and management.

## **32. Conflict of interest**

- 32.1 The Supplier must take action to ensure that neither the Supplier nor the Supplier Staff are placed in the position of an actual or potential Conflict of Interest.
- 32.2 The Supplier must promptly notify and provide details to CCS and each Buyer if a Conflict of Interest happens or is expected to happen.
- 32.3 CCS and each Buyer can terminate its Contract immediately by giving notice in writing to the Supplier or take any steps it thinks are necessary where there is or may be an actual or potential Conflict of Interest.

## **33. Reporting a breach of the contract**

- 33.1 As soon as it is aware of it the Supplier and Supplier Staff must report to CCS or the Buyer any actual or suspected breach of:
  - (a) Law;
  - (b) Clause 12.1; or
  - (c) Clauses 27 to 32.
- 33.2 The Supplier must not retaliate against any of the Supplier Staff who in good faith reports a breach listed in Clause 33.1 to the Buyer or a Prescribed Person.

## **34. Resolving disputes**

- 34.1 If there is a Dispute, the senior representatives of the Parties who have authority to settle the Dispute will, within 28 days of a written request from the other Party, meet in good faith to resolve the Dispute.
- 34.2 If the Dispute is not resolved at that meeting, the Parties can attempt to settle it by mediation using the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure current at the time of the Dispute. If the Parties cannot agree on a mediator, the mediator will be nominated by CEDR. If either Party does not wish to use, or continue to use mediation, or mediation does not resolve the Dispute, the Dispute must be resolved using Clauses 34.3 to 34.5.
- 34.3 Unless the Relevant Authority refers the Dispute to arbitration using Clause 34.4, the Parties irrevocably agree that the courts of England and Wales have the exclusive jurisdiction to:
  - (a) determine the Dispute;
  - (b) grant interim remedies; and/or
  - (c) grant any other provisional or protective relief.

- 34.4 The Supplier agrees that the Relevant Authority has the exclusive right to refer any Dispute to be finally resolved by arbitration under the London Court of International Arbitration Rules current at the time of the Dispute. There will be only one arbitrator. The seat or legal place of the arbitration will be London and the proceedings will be in English.
- 34.5 The Relevant Authority has the right to refer a Dispute to arbitration even if the Supplier has started or has attempted to start court proceedings under Clause 34.3, unless the Relevant Authority has agreed to the court proceedings or participated in them. Even if court proceedings have started, the Parties must do everything necessary to ensure that the court proceedings are stayed in favour of any arbitration proceedings if they are started under Clause 34.4.
- 34.6 The Supplier cannot suspend the performance of a Contract during any Dispute.

## **35. Which law applies**

This Contract and any Disputes arising out of, or connected to it, are governed by English law.

## Schedule 4 - DEFFORM 532

### Personal Data Particulars

### DEFFORM 532

Edn 10/19

This Form forms part of the Contract and must be completed and attached to each Contract containing DEFCON 532B.

In the event of commissioning phase 2, DEFFORM 532 can be reviewed to include additional aspects identified in the Discovery for the Implementation phase.

<b>Data Controller</b>	██████████
Data Processor	██████████
<b>Data Subjects</b>	██████████
<b>Categories of Data</b>	██████████
<b>Special Categories of data (if appropriate)</b>	██████████
<b>Subject matter of the processing</b>	██████████.
<b>Nature and the purposes of the Processing</b>	██████████
<b>Instructions for disposal of Personal Data</b>	██████████

<b>Date from which Personal Data is to be processed</b>	
---	---

The capitalised terms used in this form shall have the same meanings as in the General Data Protection Reg



## **Russian and Belarusian Exclusion Condition for Inclusion in Contracts**

### **Russian and Belarusian Exclusion Condition for Inclusion in Contracts**

1. The Contractor shall, and shall procure that their Sub-contractors shall, notify the Authority in writing as soon as they become aware that:

- a. the Contract Deliverables and/or Services contain any Russian/Belarusian products and/or services; or
- b. that the Contractor or any part of the Contractor's supply chain is linked to entities who are constituted or organised under the law of Russia or Belarus, or under the control (full or partial) of a Russian/Belarusian person or entity. Please note that this does not include companies:
  - (1) registered in the UK or in a country with which the UK has a relevant international agreement providing reciprocal rights of access in the relevant field of public procurement; and/or
  - (2) which have significant business operations in the UK or in a country with which the UK has a relevant international agreement providing reciprocal rights of access in the relevant field of public procurement.

2. The Contractor shall, and shall procure that their Sub-contractors shall, include in such notification (or as soon as reasonably practicable following the notification) full details of the Russian products, services and/or entities and shall provide all reasonable assistance to the Authority to understand the nature, scope and impact of any such products, services and/or entities on the provision of the Contract Deliverables and/or Services.

3. The Authority shall consider the notification and information provided by the Contractor and advise the Contractor in writing of any concerns the Authority may have and/or any action which the Authority will require the Contractor to take. The Contractor shall be required to submit a response to the concerns raised by the Authority, including any plans to mitigate those concerns, within 14 business days of receipt of the Authority's written concerns, for the Authority's consideration.

4. The Contractor shall include provisions equivalent to those set out in this clause in all relevant Sub-contracts.

## Schedule 5 - DEFFORM 539A

Edn 01/22

### Tenderer's Sensitive Information

This list shall be agreed in consultation with the Authority and the Contractor and may be reviewed and amended by agreement. The Authority shall review the list before the publication of any information.

ITT Ref No:709091450
Description of Tenderer's Sensitive Information: Not Applicable
Cross Reference(s) to location of Sensitive Information in Tender: Not Applicable
Explanation of Sensitivity: Not Applicable
Details of potential harm resulting from disclosure: Not Applicable
Period of Confidence (if applicable): Not Applicable
Contact Details for Transparency / Freedom of Information matters: Name: [REDACTED] Position: Partner Address: 1 New Street Square, London, EC4A 3HQ Telephone Number: [REDACTED] Email Address: [REDACTED]

## Schedule 6 - DEFFORM 711

(Edn 11/22)

Ministry of Defence

### DEFFORM 711 – NOTIFICATION OF INTELLECTUAL PROPERTY RIGHTS (IPR) RESTRICTIONS

#### DEFFORM 711 - PART A – Notification of IPR Restrictions

1. <u>Contract Number</u> 709091450 Ministry of Defence (MOD)_Systems Evolution - Migration to Cloud – Deloitte Response				
2. <u>ID #</u>	3. <u>Unique Technical Data</u> <u>Reference Number / Label</u>	4. <u>Unique Article(s) Identification</u> <u>Number / Label</u>	5. <u>Statement</u> <u>Describing IPR Restriction</u>	6. <u>Ownership of the Intellectual</u> <u>Property Rights</u>
1	Nil return	Nil Return	Nil Return	Nil Return
2				
3				
4				
5				

## Schedule 7 - DEFFORM 111

### DEFFORM 111

#### Appendix - Addresses and Other Information

##### 1. Commercial Officer

Name: [REDACTED]

Address: Main Building, Whitehall, London SW1A 2HB

Email: [REDACTED] ☎☎ [REDACTED]

##### 2. Project Manager, Equipment Support Manager or PT Leader (from whom technical information is available)

Name: [REDACTED]

Email: [REDACTED] ☎☎ [REDACTED]

##### 3. Packaging Design Authority Organisation & point of contact:

N/A

(Where no address is shown please contact the Project Team in Box 2)

☎☎ N/A

##### 4. (a) Supply / Support Management Branch or Order Manager:

Branch/Name: N/A

☎☎

(b) U.I.N. DDaT

##### 5. Drawings/Specifications are available from N/A

##### 6. Intentionally Blank

##### 7. Quality Assurance Representative:

Commercial staff are reminded that all Quality Assurance requirements should be listed under the General Contract Conditions.

8. **AQAPS** and **DEF STANs** are available from UK Defence Standardization, for access to the documents and details of the helpdesk visit <http://dstan.uwh.diif.r.mil.uk/> [intranet] or <https://www.dstan.mod.uk/> [extranet, registration needed].

##### 9. Consignment Instructions The items are to be consigned as follows: N/A

##### 10. Transport. The appropriate Ministry of Defence Transport Offices are:

**A. DSCOM**, DE&S, DSCOM, MoD Abbey Wood, Cedar 3c, Mail Point 3351, BRISTOL BS34 8JH

Air Freight Centre

IMPORTS ☎☎ 030 679 81113 / 81114 Fax 0117 913 8943

EXPORTS ☎☎ 030 679 81113 / 81114 Fax 0117 913 8943

Surface Freight Centre

IMPORTS ☎☎ 030 679 81129 / 81133 / 81138 Fax 0117 913 8946

☎☎ 030 679 81129 / 81133 / 81138 Fax 0117 913 8946

### **B.JSCS**

JSCS Helpdesk No. 01869 256052 (select option 2, then option 3)

JSCS Fax No. 01869 256837

[www.freightcollection.com](http://www.freightcollection.com)

### **11. The Invoice Paying Authority**

Ministry of Defence, DBS Finance, Walker House, Exchange Flags Liverpool, L2 3YL

☎☎ 0151-242-2000 Fax: 0151-242-2809

**Website is:** <https://www.gov.uk/government/organisations/ministry-of-defence/about/procurement#invoice-processing>

### **12. Forms and Documentation are available through \*:**

Ministry of Defence, Forms and Pubs Commodity Management PO Box 2, Building C16, C Site, Lower Arncott, Bicester, OX25 1LP (Tel. 01869 256197 Fax: 01869 256824)

**Applications via fax or email:** [Leidos-FormsPublications@teamleidos.mod.uk](mailto:Leidos-FormsPublications@teamleidos.mod.uk)

### **\* NOTE**

1. Many **DEFCONs** and **DEFFORMs** can be obtained from the MOD Internet Site:

<https://www.kid.mod.uk/maincontent/business/commercial/index.htm>

2. If the required forms or documentation are not available on the MOD Internet site requests should be submitted through the Commercial Officer named in Section 1.

## Schedule 8 - Security Aspects Letter (SAL)

**Date of Issue:** 12/10/2023

**For the attention of:**

Deloitte LLP  
2, New Street Square  
Greater London  
EC4A 3BZ

**Ministry of Defence**

Commercial Officer – HOCS BP3  
Main Building,  
Whitehall,  
London  
SW1A 2HB  
United Kingdom  
Email: [REDACTED]

**CONTRACT NUMBER & TITLE: 709091450 – System Evolution Migration to Cloud**

1. On behalf of the Secretary of State for Defence, I hereby give you notice of the information or assets connected with, or arising from, the referenced ITT that constitute classified material.
2. Aspects that constitute OFFICIAL-SENSITIVE for the purpose of DEFCON 660 are specified below. These aspects must be fully safeguarded. The enclosed Security Condition (ANNEX to Security Aspects Letter) outlines the minimum measures required to safeguard OFFICIAL-SENSITIVE assets and information.

ASPECTS	CLASSIFICATION
[REDACTED]	[REDACTED]

--	--

3. Your attention is drawn to the provisions of the Official Secrets Act 1911-1989 in general, and specifically to the provisions of Section 2 of the Official Secrets Act 1911 (as amended by the Act of 1989). In particular you should take all reasonable steps to make sure that all individuals employed on any work in connection with this ITT have notice of the above specified aspects and that the aforementioned statutory provisions apply to them and will continue to apply should the ITT be unsuccessful.

4. Will you please confirm that:

a. This definition of the classified aspects of the referenced Invitation to Tender has been brought to the attention of the person directly responsible for security of classified material.

b. The definition is fully understood.

c. Measures can, and will, be taken to safeguard the classified aspects identified herein in accordance with applicable national laws and regulations. [The requirement and obligations set out above and in any contractual document can and will be met and that the classified information shall be protected in accordance with applicable national laws and regulations.]

d. All employees of the company who will have access to classified information have either signed the OSA Declaration Form in duplicate and one copy is retained by the Company Security Officer or have otherwise been informed that the provisions of the OSA apply to all classified information and assets associated with this ITT.

5. If you have any difficulty either in interpreting this definition of the classified aspects or in safeguarding them, will you please let me know immediately.

6. Classified Information associated with this ITT must not be published or communicated to anyone without the approval of the MOD Contracting Authority.

7. Any access to classified information or assets on MOD premises that may be needed will be subject to MOD security regulations under the direction of the MOD Project Officer in accordance with DEFCON 76.

Yours faithfully

Copy via mail to: [ISAC-Group \(MULTIUSER\);](#)  
[COO-DSR-IIPCSy \(MULTIUSER\);](#)  
[UKStratComDD-CyDR-CySAAS-021](#)

## **ANNEX to Security Aspects Letter**

### **UK OFFICIAL AND UK OFFICIAL-SENSITIVE CONTRACTUAL SECURITY CONDITIONS**

**Issued 10 July 2023**

#### **Purpose**

1. This document provides guidance for Contractors where classified material provided to or generated by the Contractor is graded UK OFFICIAL or UK OFFICIAL-SENSITIVE. Where the measures requested below cannot be achieved or are not fully understood, further advice should be sought from the UK Designated Security Authority (Email: COO-DSR-IIPCSy@mod.gov.uk).

#### **Definitions**

2. The term "*Authority*" for the purposes of this Annex means the HMG Contracting Authority.

3. The term "*Classified Material*" for the purposes of this Annex means classified information and assets.

#### **Security Grading**

4. The SENSITIVE marking is used to denote UK OFFICIAL material that is of a particular sensitivity and where there is a need to reinforce the 'need to know'. The Security Aspects Letter, issued by the Authority shall define the UK OFFICIAL-SENSITIVE material that is provided to the Contractor, or which is to be developed by it, under this Contract. The Contractor shall mark all UK OFFICIAL-SENSITIVE documents which it originates or copies during the Contract with the applicable security grading. The Contractor is not required to mark documents graded UK OFFICIAL unless they are transmitted overseas or generated by a Contractor based outside the UK in a third-party country.

#### **Security Conditions**

5. The Contractor shall take all reasonable steps to adhere to the provisions specified in the Contract or listed in this Annex. The Contractor shall make sure that all individuals employed on any work in connection with the Contract have notice that these provisions apply to them and shall continue so to apply after the completion or earlier termination of the Contract. The Authority must state the data retention periods to allow the Contractor to produce a data management policy. If you are a Contractor located in the UK your attention is also drawn to the provisions of the Official Secrets Acts 1911 to 1989 in general, and to the provisions of Section 2 of the Official Secrets Act 1911 (as amended by the Act of 1989) in particular.

#### **Protection of UK OFFICIAL and UK OFFICIAL-SENSITIVE Classified Material**



6. The Contractor shall protect UK OFFICIAL and UK OFFICIAL-SENSITIVE material provided to or generated by it in accordance with the requirements detailed in this Security Condition and any other conditions that may be specified by the Authority. The Contractor shall take all reasonable steps to prevent the loss or compromise of classified material whether accidentally or from deliberate or opportunist attack.

7. Once the Contract has been awarded, where Contractors are required to store or process UK MOD classified information electronically, they are required to comply with the requirements specified in ISNs, Defence Condition 658 and Defence Standard 05-138. Details can be found at the links below:

<https://www.gov.uk/government/publications/industry-security-notice-isns>.

<https://www.dstan.mod.uk/toolset/05/138/000003000.pdf>

<https://www.gov.uk/government/publications/defence-condition-658-cyber-flow-down>

8. All UK classified material including documents, media and other assets must be physically secured to prevent unauthorised access. When not in use UK classified material shall be handled with care to prevent loss or inappropriate access. As a minimum UK OFFICIAL-SENSITIVE material shall be stored under lock and key and shall be placed in a lockable room, cabinets, drawers or safe and the keys/combinations shall be controlled.

9. Disclosure of UK classified material must be strictly controlled in accordance with the *"need to know"* principle. Except with the written consent of the Authority, the Contractor shall not disclose the Contract or any provision thereof to any person other than to a person directly employed by the Contractor or sub-Contractor.

10. Except with the consent in writing of the Authority the Contractor shall not make use of the Contract or any classified material issued or provided by or on behalf of the Authority otherwise than for the purpose of the Contract, and, same as provided for in paragraph 8 above, the Contractor shall not make use of any article or part thereof similar to the articles for any other purpose.

11. Subject to any intellectual property rights of third parties, nothing in this Security Condition shall restrict the Contractor from using any specifications, plans, drawings and other documents generated outside of this Contract.

12. Any samples, patterns, specifications, plans, drawings or any other documents issued by or on behalf of the Authority for the purposes of the Contract remain the property of the Authority and must be returned on completion of the Contract or, if directed by the Authority, destroyed in accordance with paragraph 34.

## **Access**

13. Access to UK classified material shall be confined to those individuals who have a *"need-to-know"*, have been made aware of the requirement to protect the material and whose access is essential for the purpose of their duties.

14. The Contractor shall ensure that all individuals requiring access to UK OFFICIAL-SENSITIVE material have undergone basic recruitment checks. This should include

establishing proof of identity; confirming that they satisfy all legal requirements for employment by the Contractor; and verification of their employment record. Criminal record checks should also be undertaken where permissible under national/local laws and regulations. This is in keeping with the core principles set out in the UK Government (HMG) Baseline Personnel Security Standard (BPSS) which can be found at:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/714002/HMG\\_Baseline\\_Personnel\\_Security\\_Standard\\_-\\_May\\_2018.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/714002/HMG_Baseline_Personnel_Security_Standard_-_May_2018.pdf)

## **Hard Copy Distribution**

15. UK OFFICIAL and UK OFFICIAL-SENSITIVE documents may be distributed internally and externally of Contractor premises. To maintain confidentiality, integrity and availability, distribution is to be controlled such that access to documents is only by authorised personnel. They may be sent by ordinary post in a single envelope. The words UK OFFICIAL or UK OFFICIAL-SENSITIVE must not appear on the envelope. The envelope must bear a stamp or marking that clearly indicates the full address of the office from which it was sent. Commercial Couriers may be used.

16. Advice on the distribution of UK OFFICIAL-SENSITIVE documents abroad or any other general advice including the distribution of UK OFFICIAL-SENSITIVE shall be sought from the Authority.

## **Electronic Communication and Telephony and Facsimile Services**

17. UK OFFICIAL information may be emailed unencrypted over the internet. UK OFFICIAL-SENSITIVE information shall normally only be transmitted over the internet encrypted using either a National Cyber Security Centre (NCSC) Commercial Product Assurance (CPA) cryptographic product or a UK MOD approved cryptographic technique such as Transmission Layer Security (TLS). In the case of TLS both the sender and recipient organisations must have TLS enabled. Details of the required TLS implementation are available at:

<https://www.ncsc.gov.uk/guidance/tls-external-facing-services>

Details of the CPA scheme are available at:

<https://www.ncsc.gov.uk/scheme/commercial-product-assurance-cpa>

18. Exceptionally, in urgent cases UK OFFICIAL-SENSITIVE information may be emailed unencrypted over the internet where there is a strong business need to do so, but only with the prior approval of the Authority. However, it shall only be sent when it is known that the recipient has been made aware of and can comply with the requirements of these Security Conditions and subject to any explicit limitations that the Authority require. Such limitations including any regarding publication, further circulation or other handling instructions shall be clearly identified in the email sent with the information.

19. UK OFFICIAL information may be discussed on fixed and mobile telephones with persons located both within the country of the Contractor and overseas. UK OFFICIAL-

SENSITIVE information may be discussed on fixed and mobile telephones only where there is a strong business need to do so.

20. UK OFFICIAL information may be faxed to recipients located both within the country of the Contractor and overseas, however UK OFFICIAL-SENSITIVE information may be transmitted only where there is a strong business case to do so and only with the prior approval of the Authority.

## **Use of Information Systems**

21. The detailed functions that must be provided by an IT system to satisfy the minimum requirements cannot all be described here in specific detail; it is for the implementers to identify possible means of attack and ensure proportionate security mitigations are applied to prevent a successful attack.

22. The Contractor should ensure **10 Steps to Cyber Security** (Link below) is applied in a proportionate manner for each IT and communications system storing, processing or generating UK OFFICIAL or UK OFFICIAL-SENSITIVE information. The Contractor should ensure competent personnel apply 10 Steps to Cyber Security.

<https://www.ncsc.gov.uk/guidance/10-steps-cyber-security>.

23. As a general rule, any communication path between an unauthorised user and the data can be used to carry out an attack on the system or be used to compromise or ex-filtrate data.

24. Within the framework of the 10 Steps to Cyber Security, the following describes the minimum security requirements for processing and accessing UK OFFICIAL-SENSITIVE information on IT systems.

a. Access. Physical access to all hardware elements of the IT system is to be strictly controlled. The principle of “*least privilege*” will be applied to System Administrators. Users of the IT System (Administrators) should not conduct ‘standard’ User functions using their privileged accounts.

b. Identification and Authentication (ID&A). All systems are to have the following functionality:

- (1). Up-to-date lists of authorised users.
- (2). Positive identification of all users at the start of each processing session.

c. Passwords. Passwords are part of most ID&A security measures. Passwords are to be “*strong*” using an appropriate method to achieve this, e.g. including numeric and “*special*” characters (if permitted by the system) as well as alphabetic characters.

d. Internal Access Control. All systems are to have internal Access Controls to prevent unauthorised users from accessing or modifying the data.

e. Data Transmission. Unless the Authority authorises otherwise, UK OFFICIAL-SENSITIVE information may only be transmitted or accessed electronically (e.g. point to point computer links) via a public network like the Internet, using a CPA product or equivalent as described in paragraph 17 above.

f. Security Accounting and Audit. Security relevant events fall into two categories, namely legitimate events and violations.

(1). The following events shall always be recorded:

- (a) All log on attempts whether successful or failed,
- (b) Log off (including time out where applicable),
- (c) The creation, deletion or alteration of access rights and privileges,
- (d) The creation, deletion or alteration of passwords.

(2). For each of the events listed above, the following information is to be recorded:

- (a) Type of event,
- (b) User ID,
- (c) Date & Time,
- (d) Device ID.

The accounting records are to have a facility to provide the System Manager with a hard copy of all or selected activity. There also must be a facility for the records to be printed in an easily readable form. All security records are to be inaccessible to users without a need to know. If the operating system is unable to provide this then the equipment must be protected by physical means when not in use i.e. locked away or the hard drive removed and locked away.

g. Integrity & Availability. The following supporting measures are to be implemented:

- (1). Provide general protection against normally foreseeable accidents/mishaps and known recurrent problems (e.g. viruses and power supply variations),
- (2). Defined Business Contingency Plan,
- (3). Data backup with local storage,
- (4). Anti-Virus Software (Implementation, with updates, of an acceptable industry standard Anti-virus software),
- (5). Operating systems, applications and firmware should be supported,
- (6). Patching of Operating Systems and Applications used are to be in line with the manufacturers recommended schedule. If patches cannot be applied an understanding of the resulting risk will be documented.

h. Logon Banners. Wherever possible, a “*Logon Banner*” will be provided to summarise the requirements for access to a system which may be needed to institute legal action in case of any breach occurring. A suggested format for the text (depending on national legal requirements) could be:

*“Unauthorised access to this computer system may constitute a criminal offence”*

i. Unattended Terminals. Users are to be automatically logged off the system if their terminals have been inactive for some predetermined period of time, or systems must activate a password protected screen saver after 15 minutes of inactivity, to prevent an attacker making use of an unattended terminal.

j. Internet Connections. Computer systems must not be connected direct to the Internet or “*un-trusted*” systems unless protected by a firewall (a software based personal firewall is the minimum but risk assessment and management must be used to identify whether this is sufficient).

k. Disposal. Before IT storage media (e.g. disks) are disposed of, an erasure product must be used to overwrite the data. This is a more thorough process than deletion of files, which does not remove the data.

## **Laptops**

25. Laptops holding any UK OFFICIAL-SENSITIVE information shall be encrypted using a CPA product or equivalent as described in paragraph 17 above.

26. Unencrypted laptops and drives containing personal data are not to be taken outside of secure sites<sup>2</sup>. For the avoidance of doubt the term “*drives*” includes all removable, recordable media e.g. memory sticks, compact flash, recordable optical media (CDs and DVDs), floppy discs and external hard drives.

27. Any token, touch memory device or password(s) associated with the encryption package is to be kept separate from the machine whenever the machine is not in use, left unattended or in transit.

28. Portable CIS devices holding the Authorities’ data are not to be left unattended in any public location. They are not to be left unattended in any motor vehicles either in view or in the boot or luggage compartment at any time. When the vehicle is being driven the CIS is to be secured out of sight in the glove compartment, boot or luggage compartment as appropriate to deter opportunist theft.

## **Loss and Incident Reporting**

29. The Contractor shall immediately report any loss or otherwise compromise of any Defence Related Classified Material to the Authority. The term Defence Related Classified Material includes MOD Identifiable Information (MODDII) (as defined in ISN2016/05) and any information or asset that has been given a security classification by the UK MOD. The term also includes classified information and assets held by UK Defence Contractors which are owned by a third party e.g. NATO or a another country for which the UK MOD is responsible.

30. In addition any loss or otherwise compromise of Defence Related Classified Material is to be immediately reported to the UK MOD Defence Industry Warning, Advice and

---

<sup>2</sup> Secure Sites are defined as either Government premises or a secured office on the contractor premises.

Reporting Point (WARP). This will assist the UK MOD in formulating a formal information security reporting process and the management of any associated risks, impact analysis and upward reporting to the UK MOD's Chief Information Officer (CIO) and, as appropriate, the Contractor concerned. The UK MOD Defence Industry WARP will also advise the Contractor what further action is required to be undertaken.

**UK MOD Defence Industry WARP Contact Details**

**Email:** [DefenceWARP@mod.gov.uk](mailto:DefenceWARP@mod.gov.uk) (OFFICIAL with no NTK restrictions)

**RLI Email:** [defencewarp@modnet.r.mil.uk](mailto:defencewarp@modnet.r.mil.uk) (MULTIUSER)

**Telephone (Office hours):** +44 (0) 30 6770 2185

**Mail:** Defence Industry WARP, DE&S PSyA Office

MOD Abbey Wood, NH2 Poplar-1 #2004, Bristol, BS34 8JH

31. Reporting instructions for any security incidents involving Defence Related Classified Material can be found in the Incident Reporting Industry Security Notice at:

<https://www.gov.uk/government/publications/industry-security-notice-isns>

**Sub-Contracts**

32. Where the Contractor wishes to sub-contract any elements of a Contract to sub-Contractors within its own country or to Contractors located in the UK such sub-contracts will be notified to the Contracting Authority. The Contractor shall ensure that these Security Conditions are incorporated within the sub-contract document.

33. The prior approval of the Authority shall be obtained should the Contractor wish to sub-contract any UK OFFICIAL-SENSITIVE elements of the Contract to a sub-Contractor facility located in another (third party) country. The first page of Annex A (MOD Form 1686 (F1686) of ISN 2023/06 is to be used for seeking such approval. The MOD Form 1686 can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1162250/ISN\\_2023-06\\_Subcontracting\\_or\\_Collaborating\\_on\\_Classified\\_MOD\\_Programmes.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1162250/ISN_2023-06_Subcontracting_or_Collaborating_on_Classified_MOD_Programmes.pdf)

34. If the sub-contract is approved, the Contractor shall flow down the Security Conditions in line with paragraph 32 above to the sub-Contractor. Contractors located overseas may seek further advice and/or assistance from the Authority with regards the completion of F1686.

**Physical Destruction**

34. As soon as no longer required, UK OFFICIAL and UK OFFICIAL-SENSITIVE material shall be destroyed in such a way as to make reconstitution very difficult or impossible, for example, by burning, shredding or tearing into small pieces. Advice shall be sought from the Authority when the classified material cannot be destroyed or, unless already authorised by the Authority, when its retention is considered by the Contractor to be necessary or desirable. Unwanted UK OFFICIAL-SENSITIVE classified material which cannot be destroyed in such a way shall be returned to the Authority.

## **Private Venture Activities**

35. Private Venture (PV) funded (i.e., non-MOD funded) defence related projects and technology fall within one of the following three categories:

- Variants. Variants of standard defence equipment under research, development or in production, e.g., aircraft, military vehicles or ships, etc. with non-standard equipment or fitments, offered to meet special customer requirements or to avoid security or commercial difficulties associated with the sale of an item in-Service with UK Armed Forces;
- Derivatives. Equipment for military or civil use that is not based on standard Service designs but is dependent upon expertise or technology acquired in the course of defence contracts;
- Freelance. Equipment of defence importance that is in no way based on information gained from defence contracts;

36. UK Contractors shall ensure that any PV activity that falls into one of the above categories has been formally security graded by the MOD Directorate of Security and Resilience. Please see PV guidance on the following website further information:

<https://www.gov.uk/government/publications/private-venture-pv-grading-and-exhibition-clearance-information-sheets>

## **Publicity Material**

37. Contractors wishing to release any publicity material or display assets that arises from a Contract to which these Security Conditions apply must seek the prior approval of the Authority. Publicity material includes open publication in the Contractor's publicity literature or website or through the media; displays at exhibitions in any country; lectures or symposia; scientific or technical papers, or any other occasion where members of the general public may have access to the information even if organised or sponsored by the UK Government.

38. For UK Contractors where the exhibition assets relate to multiple Delivery Teams or for Private Venture defence related material where there is no defined Delivery Team, the Contractor shall request clearance for exhibition from the Directorate of Security and Resilience when it concerns Defence Related Material. See the MOD Exhibition Guidance on the following website for further information:

<https://www.gov.uk/government/publications/private-venture-pv-grading-and-exhibition-clearance-information-sheets>

## **Export sales/promotion**

39. The MOD Form 680 (F680) security procedure enables HMG to control when, how, and if defence related classified material is released by UK Contractors to foreign entities for the purposes of promotion or sales of equipment or services. Before undertaking any



targeted promotion or demonstration or entering into any contractual commitments involving the sale or release of defence equipment, information or technology classified UK OFFICIAL-SENSITIVE or above to a foreign entity, a UK Contractor shall obtain F680 approval from the Export Control Joint Unit (ECJU) MOD Team. This includes assets classified UK OFFICIAL-SENSITIVE or above either developed to meet a UK MOD requirement or Private Venture (PV) equipment, as formally advised in a Security Aspects Letter (SAL) issued by the relevant Contracting Authority, or PV Security Grading issued by the MOD Directorate of Security and Resilience. Guidance regarding the F680 procedure issued by ECJU can be found at:

<https://www.gov.uk/government/publications/ministry-of-defence-form-680-procedure-guidance>

40. If a Contractor has received an approval to sub-contract, under an MOD Form 1686 (F1686), for development/production of parts of an equipment, that approval also permits the production of additional quantities for supply to an export customer, when the Contractor has MOD Form 680 approval for supply of the complete equipment, as long as:

- a) they are identical, except for component obsolescence, to items produced under the UK programme that the approval to subcontract relates to; and
- b) no additional OFFICIAL-SENSITIVE or above material is required to be released to the overseas subcontractor.

### **Interpretation/Guidance**

41. Advice regarding the interpretation of the above requirements should be sought from the Authority.

42. Further requirements, advice and guidance for the protection of UK classified material at the level of UK OFFICIAL and UK OFFICIAL-SENSITIVE may be found in Industry Security Notices at:

<https://www.gov.uk/government/publications/industry-security-notices-isns>

### **Audit**

43. Where considered necessary by the Authority the Contractor shall provide evidence of compliance with this Security Condition and/or permit the inspection of the Contractor's processes and facilities by representatives of the Contractor's National/Designated Security Authorities or the Authority to ensure compliance with these requirements.



## **Call-Off Schedule 17 (MOD Terms)**

### **1 Definitions**

1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

<b>"MOD Terms and Conditions"</b>	the terms and conditions listed in this Schedule;
<b>"MOD Site"</b>	shall include any of Her Majesty's Ships or Vessels and Service Stations;
<b>"Officer in charge"</b>	shall include Officers Commanding Service Stations, Ships' Masters or Senior Officers, and Officers superintending Government Establishments;

### **2 Access to MOD sites**

2.1 The Buyer shall issue passes for those representatives of the Supplier who are approved for admission to the MOD Site and a representative shall not be admitted unless in possession of such a pass. Passes shall remain the property of the Buyer and shall be surrendered on demand or on completion of the supply of the Deliverables.

2.2 The Supplier's representatives when employed within the boundaries of a MOD Site, shall comply with such rules, regulations and requirements (including those relating to security arrangements) as may be in force for the time being for the conduct of staff at that MOD Site. When on board ship, compliance shall be with the Ship's Regulations as interpreted by the Officer in charge. Details of such rules, regulations and requirements shall be provided, on request, by the Officer in charge.

2.3 The Supplier shall be responsible for the living accommodation and maintenance of its representatives while they are employed at a MOD Site. Sleeping accommodation and messing facilities, if required, may be provided by the Buyer wherever possible, at the discretion of the Officer in charge, at a cost fixed in accordance with current Ministry of Defence regulations. At MOD Sites overseas, accommodation and messing facilities, if required, shall be provided wherever possible. The status to be accorded to the Supplier's staff for messing purposes shall be at the

## **Call-Off Schedule 17 (MOD Terms)**

Call-Off Ref: 709091450

Crown Copyright 2018

discretion of the Officer in charge who shall, wherever possible give his decision before the commencement of this Contract where so asked by the Supplier. When sleeping accommodation and messing facilities are not available, a certificate to this effect may be required by the Buyer and shall be obtained by the Supplier from the Officer in charge. Such certificate shall be presented to the Buyer with other evidence relating to the costs of this Contract.

2.4 Where the Supplier's representatives are required by this Contract to join or visit a Site overseas, transport between the United Kingdom and the place of duty (but excluding transport within the United Kingdom) shall be provided for them free of charge by the Ministry of Defence whenever possible, normally by Royal Air Force or by MOD chartered aircraft. The Supplier shall make such arrangements through the Technical Branch named for this purpose in the Buyer Contract Details. When such transport is not available within a reasonable time, or in circumstances where the Supplier wishes its representatives to accompany material for installation which it is to arrange to be delivered, the Supplier shall make its own transport arrangements. The Buyer shall reimburse the Supplier's reasonable costs for such transport of its representatives on presentation of evidence supporting the use of alternative transport and of the costs involved. Transport of the Supplier's representatives locally overseas which is necessary for the purpose of this Contract shall be provided wherever possible by the Ministry of Defence, or by the Officer in charge and, where so provided, shall be free of charge.

2.5 Out-patient medical treatment given to the Supplier's representatives by a Service Medical Officer or other Government Medical Officer at a Site overseas shall be free of charge. Treatment in a Service hospital or medical centre, dental treatment, the provision of dentures or spectacles, conveyance to and from a hospital, medical centre or surgery not within the Site and transportation of the Supplier's representatives back to the United Kingdom, or elsewhere, for medical reasons, shall be charged to the Supplier at rates fixed in accordance with current Ministry of Defence regulations.

2.6 Accidents to the Supplier's representatives which ordinarily require to be reported in accordance with Health and Safety at Work etc. Act 1974, shall be reported to the Officer in charge so that the Inspector of Factories may be informed.

2.7 No assistance from public funds, and no messing facilities, accommodation or transport overseas shall be provided for dependants or members of the families of the Supplier's representatives. Medical or necessary dental treatment may, however, be provided for dependants or members of families on repayment at current Ministry of Defence rates.

## **Call-Off Schedule 17 (MOD Terms)**

Call-Off Ref: 709091450

Crown Copyright 2018

2.8 The Supplier shall, wherever possible, arrange for funds to be provided to its representatives overseas through normal banking channels (e.g. by travellers' cheques). If banking or other suitable facilities are not available, the Buyer shall, upon request by the Supplier and subject to any limitation required by the Supplier, make arrangements for payments, converted at the prevailing rate of exchange (where applicable), to be made at the Site to which the Supplier's representatives are attached. All such advances made by the Buyer shall be recovered from the Supplier

### **3 DEFCONS and DEFFORMS**

3.1 The DEFCONS and DEFORMS listed in Annex 1 to this Schedule are incorporated into this Contract.

3.2 Where a DEFCON or DEFORM is updated or replaced the reference shall be taken as referring to the updated or replacement DEFCON or DEFORM from time to time.

3.3 In the event of a conflict between any DEFCONS and DEFFORMS listed in the Order Form and the other terms in a Call Off Contract, the DEFCONS and DEFFORMS shall prevail.

### **4 Authorisation by the Crown for use of third party intellectual property rights**

4.1 Notwithstanding any other provisions of the Call Off Contract and for the avoidance of doubt, award of the Call Off Contract by the Buyer and placement of any contract task under it does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949. The Supplier acknowledges that any such authorisation by the Buyer under its statutory powers must be expressly provided in writing, with reference to the acts authorised and the specific intellectual property involved.

## ANNEX 1 - DEFCONS & DEFFORMS

The full text of Defence Conditions (DEFCONS) and Defence Forms (DEFFORMS) are available electronically via <https://www.gov.uk/guidance/knowledge-in-defence-kid>.

The following MOD DEFCONS and DEFFORMs form part of this contract:

### DEFCONS

DEFCON No	Version	Description
DEFCON 076	Edition 11/22	Contractor's Personnel at Government Establishments
DEFCON 501	Edition 10/21	Definitions and Interpretations
DEFCON 503	Edition 06/22	Formal Amendments To Contract
DEFCON 514	Edition 08/15	Material Breach
DEFCON 515	Edition 06/21	Bankruptcy and Insolvency
DEFCON 516	Edition 04/12	Equality
DEFCON 518	Edition 02/17	Transfer
DEFCON 520	Edition 08/21	Corrupt Gifts and Payments of Commission
DEFCON 522	Edition 11/21	Payment and Recovery of Sums Due
DEFCON 526	Edition 08/02	Notices
DEFCON 527	Edition 09/97	Waiver
DEFCON 529	Edition 09/97	Law (English)
DEFCON 530	Edition 12/14	Dispute Resolution (English Law)
DEFCON 531	Edition 09/21	Disclosure of Information
DEFCON 532B	Edition. 12/22	Protection Of Personal Data (Where Personal Data is being processed on behalf of the Authority)
DEFCON 534	Edition 06/21	Subcontracting and Prompt Payment
DEFCON 537	Edition 12/21	Rights of Third Parties
DEFCON 538	Edition 06/02	Severability
DEFCON 539	Edition 01/22	Transparency
DEFCON 550	Edition 02/14	Child Labour and Employment Law
DEFCON 566	Edition 10/20	Change of Control of Contractor
DEFCON 608	Edition 07/21	Access and Facilities to be Provided by the Contractor
DEFCON 609	Edition 07/21	Contractor's Records
DEFCON 611	Edition 12/22	Issued Property
DEFCON 620	Edition 06/22	Contract Change Control Procedure
DEFCON 647	Edition 05/21	Financial Management Information
DEFCON 660	Edition 12/15	Official-Sensitive Security Requirements

**Call-Off Schedule 17 (MOD Terms)**

Call-Off Ref: 709091450

Crown Copyright 2018

## DEFFORMs (Ministry of Defence Forms)

DEFFORM No	Version	Description
DEFFORM 111	10/22	Appendix - Addresses and Other Information
DEFFORM 532	10/19	Personal Data Particulars
DEFFORM 539A	01/22	Tenderer's Sensitive Information

Framework Ref: RM1557.13L4

Project Version: v1.0

Model Version: v3.1

## Call-Off Schedule 4 (Call Off Tender)

### Social Value

As part of the contract 709091450, Deloitte will provide market leading approaches to the development of scalable and future-proofed methods which focus on developing innovative and efficient ways to deliver products and services to DBS's customer base. Deloitte will continuously review their approaches and market / horizon scan to adapt to incorporate new technologies and ways of working to increase productivity and reduce costs. This will not only continuously improve DBS performance but also contributes to the overall economic growth and development of society which is key to Deloitte LLP responsible business goals.

#### **Understanding of scalable and future-proofed new methods to drive greater modernisation of delivery and increase productivity.**

Deloitte's approach to driving greater modernisation and increasing productivity is benefits led, and repeatable against multiple processes focusing on three key enablers: simplification, rationalisation, and automation.

- **Simplification** – use of the Application Migration Methodology, standardising the process on what works and lessons from the past to reduce the friction and complexity of the migration.
- **Rationalisation** – Opportunities to reduce support and maintenance, i.e. review current licence consumption and find areas for improvements.
- **Automation** – Identifying opportunities during the migration to use OCI PaaS, that remove daily and human driven activities e.g. moving to Oracle autonomous database, enabling DBAs to move to high order activities.

Opportunities identified will be assessed by the Deloitte for potential solutions, and costs vs. benefit analysis. This will give DBS a whole system view, a model proven across comparable programmes, enabling to estimate the impact of changes and prioritise the highest impact opportunities.

#### **Approach to organisational learning and continuous improvement**

As well as the ongoing commitment to drive delivery modernisation, Deloitte will support organisational learning and Continuous Improvement (CI) for DBS. For the teams CI is not a one-off process, it is about institutionalising this as part of people's daily work. To achieve this the supplier will establish and maintain a learning culture. Deloitte will do this through:

- Adopting the military approach to continuous improvement with a zero-blame culture for accelerated learning. Removing blame is a catalyst to finding cause and contributory cause sooner so that Deloitte can correct earlier, and analysis becomes more efficient. Using blameless post mortems and publishing the details as widely as possible.
- Establishing psychological safety – the MOD's approach to adopting a start point of psychological safety by default to fast-track improvements. The supplier's leaders will promote and demonstrate humility and accountability to create a psychologically safe culture which treats failure as a learning opportunity and consistently looks to improve all

aspects of delivery, even the ones which are working. Deloitte's leaders are held to account through the [Ethics Code](#).

To enable CI Deloitte will use the following processes:

- Effective retrospectives are complete when the team have a list of actionable improvements with an owner to confirm they have been applied. To make the improvements and realise the speed and quality gains, teams will demonstrate they have applied the identified lessons and publish them for others to see.

**Creation of a design and tendering environment that is conducive to the development of scalable and future-proofed new methods to modernise delivery and increase productivity.**

The supplier's commitments to this MAC are:

**Commitment 1: Facilitate a Methods and Tools working sessions with the DBS team**

*Method Statement* Workshop with DBS team to provide details and a roadmap on new methods and tools that can be used as part of OCI environment to deploy, manage and maintain the applications.

*Benefit to DBS Programme:* Identify improvement opportunities through rationalisation and simplification with recommended implementation options to DBS leadership on tools and methods to modernise delivery and increase productivity in the OCI environment.

**Commitment 2: Facilitate inclusive and cultural Ways of Working with the DBS team**

*Method Statement* All team members, including DBS staff, are encouraged to create a 'Manual of Me', describing preferred working styles, fostering an inclusion culture, ensuring everyone can contribute in the best way for them, considering personal situations and traits. Ways of working will be captured in **collaboratively developed 'Team Charters'**, supporting the whole ADP team **to flourish and achieve in-work progression**.

*Benefit to DBS Programme:* Creates a "One Team" inclusive culture that removes friction and increases performance and productivity.

**Commitment 3: Service Evolution Roadmap for DBS services**

*Method Statement* Workshop with DBS team to provide detailed improvements to the service that can be made, to develop a roadmap for future iterations of changes to maximise the use of OCI PaaS and adoption of modern architectures (APIs, Loose coupling) to enable a scalable modern service.

*Benefit to DBS Programme:* Identification of simplification and automation opportunities to deliver scalable and modern services to the MOD.

**Social Value Lead & Social Value Activation Session**

The Oracle Solution Architect will be the Social Value (SV) Lead for the project duration. They will manage SV work, monitor, and report on commitments monthly as part of the joint governance processes for the engagement, providing full transparency as a social investment. They will run a Social Value Activation Session with you in weeks 1-4 to refine and finalise together the KPIs, commitments, plan, reporting and governance. They will include a plan for continuous improvement based on KPI measurements against targets & feedback / improvement suggestions from DBS. Indicative KPIs are in the table below.

## How the commitment meets award criteria, KPIs and tools

Initiative	KPIs	Targets	Tools & Processes
<b>Methods and Tools</b>	# of opportunities for new methods and tools identified # of implementation of new methods and tools	Minimum of 1 workshop during the discovery and 1 during migration	Progress updates and feedback via SV governance
<b>Ways of Working</b>	% of staff with a manual of me Charter agreed and signed off in 1 <sup>st</sup> 2 weeks of Discovery	Minimum 50% with Manuals of me. 2 recognitions and awards during the discovery on adherence to the values in the charter.	Progress updates and feedback via SV governance
<b>Service Evolution Roadmap</b>	# of service evolutions identified # of service evolutions implemented	Minimum of 1 workshop during the discovery and 1 during migration	Progress updates and feedback via SV governance

## Influencing staff, suppliers, customers, and communities

Deloitte can influence staff, suppliers, customers, and communities through the delivery of the contract to support the Policy Outcome in several ways:

**Engagement:** Deloitte will engage with DBS stakeholders to understand your needs and preferences, and to build support for the Policy Outcome. This will involve hosting workshops, focus groups, or ‘town hall’ meetings to gather feedback and input.

**Co-design/creation:** Deloitte will facilitate co-design and co-creation activities with DBS stakeholders, suppliers, or communities to develop solutions that meet DBS needs.

**Training and education:** Deloitte can provide training and education to staff, suppliers, customers, and communities to build skills and knowledge that support the Policy Outcome. This could involve providing training on scalable and future-proofed new methods to modernise delivery and increase productivity, or other relevant topics.

**Volunteering:** Deloitte can encourage staff to volunteer their time and expertise to support the Policy Outcome. This could involve volunteering with local charities or community organisations.

## Timed action plan

