



**RM6100 Technology Services 3  
Framework Schedule 4 Annex 1  
Lot 4 Order Form**

**Order Form**

This Order Form is issued in accordance with the provisions of the Technology Services 3 Framework Contract RM6100 dated 16/06/2021 between the Supplier (as defined below) and the Minister for the Cabinet Office (the "Framework Contract") and should be used by Buyers conducting a further competition under the Framework Contract.

The Contract, referred to throughout this Order Form, means the contract between the Supplier and the Buyer (as defined below) (entered into pursuant to the terms of the Framework Contract) consisting of this Order Form and the Call Off Terms. The Call Off Terms are substantially the terms set out in Annex 2 to Schedule 4 to the Framework Contract and copies of which are available from the Crown Commercial Service website

<https://www.crowncommercial.gov.uk/agreements/RM6100>

The agreed Call Off Terms for the Contract being set out as the Annex 1 to this Order Form.

The Supplier shall provide the Services and/or Goods specified in this Order Form (including any attachments to this Order Form) to the Buyer on and subject to the terms of the Contract for the duration of the Term.

In this Order Form capitalised expressions shall have the meanings set out in Schedule 1 (Definitions) to the Call-Off Terms.

This Order Form comprises:

1. this document headed "Order Form";
2. The following Attachments each with reference to the corresponding Schedule in the Call-Off Terms. Each such attachment to this Order Form either replaces (i) an Annex to a Schedule in the Call-Off Terms or (ii) a Schedule to the Call-Off Terms in its entirety (for example, Attachment 2.1 (Services Description)):

<b>Attachment to the Order Form</b>	<b>Schedule to the Call-Off Terms</b>
Attachment 1 (Definitions) (as amended by Special Term C3, which is set out in Annex 1 to this Order Form)	See Schedule 1 (Definitions) and Special Term C3 which is set out in Annex 1 to this Order Form
Attachment 2.1 (Services Description)	See Schedule 2.1 (Services Description)

Attachment 2.2 (Key Performance Indicators and Subsidiary Performance Indicators Tables)	See Schedule 2.2 (Performance Levels)
Attachment 2.3 (Environmental Requirements)	See Schedule 2.3 (Standards)
Attachment 2.4 (Information Management System)	See Schedule 2.4 (Security Management)
Attachment 3 (Buyer Responsibilities)	See Schedule 3 (Buyer Responsibilities)
Attachment 4.1 (Supplier Solution)	See Schedule 4.1 (Supplier Solution)
Attachment 4.2 (Commercially Sensitive Information)	See Schedule 4.2 (Commercially Sensitive Information)
Attachment 4.3 (Key Sub-Contractors)	See Schedule 4.3 (Notified Key Sub-Contractors)
Attachment 4.4 (Third Party Contracts) Not Applicable	See Schedule 4.4 (Third Party Contracts) Not Applicable
Attachment 5 (Software) Not Applicable	See Schedule 5 (Software)
Attachment 6.1 (Outline Implementation Plan)	See Schedule 6.1 (Implementation Plan)
Attachment 6.2 (Test Success Criteria)	See Schedule 6.2 (Testing Procedures)
Attachment 7.1 (Charges) (as amended by Special Term C3, which is set out in Annex 1 to this Order Form)	See Schedule 7.1 (Charges and Invoicing) and Section C to this Order Form
Attachment 7.2 (Maximum Payments on Termination) (as amended by Special Term C3, which is set out in Annex 1 to this Order Form)	See Schedule 7.2 (Payments on Termination) and Section C to this Order Form
Attachment 7.3 (Approved Benchmarkers) Not Applicable	See Schedule 7.3 (Benchmarking)
Attachment 7.4 (Financial Distress)	See Schedule 7.4 (Financial Distress)
Attachment 7.5 (Financial Reports & Audit Rights)	See Schedule 7.5 (Financial Reports & Audit Rights)
Attachment 7.6 (Anticipated Savings) Not Applicable	See Schedule 7.6 (Anticipated Savings) Not Applicable
Attachment 8.1 (Representation and Structure of Boards)	See Schedule 8.1 (Governance)
Attachment 8.2 (Change) (as amended by Special Term C3, which is set out in Annex 1 to this Order Form)	See Schedule 8.2 (Change Control) and Section C to this Order Form
Attachment 8.3 (Dispute)	See Schedule 8.3 (Dispute Resolution)
Attachment 8.4 (Transparency Reports and Records to Upload to Virtual Library)	See Schedule 8.4 (Reports and Records Provisions)
Attachment 8.5 (Exit)	See Schedule 8.5 (Exit Management)
Attachment 8.6 (Service Continuity Plan & Corp Resolution Planning)	See Schedule 8.6 (Service Continuity Plan And Corporate Resolution Planning)
Attachment 8.7 (Claims)	See Schedule 8.7 (Conduct of Claims)
Attachment 9.1 (Notified Sub-Contractors) Not Applicable	See Schedule 9.1 (Staff Transfer) Not Applicable
Attachment 9.2 (Key Personnel)	See Schedule 9.2 (Key Personnel)
Attachment 11 (Processing Personal Data)	See Schedule 11 (Processing Personal Data)

3. the provisions of Section C to this Order Form.

The Order of Precedence shall be as set out in Clause 1.4 of the Call-Off Terms being:

- (a) the Framework, except Framework Schedule 18 (Tender);
- (b) this Order Form and (as construed in accordance with sub-clause 2 on page 1 of this Order Form) its Attachments (other than Attachment 4.1 (Supplier Solution) and its Annexes) and Schedule 2.2 (Performance Levels) and its Annexes;
- (c) the Call-Off Terms (including the Schedules and their Annexes) as amended by this Order

Attachment 3. C249854 NIHR Digital Strategy Services

Form (other than Schedule 2.2 (Performance Levels) and its Annexes, which shall be treated in accordance with sub-clause (b) immediately above);

(d) Attachment 4.1 (*Supplier Solution*) and its Annexes (if any); and

(e) Framework Schedule 18 (Tender).

## Section A

### General Information

<b>Contract Details</b>	
<b>Contract Reference:</b>	<b>C249854</b>
<b>Contract Title:</b>	<b>NIHR Digital Strategy Services</b>
<b>Contract Description:</b>	<p>The provision of digital services to support the National Institute of Health and Social Care Research ("NIHR") with the implementation of its digital strategy and to deliver the NIHR's digital strategy objectives:</p> <ul style="list-style-type: none"><li>• Accelerate end-to-end research</li><li>• Increase awareness, recruitment, and diversity in research</li><li>• Improve engagement with research participants</li><li>• Make it easier to track and value the impact of research</li><li>• Enable greater data sharing, value, and insight</li><li>• Improve organisational digital leadership and capabilities.</li></ul>
<b>Contract Anticipated Potential Value:</b> this should set out the total potential value of the Contract	████████████████████
<b>Estimated Year 1 Charges:</b>	████████████████████
<b>Commencement Date:</b> this should be the <b>13<sup>th</sup> January 2025</b> date of the last signature on Section E of this Order Form	
<b>Buyer details</b>	
<b>Buyer organisation name</b> Department of Health and Social Care on behalf of the Secretary of State for Health and Social Care	
<b>Billing address</b> Your organisation's billing address - please ensure you include a postcode Science Research and Evidence Directorate 39 Victoria Street London SW1H 0EU	
<b>Buyer representative name</b> The name of your point of contact for this Order: ████████████████████	

**Buyer representative contact details**

Email and telephone contact details for the Buyer’s representative. This must include an email for the purpose of Clause 44.3 of the Call-Off Terms.

[REDACTED]

**Buyer Project Reference**

Please provide the customer project reference number.

**C249854**

**Supplier details**

**Supplier name**

The supplier organisation name, as it appears in the Framework Contract  
CDW Limited

**Supplier address**

Supplier’s registered address  
One New Change, London, EC4M 9AF

**Supplier representative name**

The name of the Supplier point of contact for this Order. This must include an email for the purpose of Clause 44.3 of the Call-Off Terms.

[REDACTED]

**Supplier representative contact details**

Email and telephone contact details of the supplier’s representative

[REDACTED]

**Order reference number**

A unique number provided by the supplier at the time of quote

C249854  
(SORD to be provided following contract award)



## Section B

### Part 1 – Framework Lots (for multi-Lots only)

Not Used

### Part 2 – Contract Details

**Initial Term**  
**24 months**

**Extension Period**  
**Up to 36 months in increments of 12 months each subject to satisfactory performance**

#### **Sites for the provision of the Services**

*Guidance Note - Insert details of the sites at which the Supplier will provide the Services, which shall include details of the Buyer Premises, Supplier premises and any third-party premises.*

The Supplier shall provide the Services from the following Sites:

#### **Buyer Premises:**

Not Applicable

#### **Supplier Premises:**

Not Applicable – Delivery will be primarily through Remote Working

#### **Third Party Premises:**

PA Consulting Services Limited's Offices in the UK.

#### **Buyer Security Policies**

*Guidance Note: where the Supplier is required to comply with the Buyer's Security Policy then append to this Order Form below:*

#### **Buyers Acceptable Use Policy**



DHSC

Acceptable-Use-Policy

#### **Data Protection Policy**



DHSC

Data\_Protection\_Polic

### Information Classification Policy



DHSC

Information-Classifica

### Information Security Policy



DHSC

Information-Security-

### Additional Standards

#### Information Security Standard



DHSC

information-security-

### Insurance

*Guidance Note: if this Contract requires a higher level of insurance cover than the £1m default in Framework Agreement or the Buyer requires any additional insurances please specify the details below.*

Third Party Public Liability Insurance £1,000,000.00

Professional Indemnity Insurance £1,000,000.00

Employers Liability Insurance £5,000,000.00

Produce Liability Insurance £1,000,000.00

### Goods

*Guidance Note: list any Goods and their prices.*

*Not Applicable – Services Contract*

### Security Management – Option Part A or Part B

*Guidance Note: Schedule 2.4 (Security Management) of the Call-Off Terms has two options in respect of Security Management. Refer to Schedule 2.4 (Security Management) for detailed guidance on which Part to select.*

Security Management Schedule	Tick as applicable
Part A – Security Assurance	<input checked="" type="checkbox"/>
Part B – Security Accreditation	N/A

The Part selected above shall apply this Contract.

## Section C

### Part 1 – Additional and Alternative Buyer Terms

**Alternative Clauses and Additional Clauses** (see Annex 3 of Framework Schedule 4)  
This Annex can be found on the RM6100 CCS webpage. The document is titled RM6100 Alternative and Additional Terms and Conditions Lot 4

#### Part A – Additional Clauses

Guidance Note: Tick any applicable boxes below

Additional Clauses	Tick as applicable
C1: Collaboration Agreement (as identified in Part 2 immediately below)	<input checked="" type="checkbox"/>
C2: MOD Clauses	N/A
C3: Special Term (as set out in Annex 1 to this Order Form)	<input checked="" type="checkbox"/>

Where ticked as applicable above such clauses, including (in the case of the Collaboration Agreement (once executed by the Supplier and as a minimum the Buyer)) the Supplier's respective obligations specified in such agreement, shall be incorporated into this Contract.

#### Part B - Alternative Clauses

Guidance Note: Tick any applicable boxes below

The following Alternative Clauses will apply:

Alternative Clauses	Tick as applicable
Scots Law	N/A
Northern Ireland Law	N/A

Where selected above the Alternative Clauses set out in document RM6100 Alternative and Additional Terms and Conditions Lot 4 shall be incorporated into this Contract.

### Part 2 - Additional Clause C1

#### Additional Clause C1 (Collaboration Agreement)

Guidance Note: where Clause C1 (Collaboration Agreement) has been selected in Part 1 of Section C above, include details of organisation(s) required to collaborate immediately below.

**Deloitte LLP** (registration no OC303675) – **NIHR Cyber Security Provider**  
**CDW Limited** (registration no 02465350) – **NIHR Information Systems Provider**  
**PA Consulting Limited** (registration no 00414220) - **NIHR Information Systems Provider**

An executed Collaboration Agreement shall be delivered by the Supplier to the Buyer within the immediately below stated number of Working Days after the Effective Date:

**90 ninety days**

**Section D**  
**Contract award**

This Contract is awarded in accordance with the provisions of the Technology Services 3 Framework Contract RM6100 Lot 4 Major Services Transformation Programmes.

**SIGNATURES**

**For and on behalf of the Supplier**

<b>Name</b>	
<b>Job role/title</b>	
<b>Signature</b>	
<b>Date</b>	

**For and on behalf of the Buyer**

<b>Name</b>	
<b>Job role/title</b>	
<b>Signature</b>	
<b>Date</b>	

## Annex 1 – Special Term(C3)

### 1. Special Term

1.1 The Call Off Terms are hereby amended to include the following new Clause 33.1A:

“The Buyer may at any time terminate for convenience a Work Package (or any part or parts of such package) without terminating the entire Contract by issuing a Termination Notice to the Supplier identifying the relevant Work Package or such part or parts the Buyer requires to be terminated for convenience and the date of such termination, which shall be no less than:

- (i) 30 (thirty) days, where the Scheduled WP End Date for that Work Package is 3 (three) or less calendar months after its scheduled commencement; or
- (ii) 60 (sixty) days, where the Scheduled WP End Date for that Work Package is more than 3 (three) calendar months after its scheduled commencement,

and further to such notice so issued such work package or (as the case may be) such part(s) shall terminate on such termination date.”.

1.2 The Call Off Terms are hereby amended to include the following new Clause 34.4A:

“Where the Buyer terminates for convenience any Work Package or part or parts of any such work package under Clause 33.1A and not the Contract as a whole, the Buyer shall pay the Supplier an amount (such amount being the Supplier’s sole remedy for such termination) equal to the lower of (a) **L** and (b) the aggregate of **M** and **N**,

where:

- **L** = the aggregate of any and all Charges agreed in accordance with Attachment 8.2 (Change Control Procedure) to be payable by the Buyer to the Supplier for the performance and delivery of:
  - (where that work package is being so terminated in whole) that Work Package; or
  - (where part or parts of that work package is/are being so terminated and not the whole of that package) the relevant part or part(s) of such package,

in either such case up to such package’s Scheduled WP End Date;

- **M** = any sum or sums, which the Supplier is entitled to be paid (and not yet paid) under this Contract for any work done prior to the WP Termination Date in respect of that Work Package (or, where the Buyer elects to terminate part(s) of this Work Package, such part(s));
- **N** = (without double counting with M) any unavoidable loss incurred by the Supplier by reason of the termination of that Work Package in whole or in part under Clause 33.1A; and
- **WP Termination Date** means the date, on which this Work Package terminates early in whole or in part in accordance with Clause 33.1A.”.

1.3 The definition of **Key Milestone** set out in Schedule 1 is hereby amended in respect of this Contract so that the words “as supplemented from time to time in accordance with Attachment 8.2 (Change Control Procedure) of the Order Form” are added immediately after the words “as key milestones” on the first line of such definition.

- 1.4 The definition of **Implementation Plan** is hereby amended in respect of this Contract so that the words “or in accordance with Attachment 8.2 (Change Control Procedure) of the Order Form” are added before the words “from time to time” at the end of such definition.
- 1.5 The definition of **Services Description** is hereby amended in respect of this Contract so that the words “as updated from time to time in accordance with Attachment 8.2 (Change Control Procedure) of the Order Form” are added at the end of such definition.
- 1.6 The definition of **Target Performance Level** set out in Attachment 1 of this Order Form is hereby amended in respect of this Contract so that the words “or as established in accordance with Attachment 8.2 (Change Control Procedure) of the Order Form” are added at the end of such definition.
- 1.7 Attachment 1 (Definitions) of this Order Form is hereby varied in respect of this Contract to include the following new capitalised terms and definitions:

<b>Uncommitted Work Package</b>	<i>means any work and/or service(s) not as at the Effective Date forming part of this Contract.</i>
<b>Work Package or WP</b>	<i>means any Deliverable or Deliverables either forming part of this Contract as at the Effective Date or incorporated into this Contract as an Uncommitted Work Package after the Effective Date through the operation of Attachment 8.2 (Change Control Procedure).</i>

- 1.8 Paragraph 1.3 of Part E (Invoicing and Payment Terms) of Attachment 7.1 (Charges and Invoicing) of this Order Form is hereby amended in respect of this Contract so that it includes before “and” a new limb (o) (the current limb (o) being renumbered accordingly as (p)):  
  
  - (o) details of any payment due and payable by the Buyer to the Supplier as calculated in accordance with Clause 34.4A in respect of the Buyer’s termination for convenience of any Work Package or part or parts of such package under Clause 33.1A or otherwise due and payable as calculated in accordance with Attachment 7.2 (Payments on Termination);”.
- 1.9 Paragraph 7 of Attachment 7.2 (Payments on Termination) of this Order Form is hereby amended in respect of this Contract so that it includes the following second paragraph:  
  

“Any payment made by the Buyer to the Supplier as calculated in accordance with Clause 34.4A in respect of the Buyer’s termination for convenience of any Work Package or part or parts of such package under Clause 33.1A shall be in full and final settlement of any claim, demand and/or proceedings of the Supplier in relation to that termination and the Supplier shall be excluded from all other rights and remedies it would otherwise have been entitled to in respect of any such termination.”.
- 1.10 Paragraph 8 of Attachment 7.2 (Payments on Termination) of this Order Form is hereby amended in respect of this Contract so that it reads:  
  

“All sums due under this Schedule or Clause 34.4A shall be payable by the Buyer to the Supplier in accordance with the payment terms set out in Schedule 7.1 (Charges and Invoicing)”.
- 1.11 Paragraph 4 of Attachment 8.2 (Change Control Procedure) of this Order Form is hereby amended in respect of this Contract so that it reads:

"Either Party may issue a Change Request to the other Party at any time during the Term. A Change Request shall be substantially in the form of Annex 1 and state whether the Party issuing the Change Request considers the proposed Change Request to be a Fast-Track Change. If the Buyer is issuing a Change Request to effect the introduction of one or more Uncommitted Work Package(s), the Buyer shall identify in writing to the Supplier:

- (a) the commencement date and (subject to such work package's earlier termination in accordance with the terms of this Contract) the scheduled end date for the or each Work Package (the **Scheduled WP End Date**);
- (b) any and all Milestone(s) (together with proposed, linked Milestone Dates) relevant to the performance and delivery of any Deliverable(s) in connection with such work package(s) and which payment mechanism identified in Table 1 of Part B of Attachment 7.1 (Charges) of this Order Form shall be used to calculate the Milestone Payment relevant to the or each such milestone; and
- (c) which pricing mechanism identified in Table 2 of Annex 2 to Attachment 7.1 (Charges) of this Order Form shall be used to calculate the Service Charge for each Service Period for the or each such work package.

1.12 Paragraph 5.1(e) of Attachment 8.2 (Change Control Procedure) shall be amended in respect of this Contract so that it reads:

"details of the ongoing costs required by the proposed Contract Changes when implemented, any increase or decrease in the Charges together with (in connection with the introduction of any Uncommitted Work Package):

- (a) the Supplier's proposed Milestone Payment for each Milestone for that package, which shall be based on the payment mechanism for that payment identified by the Buyer in the relevant Change Request in connection with that package; and
- (b) the Supplier's proposed Service Charge for that package, which shall be based on the payment mechanism for that payment identified by the Buyer in the relevant Change Request in connection with that package,

together with details of any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party;"

1.13 The fourth box of Annex 2 to Attachment 8.2 (Change Control Procedure) is hereby amended in respect of this Contract so that it reads:

"DETAILED DESCRIPTION OF THE CONTRACT CHANGE AND THE WORDING OF RELATED CHANGES TO THE CONTRACT, INCLUDING CHANGES TO THE SERVICES DESCRIPTION AND CHANGES TO THE IMPLEMENTATION PLAN:"

**SCHEDULE 1****Definitions**

Unless otherwise provided or the context otherwise requires the following expressions shall have the meanings set out below.

<b>“Accounting Reference Date”</b>	means in each year the date to which the Supplier prepares its annual audited financial statements;
<b>“Achieve”</b>	(a) in respect of a Test, to successfully pass a Test without any Test Issues; and  (b) in respect of a Milestone, the issue of a Milestone Achievement Certificate in respect of that Milestone in accordance with the provisions of Schedule 6.2 ( <i>Testing Procedures</i> ),  and <b>“Achieved”</b> and <b>“Achievement”</b> shall be construed accordingly;
<b>“Acquired Rights Directive”</b>	the European Council Directive 77/187/EEC on the approximation of laws of European member states relating to the safeguarding of employees’ rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses, as amended or re-enacted from time to time;
<b>“Affected Party”</b>	the Party seeking to claim relief in respect of a Force Majeure Event;
<b>“Affiliate”</b>	in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, that body corporate from time to time;
<b>“Allowable Assumptions”</b>	the assumptions set out in Part D of Attachment 7.1 ( <i>Charges and Invoicing</i> ) of the Order Form;
<b>“Allowable Price”</b>	in relation to the Retained Deliverables relating to a CPP Milestone, if any, an amount determined in accordance with the formula:  $A - B$  where:  (a) A is an amount equal to the Costs incurred by the Supplier in providing or developing the relevant Retained Deliverables as reflected in the Financial Model together with an amount equal to the Anticipated Contract Life Profit Margin thereon; and

	<p>(b) B is an amount equal to the Allowable Price Adjustment relating to the relevant Retained Deliverables, if any, or if there is no such Allowable Price Adjustment, zero,</p> <p>provided that the Allowable Price for any Retained Deliverables shall in no circumstances exceed the aggregate amount of the Milestone Payments paid to the Supplier in respect of the Milestones (or in the case of Partial Termination, the Milestones for the parts of the Services terminated) relating to that CPP Milestone;</p>
<b>“Allowable Price Adjustment”</b>	has the meaning given in Clause 34.8(c) ( <i>Payments by the Supplier</i> );
<b>“Annual Contract Report”</b>	has the meaning given in Schedule 7.5 ( <i>Financial Reports and Audit Rights</i> );
<b>“Annual Revenue”</b>	<p>means, for the purposes of determining whether an entity is a Public Sector Dependent Supplier, the audited consolidated aggregate revenue (including share of revenue of joint ventures and Associates) reported by the Supplier or, as appropriate, the Supplier Group in its most recent published accounts, subject to the following methodology:</p> <p>(a) figures for accounting periods of other than 12 months should be scaled pro rata to produce a proforma figure for a 12 month period; and</p> <p>(b) where the Supplier, the Supplier Group and/or their joint ventures and Associates report in a foreign currency, revenue should be converted to British Pound Sterling at the closing exchange rate on the Accounting Reference Date;</p>
<b>“Anticipated Contract Life Profit Margin”</b>	has the meaning given in Schedule 7.1 ( <i>Charges and Invoicing</i> );
<b>“Approved Sub-Licensee”</b>	<p>any of the following:</p> <p>(a) a Central Government Body;</p> <p>(b) any third party providing services to a Central Government Body; and/or</p> <p>(c) any body (including any private sector body) which performs or carries on any of the functions and/or activities that previously had been performed and/or carried on by the Buyer;</p>
<b>“Attachment”</b>	an attachment to the Order Form;
<b>“Assets”</b>	all assets and rights used by the Supplier to provide the Services in accordance with this Contract but excluding the Buyer Assets;

<b>“Associated Person”</b>	has the meaning given to it in Section 44(4) of the Criminal Finances Act 2017;
<b>“Associates”</b>	means, in relation to an entity, an undertaking in which the entity owns, directly or indirectly, between 20% and 50% of the voting rights and exercises a degree of control sufficient for the undertaking to be treated as an associate under generally accepted accounting principles;
<b>“Assurance”</b>	means written confirmation from a Relevant Buyer to the Supplier that the CRP Information is approved by the Relevant Buyer;
<b>“ATP Milestone”</b>	the Milestone linked to Authority to Proceed for the relevant Operational Services set out in the Implementation Plan;
<b>“Audit”</b>	any exercise by the Buyer of its Audit Rights pursuant to Clause 12 ( <i>Records, Reports, Audit and Open Book Data</i> ) and Schedule 7.5 ( <i>Financial Reports and Audit Rights</i> );
<b>“Audit Agents”</b>	<ul style="list-style-type: none"> <li>(a) the Buyer’s internal and external auditors;</li> <li>(b) the Buyer’s statutory or regulatory auditors;</li> <li>(c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office;</li> <li>(d) HM Treasury or the Cabinet Office;</li> <li>(e) any party formally appointed by the Buyer to carry out audit or similar review functions; and</li> <li>(f) successors or assigns of any of the above;</li> </ul>
<b>“Audit Rights”</b>	the audit and access rights referred to in Schedule 7.5 ( <i>Financial Reports and Audit Rights</i> );
<b>“Authority to Proceed” or “ATP”</b>	the authorisation to the Supplier to commence the provision of the relevant Operational Services to the Buyer, provided by the Buyer in the form of a Milestone Achievement Certificate in respect of the ATP Milestone;
<b>“Balanced Scorecard Report”</b>	has the meaning given in Paragraph 1.1(b) of Part B of Schedule 2.2 ( <i>Performance Levels</i> );
<b>“Baseline Security Requirements”</b>	the Buyer's baseline security requirements, the current copy of which is contained in Annex 1 of Schedule 2.4 ( <i>Security Management</i> ), as updated from time to time by the Buyer and notified to the Supplier;

<b>“Board”</b>	means the Supplier’s board of directors;
<b>“Board Confirmation”</b>	means the written confirmation from the Board in accordance with Paragraph 8 of Schedule 7.4 (Financial Distress);
<b>“Breakage Costs Payment”</b>	has the meaning given in Schedule 7.2 ( <i>Payments on Termination</i> );
<b>“Buyer”</b>	means the entity identified as such in the Order Form;
<b>“Buyer Assets”</b>	the Buyer Materials, the Buyer infrastructure and any other data, software, assets, equipment or other property owned by and/or licensed or leased to the Buyer and which is or may be used in connection with the provision or receipt of the Services, details of which are set out in the Order Form;
<b>“Buyer Background IPRs”</b>	<p>(a) IPRs owned by the Buyer before the Effective Date, including IPRs contained in any of the Buyer's Know-How, documentation, processes and procedures;</p> <p>(b) IPRs created by the Buyer independently of this Contract; and/or</p> <p>(c) Crown Copyright which is not available to the Supplier otherwise than under this Contract;</p> <p>but excluding IPRs owned by the Buyer subsisting in the Buyer Software;</p>
<b>“Buyer Cause”</b>	<p>any material breach by the Buyer of any of the Buyer Responsibilities, except to the extent that such breach is:</p> <p>(a) the result of any act or omission by the Buyer to which the Supplier has given its prior consent; or</p> <p>caused by the Supplier, any Sub-contractor or any Supplier Personnel;</p>
<b>“Buyer Data”</b>	<p>(a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are:</p> <p>(i) supplied to the Supplier by or on behalf of the Buyer; and/or</p> <p>(ii) which the Supplier is required to generate, process, store or transmit pursuant to this Contract; or</p> <p>any Personal Data for which the Buyer is the Data Controller;</p>

<b>“Buyer IT Strategy”</b>	the Buyer's IT policy in force as at the Effective Date (a copy of which has been supplied to the Supplier), as updated from time to time in accordance with the Change Control Procedure;
<b>“Buyer Materials”</b>	<p>the Buyer Data together with any materials, documentation, information, programs and codes supplied by the Buyer to the Supplier, the IPRs in which:</p> <ul style="list-style-type: none"> <li>(a) are owned or used by or on behalf of the Buyer; and</li> <li>(b) are or may be used in connection with the provision or receipt of the Services,</li> </ul> <p>but excluding any Project Specific IPRs, Specially Written Software, Supplier Software, Third Party Software and Documentation relating to Supplier Software or Third Party Software;</p>
<b>“Buyer Premises”</b>	premises owned, controlled or occupied by the Buyer and/or any Central Government Body which are made available for use by the Supplier or its Sub-contractors for provision of the Services (or any of them);
<b>“Buyer Representative”</b>	the representative appointed by the Buyer (as may be changed from time to time in accordance with Clause 11.4, the details of which as at the Effective Date are set out in the Order Form;
<b>“Buyer Requirements”</b>	the requirements of the Buyer set out in Attachment 2.1 ( <i>Services Description</i> ), Schedule 2.2 ( <i>Performance Indicators</i> ), Attachment 2.2 ( <i>Key Performance Indicators and Subsidiary Performance Indicators Tables</i> ), Schedule 2.3 ( <i>Standards</i> ), Attachment 2.3 ( <i>Environmental Requirements</i> ), Schedule 2.4 ( <i>Security Management</i> ), the Order Form in respect of insurance, Schedule 6.1 ( <i>Implementation Plan</i> ), Attachment 6.1 ( <i>Outline Implementation Plan</i> ), Schedule 8.4 ( <i>Reports and Records Provisions</i> ), Attachment 8.4 ( <i>Transparency Reports and Records to Upload to Virtual Library</i> ), Schedule 8.5 ( <i>Exit Management</i> ) and Schedule 8.6 ( <i>Service Continuity Plan and Corporate Resolution Planning</i> );
<b>“Buyer Responsibilities”</b>	the responsibilities of the Buyer specified in Attachment 3 (Specific Obligations) of the Order Form;
<b>“Buyer Software”</b>	software which is owned by or licensed to the Buyer (other than under or pursuant to this Contract) and which is or will be used by the Supplier for the purposes of providing the Services;
<b>“Buyer System”</b>	the Buyer's computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Buyer or the Supplier in connection with this Contract which is owned by the Buyer or licensed to it by a third party and which interfaces with the

	Supplier System or which is necessary for the Buyer to receive the Services;
<b>“Cabinet Office Markets and Suppliers Team”</b>	means the UK Government’s team responsible for managing the relationship between government and its Strategic Suppliers, or any replacement or successor body carrying out the same function;
<b>“Call Off Terms”</b>	means these terms and conditions;
<b>“CCS”</b>	means Crown Commercial Service, the authority to the Framework;
<b>“Central Government Body”</b>	<p>a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics:</p> <ul style="list-style-type: none"> <li>(a) Government Department;</li> <li>(b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal);</li> <li>(c) Non-Ministerial Department; or</li> <li>(d) Executive Agency;</li> </ul>
<b>“Certificate of Costs”</b>	has the meaning given in Schedule 7.1 ( <i>Charges and Invoicing</i> );
<b>“Change”</b>	any change to this Contract;
<b>“Change Authorisation Note”</b>	a form setting out an agreed Contract Change which shall be substantially in the form of Annex 2 of Schedule 8.2 ( <i>Change Control Procedure</i> );
<b>“Change Control Procedure”</b>	the procedure for changing this Contract set out in Schedule 8.2 ( <i>Change Control Procedure</i> );
<b>“Change in Law”</b>	any change in Law which impacts on the performance of the Services which comes into force after the Effective Date;
<b>“Change Request”</b>	a written request for a Contract Change substantially in the form of Annex 1 of Schedule 8.2 ( <i>Change Control Procedure</i> );
<b>“Charges”</b>	the charges for the provision of the Services set out in or otherwise calculated in accordance with Schedule 7.1 ( <i>Charges and Invoicing</i> ) and Attachment 7.1 ( <i>Pricing Mechanism, Charging Mechanism, Adjustments, Risk Register and Allowable Assumptions</i> ) of the Order Form, including any Milestone Payment or Service Charge;

<b>“Class 1 Transaction”</b>	has the meaning set out in the listing rules issued by the UK Listing Buyer;
<b>“CNI”</b>	means Critical National Infrastructure;
<b>“Commercially Sensitive Information”</b>	<p>the information listed in Attachment 4.2 (<i>Commercially Sensitive Information</i>) of the Order Form comprising the information of a commercially sensitive nature relating to –</p> <p>(a) the pricing of the Services;</p> <p>(b) details of the Supplier’s IPRs; and</p> <p>(c) the Supplier’s business and investment plans;</p> <p>which the Supplier has indicated to the Buyer that, if disclosed by the Buyer, would cause the Supplier significant commercial disadvantage or material financial loss;</p>
<b>“Comparable Supply”</b>	the supply of services to another customer of the Supplier that are the same or similar to any of the Services;
<b>“Compensation for Unacceptable KPI Failure”</b>	has the meaning given in Clause 7.4(a) ( <i>Unacceptable KPI Failure</i> );
<b>“Compensation Payment”</b>	has the meaning given in Schedule 7.2 ( <i>Payments on Termination</i> );
<b>“Condition Precedent”</b>	has the meaning given in Clause 4.2 ( <i>Condition Precedent</i> );
<b>“Confidential Information”</b>	<p>(a) Information, including all Personal Data, which (however it is conveyed) is provided by the Disclosing Party pursuant to or in anticipation of this Contract that relates to:</p> <p>(i) the Disclosing Party Group; or</p> <p>(ii) the operations, business, affairs, developments, intellectual property rights, trade secrets, know-how and/or personnel of the Disclosing Party Group;</p> <p>(b) other Information provided by the Disclosing Party pursuant to or in anticipation of this Contract that is clearly designated as being confidential or equivalent or that ought reasonably to be considered to be confidential (whether or not it is so marked) which comes (or has come) to the Recipient’s attention or into the Recipient’s possession in connection with this Contract;</p>

	<p>(c) discussions, negotiations, and correspondence between the Disclosing Party or any of its directors, officers, employees, consultants or professional advisers and the Recipient or any of its directors, officers, employees, consultants and professional advisers in connection with this Contract and all matters arising therefrom; and</p> <p>(d) Information derived from any of the above, but not including any Information which:</p> <p>(i) was in the possession of the Recipient without obligation of confidentiality prior to its disclosure by the Disclosing Party;</p> <p>(ii) the Recipient obtained on a non-confidential basis from a third party who is not, to the Recipient’s knowledge or belief, bound by a confidentiality agreement with the Disclosing Party or otherwise prohibited from disclosing the information to the Recipient;</p> <p>(iii) was already generally available and in the public domain at the time of disclosure otherwise than by a breach of this Contract or breach of a duty of confidentiality;</p> <p>(iv) was independently developed without access to the Confidential Information; or</p> <p>(v) relates to the Supplier’s:</p> <ol style="list-style-type: none"> <li>1. performance under this Contract; or</li> <li>2. failure to pay any Sub-contractor as required pursuant to Clause 15.15(a) (<i>Supply Chain Protection</i>);</li> </ol>
<b>“Contract”</b>	<p>the contract between the Buyer and the Supplier (entered into pursuant to the terms of the Framework) consisting of:</p> <p>(a) the Order Form; and</p> <p>(b) the Call Off Terms;</p>
<b>“Contract Change”</b>	any change to this Contract other than an Operational Change;
<b>“Contract Inception Report”</b>	the initial financial model in a form agreed by the Supplier and the Buyer in writing on or before the Effective Date;
<b>“Contract Finder”</b>	the online government portal which allows suppliers to search for information about contracts worth over £10,000 (excluding VAT) as prescribed by Part 4 of the Public Contract Regulations 2015;
<b>“Contract Year”</b>	(a) a period of 12 months commencing on the Effective Date; or

	<p>(b) thereafter a period of 12 months commencing on each anniversary of the Effective Date;</p> <p>provided that the final Contract Year shall end on the expiry or termination of the Term;</p>
<b>“Control”</b>	<p>the possession by person, directly or indirectly, of the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or otherwise) and <b>“Controls”</b> and <b>“Controlled”</b> shall be interpreted accordingly;</p>
<b>“Controller”</b>	<p>has the meaning given in the GDPR;</p>
<b>“Corporate Change Event”</b>	<p>means:</p> <p>(a) any change of Control of the Supplier or a Parent Undertaking of the Supplier;</p> <p>(b) any change of Control of any member of the Supplier Group which, in the reasonable opinion of the Buyer, could have a material adverse effect on the Services;</p> <p>(c) any change to the business of the Supplier or any member of the Supplier Group which, in the reasonable opinion of the Buyer, could have a material adverse effect on the Services;</p> <p>(d) a Class 1 Transaction taking place in relation to the shares of the Supplier or any Parent Undertaking of the Supplier whose shares are listed on the main market of the London Stock Exchange plc;</p> <p>(e) an event that could reasonably be regarded as being equivalent to a Class 1 Transaction taking place in respect of the Supplier or any Parent Undertaking of the Supplier;</p> <p>(f) payment of dividends by the Supplier or the ultimate Parent Undertaking of the Supplier Group exceeding 25% of the Net Asset Value of the Supplier or the ultimate Parent Undertaking of the Supplier Group respectively in any 12 month period;</p> <p>(g) an order is made or an effective resolution is passed for the winding up of any member of the Supplier Group;</p> <p>(h) any member of the Supplier Group stopping payment of its debts generally or becoming unable to pay its debts within the meaning of section 123(1) of the Insolvency Act 1986 or any member of the Supplier Group ceasing to carry on all or substantially all its business, or any compromise, composition, arrangement or agreement being made with creditors of any member of the Supplier Group;</p> <p>(i) the appointment of a receiver, administrative receiver or</p>

	<p>administrator in respect of or over all or a material part of the undertaking or assets of any member of the Supplier Group; and/or</p> <p>(j) any process or events with an effect analogous to those in paragraphs (e) to (g) inclusive above occurring to a member of the Supplier Group in a jurisdiction outside England and Wales;</p>
<b>“Corporate Resolution Planning Information”</b>	<p>means, together, the:</p> <p>a) Group Structure Information and Resolution Commentary; and</p> <p>b) UK Public Sector and CNI Contract Information;</p>
<b>“Costs”</b>	has the meaning given in Schedule 7.1 ( <i>Charges and Invoicing</i> );
<b>“CPP Milestone”</b>	a contract performance point as set out in the Implementation Plan, being the Milestone at which the Supplier has demonstrated that the Supplier Solution or relevant Service is working satisfactorily in its operating environment in accordance with Schedule 6.2 ( <i>Testing Procedures</i> ) and Paragraph 2 of Attachment 2 ( <i>Test Success Criteria</i> ) of the Order Form;
<b>“Critical National Infrastructure”</b>	<p>means those critical elements of UK national infrastructure (namely assets, facilities, systems, networks or processes and the essential workers that operate and facilitate them), the loss or compromise of which could result in:</p> <p>a) major detrimental impact on the availability, integrity or delivery of essential services – including those services whose integrity, if compromised, could result in significant loss of life or casualties – taking into account significant economic or social impacts; and/or</p> <p>b) significant impact on the national security, national defence, or the functioning of the UK;</p>
<b>“Critical Performance Failure”</b>	<p>(a) the Supplier accruing in aggregate 6 <b>or more Service Points (in terms of the number of points)</b> allocated) in any period of 12 months; or</p> <p>(b) the Supplier accruing Service Credits or Compensation for Unacceptable KPI Failure which meet or exceed the Service Credit Cap;</p>
<b>“Critical Service Contract”</b>	means the overall status of the Services provided under this Contract as determined by the Buyer and specified in Paragraph 10.1 of Part 2 to Schedule 8.6 ( <i>Service Continuity Plan and Corporate Resolution Planning</i> );
<b>“CRP Information”</b>	means the Corporate Resolution Planning Information;

<b>“CRTPA”</b>	the Contracts (Rights of Third Parties) Act 1999;
<b>“Data Loss Event”</b>	any event that results, or may result, in unauthorised access to Personal Data held by the Supplier under this Contract, and/or actual or potential loss and/or destruction of Personal Data in breach of this Contract, including any Personal Data Breach;
<b>“Data Protection Impact Assessment”</b>	an assessment by the Controller of the impact of the envisaged processing on the protection of Personal Data;
<b>“Data Protection Legislation”</b>	<ul style="list-style-type: none"> <li>a) the GDPR, the LED and any applicable national implementing Laws as amended from time to time</li> <li>b) the DPA 2018 to the extent that it relates to processing of personal data and privacy;</li> <li>c) all applicable Law about the processing of personal data and privacy;</li> </ul>
<b>“Data Subject”</b>	has the meaning given in the DPA;
<b>“Data Subject Request”</b>	a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to their Personal Data;
<b>“Deductions”</b>	all Service Credits, Compensation for Unacceptable KPI Failure, Delay Payments or any other deduction which is paid or payable to the Buyer under this Contract;
<b>“Default”</b>	<p>any breach of the obligations of the relevant Party (including abandonment of this Contract in breach of its terms, repudiatory breach or breach of a fundamental term) or any other default, act, omission, negligence or statement:</p> <ul style="list-style-type: none"> <li>(a) in the case of the Buyer, of its employees, servants, agents; or</li> <li>(b) in the case of the Supplier, of its Sub-contractors or any Supplier Personnel,</li> </ul> <p>in connection with or in relation to the subject-matter of this Contract and in respect of which such Party is liable to the other;</p>
<b>“Defect”</b>	<ul style="list-style-type: none"> <li>(a) any error, damage or defect in the manufacturing of a Deliverable; or</li> <li>(b) any error or failure of code within the Software which causes a Deliverable to malfunction or to produce unintelligible or incorrect results; or</li> </ul>

	<p>(c) any failure of any Deliverable to provide the performance, features and functionality specified in the Buyer Requirements or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant Deliverable from meeting its associated Test Success Criteria; or</p> <p>(d) any failure of any Deliverable to operate in conjunction with or interface with any other Deliverable in order to provide the performance, features and functionality specified in the Buyer Requirements or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant Deliverable from meeting its associated Test Success Criteria;</p>
<b>“Delay”</b>	<p>(a) a delay in the Achievement of a Milestone by its Milestone Date; or</p> <p>(b) a delay in the design, development, testing or implementation of a Deliverable by the relevant date set out in the Implementation Plan;</p>
<b>“Delay Deduction Period”</b>	the period of one hundred (100) days commencing on the relevant Milestone Date;
<b>“Delay Payments”</b>	the amounts payable by the Supplier to the Buyer in respect of a Delay in Achieving a Key Milestone as specified in Table 1 of Part B of Attachment 7.1 ( <i>Pricing Mechanism, Charging Mechanism, Adjustments, Risk Register and Allowable Assumptions</i> ) of the Order Form;
<b>“Deliverable”</b>	an item or feature delivered or to be delivered by the Supplier at or before a Milestone Date or at any other stage during the performance of this Contract;
<b>“Dependent Parent Undertaking”</b>	means any Parent Undertaking which provides any of its Subsidiary Undertakings and/or Associates, whether directly or indirectly, with any financial, trading, managerial or other assistance of whatever nature, without which the Supplier would be unable to continue the day to day conduct and operation of its business in the same manner as carried on at the time of entering into this Contract, including for the avoidance of doubt the provision of the Services in accordance with the terms of this Contract;
<b>“Detailed Implementation Plan”</b>	the plan developed and revised from time to time in accordance with Paragraphs 3 and 4 of Schedule 6.1 ( <i>Implementation Plan</i> );
<b>“Disclosing Party”</b>	has the meaning given in Clause 21.1 ( <i>Confidentiality</i> );

<p><b>“Disclosing Party Group”</b></p>	<p>(a) where the Disclosing Party is the Supplier, the Supplier and any Affiliates of the Supplier; and</p> <p>(b) where the Disclosing Party is the Buyer, the Buyer and any Central Government Body with which the Buyer or the Supplier interacts in connection with this Contract;</p>
<p><b>“Dispute”</b></p>	<p>any dispute, difference or question of interpretation arising out of or in connection with this Contract, including any dispute, difference or question of interpretation relating to the Services, failure to agree in accordance with the Change Control Procedure or any matter where this Contract directs the Parties to resolve an issue by reference to the Dispute Resolution Procedure;</p>
<p><b>“Dispute Notice”</b></p>	<p>a written notice served by one Party on the other stating that the Party serving the notice believes that there is a Dispute;</p>
<p><b>“Dispute Resolution Procedure”</b></p>	<p>the dispute resolution procedure set out in Schedule 8.3 (<i>Dispute Resolution Procedure</i>);</p>
<p><b>“Documentation”</b></p>	<p>descriptions of the Services and Performance Indicators, details of the Supplier System (including (i) vendors and versions for off-the-shelf components and (ii) source code and build information for proprietary components), relevant design and development information, technical specifications of all functionality including those not included in standard manuals (such as those that modify system performance and access levels), configuration details, test scripts, user manuals, operating manuals, process definitions and procedures, and all such other documentation as:</p> <p>(a) is required to be supplied by the Supplier to the Buyer under this Contract;</p> <p>(b) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Buyer to develop, configure, build, deploy, run, maintain, upgrade and test the individual systems that provide Services;</p> <p>(c) is required by the Supplier in order to provide the Services; and/or</p> <p>(d) has been or shall be generated for the purpose of providing the Services;</p>
<p><b>“DOTAS”</b></p>	<p>the Disclosure of Tax Avoidance Schemes rules which require a promoter of tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act 2004 and as extended to national insurance</p>

	contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868) made under section 132A of the Social Security Administration Act 1992;
<b>“DPA”</b>	the Data Protection Act 2018 ;
<b>“Due Diligence Information”</b>	any information supplied to the Supplier by or on behalf of the Buyer prior to the Effective Date;
<b>“Effective Date”</b>	the later of:  (a) the date on which the Order Form is signed by both Parties; and  (b) the date on which the Condition Precedent has been satisfied or waived in accordance with Clause 4.2 (Condition Precedent);
<b>“EIRs”</b>	the Environmental Information Regulations 2004, together with any guidance and/or codes of practice issued by the Information Commissioner or any Central Government Body in relation to such Regulations;
<b>“Emergency Maintenance”</b>	ad hoc and unplanned maintenance provided by the Supplier where:  (a) the Buyer reasonably suspects that the IT Environment or the Services, or any part of the IT Environment or the Services, has or may have developed a fault, and notifies the Supplier of the same; or  (b) the Supplier reasonably suspects that the IT Environment or the Services, or any part the IT Environment or the Services, has or may have developed a fault;
<b>“Employee Liabilities”</b>	all claims, actions, proceedings, orders, demands, complaints, investigations (save for any claims for personal injury which are covered by insurance) and any award, compensation, damages, tribunal awards, fine, loss, order, penalty, disbursement, payment made by way of settlement and costs, expenses and legal costs reasonably incurred in connection with a claim or investigation related to employment including in relation to the following:  (a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments;  (b) unfair, wrongful or constructive dismissal compensation;  (c) compensation for discrimination on grounds of sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation or claims for equal pay;

	<p>(d) compensation for less favourable treatment of part-time workers or fixed term employees;</p> <p>(e) outstanding employment debts and unlawful deduction of wages including any PAYE and national insurance contributions;</p> <p>(f) employment claims whether in tort, contract or statute or otherwise;</p> <p>(g) any investigation relating to employment matters by the Equality and Human Rights Commission or other enforcement, regulatory or supervisory body and of implementing any requirements which may arise from such investigation;</p>
<b>“Employment Regulations”</b>	the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other Regulations implementing the Acquired Rights Directive;
<b>“Estimated Year 1 Charges”</b>	the estimated Charges payable by the Buyer during the first Contract Year, as set out in the Financial Model;
<b>“Estimated Initial Service Charges”</b>	the estimated Service Charges payable by the Buyer during the period of 12 months from the first Operational Service Commencement Date, as set out in the Financial Model;
<b>“Euro Compliant”</b>	<p>means that: (i) the introduction of the euro within any part(s) of the UK shall not affect the performance or functionality of any relevant items nor cause such items to malfunction, end abruptly, provide invalid results or adversely affect the Buyer’s business; (ii) all currency-reliant and currency-related functions (including all calculations concerning financial data) of any relevant items enable the introduction and operation of the euro; and (iii) in particular each and every relevant item shall, to the extent it performs or relies upon currency-related functions (including all calculations concerning financial data):</p> <p>(a) be able to perform all such functions in any number of currencies and/or in euros;</p> <p>(b) during any transition phase applicable to the relevant part(s) of the UK, be able to deal with multiple currencies and, in relation to the euro and the national currency of the relevant part(s) of the UK, dual denominations;</p> <p>(c) recognise accept, display and print all the euro currency symbols and alphanumeric codes which may be adopted by any government and other European Union body in relation to the euro;</p> <p>(d) incorporate protocols for dealing with rounding and currency conversion;</p> <p>(e) recognise data irrespective of the currency in which it is expressed (which includes the euro) and express any output data in the</p>

	<p>national currency of the relevant part(s) of the UK and/or the euro; and</p> <p>(f) permit the input of data in euro and display an outcome in euro where such data, supporting the Buyer’s normal business practices, operates in euro and/or the national currency of the relevant part(s) of the UK;</p>
<b>“Exit Day”</b>	shall have the meaning in the European Union (Withdrawal) Act 2018;
<b>“Exit Management”</b>	services, activities, processes and procedures to ensure a smooth and orderly transition of all or part of the Services from the Supplier to the Buyer and/or a Replacement Supplier, as set out or referred to in Schedule 8.5 ( <i>Exit Management</i> );
<b>“Exit Plan”</b>	the plan produced and updated by the Supplier during the Term in accordance with Paragraph 4 of Schedule 8.5 ( <i>Exit Management</i> );
<b>“Expedited Dispute Timetable”</b>	the reduced timetable for the resolution of Disputes set out in Paragraph 3 of Schedule 8.3 ( <i>Dispute Resolution Procedure</i> );
<b>“Expert”</b>	has the meaning given in Schedule 8.3 ( <i>Dispute Resolution Procedure</i> );
<b>“Expert Determination”</b>	the process described in Paragraph 6 of Schedule 8.3 ( <i>Dispute Resolution Procedure</i> );
<b>“Extension Period”</b>	a period set out in the Order Form (in years) from the end of the Initial Term;
<b>“Financial Distress Event”</b>	the occurrence of one or more of the events listed in Paragraph 3.1 of Schedule 7.4 ( <i>Financial Distress</i> );
<b>“Financial Distress Remediation Plan”</b>	a plan setting out how the Supplier will ensure the continued performance and delivery of the Services in accordance with this Contract in the event that a Financial Distress Event occurs;
<b>“Financial Model”</b>	has the meaning given in Schedule 7.5 ( <i>Financial Reports and Audit Rights</i> );
<b>“Financial Reports”</b>	has the meaning given in Schedule 7.5 ( <i>Financial Reports and Audit Rights</i> );
<b>“Financial Transparency Objectives”</b>	has the meaning given in Schedule 7.5 ( <i>Financial Reports and Audit Rights</i> );
<b>“FOIA”</b>	the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time, together with any guidance and/or codes

		of practice issued by the Information Commissioner or any relevant Central Government Body in relation to such Act;
<b>“Force Event”</b>	<b>Majeure</b>	any event outside the reasonable control of either Party affecting its performance of its obligations under this Contract arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control and which are not attributable to any wilful act, neglect or failure to take reasonable preventative action by that Party, including riots, war or armed conflict, acts of terrorism, acts of government, local government or regulatory bodies, fire, flood, storm or earthquake, or other natural disaster but excluding any industrial dispute relating to the Supplier or the Supplier Personnel or any other failure in the Supplier’s or a Sub-contractor’s supply chain;
<b>“Force Notice”</b>	<b>Majeure</b>	a written notice served by the Affected Party on the other Party stating that the Affected Party believes that there is a Force Majeure Event;
<b>“Former Supplier”</b>		has the meaning given in Schedule 9.1 ( <i>Staff Transfer</i> );
<b>“Framework”</b>		the framework agreement reference RM6100 between the Supplier and CCS
<b>“GDPR”</b>		The General Data Protection Regulation (EU) 2016/679
<b>“General Anti-Abuse Rule”</b>		(a) the legislation in Part 5 of the Finance Act 2013; and (b) any future legislation introduced into Parliament to counteract tax advantages arising from abusive arrangements to avoid national insurance contributions;
<b>“General Change in Law”</b>		a Change in Law where the change is of a general legislative nature (including taxation or duties of any sort affecting the Supplier) or which affects or relates to a Comparable Supply;
<b>“Good Practice”</b>	<b>Industry</b>	at any time the exercise of that degree of care, skill, diligence, prudence, efficiency, foresight and timeliness which would be reasonably expected at such time from a leading and expert supplier of services similar to the Services to a customer like the Buyer, such supplier seeking to comply with its contractual obligations in full and complying with applicable Laws;
<b>“Goods”</b>		has the meaning given in Clause 9.7 ( <i>Supply of Goods</i> );
<b>“Group Information Resolution Commentary”</b>	<b>Structure and</b>	means the information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs 11 to 13 and Appendix 1 of Part 2 of Schedule 8.6 ( <i>Service Continuity Plan and Corporate Resolution Planning</i> );
<b>“Guarantee”</b>		the deed of guarantee in favour of the Buyer entered into by the Guarantor on or about the date of this Contract (which is in the form set out in

	Schedule 10 ( <i>Guarantee</i> )), or any guarantee acceptable to the Buyer that replaces it from time to time;
<b>“Guarantor”</b>	[ <i>insert name</i> ], a company registered in [ <i>insert country</i> ] with company number [ <i>insert company number</i> ] and whose registered office is at [ <i>insert registered address</i> ]; <b>N/A</b>
<b>“Halifax Abuse Principle”</b>	the principle explained in the CJEU Case C-255/02 Halifax and others;
<b>“Health and Safety Policy”</b>	the health and safety policy of the Buyer and/or other relevant Central Government Body as provided to the Supplier on or before the Effective Date and as subsequently provided to the Supplier from time to time except any provision of any such subsequently provided policy that cannot be reasonably reconciled to ensuring compliance with applicable Law regarding health and safety;
<b>“HMRC”</b>	HM Revenue & Customs;
<b>“Impact Assessment”</b>	has the meaning given in Schedule 8.2 ( <i>Change Control Procedure</i> );
<b>“Implementation Plan”</b>	the Outline Implementation Plan or (if and when approved by the Buyer pursuant to Paragraph 3 of Schedule 6.1 ( <i>Implementation Plan</i> )) the Detailed Implementation Plan as updated in accordance with Paragraph 4 of Schedule 6.1 ( <i>Implementation Plan</i> ) from time to time;
<b>“Implementation Services”</b>	the implementation services described as such in the Services Description;
<b>“Implementation Services Commencement Date”</b>	the date on which the Supplier is to commence provision of the first of the Services, being the Contract Commencement Date, as per the Order Form.
<b>“Indemnified Person”</b>	the Buyer and each and every person to whom the Buyer (or any direct or indirect sub-licensee of the Buyer) sub-licenses, assigns or novates any Relevant IPRs or rights in Relevant IPRs in accordance with this Contract;
<b>“Independent Control”</b>	where a Controller has provided Personal Data to another Party which is neither a Processor or Joint Controller because the recipient itself determines the purposes and means of processing but does so separately from the Controller providing it with Personal Data;
<b>“Information”</b>	all information of whatever nature, however conveyed and in whatever form, including in writing, orally, by demonstration, electronically and in

	a tangible, visual or machine-readable medium (including CD-ROM, magnetic and digital form);
<b>“Initial Term”</b>	the period set out in the Order Form from and including the Effective Date;
<b>“Initial Upload Date”</b>	means the occurrence of an event detailed in Part B of Attachment 8.4 ( <i>Transparency Reports and Records to Upload to the Virtual Library</i> ) of the Order Form which requires the Supplier to provide its initial upload of the relevant information to the Virtual Library;
<b>“Insolvency Event”</b>	<p>with respect to any person, means:</p> <p>(a) that person suspends, or threatens to suspend, payment of its debts, or is unable to pay its debts as they fall due or admits inability to pay its debts, or:</p> <p style="padding-left: 40px;">(i) (being a company or a LLP) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or</p> <p style="padding-left: 40px;">(ii) (being a partnership) is deemed unable to pay its debts within the meaning of section 222 of the Insolvency Act 1986;</p> <p>(b) that person commences negotiations with one or more of its creditors (using a voluntary arrangement, scheme of arrangement or otherwise) with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with one or more of its creditors or takes any step to obtain a moratorium pursuant to Section 1A and Schedule A1 of the Insolvency Act 1986 other than (in the case of a company, a LLP or a partnership) for the sole purpose of a scheme for a solvent amalgamation of that person with one or more other companies or the solvent reconstruction of that person;</p> <p>(c) another person becomes entitled to appoint a receiver over the assets of that person or a receiver is appointed over the assets of that person;</p> <p>(d) a creditor or encumbrancer of that person attaches or takes possession of, or a distress, execution or other such process is levied or enforced on or sued against, the whole or any part of that person’s assets and such attachment or process is not discharged within fourteen (14) days;</p> <p>(e) that person suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business;</p> <p>(f) where that person is a company, a LLP or a partnership:</p>

	<ul style="list-style-type: none"> <li>(i) a petition is presented (which is not dismissed within fourteen (14) days of its service), a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that person other than for the sole purpose of a scheme for a solvent amalgamation of that person with one or more other companies or the solvent reconstruction of that person;</li> <li>(ii) an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is filed at Court or given or if an administrator is appointed, over that person;</li> <li>(iii) (being a company or a LLP) the holder of a qualifying floating charge over the assets of that person has become entitled to appoint or has appointed an administrative receiver; or</li> <li>(iv) (being a partnership) the holder of an agricultural floating charge over the assets of that person has become entitled to appoint or has appointed an agricultural receiver; or</li> </ul> <p>(g) any event occurs, or proceeding is taken, with respect to that person in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned above;</p>
<b>“Intellectual Property Rights” or “IPRs”</b>	<ul style="list-style-type: none"> <li>(a) copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semiconductor topography rights, trade marks, rights in Internet domain names and website addresses and other rights in trade names, designs, Know-How, trade secrets and other rights in Confidential Information;</li> <li>(b) applications for registration, and the right to apply for registration, for any of the rights listed at (a) that are capable of being registered in any country or jurisdiction; and</li> <li>(c) all other rights having equivalent or similar effect in any country or jurisdiction;</li> </ul>
<b>“Intervention Cause”</b>	has the meaning given in Clause 29.1 (Remedial Adviser);
<b>“Intervention Notice”</b>	has the meaning given in Clause 29.1 ( <i>Remedial Adviser</i> );
<b>“Intervention Period”</b>	has the meaning given in Clause 29.2(c) ( <i>Remedial Adviser</i> );
<b>“Intervention Trigger Event”</b>	(a) any event falling within limb (a), (b), (c), (e), (f) or (g) of the definition of a Supplier Termination Event;

	<p>(b) a Default by the Supplier that is materially preventing or materially delaying the performance of the Services or any material part of the Services;</p> <p>(c) the Supplier accruing in aggregate 4.5 <b>points which is 75% of the points that would constitute a “Critical Performance Failure”</b>] or more Service Points (in terms of the number of points allocated) in any period of 12 <b>months taken from definition of “Critical Performance Failure”</b>] months;</p> <p>(d) the Supplier accruing Service Credits which meet or exceed 75% of the Service Credit Cap; and/or</p> <p>(e) the Supplier not Achieving a Key Milestone within seventy-five (75) days of its relevant Milestone Date;</p>
<b>“IPRs Claim”</b>	any claim against any Indemnified Person of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any Relevant IPRs save for any such claim to the extent that it is caused by any use by or on behalf of that Indemnified Person of any Relevant IPRs, or the use of the Buyer Software by or on behalf of the Supplier, in either case in combination with any item not supplied or recommended by the Supplier pursuant to this Contract or for a purpose not reasonably to be inferred from the Services Description or the provisions of this Contract;
<b>“IT”</b>	information and communications technology;
<b>“IT Environment”</b>	the Buyer System and the Supplier System;
<b>“Joint Controllers”</b>	where two or more Controllers jointly determine the purposes and means of processing;
<b>“Key Milestone”</b>	the Milestones identified in the Implementation Plan as key milestones and in respect of which Delay Payments may be payable in accordance with Paragraph 1 of Part C of Schedule 7.1 ( <i>Charges and Invoicing</i> ) if the Supplier fails to Achieve the Milestone Date in respect of such Milestone;
<b>“Key Performance Indicator”</b>	the key performance indicators set out in Paragraph 1 and/or Paragraph 3 of Attachment 2.2 ( <i>Key Performance Indicators and Subsidiary Performance Indicators Tables</i> ) of the Order Form;
<b>“Key Personnel”</b>	those persons appointed by the Supplier to fulfil the Key Roles, being the persons listed in Attachment 9.2 ( <i>Key Personnel</i> ) of the Order Form against each Key Role as at the Effective Date or as amended from time to time in accordance with Clauses 14.5 and 14.6 ( <i>Key Personnel</i> );

<b>“Key Roles”</b>	a role described as a Key Role in Attachment 9.2 ( <i>Key Personnel</i> ) of the Order Form and any additional roles added from time to time in accordance with Clause 14.4 ( <i>Key Personnel</i> );
<b>“Key Sub-contract”</b>	each Sub-contract with a Key Sub-contractor;
<b>“Key Sub-contractor”</b>	any Sub-contractor: (a) which, in the opinion of CCS or the Buyer, performs (or would perform if appointed) a critical role in the provision of all or any part of the Services; and/or (b) with a Sub-contract with a contract value which at the time of appointment exceeds (or would exceed if appointed) 10% of the aggregate Charges forecast to be payable under this Contract (as set out in the Financial Model);
<b>“Know-How”</b>	all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know how relating to the Services but excluding know how already in the other Party’s possession before this Contract;
<b>“KPI Failure”</b>	a failure to meet the Target Performance Level in respect of a Key Performance Indicator;
<b>“KPI Service Threshold”</b>	shall be as set out against the relevant Key Performance Indicator in Paragraph 1 and/or Paragraph 3 of Attachment 2.2 ( <i>Key Performance Indicators and Subsidiary Performance Indicators Tables</i> ) of the Order Form;
<b>“Law”</b>	any law, statute, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, bye-law, enforceable right within the meaning of section 2 of the European Communities Act 1972, regulation, order, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Supplier is bound to comply;
<b>“LED”</b>	Law Enforcement Directive ( <i>Directive (EU) 2016/680</i> );
<b>“Licensed Software”</b>	all and any Software licensed by or through the Supplier, its Sub-contractors or any third party to the Buyer for the purposes of or pursuant to this Contract, including any Supplier Software, Third Party Software and/or any Specially Written Software;
<b>“Losses”</b>	losses, liabilities, damages, costs and expenses (including legal fees on a solicitor/client basis) and disbursements and costs of investigation, litigation, settlement, judgment interest and penalties whether arising in

	contract, tort (including negligence), breach of statutory duty or otherwise;
<b>“Maintenance Schedule”</b>	shall have the meaning set out in Clause 9.4 ( <i>Maintenance</i> );
<b>“Malicious Software”</b>	any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence;
<b>“Management Information”</b>	the management information specified in Schedule 2.2 ( <i>Performance Levels</i> ), Schedule 7.1 ( <i>Charges and Invoicing</i> ) and Schedule 8.1 ( <i>Governance</i> ) to be provided by the Supplier to the Buyer;
<b>“Material KPI Failure”</b>	(a) a Serious KPI Failure; (b) a Severe KPI Failure; or (c) a failure by the Supplier to meet a KPI Service Threshold;
<b>“Material PI Failure”</b>	(a) a failure by the Supplier to meet the PI Service Threshold in respect of 25% or more of the Subsidiary Performance Indicators that are measured in that Service Period; and/or (b) a failure by the Supplier to meet the Target Performance Level in respect of 50% or more of the Subsidiary Performance Indicators that are measured in that Service Period;
<b>“Measurement Period”</b>	in relation to a Key Performance Indicator or Subsidiary Performance Indicator, the period over which the Supplier’s performance is measured (for example, a Service Period if measured monthly or a 12 month period if measured annually);
<b>“Milestone”</b>	an event or task described in the Implementation Plan which, if applicable, shall be completed by the relevant Milestone Date;
<b>“Milestone Achievement Certificate”</b>	the certificate to be granted by the Buyer when the Supplier has Achieved a Milestone, which shall be in substantially the same form as that set out in Annex 3 of Schedule 6.2 ( <i>Testing Procedures</i> );
<b>“Milestone Adjustment Payment Amount”</b>	in respect of each CPP Milestone the subject of a Milestone Adjustment Payment Notice, an amount determined in accordance with the formula:  A – B

	<p>where:</p> <p>(a) A is an amount equal to the aggregate sum of all Milestone Payments paid to the Supplier in respect of the Milestones (or in the case of Partial Termination, the Milestones for the parts of the Services terminated) relating to that CPP Milestone; and</p> <p>(b) B is an amount equal to the aggregate Allowable Price for the Retained Deliverables relating to that CPP Milestone or, if there are no such Retained Deliverables, zero;</p>
<b>“Milestone Adjustment Payment Notice”</b>	has the meaning given in Clause 34.7 ( <i>Payments by the Supplier</i> );
<b>“Milestone Date”</b>	the target date set out against the relevant Milestone in the Implementation Plan by which the Milestone must be Achieved;
<b>“Milestone Payment”</b>	a payment identified in Table 1 of Part B of Attachment 7.1 ( <i>Pricing Mechanism, Charging Mechanism, Adjustments, Risk Register and Allowable Assumptions</i> ) of the Order Form to be made following the issue of a Milestone Achievement Certificate;
<b>“Milestone Retention”</b>	has the meaning given in Schedule 7.1 ( <i>Charges and Invoicing</i> );
<b>“Minor KPI Failure”</b>	shall be as set out against the relevant Key Performance Indicator in Paragraph 1 and/or Paragraph 3 of Attachment 2.2 ( <i>Key Performance Indicators and Subsidiary Performance Indicators Tables</i> ) of the Order Form;
<b>“month”</b>	a calendar month and <b>“monthly”</b> shall be interpreted accordingly;
<b>“Multi-Party Dispute Resolution Procedure”</b>	has the meaning given in Paragraph 9.1 of Schedule 8.3 ( <i>Dispute Resolution Procedure</i> );
<b>“Multi-Party Procedure Initiation Notice”</b>	has the meaning given in Paragraph 9.2 of Schedule 8.3 ( <i>Dispute Resolution Procedure</i> );
<b>“NCSC”</b>	the National Cyber Security Centre or any replacement or successor body carrying out the same function;
<b>“New Releases”</b>	an item produced primarily to extend, alter or improve the Software and/or any Deliverable by providing additional functionality or performance enhancement (whether or not defects in the Software

	and/or Deliverable are also corrected) while still retaining the original designated purpose of that item;
<b>“Non-trivial Customer Base”</b>	a significant customer base with respect to the date of first release and the relevant market but excluding Affiliates and other entities related to the licensor;
<b>“Non-retained Deliverables”</b>	in relation to a CPP Milestone Payment Notice and each CPP Milestone the subject of that CPP Milestone Payment Notice, Deliverables provided to the Buyer which relate to the relevant CPP Milestone(s) and which are not Retained Deliverables;
<b>“Notifiable Default”</b>	shall have the meaning given in Clause 27.1 ( <i>Rectification Plan Process</i> );
<b>“Object Code”</b>	software and/or data in machine-readable, compiled object code form;
<b>“Occasion of Tax Non-Compliance”</b>	<p>(a) any tax return of the Supplier submitted to a Relevant Tax Buyer on or after 1 October 2012 is found on or after 1 April 2013 to be incorrect as a result of:</p> <ul style="list-style-type: none"> <li>(i) a Relevant Tax Buyer successfully challenging the Supplier under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle;</li> <li>(ii) the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified to a Relevant Tax Buyer under the DOTAS or any equivalent or similar regime; and/or</li> </ul> <p>(b) any tax return of the Supplier submitted to a Relevant Tax Buyer on or after 1 October 2012 gives rise on or after 1 April 2013 to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Effective Date or to a civil penalty for fraud or evasion;</p>
<b>“Open Book Data”</b>	has the meaning given in Schedule 7.5 ( <i>Financial Reports and Audit Rights</i> )
<b>“Open Source”</b>	computer Software that is released on the internet for use by any person, such release usually being made under a recognised open source licence and stating that it is released as open source;
<b>“Operating Environment”</b>	the Buyer System and the Sites;
<b>“Operational Change”</b>	any change in the Supplier's operational procedures which in all respects, when implemented:

	<p>(a) will not affect the Charges and will not result in any other costs to the Buyer;</p> <p>(b) may change the way in which the Services are delivered but will not adversely affect the output of the Services or increase the risks in performing or receiving the Services;</p> <p>(c) will not adversely affect the interfaces or interoperability of the Services with any of the Buyer's IT infrastructure; and</p> <p>(d) will not require a change to this Contract;</p>
<b>“Operational Service Commencement Date”</b>	<p>in relation to an Operational Service, the later of:</p> <p>(a) the date identified in the Operational Services Implementation Plan upon which the Operational Service is to commence; and</p> <p>(b) where the Implementation Plan states that the Supplier must have Achieved the relevant ATP Milestone before it can commence the provision of that Operational Service, the date upon which the Supplier Achieves the relevant ATP Milestone;</p>
<b>“Operational Services”</b>	the operational services described as such in the Services Description;
<b>“Optional Services”</b>	the services described as such in Attachment 2.1 ( <i>Services Description</i> ) of the Order Form which are to be provided by the Supplier if required by the Buyer in accordance with Clause 5.10 ( <i>Optional Services</i> );
<b>“Optional Services Implementation Plan”</b>	the implementation plan to effect the Optional Services agreed between the Parties prior to the Effective Date and, if not agreed prior to the Effective Date, to be developed by the Supplier and approved by the Buyer;
<b>“Order”</b>	means the order placed by the Buyer with the Supplier for the provision of the Services in accordance with the Framework and under the terms of this Contract
<b>“Order Form”</b>	the form (based on the template included at Annex 1 to Framework Schedule 4 (Template Order Form and Template Call Off Terms)) together with any Attachments, as completed and forming part of this Contract, which contains details of an Order together with other information in relation to such Order, including the description of the Services to be provided;
<b>“Other Supplier”</b>	any supplier to the Buyer (other than the Supplier) which is notified to the Supplier from time to time and/or of which the Supplier should have been aware;

<b>“Outline Implementation Plan”</b>	the outline plan set out in Attachment 6.1 ( <i>Outline Implementation Plan</i> ) of the Order Form;
<b>“Parent Undertaking”</b>	has the meaning set out in section 1162 of the Companies Act 2006;
<b>“Partial Termination”</b>	the partial termination of this Contract to the extent that it relates to the provision of any part of the Services as further provided for in Clause 33.2(b) ( <i>Termination by the Buyer</i> ) or 33.3(b) ( <i>Termination by the Supplier</i> ) or otherwise by mutual agreement by the Parties;
<b>“Parties”</b> and <b>“Party”</b>	have the meanings respectively given on page 1 of this Contract;
<b>“Performance Failure”</b>	a KPI Failure or a PI Failure;
<b>“Performance Indicators”</b>	the Key Performance Indicators and the Subsidiary Performance Indicators;
<b>“Permitted Maintenance”</b>	has the meaning given in Clause 9.4 ( <i>Maintenance</i> );
<b>“Performance Monitoring Report”</b>	has the meaning given in Schedule 2.2 ( <i>Performance Levels</i> );
<b>“Personal Data”</b>	has the meaning given in the GDPR;
<b>“Personal Data Breach”</b>	has the meaning given in the GDPR;
<b>“PI Failure”</b>	a failure to meet the Target Performance Level in respect of a Subsidiary Performance Indicator;
<b>“PI Service Threshold”</b>	shall be as set out against the relevant Subsidiary Performance Indicator in Paragraph 2 and/or Paragraph 4 of Attachment 2.2 ( <i>Key Performance Indicators and Subsidiary Performance Indicators Tables</i> ) of the Order Form;
<b>“Preceding Services”</b>	has the meaning given in Clause 5.2(b) ( <i>Standard of Services</i> );
<b>“Processor”</b>	has the meaning given to it under the GDPR;

<b>“Processor Personnel”</b>	means all directors, officers, employees, agents, consultants and suppliers of the Processor and/or of any Sub-Processor engaged in the performance of its obligations under this Contract;
<b>“Programme Board”</b>	the body described in Paragraph 5 of Schedule 8.1 ( <i>Governance</i> );
<b>“Prohibited Act”</b>	<p>(a) to directly or indirectly offer, promise or give any person working for or engaged by the Buyer a financial or other advantage to:</p> <ul style="list-style-type: none"> <li>(i) induce that person to perform improperly a relevant function or activity; or</li> <li>(ii) reward that person for improper performance of a relevant function or activity;</li> </ul> <p>(b) to directly or indirectly request, agree to receive or accept any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with this Contract;</p> <p>(c) an offence:</p> <ul style="list-style-type: none"> <li>(i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act);</li> <li>(ii) under legislation or common law concerning fraudulent acts; or</li> <li>(iii) defrauding, attempting to defraud or conspiring to defraud the Buyer (including offences by the Supplier under Part 3 of the Criminal Finances Act 2017); or</li> </ul> <p>(d) any activity, practice or conduct which would constitute one of the offences listed under (c) above if such activity, practice or conduct had been carried out in the UK;</p>
<b>“Protective Measures:</b>	appropriate technical and organisational measures which may include: pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the such measures adopted by it;
<b>“Project Specific IPRs”</b>	(a) Intellectual Property Rights in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of this Contract and updates and amendments of these items including (but not limited to) database schema; and/or

	<p>(b) Intellectual Property Rights arising as a result of the performance of the Supplier's obligations under this Contract;</p> <p>but shall not include the Supplier Background IPRs or the Specially Written Software;</p>
<b>“Public Sector Dependent Supplier”</b>	means a supplier where that supplier, or that supplier’s group has Annual Revenue of £50 million or more of which over 50% is generated from UK Public Sector Business;
<b>“Public Sector and CNI Contract Information”</b>	means the information requirements set out in accordance with Paragraphs 11 to 13 and Appendix II of Part 2 of Schedule 8.6 (Service Continuity Plan and Corporate Resolution Planning);
<b>“Publishable Performance Information”</b>	means any of the information in the Performance Monitoring Report as it relates to a Performance Indicator where it is expressed as publishable in the tables in Attachment 2.2 (Key Performance Indicators and Subsidiary Performance Indicators Tables) of the Order Form which shall not constitute Commercially Sensitive Information;
<b>“Quality Plans”</b>	has the meaning given in Clause 6.1 ( <i>Quality Plans</i> );
<b>“Quarter”</b>	the first three Service Periods and each subsequent three Service Periods (save that the final Quarter shall end on the date of termination or expiry of this Contract);
<b>“Recipient”</b>	has the meaning given in Clause 21.1 ( <i>Confidentiality</i> );
<b>“Records”</b>	has the meaning given in Schedule 8.4 (Reports and <i>Records Provisions</i> );
<b>“Rectification Plan”</b>	a plan to address the impact of, and prevent the reoccurrence of, a Notifiable Default;
<b>“Rectification Plan Failure”</b>	<p>(a) the Supplier failing to submit or resubmit a draft Rectification Plan to the Buyer within the timescales specified in Clauses 27.4 (<i>Submission of the draft Rectification Plan</i>) or 27.8 (<i>Contract of the Rectification Plan</i>);</p> <p>(b) the Buyer, acting reasonably, rejecting a revised draft of the Rectification Plan submitted by the Supplier pursuant to Clause 27.7 (<i>Contract of the Rectification Plan</i>);</p> <p>(c) the Supplier failing to rectify a material Default within the later of:</p> <p>(i) 30 Working Days of a notification made pursuant to Clause 27.2 (<i>Notification</i>); and</p>

	<p>(ii) where the Parties have agreed a Rectification Plan in respect of that material Default and the Supplier can demonstrate that it is implementing the Rectification Plan in good faith, the date specified in the Rectification Plan by which the Supplier must rectify the material Default;</p> <p>(d) a Material KPI Failure re-occurring in respect of the same Key Performance Indicator for the same (or substantially the same) root cause in any of the 3 Measurement Periods subsequent to the Measurement Period in which the initial Material KPI Failure occurred;</p> <p>(e) the Supplier not Achieving a Key Milestone by the expiry of the Delay Deduction Period; and/or</p> <p>(f) following the successful implementation of a Rectification Plan, the same Notifiable Default recurring within a period of 6 months for the same (or substantially the same) root cause as that of the original Notifiable Default;</p>
<b>“Rectification Plan Process”</b>	the process set out in Clauses 27.4 ( <i>Submission of the draft Rectification Plan</i> ) to 27.9 ( <i>Contract of the Rectification Plan</i> );
<b>“Registers”</b>	has the meaning given in Schedule 8.5 ( <i>Exit Management</i> );
<b>“Reimbursable Expenses”</b>	has the meaning given in Schedule 7.1 ( <i>Charges and Invoicing</i> );
<b>“Relevant Buyer” or “Relevant Authorities”</b>	means the Buyer and the Cabinet Office Markets and Suppliers Team or, where the Supplier is a Strategic Supplier, the Cabinet Office Markets and Suppliers Team;
<b>“Relevant IPRs”</b>	IPRs used to provide the Services or as otherwise provided and/or licensed by the Supplier (or to which the Supplier has provided access) to the Buyer or a third party in the fulfilment of the Supplier’s obligations under this Contract including IPRs in the Specially Written Software, the Supplier Non-COTS Software, the Supplier Non-COTS Background IPRs, the Third Party Non-COTS Software and the Third Party Non-COTS IPRs but excluding any IPRs in the Buyer Software, the Buyer Background IPRs, the Supplier COTS Software, the Supplier COTS Background IPRs, the Third Party COTS Software and/or the Third Party COTS IPRs;
<b>“Relevant Preceding Services”</b>	has the meaning given in Clause 5.2(b) ( <i>Standard of Services</i> );
<b>“Relevant Requirements”</b>	all applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State for Justice pursuant to section 9 of the Bribery Act 2010;

<b>“Relevant Buyer”</b>	<b>Tax</b>	HMRC, or, if applicable, a tax authority in the jurisdiction in which the Supplier is established;
<b>“Relevant Transfer”</b>		a transfer of employment to which the Employment Regulations applies;
<b>“Relief Notice”</b>		has the meaning given in Clause 31.2 ( <i>Buyer Cause</i> );
<b>“Remedial Adviser”</b>		the person appointed pursuant to Clause 29.2 ( <i>Remedial Adviser</i> );
<b>“Remedial Adviser Failure”</b>		has the meaning given in Clause 29.6 ( <i>Remedial Adviser</i> );
<b>“Replacement Services”</b>		any services which are the same as or substantially similar to any of the Services and which the Buyer receives in substitution for any of the Services following the expiry or termination or Partial Termination of this Contract, whether those services are provided by the Buyer internally and/or by any third party;
<b>“Replacement Supplier”</b>		any third party service provider of Replacement Services appointed by the Buyer from time to time (or where the Buyer is providing replacement Services for its own account, the Buyer);
<b>“Request For Information”</b>	<b>For</b>	a Request for Information under the FOIA or the EIRs;
<b>“Required Action”</b>		has the meaning given in Clause 30.1(a) ( <i>Step-In Rights</i> );
<b>“Retained Deliverables”</b>		has the meaning given in Clause 34.8(b) ( <i>Payments by the Supplier</i> );
<b>“Risk Register”</b>		the register of risks and contingencies that have been factored into any Costs due under this Contract, a copy of which is set out in Part C of Attachment 7.1 ( <i>Charges and Invoicing</i> ) of the Order Form;
<b>“Security Management Plan”</b>		has the meaning given to it in Schedule 2.4 ( <i>Security Management</i> );
<b>“Serious Failure”</b>	<b>KPI</b>	shall be as set out against the relevant Key Performance Indicator in Paragraph 1 and/or Paragraph 3 of Attachment 2.2 ( <i>Key Performance Indicators and Subsidiary Performance Indicators Tables</i> ) of the Order Form;
<b>“Service Charges”</b>		the periodic payments made in accordance with Schedule 7.1 ( <i>Charges and Invoicing</i> ) in respect of the supply of the Operational Services;

<b>“Service Continuity Plan”</b>	any plan prepared pursuant to Paragraph 2 of Schedule 8.6 ( <i>Service Continuity Plan and Corporate Resolution Planning</i> ) as may be amended from time to time;
<b>“Service Continuity Services”</b>	the business continuity, disaster recovery and insolvency continuity services set out in Schedule 8.6 ( <i>Service Continuity Plan and Corporate Resolution Planning</i> );
<b>“Service Credit Cap”</b>	(a) in the period of 12 months from the first Operational Service Commencement Date to occur after the Effective Date, 10% of the Estimated Initial Service Charges; and  (b) during the remainder of the Term, 10% of the Service Charges paid and/or due to be paid to the Supplier under this Contract in the period of 12 months immediately preceding the Service Period in respect of which Service Credits are accrued;
<b>“Service Credits”</b>	credits payable by the Supplier due to the occurrence of 1 or more KPI Failures, calculated in accordance with Paragraph 3 of Part C of Schedule 7.1 ( <i>Charges and Invoicing</i> );
<b>“Service Period”</b>	a calendar month, save that:  (a) the first service period shall begin on the first Operational Service Commencement Date and shall expire at the end of the calendar month in which the first Operational Service Commencement Date falls; and  (b) the final service period shall commence on the first day of the calendar month in which the Term expires or terminates and shall end on the expiry or termination of the Term;
<b>“Service Points”</b>	in relation to a KPI Failure, the points that are set out against the relevant Key Performance Indicator in the fifth column of the table in Paragraph 1 and/or Paragraph 3 of Attachment 2.2 ( <i>Key Performance Indicators and Subsidiary Performance Indicators Tables</i> ) of the Order Form;
<b>“Services”</b>	any and all of the services to be provided by the Supplier under this Contract, including those set out in Attachment 2.1 ( <i>Services Description</i> ) of the Order Form;
<b>“Service Transfer Date”</b>	has the meaning given in Schedule 9.1 ( <i>Staff Transfer</i> );
<b>“Services Description”</b>	the services description set out in Attachment 2.1 ( <i>Services Description</i> ) of the Order Form;
<b>“Severe KPI Failure”</b>	shall be as set out against the relevant Key Performance Indicator in

	Paragraph 1 and/or Paragraph 3 of Attachment 2.2 ( <i>Key Performance Indicators and Subsidiary Performance Indicators Tables</i> ) of the Order Form;
<b>“Sites”</b>	<p>any premises (including the Buyer Premises, the Supplier’s premises or third party premises):</p> <p>(a) from, to or at which:</p> <ul style="list-style-type: none"> <li>(i) the Services are (or are to be) provided; or</li> <li>(ii) the Supplier manages, organises or otherwise directs the provision or the use of the Services; or</li> </ul> <p>(b) where:</p> <ul style="list-style-type: none"> <li>(i) any part of the Supplier System is situated; or</li> <li>(ii) any physical interface with the Buyer System takes place;</li> </ul> <p>details of which are set out in the Order Form.</p>
<b>“SME”</b>	an enterprise falling within the category of micro, small and medium-sized enterprises defined by the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises;
<b>“Social Value”</b>	the social, economic or environmental benefits set out in the Buyer’s Requirements;
<b>“Software”</b>	Specially Written Software, Supplier Software and Third Party Software;
<b>“Software Supporting Materials”</b>	has the meaning given in Clause 17.1(b) ( <i>Specially Written Software and Project Specific IPRs</i> );
<b>“Source Code”</b>	computer programs and/or data in eye-readable form and in such form that it can be compiled or interpreted into equivalent binary code together with all related design comments, flow charts, technical information and documentation necessary for the use, reproduction, maintenance, modification and enhancement of such software;
<b>“Specially Written Software”</b>	any software (including database software, linking instructions, test scripts, compilation instructions and test instructions) created by the Supplier (or by a Sub-contractor or other third party on behalf of the Supplier) specifically for the purposes of this Contract, including any modifications or enhancements to Supplier Software or Third Party Software created specifically for the purposes of this Contract;

<b>“Specific Change in Law”</b>	a Change in Law that relates specifically to the business of the Buyer and which would not affect a Comparable Supply;
<b>“Staffing Information”</b>	has the meaning given in Schedule 9.1 ( <i>Staff Transfer</i> );
<b>“Standards”</b>	the standards, polices and/or procedures identified in Schedule 2.3 ( <i>Standards</i> );
<b>“Step-In Notice”</b>	has the meaning given in Clause 30.1 ( <i>Step-In Rights</i> );
<b>“Step-In Trigger Event”</b>	<ul style="list-style-type: none"> <li>(a) any event falling within the definition of a Supplier Termination Event;</li> <li>(b) a Default by the Supplier that is materially preventing or materially delaying the performance of the Services or any material part of the Services;</li> <li>(c) the Buyer considers that the circumstances constitute an emergency despite the Supplier not being in breach of its obligations under this Contract;</li> <li>(d) the Buyer being advised by a regulatory body that the exercise by the Buyer of its rights under Clause 30 (<i>Step-In Rights</i>) is necessary;</li> <li>(e) the existence of a serious risk to the health or safety of persons, property or the environment in connection with the Services; and/or</li> <li>(f) a need by the Buyer to take action to discharge a statutory duty;</li> </ul>
<b>“Step-Out Date”</b>	has the meaning given in Clause 30.5(b) ( <i>Step-In Rights</i> );
<b>“Step-Out Notice”</b>	has the meaning given in Clause 30.5 ( <i>Step-In Rights</i> );
<b>“Step-Out Plan”</b>	has the meaning given in Clause 30.6 ( <i>Step-In Rights</i> );
<b>“Strategic Supplier”</b>	means those suppliers to government listed at <a href="https://www.gov.uk/government/publications/strategic-suppliers">https://www.gov.uk/government/publications/strategic-suppliers</a> ;
<b>“Sub-contract”</b>	any contract or agreement (or proposed contract or agreement) between the Supplier (or a Sub-contractor) and any third party whereby that third party agrees to provide to the Supplier (or the Sub-contractor) all or any part of the Services or facilities or services which are material for the provision of the Services or any part thereof or necessary for the management, direction or control of the Services or any part thereof;

<b>“Sub-contractor”</b>	any third party with whom:  (a) the Supplier enters into a Sub-contract; or  (b) a third party under (a) above enters into a Sub-contract,  or the servants or agents of that third party;
<b>“Sub-processor”</b>	any third party appointed to process Personal Data on behalf of the Supplier related to this Contract;
<b>“Subsidiary Performance Indicator”</b>	the performance indicators set out in Paragraph 2 and/or Paragraph 4 of Attachment 2.2 ( <i>Key Performance Indicators and Subsidiary Performance Indicators Tables</i> ) of the Order Form;
<b>“Subsidiary Undertaking”</b>	has the meaning set out in section 1162 of the Companies Act 2006;
<b>“Successor Body”</b>	has the meaning given in Clause 36.4 ( <i>Assignment and Novation</i> );
<b>“Supplier”</b>	means the entity identified as such in the Order Form;
<b>“Supplier Background IPRs”</b>	(a) Intellectual Property Rights owned by the Supplier before the Effective Date, for example those subsisting in the Supplier's standard development tools, program components or standard code used in computer programming or in physical or electronic media containing the Supplier's Know-How or generic business methodologies; and/or  (b) Intellectual Property Rights created by the Supplier independently of this Contract,  which in each case is or will be used before or during the Term for designing, testing implementing or providing the Services but excluding Intellectual Property Rights owned by the Supplier subsisting in the Supplier Software;
<b>“Supplier COTS Background IPRs”</b>	any embodiments of Supplier Background IPRs that:  (a) the Supplier makes generally available commercially prior to the date of this Contract (whether by way of sale, lease or licence) on standard terms which are not typically negotiated by the Supplier save as to price; and  (b) has a Non-trivial Customer Base;
<b>“Supplier COTS Software”</b>	Supplier Software (including open source software) that:

	<p>(a) the Supplier makes generally available commercially prior to the date of this Contract (whether by way of sale, lease or licence) on standard terms which are not typically negotiated by the Supplier save as to price; and</p> <p>(b) has a Non-trivial Customer Base;</p>
<b>“Supplier Equipment”</b>	the hardware, computer and telecoms devices and equipment used by the Supplier or its Sub-contractors (but not hired, leased or loaned from the Buyer) for the provision of the Services;
<b>“Supplier Group”</b>	means the Supplier, its Dependent Parent Undertakings and all Subsidiary Undertakings and Associates of such Dependent Parent Undertakings;
<b>“Supplier Non-COTS Background IPRs”</b>	any embodiments of Supplier Background IPRs that have been delivered by the Supplier to the Buyer and that are not Supplier COTS Background IPRs;
<b>“Supplier Non-COTS Software”</b>	Supplier Software that is not Supplier COTS Software;
<b>“Supplier Non-Performance”</b>	has the meaning given in Clause 31.1 ( <i>Buyer Cause</i> );
<b>“Supplier Personnel”</b>	all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Sub-contractor engaged in the performance of the Supplier’s obligations under this Contract;
<b>“Supplier Profit”</b>	has the meaning given in Schedule 7.1 ( <i>Charges and Invoicing</i> );
<b>“Supplier Profit Margin”</b>	has the meaning given in Schedule 7.1 ( <i>Charges and Invoicing</i> );
<b>“Supplier Representative”</b>	the representative appointed by the Supplier (as may be changed from time to time in accordance with Clause 11.3, the details of which as at the Effective Date are set out in the Order Form
<b>“Supplier Software”</b>	software which is proprietary to the Supplier (or an Affiliate of the Supplier) and which is or will be used by the Supplier for the purposes of providing the Services, including the software specified as such in Schedule 5 ( <i>Software</i> );
<b>“Supplier Solution”</b>	the Supplier's solution for the Services set out in Attachment 4.1 ( <i>Supplier Solution</i> ) of the Order Form including any Annexes of that Attachment;
<b>“Supplier System”</b>	the information and communications technology system used by the Supplier in implementing and performing the Services including the Software, the Supplier Equipment, configuration and management utilities,

	calibration and testing tools and related cabling (but excluding the Buyer System);
<b>“Supplier Termination Event”</b>	<p>(a) the Supplier’s level of performance constituting a Critical Performance Failure;</p> <p>(b) the Supplier committing a material Default which is irremediable;</p> <p>(c) as a result of the Supplier's Default, the Buyer incurring Losses in any Contract Year which exceed 80% of the value of the aggregate annual liability cap for that Contract Year as set out in Clause 25.6(a) (<i>Financial and other Limits</i>);</p> <p>(d) a Remedial Adviser Failure;</p> <p>(e) a Rectification Plan Failure;</p> <p>(f) where a right of termination is expressly reserved in this Contract, including pursuant to:</p> <ol style="list-style-type: none"> <li>1. Clause 19 (<i>IPRs Indemnity</i>);</li> <li>2. Clause 39.6(b) (<i>Prevention of Fraud and Bribery</i>); and/or</li> <li>3. Paragraph 6 of Schedule 7.4 (<i>Financial Distress</i>);</li> <li>4. Paragraph 12 of Part 2 to Schedule 8.6 (<i>Service Continuity Plan and Corporate Resolution Planning</i>);</li> </ol> <p>(g) the representation and warranty given by the Supplier pursuant to Clause 3.2(i) (<i>Warranties</i>) being materially untrue or misleading;</p> <p>(h) the Supplier committing a material Default under Clause 10.10 (<i>Promoting Tax Compliance</i>) or failing to provide details of steps being taken and mitigating factors pursuant to Clause 10.10 (<i>Promoting Tax Compliance</i>) which in the reasonable opinion of the Buyer are acceptable;</p> <p>(i) the Supplier committing a material Default under any of the following Clauses:</p> <ol style="list-style-type: none"> <li>1. Clause 5.5(j) (<i>Services</i>);</li> <li>2. Clause 23 (<i>Protection of Personal Data</i>);</li> <li>3. Clause 22 (<i>Transparency and Freedom of Information</i>);</li> <li>4. Clause 21 (<i>Confidentiality</i>); and</li> <li>5. Clause 35 (<i>Compliance</i>); and/or</li> </ol> <p>in respect of any security requirements set out in Attachment 2.1 (<i>Services Description</i>) of the Order Form,</p>

	<p>Schedule 2.4 (<i>Security Management</i>) or the Baseline Security Requirements; and/or</p> <p>in respect of any requirements set out in Schedule 9.1 (<i>Staff Transfer</i>);</p> <p>(j) any failure by the Supplier to implement the changes set out in a Benchmark Report as referred to in Paragraph 5.9 of Schedule 7.3 (<i>Benchmarking</i>);</p> <p>(k) an Insolvency Event occurring in respect of the Supplier or the Guarantor;</p> <p>(l) the Guarantee ceasing to be valid or enforceable for any reason (without the Guarantee being replaced with a comparable guarantee to the satisfaction of the Buyer with the Guarantor or with another guarantor which is acceptable to the Buyer);</p> <p>(m) a change of Control of the Supplier or a Guarantor unless:</p> <ol style="list-style-type: none"> <li>1. the Buyer has given its prior written consent to the particular Change of Control, which subsequently takes place as proposed; or</li> <li>2. the Buyer has not served its notice of objection within 6 months of the later of the date on which the Change of Control took place or the date on which the Buyer was given notice of the Change of Control;</li> </ol> <p>(n) a change of Control of a Key Sub-contractor unless, within 6 months of being notified by the Buyer that it objects to such change of Control, the Supplier terminates the relevant Key Sub-contract and replaces it with a comparable Key Sub-contract which is approved by the Buyer pursuant to Clause 15.10 (<i>Appointment of Key Sub-contractors</i>);</p> <p>(o) any failure by the Supplier to enter into or to comply with an Admission Contract under the Annex to either Part A or Part B of Schedule 9.1 (<i>Staff Transfer</i>);</p> <p>(p) the Buyer has become aware that the Supplier should have been excluded under Regulation 57(1) or (2) of the Public Contracts Regulations 2015 from the procurement procedure leading to the award of this Contract;</p> <p>(q) a failure by the Supplier to comply in the performance of the Services with legal obligations in the fields of environmental, social or labour law; or</p> <p>(r) in relation to Schedule 2.4 (Security Requirements):</p> <ol style="list-style-type: none"> <li>a. the Buyer has issued two rejection notices in respect of the Risk Management Document Set under Paragraph</li> </ol>
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	<p>4.5.2 (Part A) or Paragraph 6.8.2 (Part B), as the case may be;</p> <p>b. the Supplier fails to implement a change required by the Required Changes Register in accordance with the timescales set out in the Required Changes Register;</p> <p>c. Supplier COTS Software and Third Party COTS Software is not within mainstream support unless the Buyer has agreed in writing;</p> <p>d. the Supplier fails to patch vulnerabilities in accordance with the Security Requirements; and/or,</p> <p>e. the Supplier fails to comply with the Incident Management Process;</p>
<b>“Supply Chain Transparency Report”</b>	means the report provided by the Supplier to the Buyer in the form set out in Annex 4 of Schedule 8.4 (Reports and Records Provisions);
<b>“Target Performance Level”</b>	the minimum level of performance for a Performance Indicator which is required by the Buyer, as set out against the relevant Performance Indicator in the tables in Paragraphs 1–4 (inclusive) of Attachment 2.2 ( <i>Key Performance Indicators and Subsidiary Performance Indicators Tables</i> ) of the Order Form;
<b>“Term”</b>	the period commencing on the Effective Date and ending on the expiry of the Initial Term or any Extension Period or on earlier termination of this Contract;
<b>“Termination Assistance Notice”</b>	has the meaning given in Paragraph 5.1 of Schedule 8.5 ( <i>Exit Management</i> );
<b>“Termination Assistance Period”</b>	in relation to a Termination Assistance Notice, the period specified in the Termination Assistance Notice for which the Supplier is required to provide the Termination Services as such period may be extended pursuant to Paragraph 5.2 of Schedule 8.5 ( <i>Exit Management</i> );
<b>“Termination Date”</b>	the date set out in a Termination Notice on which this Contract (or a part of it as the case may be) is to terminate;
<b>“Termination Notice”</b>	a written notice of termination given by one Party to the other, notifying the Party receiving the notice of the intention of the Party giving the notice to terminate this Contract (or any part thereof) on a specified date and setting out the grounds for termination;
<b>“Termination Payment”</b>	the payment determined in accordance with Schedule 7.2 ( <i>Payments on Termination</i> );

<b>“Termination Services”</b>	the services and activities to be performed by the Supplier pursuant to the Exit Plan, including those activities listed in Annex 1 of Schedule 8.5 ( <i>Exit Management</i> ), and any other services required pursuant to the Termination Assistance Notice;
<b>“Test Issues”</b>	has the meaning given in Schedule 6.2 ( <i>Testing Procedures</i> );
<b>“Tests” and “Testing”</b>	any tests required to be carried out under this Contract, as further described in Schedule 6.2 ( <i>Testing Procedure</i> ) and <b>“Tested”</b> shall be construed accordingly;
<b>“Test Success Criteria”</b>	has the meaning given in Schedule 6.2 ( <i>Testing Procedures</i> );
<b>“Third Party Auditor”</b>	an independent third party auditor as appointed by the Buyer from time to time to confirm the completeness and accuracy of information uploaded to the Virtual Library in accordance with the requirements outlined in Schedule 8.4 (Reports and Records Provisions);
<b>“Third Party Beneficiary”</b>	has the meaning given in Clause 43.1 ( <i>Third Party Rights</i> );
<b>“Third Party COTS IPRs”</b>	Third Party IPRs that:  (a) the supplier makes generally available commercially prior to the date of this Contract (whether by way of sale, lease or licence) on standard terms which are not typically negotiated by the supplier save as to price; and  (b) has a Non-trivial Customer Base;
<b>“Third Party COTS Software”</b>	Third Party Software (including open source software) that:  (a) the supplier makes generally available commercially prior to the date of this Contract (whether by way of sale, lease or licence) on standard terms which are not typically negotiated by the supplier save as to price; and  (b) has a Non-trivial Customer base;
<b>“Third Party IPRs”</b>	Intellectual Property Rights owned by a third party but excluding Intellectual Property Rights owned by the third party subsisting in any Third Party Software;
<b>“Third Party Non-COTS IPRs”</b>	Third Party IPRs that are not Third Party COTS IPRs;

<b>“Third Party Non-COTS Software”</b>	Third Party Software that is not Third Party COTS Software;
<b>“Third Party Provisions”</b>	has the meaning given in Clause 43.1 ( <i>Third Party Rights</i> );
<b>“Third Party Software”</b>	software which is proprietary to any third party (other than an Affiliate of the Supplier) or any Open Source Software which in any case is, will be or is proposed to be used by the Supplier for the purposes of providing the Services, including the software specified as such in Schedule 5 ( <i>Software</i> );
<b>“Transferring Assets”</b>	has the meaning given in Paragraph 6.2(a) of Schedule 8.5 ( <i>Exit Management</i> );
<b>“Transferring Buyer Employees”</b>	has the meaning given in Schedule 9.1 ( <i>Staff Transfer</i> );
<b>“Transferring Former Supplier Employees”</b>	has the meaning given in Schedule 9.1 ( <i>Staff Transfer</i> );
<b>“Transferring Supplier Employees”</b>	has the meaning given in Schedule 9.1 ( <i>Staff Transfer</i> );
<b>“Transparency Information”</b>	has the meaning given in Clause 22.1 ( <i>Transparency and Freedom of Information</i> );
<b>“Transparency Reports”</b>	has the meaning given in Schedule 8.4 ( <i>Reports and Records Provisions</i> );
<b>“UK”</b>	the United Kingdom;
<b>“UK Public Sector Business”</b>	means any goods, service or works provision to UK public sector bodies, including Central Government Departments and their arm's length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police, fire and rescue, education bodies and devolved administrations;
<b>“UK Public Sector / CNI Contract Information”</b>	means the information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs 11 to 13 and Appendix II of Part 2 of Schedule 8.6 ( <i>Service Continuity Plan and Corporate Resolution Planning</i> );
<b>“Unacceptable KPI Failure”</b>	the Supplier failing to achieve the KPI Service Threshold in respect of more than 50% of the Key Performance Indicators that are measured in that Service Period;

<b>“Unconnected Sub-contract”</b>	any contract or agreement which is not a Sub-contract and is between the Supplier and a third party (which is not an Affiliate of the Supplier) and is a qualifying contract under regulation 6 of The Reporting on Payment Practices and Performance Regulations 2017;
<b>“Unconnected Sub-contractor”</b>	any third party with whom the Supplier enters into an Unconnected Sub-contract;
<b>“Unrecovered Payment”</b>	has the meaning given in Schedule 7.2 ( <i>Payments on Termination</i> );
<b>“Updates”</b>	in relation to any Software and/or any Deliverable means a version of such item which has been produced primarily to overcome Defects in, or to improve the operation of, that item;
<b>“Update Requirement”</b>	means the occurrence of an event detailed in Part B of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) which requires the Supplier to update the relevant information hosted on the Virtual Library;
<b>“Upgrades”</b>	any patch, New Release or upgrade of Software and/or a Deliverable, including standard upgrades, product enhancements, and any modifications, but excluding any Update which the Supplier or a third party software supplier (or any Affiliate of the Supplier or any third party) releases during the Term;
<b>“Valid”</b>	in respect of an Assurance, has the meaning given to it in Paragraph 11.7 of Part 2 to Schedule 8.6 (Service Continuity Plan and Corporate Resolution Planning);
<b>“VAT”</b>	value added tax as provided for in the Value Added Tax Act 1994;
<b>“VCSE”</b>	means a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives;
<b>“Virtual Library”</b>	means the data repository hosted by the Supplier containing the information about this Contract and the Services provided under it in accordance with Schedule 8.4 (Reports and Records Provisions) and Part B of Attachment 8.4 ( <i>Transparency Reports and Records to Upload to the Virtual Library</i> ) of the Order Form; and
<b>“Working Day”</b>	any day other than a Saturday, Sunday or public holiday in England and Wales.

## SCHEDULE 2.1

### SERVICES DESCRIPTION

This Schedule sets out the characteristics of the Deliverables that the Supplier will be required to make to the Buyer under this Call-Off Contract C249854 Attachment 2

Statement of Requirements v4

## 1. Glossary

The below outlines the specific terms and definitions used throughout this Statement of Requirements document and the intended meaning.

<b>Term</b>	<b>Meaning</b>
API	Application Programming Interface
CDDO	Central Digital and Data Office
CI/CD	Continuous Improvement/Development
CX	Customer Experience
DAs	Devolved Administrations
GDS	Government Digital Service
GFS	Government Functional Standards
HRA	Health Research Authority
MHRA	Medicines and Healthcare products Regulatory Authority
SRO	Senior Responsible Officer/Owner
OKRs	Objectives and Key Results. These objectives are kept under constant review and are regularly tested and amended by the NIHR.
One NIHR	Programme of work divided into three themes to join up the work of the NIHR Coordinating Centres, designed to make the NIHR organisation and operation of the NIHR appear more seamless to researchers, patients, and the public.

## NIHR Specific Acronyms

Term	Meaning
DHSC	Department of Health and Social Care
NIHR	National Institute for Health and Care Research
NIHR Academy	NIHR Academy Executive
CCF	NIHR Central Commissioning Facility
CED	NIHR Centre of Engagement and Dissemination
CPMS	NIHR Central Portfolio Management System
LPMS	NIHR Local Portfolio Management System
CEB	NIHR Centres Executive Board
CRN	NIHR Clinical Research Network Coordinating Centre (see also NIHR RDN below)
NOCRI	NIHR Office for Clinical Research Infrastructure
CDO	NIHR Chief Digital Officer
CIO	NIHR Chief Information Officer
NIHR Cyber Security Partner/Supplier	Means the 3 <sup>rd</sup> party supplier contracted with the Authority for the NIHR Cyber Security Services contract.
NIHR IS Function Partner/Supplier	Means the 3 <sup>rd</sup> party supplier contracted with the Authority for the NIHR Information Systems Function contract.
NIHR Coordinating Centre	Amalgamated term used to cover NIHR Academy, NIHR NETS and NIHR CCF
NIHR DDaT Office/Team	NIHR Digital, Data and Technology Office/Team
NETS CC	NIHR Evaluation, Trials, and Studies Coordinating Centre

NIHR RTS	NIHR Reference Terminology Service
NIHR RDN	NIHR Research Delivery Network (assumes role and function of NIHR Clinical Research Network from April 2024).
RDDI	Research Delivery Data Intelligence

## 2. Introduction

The purpose of this document is to outline a multi-year programme for the implementation of the work collectively known as the NIHR Digital Strategy Services for the National Institute for Health and Care Research (NIHR).

The tender will be conducted by Department of Health and Social Care (DHSC) on behalf of the NIHR with the intention of appointing a single provider of the services.

To date these services have been delivered by PA Consulting Services Ltd, as the sole supplier under the NIHR Information Systems Function contract. The current contract will expire on 31 July 2024, and the DHSC for NIHR are now sourcing a Supplier to continue provision of the revised services under the proposed Contract.

The revised future model for delivery of these Services has been split across three (3) separate contracts:

1. Core Digital Strategy Services
2. NIHR Cyber Security Services
3. NIHR Information Systems Function.

Separate procurement exercises have been completed by the Authority resulting in the successful award of:

- (2) NIHR Cyber Security Services to Deloitte LLP, and
- (3) NIHR Information Systems Function Provider to CDW Limited

Both contracts commenced 1 March 2024 for an initial term of two (2) years with an option to further extend by up to a further three (3) years in yearly increments subject to satisfactory performance.

This document describes the requirements under Invitation to Tender exercise reference C249854 and relates exclusively to 1. Core Digital Strategy Services.

## 3. Contract Model

The Authority requires a flexible commercial model to align with the Agile project delivery methodology employed by the NIHR Digital Data and Technology (DDaT) Office. Project pipeline and project prioritisation is likely to develop/change during the Contract term as projects complete and delivery of the NIHR Digital Strategy progresses.

As outlined in this statement of requirements document, the Supplier will provision a Senior Leadership Team from the Contract Commencement Date to provide the deliverables outlined in Section 8. The Senior Leadership Team, with sign off by the NIHR DDaT Office, will lead on the identification and prioritisation of projects to deliver the NIHR Digital Strategy through quarterly delivery planning. The Supplier will also provision teams to deliver the two priority projects outlined in Sections 6 and 7 from the Contract Commencement Date.

Throughout the Contract term the Authority and the Supplier will agree a series of Work Packages against which the Supplier will provide a proposal and costs, to draw down additional Supplier resources to fulfil the deliverables of each new Work Package.

The deliverables of each Work Package will be agreed via the Uncommitted Work Packages contract variation process outlined in Annex 1 C249854 RM6100-Lot-4-Call-Off-Terms-SCHEDULE 8.2 CHANGE CONTROL PROCEDURE.

Each Work Package will require approval from the DHSC and Central Digital and Data Office (CDDO) standards and assurance team, and the DHSC Commercial team. This approval process will be managed by the Authority.

As part of the deliverables of the Senior Leadership Team (as per Section 5.2) the Supplier will develop, in collaboration with and sign off by the NIHR DDaT Office, a 12-month delivery plan, which will include a pipeline of Work Packages, and this will be reviewed in quarterly operation delivery planning sessions with the NIHR DDaT Office. Therefore, the Authority and Supplier will have a forward view of Work Packages that the Supplier will be required to deliver.

However, unexpected requirements may emerge for which the Supplier will be required to maintain flexibility to deploy personnel to respond to changing business needs at short notice.

The Supplier shall not commence the provision of any Services and will not be paid for the same, without a UD Change Form duly signed for and on behalf of the Supplier and the Authority in respect of such Services having been completed in line with the Uncommitted Work Package contract variation process set out in Annex 1 C249854 RM6100-Lot-4-Call-Off-Terms-SCHEDULE 8.2 CHANGE CONTROL PROCEDURE.

## 4. Background to NIHR

Further context to the NIHR is provided in Attachment 2a. NIHR Background Document v2.

## 5. Requirements – Summary

Building on the foundations of the work done to date to deliver the NIHR Digital Strategy, the Supplier will be required to provide digital expertise and support to the NIHR on its' mission to personalise and modernise research, through innovation and collaboration, and to transform the way research is delivered and managed. Specifically, delivering the NIHR Digital Strategy objectives:

- accelerate end-to-end research.
- increase awareness, recruitment, and diversity in research.
- improve engagement with research participants.
- make it easier to track and value the impact of research.
- enable greater data sharing, value, and insight.
- improve organisational digital leadership and capabilities.

Supporting these objectives, the Supplier will need to work with the NIHR Digital, Data and Technology (DDaT) team across digital projects and work streams to deliver around integration and Application Programming Interface automation, digital trial engagement (in partnership with the NIHR Coordinating Centres), cyber-security and information governance (in partnership with the NIHR Cyber Security supplier), data tools, and strategy.

The target architecture will be:

- User Portals & Websites (User Interface) - services that provide a consistent set of user experiences tailored to the user's role.
- Business / Platform / Shared Capabilities - services that provide common functionality that is reused across the NIHR.
- Data Mesh - services used to handle, aggregate, and consolidate data.
- Integration - services used to integrate between internal systems, the workflow components and platform.
- An Application Programming Interface (API) Gateway - external 3rd party consumable APIs providing access to internal capabilities and data allowing for 3rd party extension of the ecosystem.

### 5.1. Core Service Requirement

The Authority requires a digital delivery partner to support the delivery of the NIHR's transformational digital strategy and its objectives through:

- Provision of supplier delivery team structures, personnel, and appropriate roles to fulfil the skills and capabilities as specified by the Authority, including both digital and programme management expertise, to deliver the NIHR Digital Strategy objectives, which are:
  - accelerate end-to-end research.
  - increase awareness, recruitment, and diversity in research.
  - improve engagement with research participants.
  - make it easier to track and value the impact of research.
  - enable greater data sharing, value, and insight.
  - improve organisational digital leadership and capabilities.
- Designing, developing, and preparing digital solutions which can be handed over to business-as-usual operations with complete supporting documentation.
- Working seamlessly and collaboratively with multiple system suppliers and organisations of varying scale in a multi-disciplinary environment as a blended team across both private and public sectors to support the design, development, and implementation of the NIHR Digital Strategy aims.
- Supporting programme management across the NIHR Digital Strategy within the existing systems and services of the NIHR.
- Working effectively and remotely across a geographically dispersed organisation structure.
- Formulating, developing, and activating detailed and deliverable exit / migration plan in consultation with NIHR delivery partners. Preparing a comprehensive exit / handover plan and service for the migration to different supplier or contracting regime either through parking or

pausing ongoing delivery, or by preparing services for a new contract environment as part of a wider exit strategy.

## 5.2. Key Milestones & Deliverables

The Supplier's team will be responsible for delivering the following milestones as set out in Table 1 (below). Delay payments are detailed in Attachment 3. C249854 RM6100-Lot-4-Order-Form-v1.00 Draft with Special Terms v1:

Table 1 - Key Milestones and Deliverables

Milestone Ref	Milestone Description	Acceptance Criteria	Due date
MS01	Supplier personnel forming the Senior Leadership Team deployed and committed to contract	<ul style="list-style-type: none"> <li>All Supplier personnel forming the Senior Leadership Team deployed &amp; delivering contract deliverables.</li> </ul>	Contract Commencement Date
MS02	Supplier personnel forming the core Senior Leadership Team fully onboarded: <ul style="list-style-type: none"> <li>All supplier Senior Leadership Team members have access to systems and resources relevant to that role and received all necessary handover materials from previous supplier (if necessary)</li> <li>Team integrated into Programme Level governance structure and reporting schedules.</li> <li>Team preparing programme Wellbeing plan.</li> <li>Team commencing initial induction meetings / visits to core NIHR staff.</li> </ul>	<ul style="list-style-type: none"> <li>Supplier's Senior Leadership Team fully in place and integrated with existing NIHR Senior Leadership Team.</li> <li>Successful and verified handover of all materials.</li> <li>Initial review of Priority projects and agreement with NIHR DDaT Office on restart process</li> <li>Successful and continual attendance in programme governance structure either virtually or in person.</li> </ul>	All to be completed and/or started by 2 Weeks after Contract Commencement Date

Milestone Ref	Milestone Description	Acceptance Criteria	Due date
<b>MS03</b>	<ul style="list-style-type: none"> <li>● Acquisition and operational control and management of programme level technical, solution and operational documentation pertinent to proper management of the programme</li> <li>● Jira / Confluence administration passwords and operational control completed.</li> </ul>	<ul style="list-style-type: none"> <li>● Successful and verified handover of all materials.</li> </ul>	All to be completed by 4 weeks after Contract Commencement Date
<b>MS04</b>	<p>Outline 12-month programme level delivery plan produced and provided to NIHR DDaT Office which will include:</p> <ul style="list-style-type: none"> <li>● Carrying out a preliminary review and producing delivery plans for restart of paused / parked projects (outlined in Section 4.4) – including a review of future resource work for established projects.</li> <li>● Production of delivery framework &amp; digital delivery methodology for 12 months and documentation to be developed / delivered under that framework.</li> <li>● Agreeing planned deliverables for 12 months with NIHR DDaT Office</li> <li>● Producing a Programme Communications Plan &amp; content</li> </ul>	<ul style="list-style-type: none"> <li>● Delivery of outline 12-month programme level delivery plan signed off by NIHR DDaT Office and DHSC</li> <li>● Delivery of Programme Communications Plan signed off by NIHR DDaT Office and DHSC</li> <li>● Delivery of Programme Wellbeing Plan signed off by NIHR DDaT Office and DHSC</li> </ul>	All to be completed by 4 weeks after Contract Commencement Date

Milestone Ref	Milestone Description	Acceptance Criteria	Due date
	<p>for delivery to NIHR and partner organisations</p> <ul style="list-style-type: none"> <li>Producing a Programme Wellbeing Plan.</li> </ul>		
<b>MS05</b>	<p>Final 12-month programme level delivery plan developed and published:</p> <ul style="list-style-type: none"> <li>Aligned to outline level delivery plans developed as part of MS04.</li> <li>Aligned to NIHR Coordinating Centre business arrangements and/or any other significant programme identified.</li> <li>Created in conjunction with the established and agreed programme data architecture.</li> <li>Cognisant of One NIHR</li> <li>Alternative projects identified in case primary projects unable to proceed.</li> <li>Schedule of programme workshops, reviews, etc developed and agreed with NIHR DDaT Office</li> <li>Delivery of “Restart” workshop for NIHR Digital Strategy</li> </ul>	<ul style="list-style-type: none"> <li>Delivery of final 12-month programme level delivery plan signed off by NIHR DDaT Office</li> <li>Delivery of “Restart” workshop as a hybrid event.</li> </ul>	All to be completed by 6 weeks after Contract Commencement Date

Milestone Ref	Milestone Description	Acceptance Criteria	Due date
<b>MS06</b>	Completion and delivery of any required contract documentation including: <ul style="list-style-type: none"> <li>• Exit Plan</li> <li>• Net Zero</li> </ul>	<ul style="list-style-type: none"> <li>• Delivery and submission of plans to DHSC with evidence on consultation and agreement of NIHR DDaT office.</li> </ul>	To be submitted no later than 12 months from contract commencement date.
<b>MS07</b>	Quarterly iterative review and refinement of the delivery plan produced by the Supplier under MS05: <ul style="list-style-type: none"> <li>• Refreshing and maintaining the delivery plan to maintain a continuous 12-month plan of delivery.</li> <li>• Planning, managing, and delivering quarterly delivery planning workshops with appropriate Authority &amp; NIHR personnel.</li> <li>• Resource planning of Supplier personnel for planned projects/work packages</li> <li>• Producing agile sprint plans and goals for planned projects/work packages</li> <li>• Clear identification of business benefit, benefit owners and anticipated realisation timeframes for planned projects/work packages</li> </ul>	<ul style="list-style-type: none"> <li>• Delivery of refreshed 12-month delivery plan signed off by NIHR DDaT Office.</li> <li>• Delivery of quarterly delivery planning workshops</li> </ul>	Every 3 months following due date of MS05

Milestone Ref	Milestone Description	Acceptance Criteria	Due date
	<ul style="list-style-type: none"> <li>● Identification and proposed mitigation(s) of any risks, issues, assumptions, and dependencies</li> <li>● Identification of any value-added design/development for the next 12 months.</li> </ul>		
<b>MS08</b>	Delivery of outputs as per agreed Work Packages and properly laid out as in Annex 1 C249854 RM6100-Lot-4-Call-Off-Terms-SCHEDULE 8.2 CHANGE CONTROL PROCEDURE.	<ul style="list-style-type: none"> <li>● Successful completion of each Work Package</li> </ul>	Throughout the duration of the contract and subject to the timing conditions of the work package.

The anticipated blocks of work for the first two (2) years of the Contract are outlined in the Table below.

Future work outside of Priority Projects 1, 2 and the Senior Leadership Team requirements is not currently linked to specific milestones at this stage but will be specifically defined in the future work packages.

Table 2

– Scope of Work (2 Year Vision)Month	Block of Work	Outputs
<p><b>1 to 3</b></p>	<p>Establishment of Project</p> <ul style="list-style-type: none"> <li>● Onboarding of Supplier personnel</li> <li>● Induction of Supplier personnel into the NIHR</li> <li>● Handover of materials from previous supplier</li> <li>● Establishment of Governance and project management (approval mechanisms etc)</li> </ul> <p>Commencement of delivery of priority projects:</p> <ul style="list-style-type: none"> <li>● Content Management System (CMS)</li> <li>● Research Delivery Data &amp; Intelligence (RDDI)</li> </ul>	<p>Onboarding of Supplier’s Senior Leadership Team personnel and integration into the NIHR’s existing Senior Leadership Team as laid out in Section 0 Requirements – Senior Leadership Team</p> <p>Relationship Management with NIHR DDaT, NIHR staff.</p> <p>Review, adoption and adaption of previously developed programme materials and resources and take-over of programme support systems.</p> <p>Adoption into existing programme governance structure.</p> <p>Onboarding of Supplier team(s) to deliver priority projects (CMS and RDDI) – as laid out in Section 6 Requirements – Priority Project 1 (CMS) and Section 7. Requirements – Priority Project 2 (RDDI)</p> <p>Preliminary review and plans for restart of paused/parked projects, which high level detail is provided in Appendix C - Long List of Digital Service Initiatives and Appendix D – Future user journey (including a review of future Supplier deliverables for established NIHR Digital Strategy projects. Identification of future project team resourcing).</p> <p>Production a final 12-month programme level delivery plan for the NIHR Digital Strategy.</p>

– Scope of Work (2 Year Vision)Month	Block of Work	Outputs
		Development of Quarterly Delivery Plan for planned delivery over next quarter.
4 to 6	Delivery of Priority Projects <ul style="list-style-type: none"> <li>● Content Management System (CMS) to completion</li> <li>● Research Delivery Data Intelligence (RDDI)</li> </ul>	Continued delivery of priority projects with the completed implementation of Priority Project 1 (CMS) as laid out in Section 6 Requirements – Priority Project 1 (CMS).  Outcome of review of the restart / reinvigoration h of paused/parked projects based on the identified initiatives (Appendix C - Long List of Digital Service Initiatives) Outputs to have consideration of : <ul style="list-style-type: none"> <li>● Planning for Government Digital Service (GDS) Assessment Framework (Alpha/Beta and Service)</li> <li>● Presentation and approval of proposed delivery cycle and delivery team(s). Preliminary pathway for delivery to “live” environment</li> <li>● Establishment of Dev/ Delivery teams and integration (as necessary with Cyber Security and Information Systems Function teams)</li> <li>● Identification, approval, and delivery of agile sprint plans for restarted projects.</li> <li>● Identification and presentation of any value-added design/ development based on review of existing materials in light of Supplier experience / expertise.</li> </ul> Delivery and acceptance of Quarterly Delivery Plan.

– Scope of Work (2 Year Vision)Month	Block of Work	Outputs
<b>7 to 12</b>	Quarterly delivery of projects as above and as identified from discovery and planning work. Handover and Onboarding of completed work to NIHR BAU as appropriate.	Development of quarterly delivery plan – agile sprint plans – and other development plans. Delivery of Quarterly Delivery Plan. Programme Governance and Approvals. Development of full documentation for products. Undertake and complete training of NIHR staff on outputs as appropriate. Review of Supplier personnel selection and approval of future projects for year 2.
<b>13 to 24</b>	Delivery of projects above based on a quarterly planning and delivery cycle including development materials, API etc as identified from discovery and planning work. Handover and On-Boarding of completed work to BAU. Work with NIHR Cyber Security Partner	Development of quarterly delivery plan – agile sprint plans – and other development plans Delivery of Quarterly Delivery Plan Programme Governance and Approvals Development of full documentation for products Undertake and complete training of NIHR staff on outputs as appropriate. Review of Supplier personnel selection and approval of future projects for year 3.

The following are the compositions of project teams at the current phase to give an illustration of the level of resource that has been applied to date. This is intended to provide potential Tenderers with an understanding of the scale of the work. Tenderers are not being asked to replicate this project team structure.

It is anticipated that the Supplier will need to flex teams to reflect each project as the requirements for each quarter’s delivery is understood and this will form part of the quarterly review and delivery teamwork selection process.

<b>Tiger Team</b>	
<b>Roles</b>	<b>Days per week</b>
Programme Lead	5
Lead BA	5
Service Design Lead	1
BA	1
Programme Support	5
Business Change Lead	2
Business Change Support	2
Enterprise Architect	1
NSIP Transition Lead	1
Programme Assurance	1
Programme Assurance	1

<b>Digital Modernisation</b>	
<b>Roles</b>	<b>Days per week</b>
Service Design Lead	4
Delivery Lead	3
Business Change Lead	1
Business Change Support	1
BA	4
User Research	5
Service Design	5
Service Design	5
Service Design	5
User Research	5

<b>Interoperability</b>	
<b>Roles</b>	<b>Days per week</b>
Delivery Lead	5
Scrum Master	5
BA	5
BA	5
Developer	5
Developer	5
Developer	5
Test Engineer	5
Tech Lead / Architect	5
Business Change Lead	1
Enterprise Arch	1
DevOps	5

<b>Data Standards and Technical Target Operating Model</b>	
<b>Roles</b>	<b>Days per week</b>
Delivery Lead	3
Business Analyst	5
Business Change / Comms support	2
Business Change Lead	1
Business Designer	5
Enterprise Architect	3
Scrum Master	5
Op Model designer	5
Solution Architect	5

## 6. Requirements – Priority Project 1 (CMS)

Figure 1 on page 19 (below) describes the identified planned blocks of work and project themes for the replacement of the SiteKit product as determined by the foundation work to date. The blue line indicates where this project will be as of contract commencement. As noted in the **NIHR Digital Strategy Services Background Information Attachment 2a** accompanying these requirements, due to the time sensitive nature of this project a series of steps have already been completed. This includes the selection of a replacement product, Drupal, and the decision on lift and shift of content rather than redesigning or modifying content.

For the purposes of clarity, the application of this work will be based on Work Packages. Table 3 and Table 4 (below) are examples of how the work packages will be described for each project.

Table 3

1. WORK PACKAGE DETAILS	
Date	
Change Form Title:	
Change Form No:	
Call-Off Contract Reference:	C249854
Work Package Start Date:	
Work Package End Date (subject to earlier termination in accordance with this Contract):	

Table 4

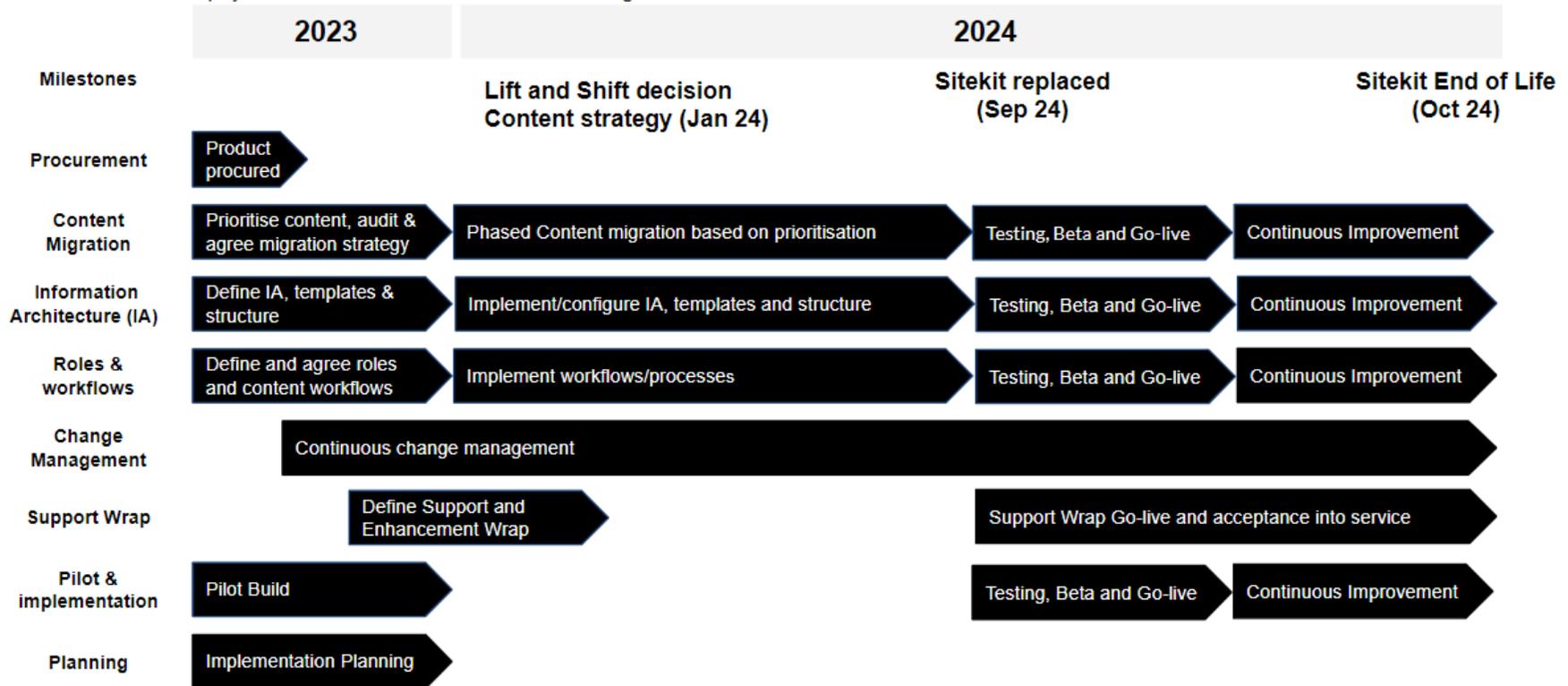
<b>2. BACKGROUND IMPACT OF WORK PACKAGE</b>	
<b>Work Package Background</b>	<i>[Buyer to insert details of which elements of the Deliverables this Work Package will address].</i>
<b>Description of Proposed Change on the Services and Contract</b>	<i>[Supplier to supply all Relevant Information in respect of the proposed Change.]</i>
<b>Details of any Savings to Arise from Proposed Work Package(s)</b>	<i>[Supplier to insert details of any savings and wider benefits, if any, that will arise from the delivery of the proposed Work Package].</i>
<b>Collaboration Organisation/s</b>	<i>[Buyer to insert details of suppliers working in Collaboration on this Work Package].</i>
<b>Description of Proposed Collaboration on the Services</b>	<i>[Supplier to supply all Relevant Information in respect of the proposed Collaboration activities.]</i>

Figure 1 - SiteKit Replacement Plan

Check

# Sitekit Replacement

Project is on track to replace Sitekit before it comes out of support on October 2024. Some minor delays due to export of current Sitekit structure and recruitment of business resources. Mitigation in place for both. Sitekit replacement product selected, procurement activity commencing. Replacement of Sitekit before expiry of the software is assessed as not being at risk.



## 6.1. Requirements from contract commencement (CMS):

ID #	Requirement Description
<b>CMS1</b>	The Supplier will be required to build on the foundations of the work already undertaken to date and on the Information Architecture to deliver the successful transition to a new web system content management system for the NIHR utilising the Drupal system identified by the NIHR as the preferred replacement CMS.
<b>CMS2</b>	<p>The Supplier will be required to provide an experienced and expert team to advise and support the NIHR on this time critical migration of existing content to the new web content management system (Drupal) and to ensure and maintain the NIHR’s virtual presence and support the delivery of the NIHR Digital Strategy objectives to personalise and modernise research, through innovation and collaboration, and to transform the way research is delivered and managed. Specifically, by assisting the NIHR to complete the following workstreams that have been developed by the NIHR DDaT team to complete the migration:</p> <ul style="list-style-type: none"> <li>• Planning.</li> <li>• Identification and management of project Roles and Workforce resources.</li> <li>• Change Management participants (NIHR and Supplier).</li> <li>• Pilot and Implementation insight of replacement system.</li> <li>• Content Migration from existing SiteKit CMS to Drupal retaining functionality. This has been sub-divided based on the five sites effected into the following groups: <ul style="list-style-type: none"> <li>○ Cross Site</li> <li>○ Corporate Site</li> <li>○ Local Sites</li> <li>○ NIHR Journals Library</li> <li>○ James Lind Alliance</li> <li>○ Clinical Trials Toolkit (CT- Toolkit)</li> </ul> </li> <li>• Information Architecture ensuring continuity and compatibility with wider NIHR digital architecture and services.</li> <li>• User Acceptance Testing of migrated content.</li> <li>• In conjunction with NIHR Cyber Security Partner security and stress testing of new service.</li> <li>• Training on new CMS to NIHR content managers.</li> </ul>
<b>CMS3</b>	The Supplier will ensure a successful migration and launch of the new NIHR website by no later than 30th September 2024.
<b>CMS4</b>	The Supplier will work with the NIHR DDaT team, the NIHR IS Function partner and the NIHR Cyber Security partner for a period of no less than eight (8) weeks on the initial BAU implementation to support with any implementation, configuration or design issues that are identified
<b>CMS5</b>	This period may be extended depending on circumstances and with the agreement of the Authority. For clarity, the availability for this support will mirror the normal working hours of the NIHR IS Function Service Desk – i.e., 08:00 and 18:00 Monday to Friday (excluding Bank Holidays in England) unless agreed otherwise with the Authority or the NIHR DDaT team.
<b>CMS6</b>	The Supplier will be required to work with the NIHR IS Function and NIHR Cyber Security partners on the handover of the live system to business-as-usual operation. This will include the transfer any/all documentation, software code or other materials to the NIHR IS Function partner.
<b>CMS7</b>	The Supplier and the NIHR Cyber Security partner will in partnership, as part of the blended delivery team, undertake and successfully complete comprehensive testing of the development system to ensure its integrity and fitness for purpose within the NIHR environment as part of the development and testing phase. The Supplier, the NIHR IS Function delivery partner, and the Cyber Security partner will, within the collaboration approach, develop in conjunction with the NIHR DDaT team an inclusive User Testing phase and successful completion and formal sign off by the NIHR of User Acceptance Testing.
<b>CMS8</b>	The NIHR operates a culture of continuous improvement, and the Supplier should identify at handover any potential developments that were not implemented to the signed off system following UAT that could be included into future development work by the NIHR IS Function team.
<b>CMS9</b>	The Supplier will ensure that the new CMS is interoperable and integrates with the wider NIHR digital architecture as set out by the NIHR DDaT Office.
<b>CMS10</b>	The Supplier will ensure in conjunction and collaboration with the NIHR content managers that the replacement CMS will meet operability standards as set out in section 11.9.

## 7. Requirements – Priority Project 2 (RDDI)

Building on the foundations of the work done to date, the Supplier will be required to provide an experienced and expert team to support the NIHR on its ongoing mission critical review of research information data flows and the outline requirements for a new management system for the UK research “portfolio” to enable the NIHR to track and monitor ongoing NIHR supported and other research in the NHS at a national and local level. To be undertaken with the support of the NIHR RDN and other biomedical research bodies to deliver the ambitions of Lord O’Shaughnessy’s review. One of the initial tasks already identified will include undertaking the discovery phase for a new NIHR Portfolio Management Service and system.

The work under this project is designed to identify a series of delivery models for users interfacing with the NIHR and its systems. The outputs of this project are expected to feed into future projects under the NIHR Digital Strategy and / or the NIHR Technical Design Authority.

For the purposes of clarity, the application of this work will be based on work packages.

Table 5 and Table 6 (below) are examples of how the work packages will be described for this project.

Table 5

1. WORK PACKAGE DETAILS	
Date	
Change Form Title:	
Change Form No:	
Call-Off Contract Reference:	C249854
Work Package Start Date:	
Work Package End Date (subject to earlier termination in accordance with this Contract):	

Table 6

2. BACKGROUND IMPACT OF WORK PACKAGE	
Work Package Background	[Buyer to insert details of which elements of the Deliverables this Work Package will address.]
Description of Proposed Change on the Services and Contract	[Supplier to supply all Relevant Information in respect of the proposed Change.]
Details of any Savings to Arise from Proposed Work Package(s)	[Supplier to insert details of any savings and wider benefits, if any, that will arise from the delivery of the proposed Work Package]
Collaboration Organisation/s	[Buyer to insert details of suppliers working in Collaboration on this Work Package].
Description of Proposed Collaboration on the Services	[Supplier to supply all Relevant Information in respect of the proposed Collaboration activities.]

## 7.1. Requirements from Contract Commencement (RDDI)

ID #	Requirement Description
<b>RDDI1</b>	The NIHR has developed a number of Target Customer Experiences (TCEs) as part of the initial discovery work under this project. From commencement of this contract the Supplier will be responsible for supporting the NIHR with the implementation of the TCEs in consultation with the NIHR and other stakeholders such as the Health Research Authority. The full suite of these TCEs will be made available to the Supplier as well as the background materials. Examples of the TCEs are included in Appendix A – Target Customer Experiences (TCEs) for RDD&I.
<b>RDDI2</b>	The Supplier will provide expert and experienced staff <sup>1</sup> to support and undertake the design and implementation of the “Government Research Identity Service” (GRIS) system for primary use by the NIHR and with the capability of serving and supporting the systems of other stakeholders through the development of an appropriate API.
<b>RDDI3</b>	The Supplier will provide expert and experienced staff to support and undertake the design and implementation of the National Data Platform (NSIP) that will support the introduction and operation of the GRIS service.
<b>RDDI4</b>	The Supplier will provide expert and experienced staff to support and undertake the design and implementation of the common data model that utilises the benefits of the GRIS service and NSIP system to improve interoperability across NIHR and other stakeholder systems whilst conforming to the overall target architecture and data vision for the NIHR.
<b>RDDI5</b>	The Supplier will provide expert and experienced staff to support and undertake the design and implementation of the non-portfolio management services currently within the NIHR Central Portfolio Management System so that with the other services delivered under RDDI, the NIHR Central Portfolio Management System can be retired.
<b>RDDI6</b>	The Supplier will provide expert and experienced staff to support and undertake the update, revision, and maintenance of the existing Target Customer Environments, as well as the creation of any new TCE’s identified over the duration of the contract and ensuring their successful translation and implementation into the NIHR and if applicable with other stakeholders.
<b>RDDI7</b>	Throughout the duration of this contract the NIHR, in line with Government policy, will be seeking to take advantage of any new technologies that might be beneficial to the delivery or provision of services to patients, the public, NIHR Researchers and Staff. This could include for example, the assessment or adoption of machine learning or artificial intelligence technologies. We would expect the supplier to be abreast of any such developments and able to support the NIHR in utilising any suitable technologies, including emerging technologies, as part of the NIHR Digital Strategy development.
<b>RDDI8</b>	Supplier will work with DHSC and other appropriate NIHR staff on the identification and development of a “short list” of candidate projects in quarterly planning sessions (led by the Supplier’s Senior Leadership Team). This will then be refined into an agreed candidate project list which will be costed for delivery by the Supplier. Once this has been established and agreed then the Authority intends to manage these under work packages as outlined in Section 3 and further described as Tables (3 – 6) (above).
<b>RDDI9</b>	The supplier will work with the NIHR DDaT Office on any and all Project Deliver and Management. The NIHR DDaT Office have overall responsibility for the delivery of this project to the NIHR, the supplier is required to support this delivery. This will include supporting the project governance and reporting to the NIHR DDaT Board and the DHSC.
<b>RDDI10</b>	For the work set out in RDDI2 the Supplier will work openly, transparently, and collaboratively with both the NIHR IS Function and NIHR Cyber Security partners on identification of potential candidate systems that meet the requirements and can operate successfully within the NIHR system architecture and the recommendations of the initial report. This will be undertaken based on the requirements around collaborative working set out in Collaboration standards.
<b>RDDI11</b>	For the work under RDDI5 the Supplier will work openly, transparently, and collaboratively with all stakeholders on the identification of potential candidate systems that meet the requirements and can operate successfully within the

<sup>1</sup> It is expected that the staff for RDDI2, RDDI3, RDDI4, RDDI5 and RDDI6 will be formed from the same core personnel and **not** individual separate teams.

	<p>NIHR system architecture and the recommendations of the initial report. This will be undertaken based on the requirements around collaborative working set out in Collaboration standards.</p> <p>For the purposes of clarity, it is <b>NOT</b> a requirement of this project that the supplier will design, develop, build, or operate the replacement CPMS system. That work will be subject to a separate project at a later date. This project will focus on the preparation and development work necessary with the NIHR and other stakeholders in the biomedical research domain on the full requirements of a replacement CPMS and the outline project plan for delivery</p>
<b>RDDI12</b>	<p>Where a system is a development of an existing system within the NIHR then the Supplier will work with the NIHR IS Function provider, as the responsible owner of that system, on the requirements but not on development or delivery unless in very exceptional circumstances.</p>

## 8. Requirements – Senior Leadership Team

The Supplier will provide a Senior Leadership Team to support the NIHR DDaT team, that will perform as a blended team with the NIHR DDaT Office's existing Senior Leadership Team (SLT).

The various workstreams / projects under the NIHR Digital Strategy will report into the NIHR Digital Strategy SLT under leadership of the NIHR Chief Digital Officer and the Head of the NIHR DDaT Office (this role is currently vacant). The NIHR DDaT team have recently moved to a new host organisation, the NHS Business Services Authority and work is commencing on the long-term expansion and development of the NIHR staff in the DDaT office: However, for the purpose of clarity and at the time of this document, the existing roles filled by NIHR staff in the Senior Leadership Team are:

- NIHR Chief Digital Officer.
- NIHR Head of DDaT Office. (Vacant and recruiting)
- NIHR Cyber Security Manager.
- Head of Business Change and Transformation.
- Digital Project Support Officer.

The personnel will be based on, but not restricted to, the roles listed in Table 7 (below). The Supplier's Senior Leadership Team profile and personnel will be reviewed every six (6) months from the Contract Commencement Date with increasing or decreasing of the team size and changing the personnel at the Authority's discretion.

It is anticipated that there could be an overlap of Supplier personnel – where Supplier personnel are assigned to the Senior Leadership Team, they may also be assigned to undertake project level activities, however this can be proposed at the Tenderer's discretion.

The DHSC and the NIHR have a long-term strategy to expand and develop the capabilities and in-house capacity of the NIHR team. This is anticipated to occur over the duration of the Contract and consequently it is expected that some of the roles listed above and as part of the Senior Leadership Team roles will transition in-house to be delivered by NIHR staff. For the avoidance of doubt the NIHR will NOT be transitioning resources.

The NIHR will work with the Supplier to ensure that there is sufficient long-term visibility around this to enable planning and maintain service delivery. Whilst there are no expectations that any transfer of roles will happen in the first twelve (12) months of the proposed contract to provide certainty to Suppliers, the NIHR and the DHSC would be open to Supplier suggestions on how to effectively coordinate this transition.

Table 7

Role	Role Family	SFIA Level
Product Lead	Product Manager	6
Content Lead	Content Design	6
Programme Lead	Delivery	7
Enterprise Architect Lead	Data Architect	7
Delivery Lead	Delivery	6
Senior Business Analyst	Business Analysis	5
Customer and Design Lead	Content Design	6
Lead Service Transition Manager	Service Transition Manager	6
Head of Delivery Management	Delivery	7

### 8.1. Requirements from Contract Commencement (SLT)

ID #	Requirement Description
SLT1	The Supplier will provide expert and experienced staff <sup>2</sup> to support and undertake Provide senior leadership and programme delivery support to the NIHR and the wider NIHR.
SLT2	The supplier team will undertake Relationship Management for all aspects of the suppliers work under this contract and the projects there within with NIHR DDaT Office & NIHR staff.
SLT3	The supplier will adopt, review, and adapt the previously developed SLT level programme materials and take-over of programme support systems, specifically the Jira / Confluence system utilised by the NIHR to support the NIHR Digital Strategy programme.
SLT4	From commencement of the contract the supplier will provide oversight and senior delivery leadership for the priority projects identified and outlined in Sections 6 and 7.
SLT5	Undertake a review of potential future Supplier work and identification of any future programme level resource allocation(s) against known and/ or planned deliverables.
SLT6	Delivery of Quarterly Delivery Plans on an ongoing basis in line with the programme governance cycle.
SLT7	Integration and adoption of Programme governance and project management (approval mechanisms etc) as already established by the NIHR DDaT office, or as a result of the revised provision of services under this contract.
SLT8	Undertake and lead on the planning, organisation and delivery of quarterly workshops, planning sessions, etc to prepare, disseminate, review, and deliver the next quarter work package(s).
SLT9	Be responsible for the delivery and maintenance of programme office services to collate project data and monitor all aspects of the programme for reporting back to NIHR CDO, NIHR DDaT Office, DHSC and others to review delivery and progress. This will require the supplier to utilise the NIHR Jira system. Supplier staff should be familiar with this system.
SLT10	Delivery and maintenance of programme's Wellbeing function to monitor and assess staff and contractor wellbeing for the duration of the work in line with the expectations under Social Values.
SLT11	Produce quarterly contract review reports (Progress Reports) for quarterly Operational Boards (Service Review Meetings).
SLT12	The supplier will align with the core NIHR values as set out in supporting documentation to the tender.

<sup>2</sup> It is expected that the staff will be formed or feature many of the same core personnel from Sections 6 and 7.

Figure 2

# NIHR DDaT Transformation Programme Structure



## 9. Requirements – Out of Scope

The following is out of scope for the proposed contract:

- The NIHR Information Systems Function and the provision of the corporate IT toolsets and maintenance services for these IT toolsets
- NIHR Coordinating Centre and / or NIHR Clinical Research Network (NIHR Research Delivery Network from 2024) operational systems.
- NIHR Cyber Security services
- Health Research Authority Research Delivery System programme
- NHS England Research Data Systems
- Devolved Administration Health Research Systems or Services
- Research Charity Systems or Services
- Biomedical Research Funders systems or services.

Noting that it is a requirement that the Supplier will interface, where appropriate, with these bodies to deliver the NIHR Digital Strategy, but that the Supplier will not be required nor expected to undertake specific work for these stakeholders beyond the requirements of collaborative working and service / system handover set out in the Collaboration section.

## 10. Requirements – Future Projects & Requirements

This section sets out the current roadmap of future projects and deliverables under the NIHR Digital Strategy that the Supplier will be required to deliver beyond the two priority projects outlined in Sections 5 and 6 above. The roadmap of projects is likely to develop/change during the Contract term as projects complete and delivery of the NIHR Digital Strategy progresses.

Future projects after the initial two priority projects are expected to be drawn from the current list of parked/paused projects from the original discovery phase undertaken. This will be dependent on the effort and outcomes of the priority projects in the first instance. The paused/parked projects are as follows:

- **Central Portfolio Management System (CPMS) / Local Portfolio Management System Replacement (LPMS):** Building on the work under the RDDI project this will identify the replacement platform for CPMS, build the service in a beta phase, and commence testing how to integrate it with the Research Delivery Data and Intelligence platform.
- **Choose Services:** Testing proof of concept services to make it easier for the public to get involved in research; and for researchers to find the content, funding opportunities and services relevant to them. Aiming to explore how we can support evidence users to find NIHR outputs and evidence meaning they can quickly navigate to the information they need.
- **Data Platform & Services:** Development of a data platform in beta phase, which will enable real-time reporting on research data is a core dependency for the Research Delivery Data and Intelligence project.
- **Technology Enablers:** Development of a number of reusable technology services that will support the above ambitions and other future projects.

All of these projects' statuses are currently held at the discovery stage and will be influenced by the RDDI project. As such existing materials will be out of date and require updating. These projects have been agreed by the wider programme governance, but funding is held within the planned budget for the NIHR Digital Strategy. Core knowledge about these projects is held within the permanent staff of the NIHR DDaT team with the support of key stakeholders in the NIHR.

Beyond this list the expectation is that future projects under the NIHR Digital Strategy will be based on the original list of potential projects identified (see Appendix C - Long List of Digital Service Initiatives). The complete list of services currently identified to deliver the NIHR digital transformation are shown in Appendix G.

## 11. Requirements – Supplier Capabilities

The Supplier shall deliver in line with the following requirements and capabilities throughout the term of the Contract.

These requirements do **not** form part of the pricing evaluation for this procurement but outline the standards expected of the Supplier in delivering this contract.

### 11.1. Complex Digital Programme Delivery

ID #	Requirement Description
CDP1	<p>The Supplier shall provide qualified digital and project resource suitable to delivering the required digital outcome(s). This will require the delivery of multiple digital based workstreams on time and budget that operate and deliver best industry practices and standards (including but not limited to architecture, proof of concept, design, development, and testing of services). The Supplier must utilise appropriate digital delivery and project management methodologies to ensure successful and sustainable delivery.</p> <p>The Supplier shall adhere to the requirement to deliver digital services that conform to Government Functional Standards (GFS), Government Digital Service (GDS) standards and associated assessments (GDS assessments and Gateway Reviews).</p>

ID #	Requirement Description
CDP2	<p>The Supplier will be required to, as described in the <u>DDaT Capability Profession Framework</u>, provide ad hoc service or agile software engineering delivery services as described in the following job families of the framework:</p> <ul style="list-style-type: none"> <li>• Technical</li> <li>• Quality Assurance Testing (QAT)</li> <li>• Product and Delivery.</li> </ul>
CDP3	<p>The Supplier will be required to work collaboratively at pace within a high-profile &amp; pressurised delivery environment often with tight deadlines and policy ambiguity under the leadership of the NIHR DDaT Office and in partnership with the NIHR Coordinating Centre staff adopting and building on the work undertaken by the NIHR to date. Ability to provide technical delivery capability to accommodate changing priorities and scope to reflect rapidly evolving government policy, guided by scientific evidence.</p>
CDP4	<p>The Supplier will maintain overarching programme and project management to place the delivery of “in flight” digital based workstreams onto a sound basis for migration into business-as-usual service management or migration to a new supplier, on time and budget that operate and deliver in line with industry best practices and standards. These may be delivered via a mixture of delivery methods and must retain a user-centric focus at their heart. This will be a key requirement of the Supplier to utilise this approach and support the NIHR DDaT Office.</p>

#### 11.2. Services Transition and Operations

ID #	Requirement Description
STO1	<p>The supplier will be required to cover and continue delivery of the in-service transition from the incumbent:</p> <p>The milestones in Section 5.2 includes milestones and deliverables required to deliver service transition from the incumbent supplier and service onboarding.</p> <p>The primary handover activity will be the work from the ongoing activities for the Content Management System and the RDDI, which are continuing due to being both a ministerial priority and the vital importance of the NIHR’s web presence. No other projects will be ongoing to be adopted from the incumbent supplier.</p> <p>All work to be handed over will have documentation on the Confluence and Jira systems that are under the control of the Authority &amp; NIHR DDaT office. The current incumbent has confirmed their obligations to work with any new supplier and transfer all necessary and</p>
STO2	<p>The Supplier shall support NIHR teams to implement any new systems/services and changes to systems/services into business-as-usual to ensure they land successfully. These services shall include:</p> <ul style="list-style-type: none"> <li>• providing any required training to support implementation.</li> <li>• assessing the change prior to implementation</li> <li>• testing the implementation process (manual or automated) if applicable.</li> <li>• ensuring a documented and fully tested back out process exists.</li> <li>• identifying a clear set of success criteria.</li> </ul>
STO3	<p>The Supplier shall assess all changes relating to NIHR Digital Strategy services prior to planning, build and deployments phases.</p>
STO4	<p>The Supplier shall evaluate changes relating to the NIHR Digital Strategy services after their implementations.</p>
STO5	<p>The Supplier shall communicate any concerns relating to a proposal to the NIHR DDaT Office and the Authority.</p>

### 11.3. Design

ID #	Requirement Description
DES1	Changes to the existing service(s), technology stack, hosting, platform, or data ingestion will always need to be approved by the programme of the business owner (depending on the lifecycle of the product).
DES2	The Supplier shall deliver in line with ISO/IEC 20000, ISO/IEC 22301, ISO/IEC 9000, ISO/IEC 27001 standards or agreed equivalent measures where applicable and necessary. The Supplier will ensure that the NIHR business units that have achieved Cyber Essentials accreditation will not be impacted by any system delivery.
DES3	The Supplier shall share code solution as required with the NIHR Cyber Security 3 <sup>rd</sup> party supplier for assurance and testing and adoption purposes.
DES4	The Supplier shall develop and enhance existing web analytics previously implemented.
DES5	The Supplier shall undertake rapid design and prototyping approaches to delivery, where requested by the Authority, including prototyping of selected core and/or novel system interfaces, functionality, and features.
DES6	The Supplier shall work to the <u>GDS Service Standard principle of making source code open and re-usable</u> . Provide details of the code made publicly available in an open internet source code repository (such as GitHub, Bitbucket etc.).

### 11.4. Technical & Software Architecture

ID #	Requirement Description
TSA1	The Supplier will provision resources with architectural (business aligned to technology) skills including the planning and delivery of application releases in terms of defined benefits and associated product management.
TSA2	The Supplier will be required to continuously integrate new software assets as these are built: integrating every vertical slice of a user story, avoiding physical branching, and defining and integrating interfaces first before adding in functionality.
TSA3	The Supplier will be required to work in collaboration with programme architects to deliver a comprehensive and consistent set of architecture documentation (high level and low-level designs required).
TSA4	The Supplier will be required to work in collaboration with the NIHR Cyber Security partner on any aspect of delivery that interfaces with the security and resilience of the NIHR's digital services.

### 11.5. Application Development and Integration

ID #	Requirement Description
AD1	The Supplier is required to utilise the existing technology stack operated by the NIHR and the Authority.
AD2	The Supplier will provide cloud infrastructure expertise ensuring solutions are reliable, robust, and scalable to enable the rapid expansion and iteration of live operations. The Authority's preference is to develop tools based on Commercial Off the Shelf (COTS) solutions based on the NIHR's existing technology stack. Where this is not possible then any bespoke solutions must be developed to operate within the NIHR's architecture. The provision and selection of any software solutions and selection of COTS vs bespoke development will require the Authority's approval.
AD3	The Supplier will provide expertise in managing existing API-based system integrations as well as onboarding of new interfaces and client systems.

ID #	Requirement Description
AD4	The Supplier shall be required to deliver software using a user-centred approach to delivery ensuring the user journey is as intuitive and straightforward as possible.
AD5	The Supplier shall be required to continue to review and integrate a number of data sources and data uploads.
AD6	The Supplier shall be required to continually maintain and improve fraud and data integrity of the products.

#### 11.6. Quality Assurance & Testing

ID #	Requirement Description
QAT1	The Supplier shall ensure User Acceptance Testing (UAT) is undertaken prior to the completion of each product iteration and that independent Quality Assurance (QA) Testing is effectively supported and carried out in a timely manner to ensure that there is no adverse impact on the wider NIHR unless the Supplier, acting reasonably and with the agreement of the NIHR CDO and the Authority, determines that such testing is impractical and/or unnecessary.
QAT2	The Supplier shall be required to plan, select, and report against the most appropriate test cases and frameworks for test automation (including repetitive tests, data intensive tests, high risk or high use or high criticality functionality, or where tests are complex or laborious to run) including Whitebox testing and Blackbox testing.
QAT3	The Supplier shall provide services to support functional and non-functional Test Automation across the full technology stack as directed by the NIHR CDO, the NIHR DDaT Office and the Authority, leveraging modern automation frameworks, practices, processes, techniques, and design patterns.
QAT4	The Supplier shall provide services to support Test Automation of cross-cutting concerns such as: <ul style="list-style-type: none"> <li>• Security</li> <li>• Performance</li> <li>• Resilience/failover.</li> </ul>
QAT5	Requirement to meet Government Digital Service (GDS) standards e.g., citizen usage feedback to get RTI on citizen experience.
QAT6	Where connections are made to NHS solutions the relevant NHS England code of connection guidance will need to be adhered to, this applies to test systems too. There is an onboarding process which the Supplier will be required to follow. The Supplier will also need to ensure that the code of connection is then not breached by subsequent releases or actions.
QAT7	The Supplier shall only implement correctly identified and tested Software within its services following agreement and approval from the Authority.
QAT8	The Supplier shall support initial live operation or early life support and conduct end-user and operating/support staff training where necessary dependent on the service transitioned into BAU.

#### 11.7. Documentation

ID #	Requirement Description
DOC1	The Supplier shall produce and contribute to high quality documentation, including, but not limited to governance stage papers, architectural designs, integration/capability roadmaps and presentations and briefings.

ID #	Requirement Description
DOC2	<p>Routine maintenance of the following 'living' documentation will be required as necessary and appropriate:</p> <ul style="list-style-type: none"> <li>● Quarterly Delivery Plans</li> <li>● Architectural Blueprints (Application &amp; Infrastructure)</li> <li>● Solution Design Documents</li> <li>● Integration &amp; Data Flow Diagrams</li> <li>● Software &amp; Technical Architecture Documentation</li> <li>● Security Risk Assessments</li> <li>● Fraud Risk Assessments</li> <li>● Release Plan(s) &amp; detailed Release Notes</li> <li>● User Manual(s) &amp; recorded Product Demos</li> <li>● Test Plan(s) &amp; detailed Test Evidence</li> <li>● Clinical Safety Documentation</li> <li>● NIHR Operational Documentation.</li> </ul> <p>Ownership of the documents above will be the responsibility of the NIHR Chief Digital Office, but the Supplier will be required to provide contributions to these documents as necessary.</p>
DOC3	<p>The Supplier will be required to work in collaboration with other teams to deliver a comprehensive and consistent set of documentation which is managed and maintained within the estate of the NIHR and not the estate of the Supplier (e.g., Authority managed Confluence instance or the NIHR Hub service.)</p>

### 11.8. Continuous Improvement

ID #	Requirement Description
CI1	<p>The Supplier will be required to manage, prioritise, and address the existing improvements which have been identified. The improvements are sought in, but not limited to, the following areas:</p> <ul style="list-style-type: none"> <li>● Operations (including costs) <ul style="list-style-type: none"> <li>○ Efficiency and ease of operation is currently affected by items of technical debt including lack of coverage of infrastructure as code, joined-up operational procedures (e.g., joiners, movers, and leavers), and large deployment units.</li> </ul> </li> <li>● Performance <ul style="list-style-type: none"> <li>○ There is outstanding work to improve and optimise the performance of the totality of the NIHR Digital ecosystem.</li> </ul> </li> <li>● Test <ul style="list-style-type: none"> <li>○ Test data, test interactions with external systems, automation and better unit test coverage are all areas where improvements need to be made.</li> </ul> </li> <li>● Solution <ul style="list-style-type: none"> <li>○ Areas of the solution and architecture have been identified where improvements can be made, such as the consolidation of rules engines.</li> </ul> </li> <li>● Security <ul style="list-style-type: none"> <li>○ Maturing of the security posture of the system is an ongoing process and there are elements of the solution, infrastructure, and operational processes where improvements have been identified in collaboration with the NIHR Cyber Security Manager and the NIHR Cyber Security service partner.</li> </ul> </li> <li>● Delivery <ul style="list-style-type: none"> <li>○ The CI/CD pipeline and associated processes are also maturing and there are technical and procedural improvements which can be made in this area to allow the delivery process to be more efficient and reliable.</li> </ul> </li> </ul>

ID #	Requirement Description
CI2	The Supplier shall design and govern CI/CD pipelines and support the building of a culture of continuous delivery and improvement, ensuring that data is regularly analysed, maintained, and improved.
CI3	The Supplier shall demonstrate a continuous learning culture throughout the project/delivery, supported by developing a knowledge transfer plan for key learnings to the Authority, NIHR CDO, and NIHR DDaT office as appropriate.
CI4	The Supplier will be required to provide advisory services that enable the Authority to make effective use of innovative digital and cloud technologies or products and help us to connect with marketplace partners.
CI5	The Supplier will be required to provide knowledge transfer and share best practice, with a clear demonstration of how knowledge transfer is achieved iteratively throughout the duration of the contract.

### 11.9. Standards

ID #	Requirement Description
STN1	The Supplier will ensure all development is conducted in line with: <ul style="list-style-type: none"> <li>the <a href="#">NHS England Digital Technology Assessment Criteria</a></li> <li>the <a href="#">NHS Service Standard</a></li> <li>the Government Digital Service (<a href="#">GDS</a>) <a href="#">Service Standard</a></li> <li>and meets applicable usability and accessibility standards (i.e., meet at least level AA of the Web Content Accessibility Guidelines (<a href="#">WCAG 2.1</a>) or (<a href="#">WCAG 2.2</a> when implemented) and achieve for AAA where possible).</li> </ul>
STN2	The Supplier will ensure it delivers digital services in line with the <a href="#">NHS Service Standard</a> or <a href="#">Government Service Standard</a> and to the <a href="#">Central Digital and Data Office Technology Code of Practice</a> (TCOP).
STN3	The Supplier will monitor emerging international interoperability standards around health data including, but not exclusively HL7 and Fast Healthcare Interoperability Resources (FHIR) standards.

### 11.10. Security

ID #	Requirement Description
SEC1	The Supplier shall have an Access Control policy unique to the services it provides in support of the NIHR Digital Strategy which must include: <p>(a) levels of identity assurance and vetting required.</p> <p>(b) specifications for security credentials.</p> <p>© information to users on actions required to keep their credentials secure.</p> <p>(d) a process for granting, changing, removing, verifying, and auditing access privileges.</p>
SEC2	The Supplier shall manage the verification of users requesting access to information or services, and the legitimacy of that request in line with defined policy.
SEC3	The Supplier shall audit access levels to ensure that the integrity of access lists is maintained.
SEC4	The Supplier shall work with the Authority and/or the NIHR Cyber and Information Security Assurance Manager and/or the NIHR Cyber Security partner as the appropriate points of contact for communication regarding Information Security related queries and issues.

Check

ID #	Requirement Description
SEC5	The Supplier shall report all identified security vulnerabilities to the Authority, the NIHR DDaT Office and if deemed necessary and appropriate by the Authority or the NIHR DDaT Office, the NIHR Cyber Security partner. The Supplier should inform the Authority security contact of high severity vulnerabilities in line with the requirements of the NIHR Cyber Security playbooks.
SEC6	The Supplier shall assist with any non-compliance security issues that are identified and where the vulnerability is with its own system or service resolve that said vulnerability.
SEC7	The Supplier shall provide Information Security Management reports on a quarterly basis that detail any non-compliance Security issues, what mitigation has been put in place to resolve the issue(s) found and how they will be prevented in the future.
SEC8	The Supplier will ensure that deployed personnel: <ul style="list-style-type: none"> <li>• Have expertise in modern data protection, data management and information security capabilities and management.</li> <li>• Are UK based from day 1 of the Contract. The Authority may seek to onboard off-shore Supplier personnel during the Contract subject to the Authority's appropriate security governance approvals.</li> <li>• hold appropriate government security clearance.</li> <li>• All new joiners to complete a Conflict-of-Interest declaration.</li> </ul>
SEC9	Any solutions proposed and developed will require sufficient capability and capacity to support the effective real-time detection of emerging security threats/attacks to enable rapid security interventions (e.g., via accelerated cyber security investigations with detailed observable data which is visible end to end using automated detection tools).
SEC10	The Supplier should have security controls in place at all egress and ingress points commensurate with the need to protect sensitive personal data. To include DDoS protection, IPS/IDS, WAF.
SEC11	The Supplier agrees that systems will be penetration tested annually, or following significant changes, by the NIHR Cyber Security Partner, or if agreed an accredited 3 <sup>rd</sup> party, and reports shared with Authority.
SEC12	Any encryption keys (PKI) should be managed and protected in accordance with industry best-practice and handling processes agreed formally by the Authority.

#### 11.11. Data Handling

ID #	Requirement Description
DATA1	All data will be stored in compliance with UK GDPR and DPA legislation and in line with the established UK Government and NIHR policies.

#### 11.12. Service Knowledge Management

ID #	Requirement Description
SKM1	The Supplier is required to identify, create, and deliver training to NIHR and if necessary DHSC colleagues, as reasonably requested, including developing knowledge resources and materials, including FAQs.

#### 11.13. Governance

ID #	Requirement Description
GOV1	The Supplier shall always operate within the established governance structure of the NIHR.

## 12. Requirements – Supplier Behaviour & Ways of Working

The Supplier and its personnel will be required to work to the following behaviours and ways of working throughout the term of the Contract including any extension periods.

These requirements do **not** form part of the pricing evaluation for this procurement but outline the standards expected of the Supplier in delivering this contract.

### 12.1. Collaborative Working

ID #	Requirement Description
CW1	<p>The Supplier will be required for the duration of the contract to work collaboratively as part of mixed teams incorporating NIHR Colleagues and third-party commercial suppliers. This will entail working closely with colleagues fulfilling roles found in the following <a href="#">DDaT Capability Profession Framework</a> delivery service areas:</p> <ul style="list-style-type: none"> <li>● Architecture</li> <li>● Data</li> <li>● IT Operations</li> <li>● User-centred Design</li> <li>● Quality Assurance testing</li> <li>● Product and Delivery.</li> </ul>
CW2	<p>The Supplier shall co-operate with any and all Other Suppliers by performing the Collaboration Activities and from time to time by providing:</p> <p>(a) reasonable information (save to the extent that such information constitutes Confidential Information).</p> <p>(b) advice; and</p> <p>(c) reasonable assistance,</p>
CW3	<p>The Supplier must consider and provide effective collaborative solutions to enable the sharing knowledge and skills and deliver higher level of quality as part of an evolving service. These will be shared with all elements of the mixed teams supporting the development and delivery of the service(s).</p>
CW4	<p>The Supplier must work transparently, collaboratively as one team with the NIHR DDaT Office, the Authority, and other suppliers, while taking ownership of problems and resolving issues.</p>
CW5	<p>The Supplier will be required to actively seek to obtain and accept Authority and stakeholder feedback and work this back into the requirements of the next delivery iteration(s) - focusing on fast feedback cycles. Feedback collected must be collated and a response provided in a “you said, we did” format.</p>
CW6	<p>The Supplier shall provision resource with experience of working alongside other teams in a collaborative delivery environment. It is essential that the resource has familiarity with the existing collaboration toolsets in particular Google Workplace services, AWS, and Confluence and an ability to utilise and extend their use for the optimal delivery of the service.</p>
CW7	<p>The Supplier will be required to work with multiple suppliers and organisations of variable scale in a multi-disciplinary environment as a blended team across both private and public sectors to support the further design, development, and implementation of the NIHR Digital Strategy with NIHR staff geographically dispersed across locations in England as part of the strategy of continuous development.</p>
CW8	<p>The Supplier will deliver collaboratively with the NIHR’s Other Suppliers in line with the Cross Contract Collaboration &amp; Governance requirements to and for the benefit of the Other Suppliers to enable them to create and maintain any technical or organisational interfaces with the Supplier in respect of and/or to enable the timely transition of the supply of a service to the relevant part of the NIHR and/or to any Other Supplier identified by the Authority all in accordance with the following collaborative working principles:</p> <p>(a) by proactively leading on, mitigating, and contributing to the resolution of problems or issues irrespective of its contractual obligations, acting in accordance with the principle of “fix first, settle later”.</p>

ID #	Requirement Description
	<p>(b) being open, transparent, and responsive in sharing relevant and accurate information (save to the extent that such information constitutes Confidential Information) with such Other Suppliers.</p> <p>(c) by adopting and utilising common working practices, terminology, standards and technology and a collaborative approach to service development and resourcing with such Other Suppliers based on the NIHR standards where applicable.</p> <p>(d) providing reasonable cooperation, support, information, and assistance to such Other Suppliers in a proactive, transparent, and open way and in a spirit of trust and mutual confidence; and</p> <p>(e) identifying, implementing, and capitalising on opportunities to improve deliverables and deliver better solutions and performance throughout the relationship lifecycle.]</p>
<b>CW9</b>	As part of CW7 - The supplier shall make available any work that requires , or is deemed to require, analysis or review by NIHR staff or the NIHR Cyber Security partner, or the NIHR IS Function partner for the planned transfer from development to business-as-usual operation. This will be aligned with Government Digital Service delivery requirements.
<b>CW10</b>	The supplier shall continue to provide effective support to the new host for services that are formally transferred into business-as-usual operations for a minimum of 8 weeks after date of handover. As part of the handover process all operational necessary materials relating to the service must be identified, agreed, signed off and transferred to the new host. (Ordinarily this will be the NIHR IS Function partner) in the lead up to formal transfer to the new host and be completed at a minimum of two weeks ahead of transfer unless agreed otherwise in advance by the Authority.

### 12.2. Working in a rapidly changing dynamic environment

ID #	Requirement Description
<b>DYN1</b>	The Supplier will have the ability to think creatively and articulate and implement innovative ideas to solve complex problems working around delivery bottlenecks/constraints.
<b>DYN2</b>	The Supplier will manage the Agile workload of the Supplier's staff in relation to each work package to be delivered in agreement with other third parties & Authority suppliers. Where there is disagreement the Authority's view shall prevail. Coordinate planning integration and Agile delivery.
<b>DYN3</b>	The Supplier will be able to be responsive dependent on changing circumstances including, scaling up and down the team and resource levels at short notice, and reallocating resource between projects/work packages based on the Authority's prioritisation of projects.

### 12.3. Agile Delivery

ID #	Requirement Description
<b>AGD1</b>	The Supplier will work in an Agile delivery environment, utilising Agile terminologies when articulating delivery posture and ensuring staff are suitably trained. Supplier should agree the Agile Development Project scope, deliverables, and timescales with the NIHR DDaT Office and provide Agile development services in line with the GDS Service Standard.
<b>AGD2</b>	The Supplier will be able to develop and maintain applications using Agile iterative methodologies programme currently running under modified Scaled Agile, Framework (SAFe) 5.1 with SCRUM teams at workstream level. In line with <u>Agile Principles</u> (e.g., the early and frequent delivery of customer value) and delivering iterative product development, building Agile Products through successive refinements starting from the most basic Minimum Viable Product needed to provide the outputs and outcomes needed, and via each iteration refining the Product in such a way to

ID #	Requirement Description
	maintain a coherent whole. Each subsequent iteration should capture additional value and benefit, but still retain the original value and benefit captured in previous iterations.
AGD3	The Supplier will construct and maintain dependency mapping across non-digital strategy projects
AGD4	The Supplier will agree user or business requirements and help shape their delivery approach and priority based on Authority and stakeholder feedback combined with high-level delivery estimates.
AGD5	The Supplier will synchronise the planning of the Agile development with other parallel developments and with Data Migration.
AGD6	The Supplier will provide Solution Engineering services as requested by the Authority. These services shall include, without limitation: identifying business needs, identifying impacted areas of the Authority, identifying opportunities for change, configuring planned courses of action, specifying desired results, and estimating planning, delivery, and transition.
AGD7	The Supplier will ensure the Agile solutions developed are enabled so as to allow IT Security threats to be detected in real time, and to allow real time IT Security related interventions (e.g., via accelerated cyber security investigations with detailed observable data which is visible end to end using out of the box detection rules) if required by the NIHR DDaT Office or Authority.
AGD8	The Supplier will ensure capability including usability and accessibility professionals to the project to provide usability and accessibility validation (including maintaining compliance with W3C Level 2, and the Disability Discrimination Act 1995) by implementing processes and technical tools to support new projects and changes to existing systems.
AGD9	The Supplier will provide a service which will check Agile developed applications and identify/detect security vulnerabilities during product-based Agile development and maintenance and backlog management, and report and remediate on these as early as possible in the development lifecycle of any solution. Such a service may include QA review of code, deployment of tools, adherence to coding standards and security testing.
AGD10	The Supplier will configure and support commercial off the shelf software (COTS) applications and tool chains that are needed for product-based Agile development and maintenance and backlog management and DevSecOps and optimise these for speed of delivery with reliable quality, ensuring that any interfaces with legacy supported applications and tools are included.
AGD11	The Supplier will periodically as directed by the Authority demonstrate new product functionality to stakeholders and timely updates to both technical & user facing documentation.
AGD12	<p>The NIHR DDaT Office adopt the following ways of working and the Supplier will be required to work in alignment with these ways of working:</p> <p><b>Approaches</b></p> <ul style="list-style-type: none"> <li>● Agile: We have adopted fortnightly sprints for development of all the work, and demos by the scrum teams</li> <li>● Increment Planning: We engage into the organisation to plan quarterly commitments on resourcing and features to be delivered following a modified Scaled Agile Framework approach.</li> <li>● OKR: we are shaping the outputs to align to clear Objectives, &amp; Key Results to demonstrate value and strategic alignment.</li> </ul> <p><b>Tools</b></p> <ul style="list-style-type: none"> <li>● Jira: We use Jira for managing the sprints (workflow and features). Sprints, releases, and other day-to-day work is planned, co-ordinated and managed using predominantly JIRA.</li> <li>● Confluence: We use Confluence for documentation storage and collaboration. Collaboration and documentation are covered by a mixture of both the Google Workspaces suite and Confluence.</li> </ul>

ID #	Requirement Description
	<ul style="list-style-type: none"> <li>• The build and deployment pipeline makes use of Amazon Web Services</li> <li>• Automated testing is performed using a variety of tools covering non-functional, security and functional testing.</li> <li>• Application development is currently done using predominantly Visual Studio Code and Microsoft Visual Studio with ReSharper.</li> <li>• Several different environments support phases of testing, and these environments are each currently hosted within their own subscription.</li> </ul>

#### 12.4. Cultural Fit / Ways of Working

ID #	Requirement Description
CUF1	The Supplier will demonstrate commitment to the values and goals of the NIHR and the behaviours and practices of NIHR as set out in <a href="#">Best Research for Best Health: The Next Chapter</a> .
CUF2	<p>The location of the Services will be carried out at NIHR locations, the Supplier's own offices or other remote working locations in England. Given the nature of the work this may be provided via a hybrid of virtual and physical working within NIHR locations as necessary, though it is anticipated most of the delivery will be virtual. If required, the Supplier must be able to travel to NIHR and DHSC office locations within the UK to attend Authority meetings. The Supplier will be expected to send appropriate personnel to any in-person planning or governance meetings if required unless agreed otherwise with the NIHR Chief Digital Officer.</p> <p>For any on-site working with the Authority the primary locations will be:</p> <p style="padding-left: 40px;">The Department for Health and Social Care, 39 Victoria Street, London, SW1H 0EU</p> <p style="padding-left: 40px;">NIHR RDN, 21 Queen Street, Leeds, LS1 2TW, though this may be subject to change in 2024 however it is anticipated that this will remain a location in or around Leeds. For the location of the other offices of the NIHR please see <a href="https://www.nihr.ac.uk/about-us/contact-us/contact-us.htm">https://www.nihr.ac.uk/about-us/contact-us/contact-us.htm</a></p> <p>Supplier expenses will only be reimbursable and only paid by the Authority in line with the definition of 'Reimbursable Expenses' and the Authority's Expenses Policy as outlined in the RM6100 Call Off Terms. The Supplier must seek the Authority's approval in writing prior to booking travel and accommodation.</p> <p>For clarity the Authority expect from day 1 of the proposed Contract for all Supplier staff to be UK based and will not consider any hybrid or offshore staffing proposals for the Senior Leadership Team personnel or project team staff. The Authority may seek to onboard off-shore Supplier personnel during the proposed Contract subject to the Authority's appropriate security governance approvals. The Authority is willing to consider job sharing as appropriate.</p>
CUF3	The Supplier's staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Services to the required standard.
CUF4	The Supplier shall ensure that staff understand the Authority's vision and objectives throughout the duration of the Contract.
CUF5	The Supplier's approach to sourcing must ensure personnel can be sourced in a timely manner in line with the onboarding lead times and service levels set out in contract Schedule 2.2

#### 12.5. Social Value

ID #	Requirement Description
SV1	<p>The Supplier will be required to deliver upon social value obligations to contribute to delivering the following Social Value policy and theme of the Government's Social Value Model:</p> <p>Theme 4: Equal Opportunity Policy Outcome: Tackle workforce inequality Model Award Criteria (MAC) 6.1 - Demonstrate measures to tackle inequality in employment, skills and pay in the contract workforce.</p>

	<p>Model Award Criteria (MAC) 6.2 – Demonstrate measures to support in-work progression to help people in the contract workforce, to move into higher paid work by developing new skills relevant to the contract.</p> <p><a href="#">Procurement Policy Note 06/20 – taking account of social value in the award of central government contracts - GOV.UK (www.gov.uk)</a></p>
<b>SV2</b>	The Supplier will demonstrate a continuous commitment to supporting the Authority and the NIHR with delivering its social value obligations.
<b>SV3</b>	<p>The Supplier will report quarterly on the Social Value KPIs submitted in their Tender and to be outlined in the Contract.</p> <p>Social Value KPIs will be managed in line with the following Government guidance: <a href="#">Guide-to-using-the-Social-Value-Model-Edn-1.1-3-Dec-20.pdf (publishing.service.gov.uk)</a></p>

## 12.6. Contract Management

<b>ID #</b>	<b>Requirement Description</b>
<b>CM1</b>	The Supplier's Contract Manager shall attend Service Review Meetings on a monthly basis. The meetings will be chaired by the Authority & the NIHR Chief Digital Officer. Service Review Meetings will focus on Supplier performance, forward delivery of change, product development, continuous improvement, and problem resolution areas.
<b>CM2</b>	<p>The Supplier will be required to provide a written report at each quarterly Service Review Meeting. The report will include, but not be limited to, detail on operation, management, and progress of the NIHR Digital Strategy and services, including:</p> <ul style="list-style-type: none"> <li>● Up to date risks/issues register.</li> <li>● Monthly performance against KPIs &amp; service levels</li> <li>● Monthly performance report on the deliverables of live Work Packages</li> <li>● Report on development, planning, delivery, and function of NIHR Digital Strategy against agreed milestones and service levels – and to include forward review and quarterly analysis of product plans or roadmap(s) and agile delivery to brief Authority &amp; NIHR DDaT Office on appropriateness against overarching strategic goals.</li> <li>● Supplier to supply an easily accessible service catalogue and performance report of 3<sup>rd</sup> Party applications and subcontractors (including risks and issues) and work with Authority &amp; NIHR DDaT Office to review performance and contribute to NIHR Digital Strategy at quarterly review meetings and more often if appropriate.</li> <li>● Qualitative survey of projects to gauge impact and effectiveness of projects and delivery mechanisms to improve project design.</li> <li>● Any other reporting deemed necessary</li> </ul>
<b>CM3</b>	The reporting described above shall be provided by the Supplier within 5 working days prior to each Service Review Meeting, unless otherwise agreed by the Authority.
<b>CM4</b>	Additional verbal reports will be required from the Supplier at more regular weekly Authority / Supplier meetings/stand ups.
<b>CM5</b>	The parties shall ensure that all attendees of Service Review Meetings are of appropriate seniority and with appropriate levels of empowerment to take necessary decisions and actions.
<b>CM6</b>	Where the Authority and the Supplier agree that services will be provided through an Uncommitted Package, the Parties will agree this in line with the Uncommitted Work Packages contract variation process set out in Annex 1 C249854 RM6100-Lot-4-Call-Off-Terms-SCHEDULE 8.2 CHANGE CONTROL PROCEDURE.

## 12.7. Exit Management

In addition to the requirements outlined in Schedule 8.5 (Exit Management) of the RM6100 Call Off Terms the Supplier will need to deliver upon the Authority's requirements as follows:

ID #	Requirement Description
EM1	All deliverables created will be stored on the NIHR Hub platform.
EM2	All design and operational artefacts will be handed to the Authority in electronic format in a timely fashion but prior to exit of this contract.
EM3	Any COTS software provisioned by the Supplier will require on exit 1) any required assistance with transfer to a replacement supplier or to the Authority to allow for continued use of the software(s), 2) any associated knowledge or process knowledge/documentation transfer required for the day to day running & management of the software.
EM4	Any bespoke software development will require handover of full systems supporting documentation, guidance, and manuals and knowledge transfer to DHSC staff and/or a replacement supplier.

## 12.8. Key Performance Indicators

RM6100-Lot-4-Call-Off-Terms-SCHEDULE 2.2 PERFORMANCE LEVELS

## Appendices

### Appendix A – Target Customer Experiences (TCEs) for RDD&I

The following are links to PDF files of the TCEs created to date.

1. Members of the Public - [https://drive.google.com/file/d/1C9VF3kZrEQtR83m7uhFe7JCYbWYlu6is/view?usp=share\\_link](https://drive.google.com/file/d/1C9VF3kZrEQtR83m7uhFe7JCYbWYlu6is/view?usp=share_link)
2. Industry - [https://drive.google.com/file/d/1tGI4L0nK4HEPpHNYXDGSyX9\\_8vA0u6o9/view?usp=share\\_link](https://drive.google.com/file/d/1tGI4L0nK4HEPpHNYXDGSyX9_8vA0u6o9/view?usp=share_link)
3. NIHR Researchers Careers - [https://drive.google.com/file/d/1S6\\_cf-WWMzyxzmqhpCD02Qm7MfwQBDtM/view?usp=share\\_link](https://drive.google.com/file/d/1S6_cf-WWMzyxzmqhpCD02Qm7MfwQBDtM/view?usp=share_link)

The below diagram is a high-level example of one the TCEs for Research Teams and Sponsors.



## Appendix B – NIHR Service Technologies

Supplier	Service Offered	Description	Data Location	Terms of Service
Google	Google Workspace	Google workspace provides a collection of cloud computing, productivity and collaboration tools, software and products developed and marketed by Google. The NIHR has been a Google platform for almost 10 years.	UK and EU	<a href="#">Generic ToS</a>
AWS	EC2 Compute Services and other AWS services	AWS provides the cloud infrastructure which hosts the NIHR website, journals, IDG etc	Ireland (eu-west-1) and London (eu-west-2)	<a href="#">Generic ToS</a>
Salesforce	NIHR CRM Client	Salesforce Customer 360 is the complete Salesforce CRM product portfolio of market-leading applications to build and sustain customer relationships	UM3 Services within London, UK. Back-up data centre based in the EU.	<a href="#">Generic ToS</a>
DocuSign	NIHR eSignature Client	DocuSign is an eSignature tool which gives the NIHR functionality to sign documents and automate certain processes.	EU	<a href="#">Generic ToS</a>
SiteKit <sup>3</sup>	NIHR CMS Provider	Sitekit CMS powers over 50 NHS websites and intranets, including those of the National Institute of Health Research (NIHR)	London/EU (Hosted on AWS)	<a href="#">Generic ToS</a>
Cloud Manager	IDAM Provider	Cloud Manager is a legacy SSO provider for the NIHR which now manages the directory and email signatures for the NIHR.	Largely UK, some EEA	<a href="#">Generis ToS</a>
ServiceNow	Workflow Support /Service Desk	ServiceNow provides the functionality which supports the service desk and allows NIHR staff and external users request tickets. Change requests are all managed on ServiceNow.	London, UK. Back-up data stored in EU.	<a href="#">Generic ToS</a>
JISC	Eduroam	Secure and seamless internet access for Wi-Fi-enabled devices for your guests, staff.		-
Lucidchart	Diagrammatic Software	Lucid Chart is a bespoke diagram tool to create workflows and complex diagrams.	USA (see DPA)	<a href="#">Generic ToS</a>
Lucidspark	Digital Whiteboarding Software	Similar to Miro, Lucid Spark is a collaboration to brainstorm etc.	USA (see DPA)	<a href="#">Generic ToS</a>
Kanbanchi	Project and Task Management Software	Kanbanchi is a project management tool which is used to manage teams and assign tasks using tickets.	Google (USA)	<a href="#">Generic ToS</a>
AwesomeGapps AwesomeTables	Spreadsheet Tooling Software	Allows data from spreadsheets to be connect to a website among other features.	Google Firebase (SCC)	<a href="#">Generic ToS</a>
AwesomeGapps Forms Publisher	Document generator tool	Generate customized documents from Google Forms or Sheets	Stored in the Google Cloud Platform	<a href="#">Generic ToS</a>

<sup>3</sup> SiteKit have informed the NIHR that they are withdrawing their CMS tool and support for it from October 2024. The NIHR have determined that it will be replaced by the Drupal system from October 2024

AwesomeGapps YAMM	Mass mailing service	Mass email tool which can be used to automate sending of custom emails.	Stored in the Google Cloud Platform	<a href="#">Generic ToS</a>
Google CloudSearch	Domain search features	Google Cloud Search is used on the NIHR Hub to allow users to search the workspace domain easily from one space.	Hosted on Google (UK and EU)	See: Google
Zapier	GDPR consent tool	Zapier is a product that allows end users to integrate the web applications they use and automate workflows.	Stays within the Google estate	<a href="#">Generic ToS</a>
SurveyMonkey	Survey tool			<a href="#">Generic ToS</a>
CTS	Various hardware	Google Meet and Chromebox provider.	n/a	
Contentful	CMS	Contentful is the API-first composable content platform to create, manage and publish content on any digital channel.	US East	<a href="#">Generic ToS</a>
AWS admin tools	Admin Tooling			
Trend Micro	Anti-Virus on servers			
Atlassian	JIRA/ Confluence	Jira and Confluence are Team and Content Management tools respectively. Aimed at improving agile workflow and project management.	Europe	<a href="#">Generic ToS</a>
Quest	Quest Software	ApexSQL audit on the databases.		
GCP	Cloud Compute Service	Googles Cloud computing service which the NIHR also utilises as well as AWS.		-
CEYX Training Platform	Google training platform	Training provider offering online training sessions across multiple Google Workspace tools.		
WSO2	Enterprise platform	It offers an enterprise platform for integrating application programming interfaces, applications, and web services locally and across the Internet		-
CHAIN	Funding to continue running the CHAIN network as agreed with DHSC.	Pass through costs for the NIHRs usage of the CHAIN service.	n/a - not a technical assignment	-
ISRCTN	Registration of clinical trials conducted in the United Kingdom.	Pass through costs for the registration of clinical trials in the UK.	n/a - not a technical assignment	
Drupal	Website Content Management System	System selected as replacement product for NIHR Website system (SiteKit – see above).	UK	<a href="#">Generic ToS</a>

## Appendix C - Long List of Digital Service Initiatives

The tables below provide more detailed information about each of the thirty-one digital service initiatives.

They describe the current barriers (or problems) we want to solve for users and the better outcome the service will deliver for users.

The service initiatives are grouped by each user journey i.e., for:

1. Commercial Researchers
2. Non-Commercial Researchers
3. Public
4. Researcher Developing Their Careers (Academy)
5. Research Evidence Users
6. Plus, Data Foundations needed to underpin those service initiatives

We have divided each user journey into stages:

- **Discovery** where people find the NIHR and understand its role in health and care research.
- **Choose** where people are able to quickly and intuitively select NIHR services that are relevant to them.
- **Manage** where people have the tools to use the services quickly and confidently, they have selected such as applying for funding, finding research evidence, participating in a study etc.
- **Follow On** where the NIHR actively re-engage with users about new opportunities relevant to their areas of research, personal preferences, and history with the NIHR.
- **Community** where people can engage with peers to support each other in their areas of research.
- **Experts** where the Public are recognised for their research experience and matched with studies where their expertise can help design and deliver better research.

In addition, we have co-developed the Technology Strategy that underpins all the digital initiatives that would be delivered in parallel depending on which initiatives are started first. It is built around 4 key themes.

1. NIHR Users will experience an enhanced multi-channel digital world class UX framework with a single user profile.
2. Simplified technology platform utilising cloud components following best practice to reduce cost, harmonise skills and increase delivery.
3. NIHR BI and MI teams will have a single version of information from a single strategic Secure Data Environment.
4. Consolidated and Simplified Back Office Application Estate.

### Commercial Researchers

Stage	Initiative	Barrier	Outcome
<b>Discover</b>	(R1) Researchers discover the NIHR	Confused how to use NHS and social care to run research and why UK is the best place to do research	Simple for commercial research to understand why they should run their research in the UK
<b>Choose</b>	(R2) Researchers choose NIHR services relevant for their study	Hard to understand how the NIHR can help run research in the UK	Able to quickly select the right NIHR services with the support of NIHR business development teams
<b>Manage</b>	(R3) Find Participants Organisations & Professionals	Difficult to find the right locations and people for my research	Research is delivered in best locations with high quality people
	(R4) Design feasible & deliverable research	Don't know of or access NIHR support services	Receive tailored research design support
	(R6) Setup, run and monitor your study	Asked to provide the same performance data multiple times for CRN, HRA etc.	Only have to provide research delivery data once
	(R7) Publish the results of your research	Publishing research is complex	Simpler and quicker to publish research results
<b>Follow On</b>	(R8) Get notified about future research opportunities	Not notified of new relevant opportunities	Matched with new opportunities relevant to commercial organisations area of research

## 5. Non-Commercial Researchers

Stage	Initiative	Barrier	Outcome
<b>Discover</b>	(R1) Researchers discover the NIHR	Hard to discover how the NIHR can help support, fund, and run my study	Increased awareness & engagement
<b>Choose</b>	(R2) Researchers choose NIHR services relevant for their study	Waste time trying to understand NIHR offering	Able to quickly select the right NIHR services
<b>Manage</b>	(R3) Find Participants Organisations & Professionals	Difficult to find the right locations and people for my research	Research is delivered in best location with high quality people
	(R4) Design feasible & deliverable research	Don't know of or access NIHR support services	Receive tailored research design support
	(R5) Get funding for your research idea (One-NIHR)	Funding applications are too complex	Simpler to apply for funding and have an earlier indication if my study is likely to be funded by the NIHR
	(R6) Setup, run and monitor your study	Asked to provide the same performance data multiple times for funders, CRN, HRA etc.	Only have to provide research delivery data once
	(R7) Publish the results of your research	Publishing research is complex	Simpler and quicker to publish research results
<b>Follow On</b>	(R8) Get notified about future research opportunities	Not notified of new relevant opportunities	Matched with new opportunities relevant to my area of research

## 6. Public

Stage	Initiative	Barrier	Outcome
<b>Discover</b>	(P1) Public discover the NIHR	Hard to discover NIHR and understand research especially for underserved communities	Increased awareness & engagement of research & the NIHR
<b>Choose</b>	(P2) Public choose how to take part in research	Hard to find activities relevant to me	Easier for the public to get involved in ways that work for them
<b>Manage</b>	(P3) Public manage & complete their research activity	Difficult to know what to do, and when/how to do it	Simpler for public to do their research activity with confidence
<b>Follow On</b>	(P4) Public find new ways to take part in research	Hard to find new activities based on experience & interests	Public matched with new opportunities relevant to them
<b>Community</b>	(P5) Support a vibrant community of PPI Groups	PPI Groups want support & materials	PPI groups better supported to engage others in research
<b>Experts</b>	(P6) Recognise and promote 'Public Experts'	Public want more recognition & roles as experts	Public feel valued for their efforts & expertise

## 7. Researcher Developing Their Careers (Academy)

Stage	Initiative	Barrier	Outcome
<b>Discover</b>	(C1) Discover how the NIHR can support your research career	Hard to discover how the NIHR can help my research career	Increased awareness & engagement of NIHR Academy
<b>Choose</b>	(C2) Choose NIHR services to support your career	Unclear how the NIHR can support career development	Researchers can easily select services to support their careers
<b>Manage</b>	(C3) Get funding to develop your career	Applications for career development funding are too complex	Simpler & quicker to submit a high-quality application
	(C4) Access tools & training to develop your career	Lack of career development tools	Easy access to training and tools to develop their career
<b>Follow On</b>	(C5) Manage your future career in research	Risk of 'falling off a cliff edge' when funding stops	User is confident what their next role is
<b>Community</b>	(C6) Access a supportive community of research peers	Hard to find peers to connect with and support each other	Users are supported by a community of peers

## 8. Research Evidence Users

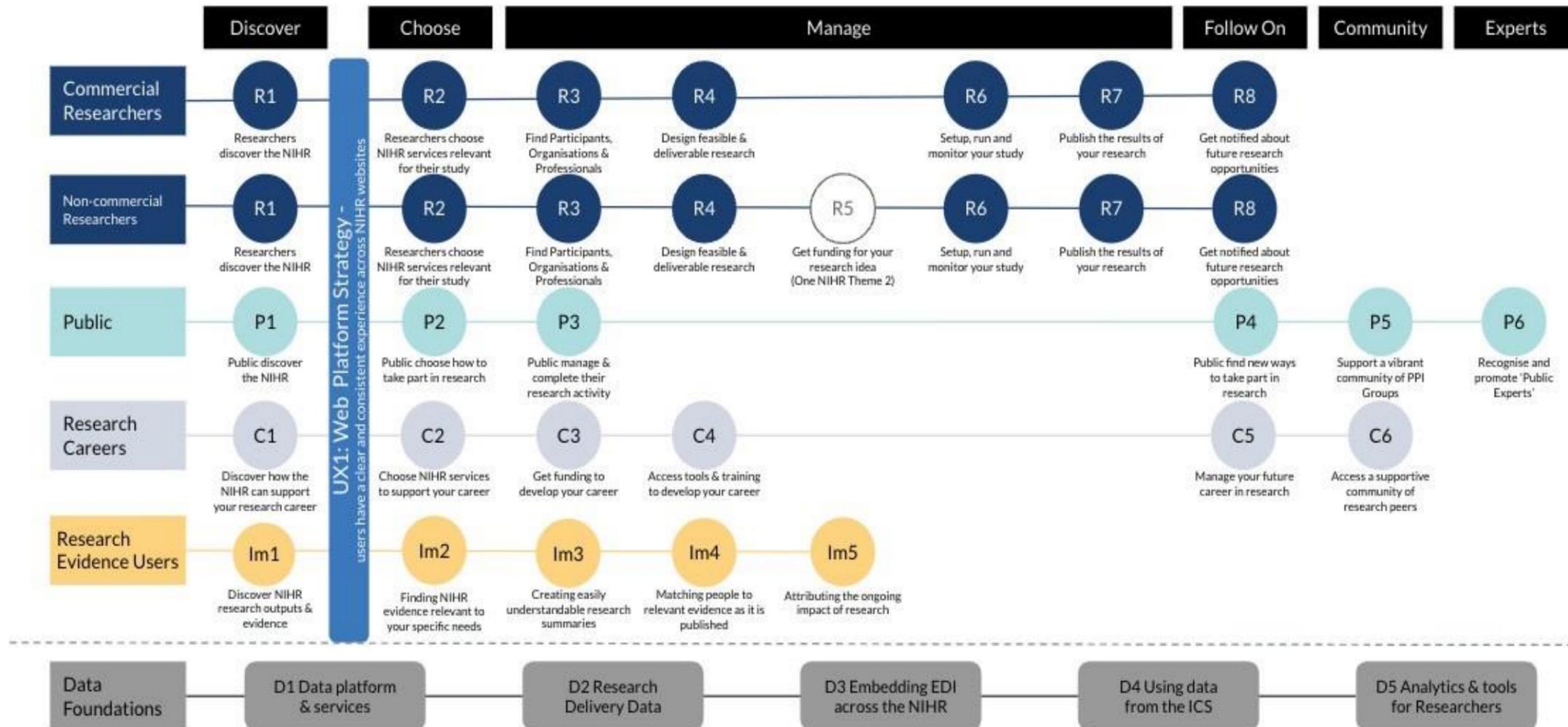
Stage	Initiative	Barrier	Outcome
<b>Discover</b>	(Im1) Discover NIHR research outputs & evidence	Hard to find the right website for needs	Increased awareness & engagement
<b>Choose</b>	(Im2) Finding NIHR evidence relevant to your specific needs	Hard to search and find right evidence that the user needs	Easy to find relevant research evidence
<b>Manage</b>	(Im3) Creating easily understandable research summaries	Evidence summaries are not always easy to understand	Tailored, easy to understand evidence summaries
	(Im4) Matching people to relevant evidence as it is published	Evidence users are not kept up to date with new evidence	Users matched to evidence tailored to their research interests
	(Im5) Attributing the ongoing impact of research	Hard to capture and present impact of research the NIHR supports	Ability to track the ongoing impact of NIHR research in one place

## Data Foundations

Initiative	Barrier	Outcome
(D1) Data platform & services	Expectation to act on Tickell review recommendations	Data is interoperable & shareable
(D2) Research Delivery Data	Poor quality and admin burden of research delivery data	Real time research delivery data with minimal admin burden
(D3) Embedding EDI across the NIHR	Hard to report on NIHR's EDI performance	Diversity across research driven by accurate EDI data
(D4) Using data from the Integrated Care Systems (ICS)	Opportunity to use ICS to recruit hard to reach and underserved communities	Better understanding of and connection with underserved populations
(D5) Analytics & tools for Researchers	Opportunity to provide better tools to run research	Researchers have access to the best tools to run research

# Future user journey & service concepts developed by cross-NIHR teams

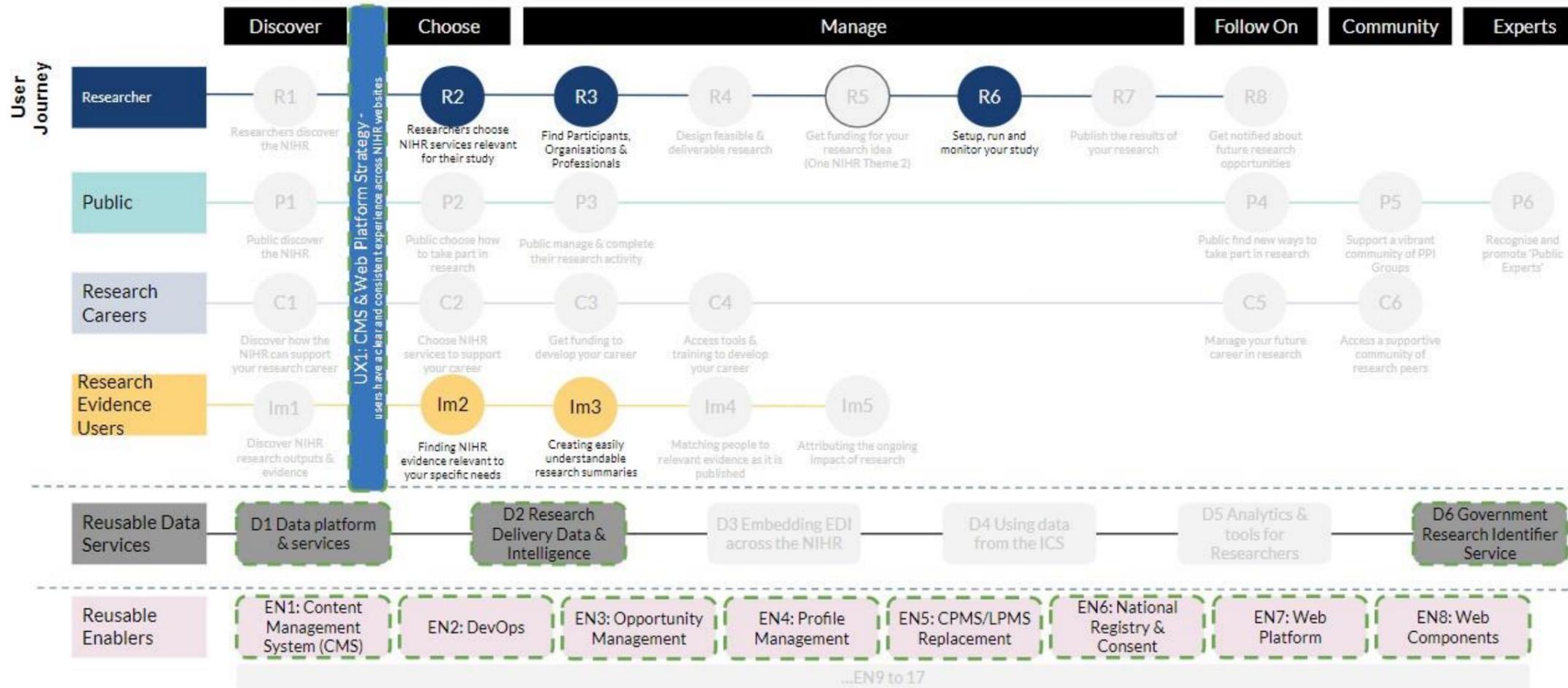
When you start synergies develop across user journeys' outcomes and benefits, which continue to grow as we progress

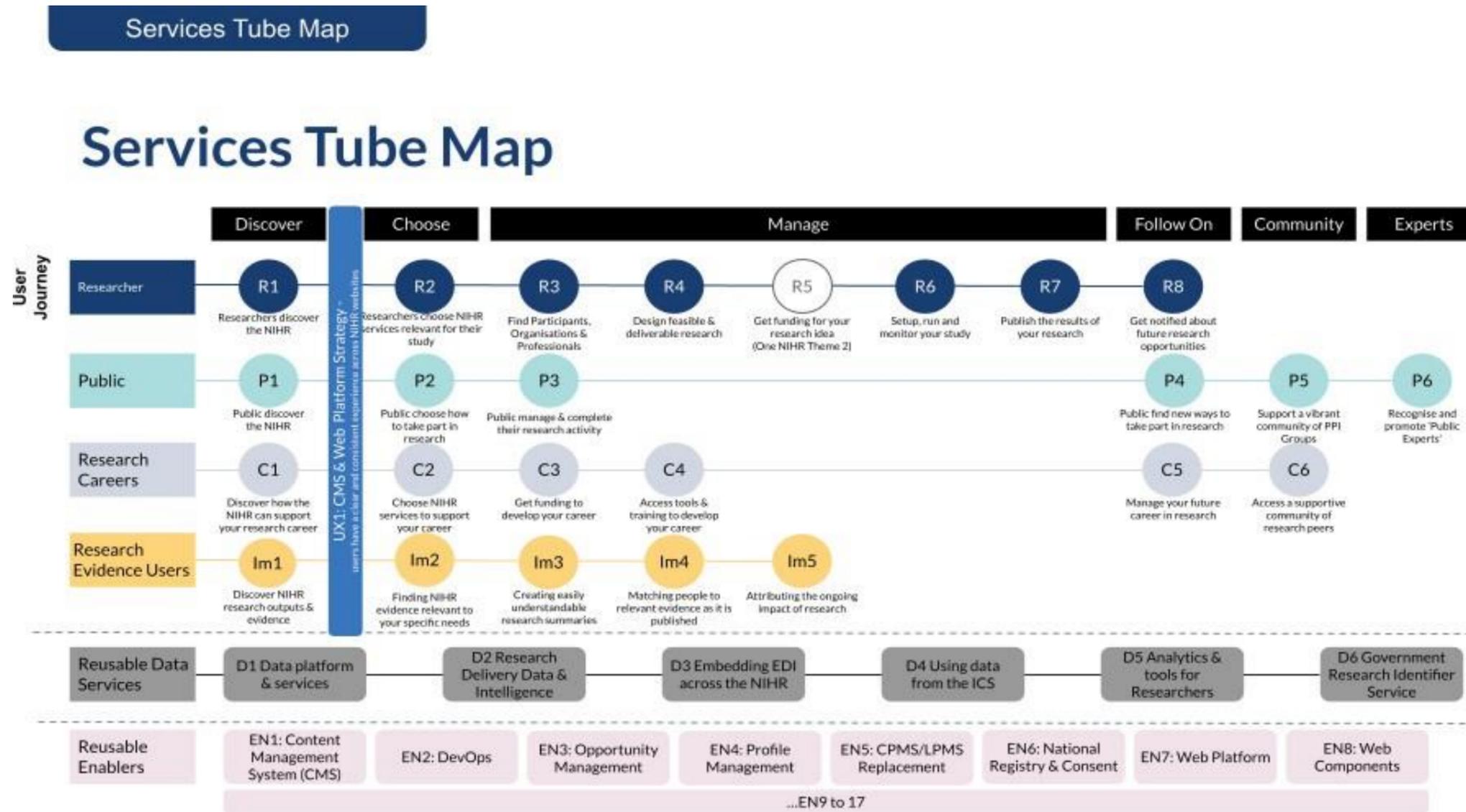


Appendix E – Content Management System Product Selection Requirements

ID	Group	User story pt 1 (As a...)	User story part 2 (MoSCoW...)	User Stories part 3 (Requirement... so that...)
CMS-009	Accessibility	As a website owner...	I must have...	A website that meets WCAG 2.1 (and in future 2.2) requirements, with a well designed UX, so that accessibility requirements are met
CMS-005	Usability	As a content creator...	I must have...	A reliable GUI so that I can see a clear structure of site content, arrangement and locations, and to allow content to be created with ease
CMS-042	Analytics	As a website owner...	I must have...	The ability to analyse website traffic, and provide this information to relevant teams across the organisation so that we can continuously improve content and the whole user experience across our web estate, and gaining insight into user behaviour (currently Google Analytics 4 and Hotjar are used)
CMS-054	Analytics	As a website owner...	I must have...	The ability to track the locations where content is being surfaced (for RSS, content reuse via API and other channels not web)
CMS-030	Content	As a content creator...	I must have...	The ability to easily store and manage content such as pictures, videos and podcasts. This includes the ability to manage digital rights, and upload an original file with the system generating web optimised file sizes/file types (this could be in the CMS or via a 3rd party DAMS solution)
CMS-031	Content	As a content creator...	I must have...	The ability to upload content without significant centralised or developer intervention so that content can be published quickly this should include site and page content including digital assets
CMS-040	Content	As a website developer...	I must have...	The ability to centrally set acceptable content parameters so that web pages render properly and quickly (e.g. filetypes, sizes)
CMS-041	Content	As a website developer...	I must have...	The ability to centrally set video and audio parameters so that web pages render properly and quickly, and to provide a good user experience (e.g. autoplay disabled)
CMS-043	Content (Forms)	As a content creator...	I must have...	The ability to easily create forms so that relevant information based on conditional logic can be collected to support services for our users
CMS-007	External	As a website owner...	I must have...	A website that is GDPR compliant
CMS-008	External	As a website developer...	I must have...	The ability to manage cookie consent in a way that is compliant with GDPR
CMS-029	Interfaces	As a website developer...	I must have...	The ability to extend functionality using 3rd party plug-ins (for example, survey tools)
CMS-019	Permissions	As a website developer...	I must have...	The ability to restrict editing and publishing rights of content creators/reviewers to specific areas of the website (or subsites)
CMS-020	Permissions	As a website developer...	I must have...	The ability to manage different levels of functionality for different user levels (for example, editing rights, publishing rights)
CMS-001	Procurement and Support	As a website developer...	I must have...	The ability to support internal users and ensure that bugs and improvements are made in a timely manner (this may include SLAs)
CMS-002	Procurement and Support	As a website developer...	I must have...	Regular releases with comprehensive release notes for new versions and updates so that we can take advantage of the latest features
CMS-003	Procurement and Support	As a website owner...	I must have...	Visibility of the roadmap so that I am assured that the product will be continuously improved
CMS-010	Staging	As a content creator...	I must have...	Auto-save of draft work as it is created so that I don't lose work of created if I log out or go offline
CMS-011	Staging	As a content creator...	I must have...	The ability to make all edits within the CMS tool prior to making a page live
CMS-012	Staging	As a content creator...	I must have...	The ability to schedule content to be published, changed or withdrawn. This includes both whole pages/posts, and elements within a page/post (for example, specific text)
CMS-014	Staging	As a content publisher...	I must have...	The ability to preview a page prior to publication, so that I can guarantee what the content will look like once its been published.
CMS-016	Staging	As a website developer...	I must have...	The ability to create content publishing approval workflows so that we publish high quality and secure content
CMS-017	Staging	As a website developer...	I must have...	The ability to draft and get feedback on new page templates and specialised/complicated content before making them available to content creators
CMS-026	Templates	As a website developer...	I must have...	The ability to create different page templates to support different use cases (e.g. home page, blog page, application microsite)
CMS-027	Templates	As a website developer...	I must have...	The ability to support multiple websites but with enough standardisation to reduce variability
CMS-028	Templates	As a website owner...	I must have...	The ability to publish the same content to different sites/endpoints with different branding
CMS-023	Usability	As a content creator...	I must have...	The ability to translate from English into other languages, e.g. Welsh so our content is accessible and inclusive by all our users

# First 12 Months - Services Tube Map



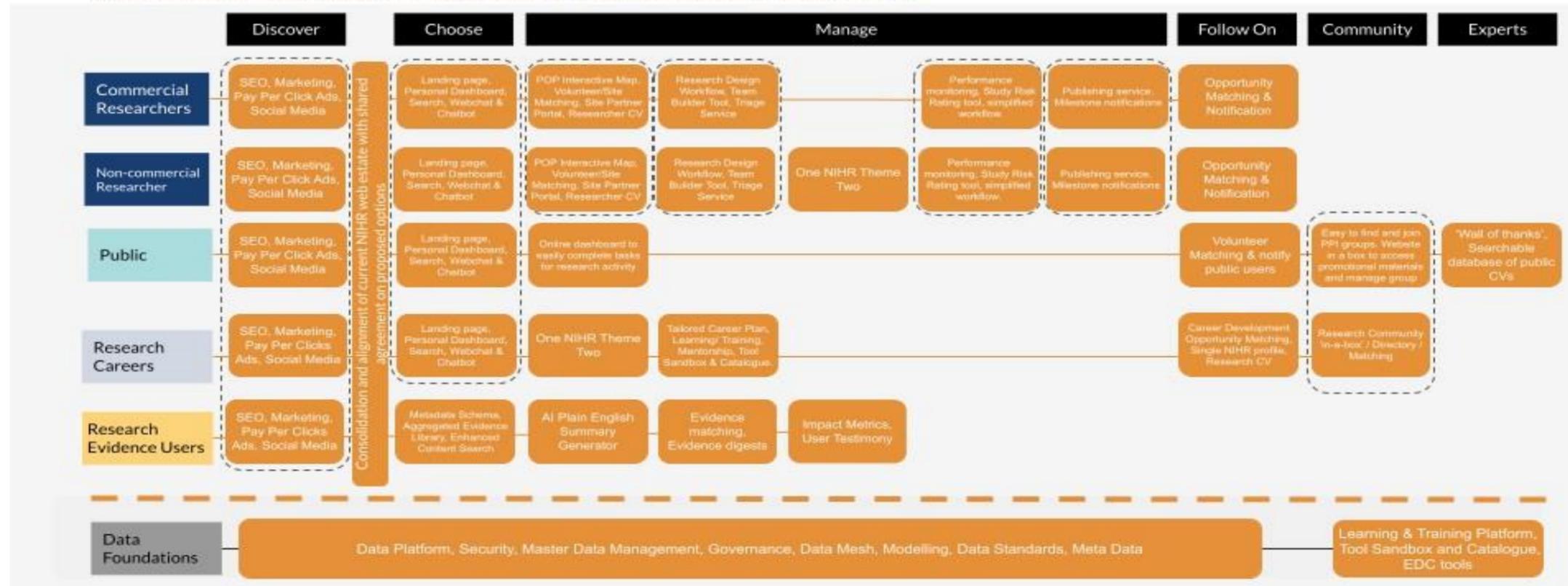


Appendix G is a diagram depicting what the NIHR calls a “Tube Map” showing the complete set of services required to deliver the NIHR’s digital transformation.

The services shown above combine to deliver the future (to be) state described in each of the TCEs. An outline of the high-level components is given in Appendix H which is a representation of how key initiatives relate to the TCEs and some their high-level components.

## Key initiatives to address the barriers faced by our users & the NIHR

Each barrier has deliverables that will help address the core challenge



Each of the initiatives shown in H is supported by a mini service appraisal which describe the challenges identified, user stories, deliverables, outcomes, and key areas of investigation for the delivery phase as described in Appendix G.

Appendix I – Mini Service Appraisal

(P2) Public Choose how to take part in research				
Challenge	User Story	Deliverables	Outcome	
<p>The public told us that the NIHR needs to make it simpler and quicker to understand the different ways they can support research, so they can decide what research activities work best for them.</p>	<p>As a member of the public, I want to be guided to research activities that work for me, so I can support research in ways that fit my interests and lifestyle constraints, such as my availability, distance I can travel etc.</p>	<p><b>Public landing page [B]</b> to enable the the public to quickly and easily understand the NIHR and discover the best way for them to work with the organisation.</p>	<p><b>Public:</b> It is simple and quick for me to understand how I can get involved in research and choose a research activity that works for me.</p>	
		<p><b>Content Management Solution [B/N]</b> to allow NIHR to collaborate and store all content in one place so it can surface the same content across multiple sites, channels, formats and languages and devices.</p>		
		<p><b>Guided Discovery [N]</b> to allow the public to get a shortlist of relevant research activities based on a short set of questions about them and their preferences, for example, time they can commit, how far they can travel.</p>	<p><b>NIHR:</b> NIHR delivers on its goal to increase Public participation and involvement in health and care research, meaning it can delivery better quality research that delivers better outcomes through increased engagement.</p>	
		<p><b>NIHR Content Search [B/N]</b> to allow the public to search all the different types of research activities, and be provided with enough information to be able to make an informed choice about what activities will work for them.</p>		
		<p><b>Single NIHR account, profile and authentication [B/N]</b> allowing public users to access and manage their profile, preferences, interests and consents.</p>		
		<p><b>Personalised Dashboard [N]</b> to allow public users to manage their chosen research activities, personal details, preferences and consents etc.</p>		
		<p><b>Single pan-NIHR CRM system [B/N]</b> to give the NIHR a single view of each customer and their different interactions with the organisation to create better and more consistent user experiences.</p>		
		<p><b>Webchat and Chatbot Support [N]</b> with a PPI expert for people who want additional support understanding and choosing a research activity that works best for them.</p>		
		<p><b>Knowledge Management [N]</b> NIHR teams and online self service, so that we have the right content to answer the users specific question and the time they need it.</p>		
Questions to address in Discovery Phase				
<p>What are the most effective digital and non-digital channels to reach and engage a wide and diverse population with different needs?</p>	<p>What do we need to do to support those who have no prior research involvement experience?</p>	<p>What logic will we use to ensure the right opportunities are surfaced to the right people?</p>	<p>What capacity and change will we see in NIHR CC' teams to support the new digital service e.g. livechat?</p>	<p>What existing services and technologies does the NIHR Profile need to be compatible with? e.g. NHS Login, Microsoft, Google.</p>
<p>Impacted CCs</p>	<p>CRN CED CCF NETS ACA NOCRI NIHR COMMS</p>	<p>Key:</p>	<p>High Medium Low</p>	<p>[B] = Build [B/N] = Build-on [N] = New</p>
<p>Suggested sponsor:</p>	<p>Frances Beves / Imogen Shillito / Jeremy Taylor / Zoe Gray</p>			

## SCHEDULE 2.2

### PERFORMANCE LEVELS

#### 1 DEFINITIONS

In this Schedule, the following definitions shall apply:

<b>“Available”</b>	has the meaning given in Paragraph 1.2 of Part II of Annex 1;
<b>“End User”</b>	any person authorised by the Buyer to use the IT Environment and/or the Services;
<b>“Help Desk”</b>	the single point of contact help desk set up and operated by the Supplier for the purposes of this Contract;
<b>“Non-Available”</b>	in relation to the IT Environment or the Services, that the IT Environment or the Services are not Available;
<b>“Performance Monitoring Report”</b>	has the meaning given in Paragraph 1.1(a) of Part B;
<b>“Performance Review Meeting”</b>	the regular meetings between the Supplier and the Buyer to manage and review the Supplier's performance under this Contract, as further described in Paragraph 1.5 of Part B;
<b>“Repeat KPI Failure”</b>	has the meaning given in Paragraph 3.1 of Part A;
<b>“Satisfaction Survey”</b>	has the meaning given in Paragraph 5.1 of Part II of Annex 1;
<b>“Service Availability”</b>	has the meaning given in Paragraph 2 of Part II of Annex 1;
<b>“Service Downtime”</b>	any period of time during which any of the Services are not Available; and
<b>“System Response Time”</b>	has the meaning given in Paragraph 2.1 of Part II of Annex 1.

## PART A: PERFORMANCE INDICATORS AND SERVICE CREDITS

### 1 PERFORMANCE INDICATORS

- 1.1 Attachment 2.2 (Key Performance Indicators and Subsidiary Performance Indicators) of the Order Form sets out the Key Performance Indicators and Subsidiary Performance Indicators which the Parties have agreed shall be used to measure the performance of the Services by the Supplier.
- 1.2 The Supplier shall monitor its performance against each Performance Indicator and shall send the Buyer a report detailing the level of service actually achieved in accordance with Part B.
- 1.3 Service Points, and therefore Service Credits, shall accrue for any KPI Failure and shall be calculated in accordance with Paragraphs 2, 3 and 5.

### 2 SERVICE POINTS

- 2.1 If the level of performance of the Supplier during a Service Period achieves the Target Performance Level in respect of a Key Performance Indicator, no Service Points shall accrue to the Supplier in respect of that Key Performance Indicator.
- 2.2 If the level of performance of the Supplier during a Service Period is below the Target Performance Level in respect of a Key Performance Indicator, Service Points shall accrue to the Supplier in respect of that Key Performance Indicator as set out in Paragraph 2.3.
- 2.3 The number of Service Points that shall accrue to the Supplier in respect of a KPI Failure shall be the applicable number as set out in Annex 1 depending on whether the KPI Failure is a Minor KPI Failure, a Serious KPI Failure or a Severe KPI Failure, unless the KPI Failure is a Repeat KPI Failure when the provisions of Paragraph 3.2 shall apply.

### 3 REPEAT KPI FAILURES AND RELATED KPI FAILURES

#### Repeat KPI Failures

- 3.1 If a KPI Failure occurs in respect of the same Key Performance Indicator in any two consecutive Measurement Periods, the second and any subsequent such KPI Failure shall be a “Repeat KPI Failure”.
- 3.2 The number of Service Points that shall accrue to the Supplier in respect of a KPI Failure that is a Repeat KPI Failure shall be calculated as follows:

$$SP = P \times 2$$

where:

**SP** = the number of Service Points that shall accrue for the Repeat KPI Failure; and

**P** = the applicable number of Service Points for that KPI Failure as set out in Attachment 2.2 (Key Performance Indicators and Subsidiary Performance Indicators) of the Order Form depending on whether the Repeat KPI Failure is a Minor KPI Failure, a Serious KPI Failure, a Severe KPI Failure or a failure to meet the KPI Service Threshold.

**Worked example based on the following Service Points regime for Service Availability:**

Service Availability Severity Levels	Service Points
Target Performance Level: 99%	0
Minor KPI Failure: 98.0% - 98.9%	1
Serious KPI Failure: 97.0% - 97.9%	2
Severe KPI Failure: 96.0% - 96.9%	3
KPI Service Threshold: below 96%	4

**Example 1:**

*If the Supplier achieves Service Availability of 98.5% in a given Measurement Period, it will incur a Minor KPI Failure for Service Availability in that Measurement Period and accordingly accrue 1 Service Point. If, in the next Measurement Period, it achieves Service Availability of 96.5%, it will incur a Severe KPI Failure and accordingly accrue 3 Service Points, but as the failure is a Repeat Failure, this amount is doubled and so the Supplier will incur 6 Service Points for the failure (i.e.,  $SP = 3 \times 2$ ). If in the next Measurement Period it achieves Service Availability of 96.5%, the Supplier will again incur 6 Service Points.*

**Example 2:**

*If the Supplier achieves Service Availability of 96.5% in a given Measurement Period, it will incur a Severe KPI Failure for Service Availability in that Measurement Period and accordingly accrue 3 Service Points. If, in the next Measurement Period, it achieves Service Availability of 98.5%, it will incur a Minor KPI Failure and accordingly accrue 1 Service Point, but as the failure is a Repeat Failure, this amount is doubled and so the Supplier will incur 2 Service Points for the failure (i.e.  $SP = 1 \times 2$ ). If in the next Measurement Period it achieves Service Availability of 96.5%, the Supplier will incur 6 Service Points.*

**Related KPI Failures**

3.3 If any specific Key Performance Indicators refer to both Service Availability and System Response Times, the System Response Times achieved by the Supplier for any period of time during a Service Period during which the relevant Service or element of a Service is determined to be Non-Available shall not be taken into account in calculating the average System Response Times over the course of that Service Period. Accordingly, the Supplier shall not incur any Service Points for failure to meet System Response Times in circumstances where such failure is a result of, and the Supplier has already incurred Service Points for, the Service being Non-Available.

**4 PERMITTED MAINTENANCE**

The Supplier shall be allowed to book a maximum of 12 hours Service Downtime for Permitted Maintenance in any one Service Period which shall take place between the hours and on the day specified in the Maintenance Schedule unless otherwise agreed in writing with the Buyer.

**5 SERVICE CREDITS**

- 5.1 Schedule 7.1 (*Charges and Invoicing*) sets out the mechanism by which Service Points shall be converted into Service Credits.
- 5.2 The Buyer shall use the Performance Monitoring Reports provided pursuant to Part B, among other things, to verify the calculation and accuracy of the Service Credits (if any) applicable to each Service Period.

## PART B: PERFORMANCE MONITORING

### 1 PERFORMANCE MONITORING AND PERFORMANCE REVIEW

- 1.1 Within 10 Working Days of the end of each Service Period, the Supplier shall provide:
- (a) a report to the Buyer Representative which summarises the performance by the Supplier against each of the Performance Indicators as more particularly described in Paragraph 1.2 (the “**Performance Monitoring Report**”); and
  - (b) a report created by the Supplier to the Buyer’s senior responsible officer which summarises the Supplier’s performance over the relevant Service Period as more particularly described in Paragraph 1.3 (the “**Balanced Scorecard Report**”).

#### Performance Monitoring Report

- 1.2 The Performance Monitoring Report shall be in such format as agreed between the Parties from time to time and contain, as a minimum, the following information:

#### Information in respect of the Service Period just ended

- (a) for each Key Performance Indicator and Subsidiary Performance Indicator, the actual performance achieved over the Service Period, and that achieved over the previous 3 Measurement Periods;
- (b) a summary of all Performance Failures that occurred during the Service Period;
- (c) the severity level of each KPI Failure which occurred during the Service Period and whether each PI Failure which occurred during the Service Period fell below the PI Service Threshold;
- (d) which Performance Failures remain outstanding and progress in resolving them;
- (e) for any Material KPI Failures or Material PI Failures occurring during the Service Period, the cause of the relevant KPI Failure or PI Failure and the action being taken to reduce the likelihood of recurrence;
- (f) the status of any outstanding Rectification Plan processes, including:
  - (i) whether or not a Rectification Plan has been agreed; and
  - (ii) where a Rectification Plan has been agreed, a summary of the Supplier’s progress in implementing that Rectification Plan;
- (g) for any Repeat Failures, actions taken to resolve the underlying cause and prevent recurrence;
- (h) the number of Service Points awarded in respect of each KPI Failure;
- (i) the Service Credits to be applied, indicating the KPI Failure(s) to which the Service Credits relate;
- (j) the conduct and performance of any agreed periodic tests that have occurred, such as the annual failover test of the Service Continuity Plan;

- (k) relevant particulars of any aspects of the Supplier's performance which fail to meet the requirements of this Contract;
- (l) such other details as the Buyer may reasonably require from time to time; and

#### **Information in respect of previous Service Periods**

- (m) a rolling total of the number of Performance Failures that have occurred over the past six Service Periods;
- (n) the amount of Service Credits that have been incurred by the Supplier over the past six Service Periods;
- (o) the conduct and performance of any agreed periodic tests that have occurred in such Service Period such as the annual failover test of the Service Continuity Plan; and

#### **Information in respect of the next Quarter**

- (p) any scheduled Service Downtime for Permitted Maintenance and Updates that has been agreed between the Buyer and the Supplier for the next Quarter.

#### **Balanced Scorecard Report**

1.3 The Balanced Scorecard Report shall be presented in the form of an online accessible dashboard and, as a minimum, shall contain a high level summary of the Supplier's performance over the relevant Service Period, including details of the following:

- (a) financial indicators;
- (b) the Target Performance Levels achieved;
- (c) behavioural indicators;
- (d) performance against its obligation to pay its Sub-contractors within thirty (30) days of receipt of an undisputed invoice;
- (e) performance against its obligation to pay its Unconnected Sub-contractors within sixty (60) days of receipt of an invoice;
- (f) Milestone trend chart, showing performance of the overall programme;
- (g) sustainability and energy efficiency indicators, for example energy consumption and recycling performance; and
- (h) Social Value (as applicable).

1.4 The Performance Monitoring Report and the Balanced Scorecard Report shall be reviewed and their contents agreed by the Parties at the next Performance Review Meeting held in accordance with Paragraph 1.5.

1.5 The Parties shall attend meetings on a monthly basis (unless otherwise agreed) to review the Performance Monitoring Reports and the Balanced Scorecard Reports. The Performance Review Meetings shall (unless otherwise agreed):

- (a) take place within 5 Working Days of the Performance Monitoring Report being issued by the Supplier;
- (b) take place at such location and time (within normal business hours) as the Buyer shall reasonably require (unless otherwise agreed in advance); and
- (c) be attended by the Supplier Representative and the Buyer Representative.

1.6 The Buyer shall be entitled to raise any additional questions and/or request any further information from the Supplier regarding any KPI Failure and/or PI Failure.

## **2 PERFORMANCE RECORDS**

2.1 The Supplier shall keep appropriate documents and records (including Help Desk records, staff records, timesheets, training programmes, staff training records, goods received documentation, supplier accreditation records, complaints received etc.) in relation to the Services being delivered. Without prejudice to the generality of the foregoing, the Supplier shall maintain accurate records of call histories for a minimum of 12 months and provide prompt access to such records to the Buyer upon the Buyer's request. The records and documents of the Supplier shall be available for inspection by the Buyer and/or its nominee at any time and the Buyer and/or its nominee may make copies of any such records and documents.

2.2 In addition to the requirement in Paragraph 2.1 to maintain appropriate documents and records, the Supplier shall provide to the Buyer such supporting documentation as the Buyer may reasonably require in order to verify the level of the performance of the Supplier both before and after each Operational Service Commencement Date and the calculations of the amount of Service Credits for any specified period.

2.3 The Supplier shall ensure that the Performance Monitoring Report, the Balanced Scorecard Report (as well as historic Performance Monitoring Reports and historic Balance Scorecard Reports) and any variations or amendments thereto, any reports and summaries produced in accordance with this Schedule and any other document or record reasonably required by the Buyer are available to the Buyer on-line and are capable of being printed.

## **3 PERFORMANCE VERIFICATION**

The Buyer reserves the right to verify the Availability of the IT Environment and/or the Services and the Supplier's performance under this Contract against the Performance Indicators including by sending test transactions through the IT Environment or otherwise.

**ANNEX 1: KEY PERFORMANCE INDICATORS AND SUBSIDIARY PERFORMANCE INDICATORS**

**PART I: KEY PERFORMANCE INDICATORS AND SUBSIDIARY PERFORMANCE INDICATORS  
TABLES**



The awarded Contract Value will be used for the purposes of calculating Service Credit percentages in the table below, it is by no means a commitment of spend, nor a guarantee of work under the Contract.

SL1, SL2, SL3, and SL4 plus the related Service Credits apply to each individual Work Package and performance will be monitored and Service Credits accrued individually against each Work Package executed under the contract.

England bank holidays will not be considered a working day.

**Table 1: (Service Levels to be in effect from the Call-Off Commencement Date)**

SL1, SL2, SL3, and SL4 & the related Service Credits apply to each individual Work Package and performance will be monitored & Service Credits accrued individually against each Work Package

Service Levels						Service Credit for each Service Period
Ref	Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Threshold	Service Level Performance Calculation	
SL1	<p>Within 5 Working Days of receiving a draft Work Package (UD Change Form) from the Buyer, the Supplier will provide the Buyer with an updated version of the UD Change Form completed with the Relevant Information in full.</p> <p>The Service Level will start once the Buyer has sent a draft Work Package (UD Change Form) electronically to the Supplier which includes, at minimum, the details required of the Buyer in the UD Change Form template.</p>	Work Package Acceptance Process	100%	90%	N/A	<p>3% of the Core Programme Team monthly charges payable to the Buyer as Service Credits for each Working Day delayed.</p> <p>To be deducted from the next valid invoice payable by the Buyer.</p>
SL2	<p>The Supplier will provide authorised signature on a Work Package (UD Change Form) within 2 Working Days (48 hours) of receiving a final Work Package (UD Change Form) and signature request from the Buyer.</p> <p>The Service Level will start once the Buyer has a sent a final UD Change Form electronically to the Supplier requesting signature, and the prior steps outlined in SL1 are complete.</p>	Work Package Acceptance Process	100%	90%	N/A	<p>3% of the Core Programme Team monthly charges payable to the Buyer as Service Credits for each Working Day delayed.</p> <p>To be deducted from the next valid invoice payable by the Buyer.</p>

Service Levels						Service Credit for each Service Period
Ref	Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Threshold	Service Level Performance Calculation	
SL3	80% of Supplier personnel deployed to Buyer on time for the relevant resource start date outlined in within the related signed Work Package (UD Change Form). The resource start dates will be detailed in the Implementation Plan and/or Supplier's resource plan that is embedded in each Work Package (UD Change Form).	Personnel Deployment	80%	70%	= (Number of Supplier personnel deployed on time / total number of personnel detailed in Supplier Resource Plan) x 100	5% of the Core Programme Team monthly charges payable to the Buyer as Service Credits for each Work Package the Service Level Performance Measure is not met.  To be deducted from the next valid invoice payable by the Buyer.  Where Milestone Delay Payments apply in a Work Package, this Service Credit will not accrue for that Work Package.
SL4	100% of Supplier personnel deployed to Buyer no later than 3 Working Days after the relevant resource start date outlined in within the related signed Work Package (UD Change Form). The resource start dates will be detailed in the Implementation Plan and/or Supplier's resource plan that is embedded in each Work Package (UD Change Form).	Personnel Deployment	100%	90%	= (Number of Supplier personnel deployed on time / total number of personnel detailed in Supplier Resource Plan) x 100	5% of the Core Programme Team monthly charges payable to the Buyer as Service Credits for each Work Package the Service Level Performance Measure is not met.  To be deducted from the next valid invoice payable by the Buyer.  Where Milestone Delay Payments apply in a Work Package, this Service Credit will not accrue for that Work Package.
SL5	Supplier to attend Operational Board (Quarterly Service Review Meetings).	Operational Board (Quarterly Service Review Meeting) attendance	100%	95%	ONLY applicable when there is no Supplier representation at Operational Board (Quarterly Service Review Meetings)	10% of the Core Programme Team monthly charges payable to the Buyer as Service Credits for each Quarterly Service Review Meeting not attended.  To be deducted from the next valid invoice payable by the Buyer.

Service Levels						Service Credit for each Service Period
Ref	Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Threshold	Service Level Performance Calculation	
SL6	<p>Supplier to provide a quarterly Progress Report no later than 5 Working Days prior to each Operational Board (Quarterly Service Review Meetings).</p> <p>The Supplier must provide a written Progress Report no later than 5 Working Days prior to each Operational Board. The Progress Report must include, but not be limited to, detail on operation, management, and progress of the NIHR Digital Strategy and Services, including:</p> <ul style="list-style-type: none"> <li>• Up to date risks/issues register;</li> <li>• Monthly performance against KPIs;</li> <li>• Monthly performance report on the deliverables of live Work Packages</li> <li>• Report on development, planning, delivery, and function of NIHR Digital Strategy against agreed Milestones and Service Levels –and to include forward review and quarterly analysis of product roadmap(s) and agile delivery to brief DHSC / NIHR DDaT Office on appropriateness against overarching strategic goals;</li> <li>• An easily accessible service catalogue and performance report of 3<sup>rd</sup> Party applications and Subcontractors (including risks and issues) and work with DHSC / NIHR DDaT Office to review performance and contribute to NIHR Digital Strategy at quarterly review meetings and more often if appropriate; and</li> <li>• Qualitative survey of projects to gauge impact and effectiveness of projects and delivery mechanisms to improve project design.</li> </ul>	Progress Report delivery on time and in full.	100%	95%	-	<p>3% of the Core Programme Team monthly charges payable to the Buyer as Service Credits for each Progress Report not submitted on time and in full.</p> <p>To be deducted from the next valid invoice payable by the Buyer.</p>

Service Levels						Service Credit for each Service Period
Ref	Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Threshold	Service Level Performance Calculation	
SL7	All issues and/or complaints escalated to the Supplier's Contract Manager to be acknowledged and an action plan agreed within 2 Working Days (48 hours), unless agreed otherwise.	Issues Handling and Escalation	100%	90%	-	3% of the Core Programme Team monthly charges payable to the Buyer as Service Credits for each complaint that has not had an action plan submitted by the Supplier within 48 hours.  To be deducted from the next valid invoice payable by the Buyer.

Table 2: (Service Levels which may be put into effect following change in accordance with Schedule 8.2 Change Control)

Service Levels						Service Credit for each Service Period	
Ref	Service Level Criterion	Performance	Key Indicator	Service Level Performance Measure	Service Level Threshold		Service Level Performance Calculation
SL8	System Availability		System Availability	99.5%	99.5%	= (Number of hours uptime in the Service Period / total hours in Service Period) x 100	3% Service Credit of the monthly live service charges for the related system gained for each 0.5% under the specified Service Level Performance Measure.
SL9	Incident Response (Priority 1) Response time: 1 hours		Incident Response Time	99%	80%	= (Priority 1 incidents responded to within response time / Total Priority 1 Incidents within Service Period) x 100	5% Service Credit of the monthly live service charges for the related system gained for each 0.5% under the specified Service Level Performance Measure.
SL10	Incident Response (Priority 2) Response time: 4 hours		Incident Response Time	99%	80%	= (Priority 2 incidents responded to within response time / Total Priority 2 Incidents within Service Period) x 100	4% Service Credit of the monthly live service charges for the related system gained for each 0.5% under the specified Service Level Performance Measure.
SL11	Incident Response (Priority 3) Response time: 1 Working Days		Incident Response Time	95%	80%	= (Priority 3 incidents responded to within response time / Total Priority 3 Incidents within Service Period) x 100	3% Service Credit of the monthly live service charges for the related system gained for each 0.5% under the specified Service Level Performance Measure.
SL12	Incident Response (Priority 4) Response time: 3 Working Days		Incident Response Time	93%	80%	= (Priority 4 incidents responded to within response time / Total Priority 4 Incidents within Service Period) x 100	2% Service Credit of the monthly live service charges for the related system gained for each 0.5% under the specified Service Level Performance Measure.
SL13	Incident Resolution (Priority 1) Resolution time: 4 hours		Incident Resolution Time	90%	80%	= (Priority 1 incidents resolved within resolution time / Total Priority 1 Incidents within Service Period) x 100	5% Service Credit of the monthly live service charges for the related system gained for each 0.5% under the specified Service Level Performance Measure.

Service Levels						Service Credit for each Service Period
Ref	Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Threshold	Service Level Performance Calculation	
SL14	Incident Resolution (Priority 2) Resolution time: 12 hours	Incident Resolution Time	90%	80%	$= \frac{\text{(Priority 2 incidents resolved within resolution time / Total Priority 2 Incidents within Service Period)}}{100} \times$	4% Service Credit of the monthly live service charges for the related system gained for each 0.5% under the specified Service Level Performance Measure.
SL15	Incident Resolution (Priority 3) Resolution time: 3 Working Days	Incident Resolution Time	90%	80%	$= \frac{\text{(Priority 3 incidents resolved within resolution time / Total Priority 3 Incidents within Service Period)}}{100} \times$	3% Service Credit of the monthly live service charges for the related system gained for each 0.5% under the specified Service Level Performance Measure.
SL16	Incident Resolution (Priority 4) Resolution time: 7 Working Days	Incident Resolution Time	85%	80%	$= \frac{\text{(Priority 4 incidents resolved within resolution time / Total Priority 4 Incidents within Service Period)}}{100} \times$	2% Service Credit of the monthly live service charges for the related system gained for each 0.5% under the specified Service Level Performance Measure.

## Priority Level Definitions

Priority Level	Definition
<b>Priority 1</b>  Critical – Service Unavailable or Unusable	Entire system or service is unavailable or unusable. Impact is extensive and widespread across NIHR with severe or critical impact on ability to work / function. E.g., NIHR Website unavailable or core business system. Response requires sustained effort using all necessary and available resources.
<b>Priority 2</b>  High – Major functionality problem	Major functionality is disrupted preventing normal work with no work around available / possible. Impact is significant or large but limited to a proportion of the NIHR structure or service. E.g., section of NIHR website unavailable or localised to one part of the NIHR Coordinating centre. Response is immediate to assess situation and service staff may be redeployed as necessary / appropriate.
<b>Priority 3</b>  Medium – Minor functionality problem	Functionality is interrupted / disrupted preventing normal work, but a work around is available for implementation. Impact can be widespread but manageable via work around. Response is managed within standard procedures and timeframes for this level.
<b>Priority 4</b>  Low – non urgent	Limited or low-level impact but requires remedial action. Impact is to a small group or an individual. E.g., password reset. Response is managed within standard procedures and timeframes for this level.

## Service Credit Cap



## Critical Service Level Failure

A Critical Service Level Failure shall include Service Level Performance falling below the Service Level Performance Measure for (3) consecutive Service Periods in relation to any single Service Level.

## PART II: DEFINITIONS

### 1 AVAILABLE

1.1 The IT Environment and/or the Services shall be Available when:

- (a) End Users are able to access and utilise all the functions of the Supplier System and/or the Services; and
- (b) the Supplier System is able to process the Buyer Data and to provide any required reports within the timescales set out in the Services Description (as measured on a 24 x 7 basis); and
- (c) all Performance Indicators other than Service Availability are above the KPI Service Threshold.

### 2 SERVICE AVAILABILITY

2.1 Service Availability shall be measured as a percentage of the total time in a Service Period, in accordance with the following formula:

$$\text{Service Availability \%} = \frac{(MP - SD) \times 100}{MP}$$

where:

- MP = total number of minutes, excluding Permitted Maintenance, within the relevant Service Period; and
- SD = total number of minutes of Service Downtime, excluding Permitted Maintenance, in the relevant Service Period.

2.2 When calculating Service Availability in accordance with this Paragraph 2:

- (a) Service Downtime arising due to Permitted Maintenance that is carried out by the Supplier in accordance with Clause 9.4 (*Maintenance*) shall be subtracted from the total number of hours in the relevant Service Period; and
- (b) Service Points shall accrue if:
  - (i) any Service Downtime occurs as a result of Emergency Maintenance undertaken by the Supplier; or
  - (ii) where maintenance undertaken by the Supplier exceeds 12 hours in any Service Period.

### 3 RESPONSE TIMES

3.1 The “**System Response Time**” is the round trip time taken to process a message or request of the IT Environment and/or the Services, and shall be measured from the moment the last packet of data which relates to a particular message is received at the external interface of the IT Environment until a response is generated and the first block of data leaves the external interface (including, for the avoidance of doubt, the time taken for any necessary processing).

3.2 The Supplier System Response Time shall be the average System Response Time measured over the course of a Service Period.

#### 4 HELP DESK RESPONSE TIMES

4.1 Measurement of Help Desk response times will be based on the time taken for a Help Desk operative to answer a call. Calls receiving an automated response or placed into a queuing system shall be deemed not to have been answered.

4.2 The Supplier shall monitor the Help Desk response times and shall provide the results of such monitoring to the Buyer in accordance with the provisions of Part B of this Schedule.

#### 5 FIX TIMES

5.1 The “**Fix Time**” of a Service Incident is the period from the time that the Service Incident has been reported to the Supplier to the point of its Resolution and “**Resolution**” means in relation to a Service Incident either:

- (a) the root cause of the Service Incident has been removed and the Services are being provided in accordance with the Services Description and Service Levels; or
- (b) the Buyer has been provided with a workaround in relation to the Service Incident deemed acceptable by the Buyer.

5.2 Fix Times for Severity 3 Service Incidents, Severity 4 Service Incidents and Severity 5 Service Incidents shall be measured in Operational Hours.

**Worked example:** if the Operational Hours for a fault are 0800-1800, then the clock stops measuring Fix Time at 1800 in the evening and restarts at 0800 the following day).

5.3 Fix times for Severity 1 Service Incidents and Severity 2 Service Incidents shall be measured 24x7.

5.4 The Supplier shall measure Fix Times as part of its service management responsibilities and report periodically to the Buyer on Fix Times as part of the Performance Monitoring Report.

5.5 For the purposes of this Paragraph 5, the following expressions shall have the meanings set opposite them below:

**“Operational Hours”** In relation to any Service, the hours for which that Service is to be operational as set out in Attachment 2.1 (*Services Description*) of the Order Form;

**“Service Incident”** a reported occurrence of a failure to deliver any part of the Services in accordance with the Buyer Requirements or the Performance Indicators;

<b>“Severity Incident”</b>	<b>1</b>	<b>Service</b>	<p>a Service Incident which, in the reasonable opinion of the Buyer:</p> <p>(a) constitutes a loss of the Service which prevents a large group of End Users from working;</p> <p>(b) has a critical impact on the activities of the Buyer;</p> <p>(c) causes significant financial loss and/or disruption to the Buyer; or</p> <p>(d) results in any material loss or corruption of Buyer Data;</p> <p><b><i>Non-exhaustive examples:</i></b></p> <ul style="list-style-type: none"> <li>• a loss of power to a data centre causing failure of Services; or</li> <li>• a failure of the Services to provide user authentication service;</li> </ul>
<b>“Severity Incident”</b>	<b>2</b>	<b>Service</b>	<p>a Service Incident which, in the reasonable opinion of the Buyer has the potential to:</p> <p>(a) have a major (but not critical) adverse impact on the activities of the Buyer and no workaround acceptable to the Buyer is available;</p> <p>(b) have a major (but not critical) adverse impact on the activities of the Buyer and no workaround acceptable to the Buyer is available; or</p> <p>(c) cause a financial loss and/or disruption to the Buyer which is more than trivial but less severe than the significant financial loss described in the definition of a Severity 1 Service Failure;</p> <p><b><i>Non-exhaustive examples:</i></b></p> <ul style="list-style-type: none"> <li>• corruption of organisational database tables; or</li> <li>• loss of ability to update Buyer Data.</li> </ul>
<b>“Severity Incident”</b>	<b>3</b>	<b>Service</b>	<p>a Service Incident which, in the reasonable opinion of the Buyer has the potential to:</p> <p>(a) have a major adverse impact on the activities of the Buyer which can be reduced to a moderate adverse impact due to the availability of a workaround acceptable to the Buyer; or</p> <p>(b) have a moderate adverse impact on the activities of the Buyer;</p>

**Non-exhaustive example:**

- inability to access data for a class of customers;

**“Severity Incident”**    4    **Service**    a Service Incident which, in the reasonable opinion of the Buyer has the potential to have a minor adverse impact on the provision of the Services to End Users

**Non-exhaustive example:**

inability to access data for a single customer; and

**“Severity Incident”**    5    **Service**    a Service Incident comprising a flaw which is cosmetic and, as such, does not undermine the End User’s confidence in the information being displayed;

**Non-exhaustive examples:**

- spelling error; or
- misalignment of data on screen display.

**6        SATISFACTION SURVEYS**

6.1        In order to assess the level of performance of the Supplier, the Buyer may undertake satisfaction surveys in respect of End Users or various groups of End Users (each such survey a **“Satisfaction Survey”**), the results of which may be reflected in the Balanced Scorecard Report. The subject matter of Satisfaction Surveys may include:

- (a)        the assessment of the Supplier’s performance by the End Users against the agreed Key Performance Indicators and Subsidiary Performance Indicators; and/or
- (b)        other suggestions for improvements to the Services.

6.2        The Buyer shall reflect in the Balanced Scorecard Report any aspects of the Supplier’s performance of the Services which the responses to the Satisfaction Surveys reasonably suggest are not meeting the Services Description.

**7        VIRTUAL LIBRARY COMPLETENESS**

The Virtual Library shall be complete where all of the information required under Part B of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form has been uploaded to the Virtual Library in accordance with Paragraph 3 of Schedule 8.4 (Reports and Records Provision).

**SOCIAL VALUE COMMITMENT**

Theme 4: Equal opportunity

Policy Outcome: Tackle workforce inequality

The Supplier agrees, in providing the Deliverables and performing its obligations under the Order Contract, that it will comply with the social value commitments detailed below and Order Schedule 6.1 (Implementation Plan).

The Supplier will report on the following Social Value KPIs on a quarterly basis:

- March;
- June;
- September; and
- December.

Ref	SV KPI Description	Target	Ratings			
			Good	Approaching target	Requires Improvement	Inadequate
<b>SV1 KPI</b>	Quarterly reporting of the total percentage of full-time equivalent (FTE) people from groups under-represented in the workforce employed under the contract, as a proportion of the total FTE contract workforce, by UK region.	2.0%	1.5%	1.0%	0.5%	<0.5%

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**SCHEDULE 2.3**

**STANDARDS**

## 1 DEFINITIONS

In this Schedule, the following definitions shall apply:

- “Standards Hub”** the Government’s open and transparent standards adoption process as documented at <http://standards.data.gov.uk/>; and
- “Suggested Challenge”** a submission to suggest the adoption of new or emergent standards in the format specified on Standards Hub.

## 2 GENERAL

- 2.1 Throughout the term of this Contract, the Parties shall monitor and notify each other of any new or emergent standards which could affect the Supplier’s provision, or the Buyer’s receipt, of the Services. Any changes to the Standards, including the adoption of any such new or emergent standard, shall be agreed in accordance with the Change Control Procedure.
- 2.2 Where a new or emergent standard is to be developed or introduced by the Buyer, the Supplier shall be responsible for ensuring that the potential impact on the Supplier’s provision, or the Buyer’s receipt, of the Services is explained to the Buyer (in a reasonable timeframe), prior to the implementation of the new or emergent standard.
- 2.3 Where Standards referenced conflict with each other or with Good Industry Practice, then the later Standard or best practice shall be adopted by the Supplier. Any such alteration to any Standard(s) shall require the prior written agreement of the Buyer and shall be implemented within an agreed timescale.

## 3 TECHNOLOGY AND DIGITAL SERVICES PRACTICE

The Supplier shall (when designing, implementing and delivering the Services) adopt the applicable elements of HM Government’s Technology Code of Practice as documented at <https://www.gov.uk/service-manual/technology/code-of-practice.html>.

## 4 OPEN DATA STANDARDS & STANDARDS HUB

- 4.1 The Supplier shall comply to the extent within its control with UK Government’s Open Standards Principles as documented at <https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles>, as they relate to the specification of standards for software interoperability, data and document formats in the IT Environment.
- 4.2 Without prejudice to the generality of Paragraph 2.2, the Supplier shall, when implementing or updating a technical component or part of the Software or Supplier Solution where there is a requirement under this Contract or opportunity to use a new or emergent standard, submit a Suggested Challenge compliant with the UK Government’s Open Standards Principles (using the process detailed on Standards Hub and documented at <http://standards.data.gov.uk/>). Each Suggested Challenge submitted by the Supplier shall detail, subject to the security and confidentiality provisions in this Contract, an illustration of such requirement or opportunity within the IT Environment, Supplier Solution and Government’s IT infrastructure and the suggested open standard.
- 4.3 The Supplier shall ensure that all documentation published on behalf of the Buyer pursuant to this Contract is provided in a non-proprietary format (such as PDF or Open Document

Format (ISO 26300 or equivalent)) as well as any native file format documentation in accordance with the obligation under Paragraph 4.1 to comply with the UK Government's Open Standards Principles, unless the Buyer otherwise agrees in writing.

## **5 TECHNOLOGY ARCHITECTURE STANDARDS**

The Supplier shall produce full and detailed technical architecture documentation for the Supplier Solution in accordance with Good Industry Practice. If documentation exists that complies with the Open Group Architecture Framework 9.2 or its equivalent, then this shall be deemed acceptable.

## **6 ACCESSIBLE DIGITAL STANDARDS**

The Supplier shall comply with (or with equivalents to):

- (a) the World Wide Web Consortium (W3C) Web Accessibility Initiative (WAI) Web Content Accessibility Guidelines (WCAG) 2.1 Conformance Level AA; and
- (b) ISO/IEC 13066-1: 2011 Information Technology – Interoperability with assistive technology (AT) – Part 1: Requirements and recommendations for interoperability.

## **7 SERVICE MANAGEMENT SOFTWARE & STANDARDS**

7.1 Subject to Paragraphs 2 to 4 (inclusive), the Supplier shall reference relevant industry and HM Government standards and best practice guidelines in the management of the Services, including the following and/or their equivalents:

- (a) ITIL v4;
- (b) ISO/IEC 20000-1 2018 “Information technology — Service management – Part 1”;
- (c) ISO/IEC 20000-2 2019 “Information technology — Service management – Part 2”;
- (d) ISO 10007: 2017 “Quality management systems – Guidelines for configuration management”; and
- (e) ISO 22313:2020 “Security and resilience. Business continuity management systems. Guidance on the use of ISO 22301” and, ISO/IEC 27031:2011 and ISO 22301:2019.

7.2 For the purposes of management of the Services and delivery performance the Supplier shall make use of Software that complies with Good Industry Practice including availability, change, incident, knowledge, problem, release & deployment, request fulfilment, service asset and configuration, service catalogue, service level and service portfolio management. If such Software has been assessed under the ITIL Software Scheme as being compliant to “Bronze Level”, then this shall be deemed acceptable.

## **8 ENVIRONMENTAL REQUIREMENTS**

The Supplier shall comply with the environmental requirements set out in Attachment 2.3 (Environmental Requirements) of the RM6100-Lot-4-Order-Form-Attachments.

## **9 HARDWARE SAFETY STANDARDS**

- 9.1 The Supplier shall comply with those BS or other standards relevant to the provision of the Services, including the following or their equivalents:
- (a) any new hardware required for the delivery of the Services (including printers), shall conform to BS EN IEC 62368-1:2020+A11:2020 or subsequent replacements. In considering where to site any such hardware, the Supplier shall consider the future working user environment and shall position the hardware sympathetically, wherever possible;
  - (b) any new audio, video and similar electronic apparatus required for the delivery of the Services, shall conform to the following standard: BS EN IEC 62368-1:2020+A11:2020 or any subsequent replacements;
  - (c) any new laser printers or scanners using lasers, required for the delivery of the Services, shall conform to either of the following safety Standards: BS EN 60825-1:2014 or any subsequent replacements; and
  - (d) any new apparatus for connection to any telecommunication network, and required for the delivery of the Services, shall conform to the following safety Standard: BS EN 62949:2017 or any subsequent replacements.
- 9.2 Where required to do so as part of the Services, the Supplier shall perform electrical safety checks in relation to all equipment supplied under this Contract in accordance with the relevant health and safety regulations.

## ANNEX: ENVIRONMENTAL REQUIREMENTS

### DEFINITIONS

1. In this Annex, the following definitions shall apply:

- “Permitted Item”** means those items which are permissible under this Contract to the extent set out in Table B of Attachment 2.3 (Environmental Requirements) of the Order Form;
- “Prohibited Items”** means those items which are not permissible under this Contract as set out at Table A of Attachment 2.3 (Environmental Requirements) of the Order Form;
- “Sustainability Reports”** written reports to be completed by the Supplier containing the information outlined in Table C of Attachment 2.3 (Environmental Requirements) of the Order Form;
- “Waste Hierarchy”** means prioritisation of waste management in the following order of preference:
- (1) Prevention – by using less material in design and manufacture. Keeping products for longer;
  - (2) Preparing for re-use – by checking, cleaning, repairing, refurbishing, whole items or spare parts;
  - (3) Recycling – by turning waste into a new substance or produce, including composting if it meets quality protocols;
  - (4) Other Recovery – through anaerobic digestion, incineration with energy recovery, gasification and pyrolysis which produce energy (fuels, heat and power) and materials from waste; some backfilling; and
  - (5) Disposal - Landfill and incineration without energy recovery.

### ENVIRONMENTAL REQUIREMENTS

2. The Supplier shall comply in all material respects with all applicable environmental laws and regulations in force in relation to this Contract.
3. The Supplier warrants that it has obtained ISO 14001 certification from an accredited body and shall comply with and maintain certification requirements throughout the Term.
4. In performing its obligations under this Contract the Supplier shall to the reasonable satisfaction of the Buyer:
  - 4.1. demonstrate low carbon resource efficiency, including minimising the use of resources and responding promptly to the Buyer’s reasonable questions;
  - 4.2. prioritise waste management in accordance with the Waste Hierarchy;
  - 4.3. be responsible for ensuring that any waste generated by the Supplier and sent for recycling, disposal or other recovery as a consequence of this Contract is taken to an authorised site for treatment or disposal and that the disposal or treatment of waste complies with the law;

- 4.4. ensure that it and any third parties used to undertake recycling disposal or other recovery as a consequence of this Contract do so in a legally compliant way, undertake reasonable checks on a regular basis to ensure this;
  - 4.5. inform the Environmental Agency within one Working Day in the event that a permit or exemption to carry or send waste generated under this Contract is revoked and in circumstances where a permit or exemption to carry or send waste generated under this Contract is revoked the Supplier shall cease to carry or send waste or allow waste to be carried by any Sub-contractor until authorisation is obtained from the Environmental Agency;
  - 4.6. minimise the release of greenhouse gases (including carbon dioxide emissions), air pollutants, volatile organic compounds and other substances damaging to health and the environment; and
  - 4.7. reduce and minimise carbon emissions by taking into account factors including, but not limited to, the locations from which materials are sourced, the transport of materials, the locations from which the work force are recruited and emissions from offices and on-site equipment.
5. The Supplier shall use reasonable endeavours to avoid the use of paper and card in carrying out its obligations under this Contract. Where unavoidable under reasonable endeavours, the Supplier shall ensure that any paper or card deployed in the performance of the Services consists of one hundred percent (100%) recycled content and used on both sides where feasible to do so.
  6. The Supplier shall not provide to the Buyer Goods or Deliverables which comprise wholly or partly of Prohibited Items unless such item is a Permitted Item.
  7. The Supplier shall not use anything which comprises wholly or partly of the Prohibited Items to provide the Services under this Contract unless:
    - 7.1. it is a Permitted Item; or
    - 7.2. the use is primarily related to the management of the Supplier's own facilities or internal operations as opposed to the provision of Services.
  8. The Supplier shall complete the Sustainability Report in relation its provision of the Services under this Contract and provide the Sustainability Report to the Buyer on the date and frequency outlined in Table C of this Annex.
  9. The Supplier shall comply with reasonable requests by the Buyer for information evidencing compliance with the provisions of this Annex within fourteen (14) days of such request, provided that such requests are limited to two per Contract Year.

**TABLE A – Prohibited Items**

- Huawei technology including but not exclusively (networking technology, communication technology and / or storage technology).
- Any systems or services that are incompatible with NIHR's architecture and technology stack, and security and information governance policies, or which require bespoke hosting / management and maintenance / servicing.

**TABLE B – Permitted Items**

- Cloud based provision of storage and computing systems from UK located suppliers.
- Systems and services with compatibility to NIHR's architecture and technology stack
- Systems and services with compatibility to NIHR's cyber and physical security policies and the information governance policies.
- See <https://www.gov.uk/guidance/the-technology-code-of-practice>

**TABLE C – Sustainability Reports**

Per Work Package If required

**SCHEDULE 2.4**  
**SECURITY MANAGEMENT**

## PART A – SECURITY ASSURANCE

### 1. Definitions

In this Schedule:

<b>“Anti-Malicious Software”</b>	means software that scans for and identifies possible Malicious Software in the IT Environment;
<b>“Breach of Security”</b>	(a) an event that results, or could result, in:  (b) any unauthorised access to or use of the Buyer Data, the Services and/or the Information Management System; and/or  (c) the loss, corruption and/or unauthorised disclosure of any information or data (including the Confidential Information and the Buyer Data), including any copies of such information or data, used by the Buyer and/or the Supplier in connection with this Contract;
<b>“Certification Requirements”</b>	means the information security requirements set out in Paragraph 6;
<b>“CHECK Service Provider”</b>	means a company which has been certified by the National Cyber Security Centre, holds "Green Light" status and is authorised to provide the IT Health Check services required by Paragraph 7.1;
<b>“CREST Service Provider”</b>	means a company with a SOC Accreditation from CREST International;
<b>“Higher Risk Sub-contractor”</b>	means a Sub-contractor that Processes Buyer Data[, where that data includes either:  (a) the Personal Data of 800 or more individuals in aggregate during the period between the first Operational Service Commencement Date and the date on which this Contract terminates in accordance with Clause 4.1(b); or (b) Special Category Personal Data;]
<b>“Cyber Essentials”</b>	means the Cyber Essentials certificate issued under the Cyber Essentials Scheme;
<b>“Cyber Essentials Plus”</b>	means the Cyber Essentials Plus certificate issued under the Cyber Essentials Scheme;

<b>“Cyber Essentials Scheme”</b>	means the Cyber Essentials scheme operated by the National Cyber Security Centre;
<b>“Incident Management Process”</b>	means the process which the Supplier shall implement immediately after it becomes aware of a Breach of Security which is intended to restore normal operations as quickly as possible, minimising any adverse impact on the Buyer Data, the Buyer, the Services and/or users of the Services and which shall be prepared by the Supplier in accordance with Paragraph 4 using the template set out in Annex 3;
<b>“Information Assurance Assessment”</b>	means the set of policies, procedures, systems and processes which the Supplier shall implement, maintain and update in accordance with Paragraph 4 in order to manage, mitigate and, where possible, avoid information security risks including cyber-attacks, hacks, data leaks, Personal Data Breaches and/or theft and which shall be prepared by the Supplier using the template set out in Annex 3;
<b>“Information Management System”</b>	<p>means</p> <p>(a) those parts of the Supplier System, and those of the Sites, that the Supplier or its Sub-contractors will use to provide the parts of the Services that require Processing Buyer Data; and</p> <p>(b) the associated information assets and systems (including organisational structure, controls, policies, practices, procedures, processes and resources);</p>
<b>“Information Security Approval Statement”</b>	<p>means a notice issued by the Buyer which sets out the information risks which the Supplier has identified as being associated with using the Information Management System and confirms that:</p> <p>(a) the Buyer is satisfied that the identified risks have been adequately and appropriately addressed;</p> <p>(b) the Buyer has accepted the residual risks; and</p> <p>(c) the Supplier may use the Information Management System to Process Buyer Data;</p>
<b>“IT Health Check”</b>	has the meaning given in Paragraph 7.1;
<b>“Medium Risk Sub-contractor”</b>	<p>means a Sub-contractor that Processes Buyer Data, [where that data</p> <p>(a) includes the Personal Data of between 100 and 800 individuals (inclusive) in the period between the first Operational Service Commencement Date and the date on which this Contract terminates in accordance with Clause 4.1(b); and</p> <p>(b) does not include Special Category Personal Data];</p>

<b>“Personal Processing Statement”</b>	<p><b>Data</b> means a document setting out:</p> <ul style="list-style-type: none"> <li>(a) the types of Personal Data which the Supplier and/or its Sub-contractors Processes or will Process under this Contract;</li> <li>(b) the categories of Data Subjects whose Personal Data the Supplier and/or its Sub-contractors Processes or will Process under this Contract;</li> <li>(c) the nature and purpose of such Processing;</li> <li>(d) the locations at which the Supplier and/or its Sub-contractors Process Personal Data under this Contract; and</li> <li>(e) the Protective Measures that the Supplier and, where applicable, its Sub-contractors have implemented to protect Personal Data Processed under this Contract against a Breach of Security (insofar as that Breach of Security relates to data) or a Personal Data Breach;</li> </ul>
<b>“Process”</b>	<p>means any operation which is performed on data, whether or not by automated means, including collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction;</p>
<b>“Required Changes Register”</b>	<p>mean the register within the Security Management Plan which is to be maintained and updated by the Supplier and which shall record each of the changes that the Supplier shall make to the Information Management System and/or the Security Management Plan as a consequence of the occurrence of any of the events set out in Paragraph 5.2 together with the date by which such change shall be implemented and the date on which such change was implemented;</p>
<b>“Risk Register”</b>	<p>is the risk register within the Information Assurance Assessment which is to be prepared and submitted to the Buyer for approval in accordance with Paragraph 4;</p>
<b>“Security Management Plan”</b>	<p>means the document prepared by the Supplier using the template in Annex 3, comprising:</p> <ul style="list-style-type: none"> <li>(a) the Information Assurance Assessment;</li> <li>(b) the Personal Data Processing Statement;</li> <li>(c) the Required Changes Register; and</li> <li>(d) the Incident Management Process;</li> </ul>
<b>Special Category Personal Data</b>	<p>means the categories of Personal Data set out in article 9(1) of the GDPR;</p>

## **2. Introduction**

2.1 This Schedule sets out:

2.1.1 the arrangements the Supplier must implement before, and comply with when, providing the Services and performing its other obligations under this Contract to ensure the security of the Buyer Data and the Information Management System;

2.1.2 the Certification Requirements applicable to the Supplier and each of those Sub-contractors which Processes Buyer Data;

2.1.3 The security requirements in Annex 1, with which the Supplier must comply;

2.1.4 the tests which the Supplier shall conduct on the Information Management System during the Term;

2.1.5 the Supplier's obligations to:

(a) return or destroy Buyer Data on the expiry or earlier termination of this Contract; and

(b) prevent the introduction of Malicious Software into the Supplier System and to scan for, contain the spread of, and minimise the impact of Malicious Software which is introduced into the Supplier System in Paragraph 9; and

(c) report Breaches of Security to the Buyer.

## **3. Principles of Security**

3.1 The Supplier acknowledges that the Buyer places great emphasis on the confidentiality, integrity and availability of the Buyer Data and, consequently on the security of:

3.1.1 the Sites;

3.1.2 the IT Environment;

3.1.3 the Information Management System; and

3.1.4 the Services.

3.2 Notwithstanding the involvement of the Buyer in assessing the arrangements which the Supplier implements to ensure the security of the Buyer Data and the Information Management System, the Supplier shall be, and shall remain, responsible for:

3.2.1 the security, confidentiality, integrity and availability of the Buyer Data whilst that Buyer Data is under the control of the Supplier or any of its Sub-contractors; and

3.2.2 the security of the Information Management System.

3.3 The Supplier shall:

3.3.1 comply with the security requirements in Annex 1; and

1.1.1 ensure that each Sub-contractor that Processes Buyer Data complies with the Sub-contractor Security Requirements.

3.4 The Supplier shall provide the Buyer with access to Supplier Personnel responsible for information assurance to facilitate the Buyer's assessment of the Supplier's compliance with its obligations set out in this Schedule at reasonable times on reasonable notice.

#### **4. Information Security Approval Statement**

4.1 The Supplier must ensure that its Implementation Plan sets out in sufficient detail how it will ensure compliance with the requirements of this Schedule, including any requirements imposed on Sub-contractors by Annex 2, from the first Operational Services Commencement Date.

4.2 The Supplier may not use the Information Management System to Process Buyer Data unless and until:

4.2.1 the Supplier has procured the conduct of an IT Health Check of the Supplier System by a CHECK Service Provider or a CREST Service Provider in accordance with Paragraph 7.1; and

4.2.2 the Buyer has issued the Supplier with an Information Security Approval Statement in accordance with the process set out in this Paragraph 4.

4.3 The Supplier shall document in the Security Management Plan how the Supplier and its Sub-contractors shall comply with the requirements set out in this Schedule and the Contract in order to ensure the security of the Buyer Data and the Information Management System.

4.4 The Supplier shall prepare and submit to the Buyer within 20 Working Days of the date of this Contract, the Security Management Plan, which comprises:

4.4.1 an Information Assurance Assessment;

4.4.2 the Required Changes Register;

4.4.3 the Personal Data Processing Statement; and

4.4.4 the Incident Management Process.

4.5 The Buyer shall review the Supplier's proposed Security Management Plan as soon as possible and, in any event within 20 Working Days of receipt and shall either issue the Supplier with:

4.5.1 an Information Security Approval Statement, which shall confirm that the Supplier may use the Information Management System to Process Buyer Data; or

4.5.2 a rejection notice, which shall set out the Buyer's reasons for rejecting the Security Management Plan.

4.6 If the Buyer rejects the Supplier's proposed Security Management Plan, the Supplier shall take the Buyer's reasons into account in the preparation of a revised Security Management Plan,

which the Supplier shall submit to the Buyer for review within 10 Working Days or such other timescale as agreed with the Buyer.

4.7 The Buyer may require, and the Supplier shall provide the Buyer and its authorised representatives with:

4.7.1 access to the Supplier Personnel;

4.7.2 access to the Information Management System to audit the Supplier and its Sub-contractors' compliance with this Contract; and

4.7.3 such other information and/or documentation that the Buyer or its authorised representatives may reasonably require,

to assist the Buyer to establish whether the arrangements which the Supplier and its Sub-contractors have implemented in order to ensure the security of the Buyer Data and the Information Management System are consistent with the representations in the Security Management Plan. The Supplier shall provide the access required by the Buyer in accordance with this Paragraph within 10 Working Days of receipt of such request, except in the case of a Breach of Security in which case the Supplier shall provide the Buyer with the access that it requires within 24 hours of receipt of such request.

## **5. Compliance Reviews**

5.1 The Supplier shall regularly review and update the Security Management Plan, and provide such to the Buyer, at least once each year and as required by this Paragraph.

1.1 The Supplier shall notify the Buyer within 2 Working Days after becoming aware of:

5.1.1 a significant change to the components or architecture of the Information Management System;

5.1.2 a new risk to the components or architecture of the Information Management System;

5.1.3 a vulnerability to the components or architecture of the Service which is classified 'Medium', 'High', 'Critical' or 'Important' in accordance with the classification methodology set out in Paragraph 9.2 of Annex 1 to this Schedule;

5.1.4 a change in the threat profile;

5.1.5 a significant change to any risk component;

5.1.6 a significant change in the quantity of Personal Data held within the Service;

5.1.7 a proposal to change any of the Sites from which any part of the Services are provided; and/or

5.1.8 an ISO27001 audit report produced in connection with the Certification Requirements indicates significant concerns.

1.2 Within 10 Working Days of such notifying the Buyer or such other timescale as may be agreed with the Buyer, the Supplier shall make the necessary changes to the Required Changes

Register and submit the updated Required Changes Register the Buyer for review and approval.

- 5.2 Where the Supplier is required to implement a change, including any change to the Information Management System, the Supplier shall effect such change at its own cost and expense.

## **6. Certification Requirements**

- 6.1 The Supplier shall be certified as compliant with:

6.1.1 ISO/IEC 27001:2013 by a United Kingdom Accreditation Service-approved certification body or is included within the scope of an existing certification of compliance with ISO/IEC 27001:2013; and

6.1.2 Cyber Essentials PLUS,

and shall provide the Buyer with a copy of each such certificate of compliance before the Supplier shall be permitted to receive, store or Process Buyer Data.

- 6.2 The Supplier shall ensure that each Higher Risk Sub-contractor is certified as compliant with either:

6.2.1 ISO/IEC 27001:2013 by a United Kingdom Accreditation Service-approved certification body or is included within the scope of an existing certification of compliance with ISO/IEC 27001:2013; or

6.2.2 Cyber Essentials PLUS,

and shall provide the Buyer with a copy of each such certificate of compliance before the Higher-Risk Sub-contractor shall be permitted to receive, store or Process Buyer Data.

- 6.3 The Supplier shall ensure that each Medium Risk Sub-contractor is certified compliant with Cyber Essentials.

- 6.4 The Supplier shall ensure that the Supplier and each Sub-contractor who is responsible for the secure destruction of Buyer Data:

6.4.1 securely destroys Buyer Data only on Sites which are included within the scope of an existing certification of compliance with ISO/IEC 27001:2013; and

6.4.2 are certified as compliant with the NCSC Assured Service (CAS) Service Requirement Sanitisation Standard or an alternative standard as agreed by the Buyer.

- 6.5 The Supplier shall provide the Buyer with evidence of its and its Sub-contractor's compliance with the requirements set out in this Paragraph 6 before the Supplier or the relevant Sub-contractor (as applicable) may carry out the secure destruction of any Buyer Data.

- 6.6 The Supplier shall notify the Buyer as soon as reasonably practicable and, in any event within 2 Working Days, if the Supplier or any Sub-contractor ceases to be compliant with the

Certification Requirements and, on request from the Buyer, shall or shall procure that the relevant Sub-contractor shall:

- 6.6.1 immediately ceases using the Buyer Data; and
- 6.6.2 procure that the relevant Sub-contractor promptly returns, destroys and/or erases the Buyer Data in accordance with the requirements set out in this Paragraph.
- 6.6.3 The Buyer may agree to exempt, in whole or part, the Supplier or any Sub-contractor from the requirements of this Paragraph 6. Any exemption must be in writing to be effective. The Supplier must include the exemption in the Security Management Plan.

## **7. Security Testing**

- 7.1 The Supplier shall, at its own cost and expense procure and conduct:
  - 7.1.1 testing of the Information Management System by a CHECK Service Provider or a CREST Service Provider ("**IT Health Check**"); and
  - 7.1.2 such other security tests as may be required by the Buyer,
- 7.2 The Supplier shall complete all of the above security tests before the Supplier submits the Security Management Plan to the Buyer for review in accordance with Paragraph 4; and it shall repeat the IT Health Check not less than once every 12 months during the Term and submit the results of each such test to the Buyer for review in accordance with this Paragraph.
- 7.3 In relation to each IT Health Check, the Supplier shall:
  - 7.3.1 agree with the Buyer the aim and scope of the IT Health Check;
  - 7.3.2 promptly, and no later than ten (10) Working Days, following the receipt of each IT Health Check report, provide the Buyer with a copy of the full report;
  - 7.3.3 in the event that the IT Health Check report identifies any vulnerabilities, the Supplier shall:
    - (a) prepare a remedial plan for approval by the Buyer (each a "**Vulnerability Correction Plan**") which sets out in respect of each vulnerability identified in the IT Health Check report:
      - (i) how the vulnerability will be remedied;
      - (ii) unless otherwise agreed in writing between the Parties, the date by which the vulnerability will be remedied, which must be:
        - (A) within three months of the date the Supplier received the IT Health Check report in the case of any vulnerability categorised with a severity of "medium";
        - (B) within one month of the date the Supplier received the IT Health Check report in the case of any vulnerability categorised with a severity of "high"; and

- (C) within 10 Working Days of the date the Supplier received the IT Health Check report in the case of any vulnerability categorised with a severity of “critical”;
    - (iii) the tests which the Supplier shall perform or procure to be performed (which may, at the discretion of the Buyer, include a further IT Health Check) to confirm that the vulnerability has been remedied;
  - (b) comply with the Vulnerability Correction Plan; and
  - (c) conduct such further tests on the Service as are required by the Vulnerability Correction Plan to confirm that the Vulnerability Correction Plan has been complied with.
- 7.4 The Supplier shall ensure that any testing which could adversely affect the Supplier System shall be designed and implemented by the Supplier so as to minimise the impact on the delivery of the Services and the date, timing, content and conduct of such tests shall be agreed in advance with the Buyer.
  - 1.3 If any testing conducted by or on behalf of the Supplier identifies a new risk, new threat, vulnerability or exploitation technique that has the potential to affect the security of the Information Management System, the Supplier shall within 2 Working Days of becoming aware of such risk, threat, vulnerability or exploitation technique provide the Buyer with a copy of the test report and:
    - 7.4.1 propose interim mitigation measures to vulnerabilities in the Information Management System known to be exploitable where a security patch is not immediately available; and
    - 7.4.2 where and to the extent applicable, remove or disable any extraneous interfaces, services or capabilities that are not needed for the provision of the Services (in order to reduce the attack surface of the Supplier System) within the timescales set out in the test report or such other timescales as may be agreed with the Buyer.
- 7.5 The Supplier shall conduct such further tests of the Supplier System as may be required by the Buyer from time to time to demonstrate compliance with its obligations set out this Schedule and the Contract.
- 7.6 The Supplier shall notify the Buyer immediately if it fails to, or believes that it will not, mitigate the vulnerability within the timescales set out in Annex 1 to this Schedule.

## **8. Security Monitoring and Reporting**

- 8.1 The Supplier shall:
  - 8.1.1 monitor the delivery of assurance activities;
  - 8.1.2 maintain and update the Security Management Plan in accordance with Paragraph 5;
  - 8.1.3 agree a document which presents the residual security risks to inform the Buyer’s decision to give approval to the Supplier to Process, store and transit the Buyer Data;

- 8.1.4 monitor security risk impacting upon the operation of the Service;
- 8.1.5 report Breaches of Security in accordance with the approved Incident Management Process;
- 1.3.1 agree with the Buyer the frequency and nature of the security reports to be prepared and submitted by the Supplier to the Buyer within 20 Working Days of Effective Date.

## **9. Malicious Software**

- 9.1 The Supplier shall install and maintain Anti-Malicious Software or procure that Anti-Malicious Software is installed and maintained on any part of the Information Management System which may Process Buyer Data and ensure that such Anti-Malicious Software is configured to perform automatic software and definition updates as well as regular scans of the Information Management System to check for, prevent the introduction of Malicious Software or where Malicious Software has been introduced into the Information Management System, to identify, contain the spread of, and minimise the impact of Malicious Software.
- 9.2 If Malicious Software is found, the parties shall cooperate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Buyer Data, assist each other to mitigate any Losses and to restore the Services to their desired operating efficiency.
- 9.3 Any cost arising out of the actions of the parties taken in compliance with the provisions of Paragraph 9.2 shall be borne by the parties as follows:
  - 9.3.1 by the Supplier where the Malicious Software originates from the Supplier Software, the Third Party Software supplied by the Supplier or the Buyer Data (whilst the Buyer Data was under the control of the Supplier) unless the Supplier can demonstrate that such Malicious Software was present and not quarantined or otherwise identified by the Buyer when provided to the Supplier; and
  - 9.3.2 by the Buyer, in any other circumstance.

## **10. Breach of Security**

- 10.1 If either party becomes aware of a Breach of Security it shall notify the other in accordance with the Incident Management Process.
- 10.2 The Incident Management Process shall, as a minimum, require the Supplier to do the following upon it becoming aware of a Breach of Security or attempted Breach of Security:
  - 10.2.1 Immediately take all reasonable steps necessary to:
    - (a) minimise the extent of actual or potential harm caused by such Breach of Security;
    - (b) remedy such Breach of Security to the extent possible;
    - (c) apply a tested mitigation against any such Breach of Security; and

(d) prevent a further Breach of Security in the future which exploits the same root cause failure;

10.2.2 as soon as reasonably practicable and, in any event, within 2 Working Days, following the Breach of Security or attempted Breach of Security, provide to the Buyer full details of the Breach of Security or attempted Breach of Security, including a root cause analysis where required by the Buyer.

10.3 In the event that any action is taken in response to a Breach of Security or attempted Breach of Security as a result of non-compliance by the Supplier, its Sub-contractors and/or all or any part of the Information Management System with this Contract, then such remedial action shall be completed at no additional cost to the Buyer.

## **Annex 1: Security Requirements**

### **1. Security Classification of Information**

If the provision of the Services requires the Supplier to Process Buyer Data which is classified as OFFICIAL-SENSITIVE, the Supplier shall implement such additional measures as agreed with the Buyer from time to time in order to ensure that such information is safeguarded in accordance with the applicable Standards.

### **2. End User Devices**

2.1 The Supplier shall ensure that any Buyer Data which resides on a mobile, removable or physically uncontrolled device is stored encrypted using a product or system component which has been formally assured through a recognised certification process agreed with the Buyer except where the Buyer has given its prior written consent to an alternative arrangement.

2.2 The Supplier shall ensure that any device which is used to Process Buyer Data meets all of the security requirements set out in the NCSC End User Devices Platform Security Guidance, a copy of which can be found at: <https://www.ncsc.gov.uk/collection/end-user-device-security>.

### **3. Networking**

The Supplier shall ensure that any Buyer Data which it causes to be transmitted over any public network (including the Internet, mobile networks or un-protected enterprise network) or to a mobile device shall be encrypted when transmitted.

### **4. Personnel Security**

4.1 All Supplier Personnel shall be subject to a pre-employment check before they may participate in the provision and or management of the Services. Such pre-employment checks must include all pre-employment checks which are required by the HMG Baseline Personnel Security Standard including: verification of the individual's identity; verification of the individual's nationality and immigration status; and, verification of the individual's employment history; verification of the individual's criminal record.

4.2 The Buyer and the Supplier shall review the roles and responsibilities of the Supplier Personnel who will be involved in the management and/or provision of the Services in order to enable the Buyer to determine which roles require additional vetting and a specific national security vetting clearance (e.g. a Counter Terrorist Check; a Security Check). Roles which are likely to require additional vetting and a specific national security vetting clearance include system administrators whose role would provide those individuals with privileged access to IT systems which Process Buyer Data or data which, if it were Buyer Data, would be classified as OFFICIAL-SENSITIVE.

4.3 The Supplier shall not permit Supplier Personnel who fail the security checks required by Paragraphs 4.1 and 4.2 to be involved in the management and/or provision of the Services except where the Buyer has expressly agreed in writing to the involvement of the named individual in the management and/or provision of the Services.

- 4.4 The Supplier shall ensure that Supplier Personnel are only granted such access to Buyer Data as is necessary to enable the Supplier Personnel to perform their role and to fulfil their responsibilities.
- 4.5 The Supplier shall ensure that Supplier Personnel who no longer require access to the Buyer Data (e.g. they cease to be employed by the Supplier or any of its Sub-contractors), have their rights to access the Buyer Data revoked within 1 Working Day.
- 4.6 The Supplier shall ensure that Supplier Staff that have access to the Sites, the IT Environment or the Buyer Data receive regular training on security awareness that reflects the degree of access those individuals have to the Sites, the IT Environment or the Buyer Data.
- 4.7 The Supplier shall ensure that the training provided to Supplier Staff under paragraph 4.6 includes training on the identification and reporting fraudulent communications intended to induce individuals to disclose Personal Data or any other information that could be used, including in combination with other Personal Data or information, or with other techniques, to facilitate unauthorised access to the Sites, the IT Environment or the Buyer Data (“**phishing**”).

## **5. Identity, Authentication and Access Control**

- 5.1 The Supplier shall operate an access control regime to ensure:
  - 5.1.1 all users and administrators of the Supplier System are uniquely identified and authenticated when accessing or administering the Services; and
  - 5.1.2 all persons who access the Sites are identified and authenticated before they are allowed access to the Sites.
- 5.2 The Supplier shall apply the ‘principle of least privilege’ when allowing persons access to the Supplier System and Sites so that such persons are allowed access only to those parts of the Sites and the Supplier System they require.
- 5.3 The Supplier shall retain records of access to the Sites and to the Supplier System and shall make such record available to the Buyer on request.

## **6. Data Destruction or Deletion**

The Supplier shall:

- 6.1 prior to securely sanitising any Buyer Data or when requested the Supplier shall provide the Government with all Buyer Data in an agreed open format;
- 6.2 have documented processes to ensure the availability of Buyer Data in the event of the Supplier ceasing to trade;
- 6.3 securely erase in a manner agreed with the Buyer any or all Buyer Data held by the Supplier when requested to do so by the Buyer;

6.4 securely destroy in a manner agreed with the Buyer all media that has held Buyer Data at the end of life of that media in accordance with any specific requirements in this Contract and, in the absence of any such requirements, as agreed by the Buyer; and

6.5 implement processes which address the CPNI and NCSC guidance on secure sanitisation.

## **7. Audit and Protective Monitoring**

7.1 The Supplier shall collect audit records which relate to security events in the Information Management System or that would support the analysis of potential and actual compromises. In order to facilitate effective monitoring and forensic readiness such Supplier audit records should (as a minimum) include regular reports and alerts setting out details of access by users of the Information Management System, to enable the identification of (without limitation) changing access trends, any unusual patterns of usage and/or accounts accessing higher than average amounts of Buyer Data.

7.2 The Supplier and the Buyer shall work together to establish any additional audit and monitoring requirements for the Information Management System.

7.3 The retention periods for audit records and event logs must be agreed with the Buyer and documented in the Security Management Plan.

## **8. Location of Buyer Data**

The Supplier shall not and shall procure that none of its Sub-contractors Process Buyer Data outside the United Kingdom without the prior written consent of the Buyer, which may be subject to conditions.

## **9. Vulnerabilities and Corrective Action**

9.1 The Buyer and the Supplier acknowledge that from time to time vulnerabilities in the Information Management System will be discovered which unless mitigated will present an unacceptable risk to the Buyer Data.

9.2 The severity of vulnerabilities for COTS Software shall be categorised by the Supplier as 'Critical', 'Important' and 'Other' by aligning these categories to the vulnerability scoring according to the agreed method in the Security Management Plan and using the appropriate vulnerability scoring systems including:

9.2.1 the 'National Vulnerability Database' 'Vulnerability Severity Ratings': 'High', 'Medium' and 'Low' respectively (these in turn are aligned to CVSS scores as set out by NIST at <http://nvd.nist.gov/cvss.cfm>); and

9.2.2 Microsoft's 'Security Bulletin Severity Rating System' ratings 'Critical', 'Important', and the two remaining levels ('Moderate' and 'Low') respectively.

9.3 Subject to Paragraph 9.4, the Supplier shall procure the application of security patches to vulnerabilities in the Information Management System within:

- 9.3.1 seven (7) days after the public release of patches for those vulnerabilities categorised as 'Critical';
- 9.3.2 thirty (30) days after the public release of patches for those vulnerabilities categorised as 'Important'; and
- 9.3.3 sixty (60) days after the public release of patches for those vulnerabilities categorised as 'Other'.
- 9.4 The timescales for applying patches to vulnerabilities in the Information Management System set out in Paragraph 9.3 shall be extended where:
  - 9.4.1 the Supplier can demonstrate that a vulnerability in the Information Management System is not exploitable within the context of the Services (e.g. because it resides in a Software component which is not involved in running in the Services) provided such vulnerabilities shall be remedied by the Supplier within the timescales set out in Paragraph 9.3 if the vulnerability becomes exploitable within the context of the Services;
  - 9.4.2 the application of a 'Critical' or 'Important' security patch adversely affects the Supplier's ability to deliver the Services in which case the Supplier shall be granted an extension to such timescales of five (5) days, provided the Supplier had followed and continues to follow the security patch test plan agreed with the Buyer; or
  - 9.4.3 the Buyer agrees a different maximum period after a case-by-case consultation with the Supplier under the processes defined in the Security Management Plan.
- 9.5 The Security Management Plan shall include provisions for major version upgrades of all COTS Software to be kept up to date such that all COTS Software are always in mainstream support throughout the Term unless otherwise agreed by the Buyer in writing. All COTS Software should be no more than N-1 versions behind the latest software release.

## **10. Secure Architecture**

- 10.1 The Supplier shall design the Information Management System in accordance with:
  - 10.1.1 the NCSC "Security Design Principles for Digital Services", a copy of which can be found at: <https://www.ncsc.gov.uk/guidance/security-design-principles-digital-services-main>;
  - 10.1.2 the NCSC "Bulk Data Principles", a copy of which can be found at <https://www.ncsc.gov.uk/guidance/protecting-bulk-personal-data-main>; and
  - 10.1.3 the NSCS "Cloud Security Principles", a copy of which can be found at: <https://www.ncsc.gov.uk/guidance/implementing-cloud-security-principles> and which are summarised below:
    - (a) "Cloud Security Principle 1: data in transit protection" which, amongst other matters, requires that user data transiting networks should be adequately protected against tampering and eavesdropping;

- (b) "Cloud Security Principle 2: asset protection and resilience" which, amongst other matters, requires that user data, and the assets storing or processing it, should be protected against physical tampering, loss, damage or seizure;
- (c) "Cloud Security Principle 3: separation between users" which, amongst other matters, requires that a malicious or compromised user of the service should not be able to affect the service or data of another;
- (d) "Cloud Security Principle 4: governance framework" which, amongst other matters, requires that the Supplier should have a security governance framework which coordinates and directs its management of the Services and information within it;
- (e) "Cloud Security Principle 5: operational security" which, amongst other matters, requires that the Services need to be operated and managed securely in order to impede, detect or prevent a Breach of Security;
- (f) "Cloud Security Principle 6: personnel security" which, amongst other matters, requires that where Supplier Personnel have access to Buyer Data and/or the Buyer System that those personnel be subject to appropriate security screening and regular security training;
- (g) "Cloud Security Principle 7: secure development" which, amongst other matters, requires that the Services be designed and developed to identify and mitigate threats to their security;
- (h) "Cloud Security Principle 8: supply chain security" which, amongst other matters, requires the Supplier to ensure that appropriate security controls are in place with its Sub-contractors and other suppliers;
- (i) "Cloud Security Principle 9: secure user management" which, amongst other matters, requires the Supplier to make the tools available for the Buyer to securely manage the Buyer's use of the Service;
- (j) "Cloud Security Principle 10: identity and authentication" which, amongst other matters, requires the Supplier to implement appropriate controls in order to ensure that access to Service interfaces is constrained to authenticated and authorised individuals;
- (k) "Cloud Security Principle 11: external interface protection" which, amongst other matters, requires that all external or less trusted interfaces with the Services should be identified and appropriately defended;
- (l) "Cloud Security Principle 12: secure service administration" which, amongst other matters, requires that any ICT system which is used for administration of a cloud service will have highly privileged access to that service;
- (m) "Cloud Security Principle 13: audit information for users" which, amongst other matters, requires the Supplier to be able to provide the Buyer with the audit records it needs to monitor access to the Service and the Buyer Data held by the Supplier and/or its Sub-contractors; and

- (n) "Cloud Security Principle 14: secure use of the service" which, amongst other matters, requires the Supplier to educate Supplier Personnel on the safe and secure use of the Information Management System.

## **Annex 2: Security Requirements for Sub-contractors**

### **1. Application of Annex**

- 1.1 This Annex applies to all Sub-contractors that Process Buyer Data.
- 1.2 The Supplier must:
- 1.2.1 ensure that those Sub-contractors comply with the provisions of this Annex;
- 1.2.2 keep sufficient records to demonstrate that compliance to the Buyer; and
- 1.2.3 ensure that its Implementation Plan includes Deliverable Items, Milestones and Milestone Dates that relate to the design, implementation and management of any systems used by Sub-contractors to Process Buyer Data.

### **2. Designing and managing secure solutions**

- 2.1 The Sub-contractor shall implement their solution(s) to mitigate the security risks in accordance with the NCSC's Cyber Security Design Principles <https://www.ncsc.gov.uk/collection/cyber-security-design-principles>.
- 2.2 The Sub-contractor must assess their systems against the NCSC Cloud Security Principles: <https://www.ncsc.gov.uk/collection/cloud-security?curPage=/collection/cloud-security/implementing-the-cloud-security-principles> at their own cost and expense to demonstrate that the people, process, technical and physical controls have been delivered in an effective way. The Sub-contractor must document that assessment and make that documentation available to the Buyer on the Buyer's request.

### **3. Data Processing, Storage, Management and Destruction**

- 3.1 The Sub-contractor must not Process any Buyer Data outside the United Kingdom. The Buyer may permit the Sub-contractor to Process Buyer Data outside the United Kingdom and may impose conditions on that permission, with which the Sub-contractor must comply. Any permission must be in writing to be effective.
- 3.2 The Sub-contractor must securely erase any or all Buyer Data held by the Sub-contractor when requested to do so by the Buyer; and securely destroy all media that has held Buyer Data at the end of life of that media in accordance with the NCSC Assured Service (CAS) Service Requirement Sanitisation Standard, or an alternative agreed in writing by the Buyer.

### **4. Personnel Security**

- 4.1 The Sub-contractor must perform appropriate checks on their staff before they may participate in the provision and or management of the Services. Those checks must include

all pre-employment checks required by the HMG Baseline Personnel Security Standard including: verification of the individual's identity; verification of the individual's nationality and immigration status; verification of the individual's employment history; and verification of the individual's criminal record. The HMG Baseline Personnel Security Standard is at <https://www.gov.uk/government/publications/government-baseline-personnel-security-standard>.

4.2 The Sub-contractor must, if the Buyer requires, at any time, ensure that one or more of the Sub-contractor's staff obtains Security Check clearance in order to Process Buyer Data containing Personal Data above certain volumes specified by the Buyer, or containing Special Category Personal Data.

4.3 Any Sub-contractor staff who will, when performing the Services, have access to a person under the age of 18 years must undergo Disclosure and Barring Service checks.

## **5. End User Devices**

5.1 The Sub-contractor shall ensure that any Buyer Data stored (for any period of time) on a mobile, removable or physically uncontrolled device is encrypted. The Sub-contractor must follow the Information Commissioner's Office guidance on implementing encryption, which can be found at <https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/security/encryption/>.

5.2 The Supplier shall ensure that any device used to Process Buyer Data meets all the security requirements set out in the NCSC End User Devices Platform Security Guidance, which can be found at: <https://www.ncsc.gov.uk/guidance/end-user-device-security>.

## **6. Networking**

The Supplier shall ensure that any Buyer Data which it causes to be transmitted over any public network (including the Internet, mobile networks or un-protected enterprise network) or to a mobile device shall be encrypted when transmitted.

## **7. Patching and Vulnerability Scanning**

7.1 The Sub-contractor must proactively monitor supplier vulnerability websites and ensure all necessary patches and upgrades are applied to maintain security, integrity and availability in accordance with the NCSC Cloud Security Principles.

## **8. Third Party Sub-contractors**

8.1 The Sub-contractor must not transmit or disseminate the Buyer Data to any other person unless specifically authorised by the Buyer. Such authorisation must be in writing to be effective and may be subject to conditions.

8.2 The Sub-contractor must not, when performing any part of the Services, use any software to Process the Buyer Data where the licence terms of that software purport to grant the licensor rights to Progress the Buyer Data greater than those rights strictly necessary for the use of the software.

## Annex 3:

### Security Management Plan Template

#### Security Management Plan Template (Accreditation)

[Project/Service and Supplier Name]

#### 1 Executive Summary

*<This section should contain a brief summary of the business context of the system, any key IA controls, the assurance work done, any off-shoring considerations and any significant residual risks that need acceptance.>*

#### 2 System

Description

##### 2.1 Background

*< A short description of the project/product/system. Describe its purpose, functionality, aim and scope.>*

##### 2.2 Organisational Ownership/Structure

*< Who owns the system and operates the system and the organisational governance structure. This should include how any ongoing security management is integrated into the project governance e.g. how a Security Working Group reports to the project board.>*

##### 2.3 Information assets and flows

*<The information assets processed by the system which should include a simple high level diagram on one page. Include a list of the type and volumes of data that will be processed, managed and stored within the supplier system. If personal data, please include the fields used such as name, address, department DOB, NI number etc.>*

##### 2.4 System Architecture

*<A description of the physical system architecture, to include the system management. A diagram will be needed here>*

##### 2.5 Users

*<A brief description of the system users, to include HMG users as well as any service provider users and system managers. If relevant, security clearance level requirements should be included.>*

## 2.6 Locations

*<Where the data assets are stored and managed from. If any locations hold independent security certifications (e.g. ISO27001:2013) these should be noted. Any off-shoring considerations should be detailed.>*

## 2.7 Test and Development Systems

*<Include information about any test and development systems, their locations and whether they contain live system data.>*

## 2.8 Key roles and responsibilities

*<A brief description of the lead security roles such as that of the SIRO, IAO, Security manager, Accreditor >*

# 3 Risk Assessment

## 3.1 Accreditation/Assurance Scope

*<This section describes the scope of the Accreditation/Assurance for the system. The scope of the assurance assessment should be clearly indicated, with components of the architecture upon which reliance is placed but assurance will not be done clearly shown e.g. a cloud hosting service. A logical diagram should be used along with a brief description of the components.>*

## 3.2 Risk appetite

*<A risk appetite should be agreed with the SIRO/SRO and included here.>*

## 3.3 Business impact assessment

*< A description of the information assets and the impact of their loss or corruption (e.g. large amounts of Official Sensitive personal data the loss of which would be severely damaging to individuals, embarrassing to HMG, and make HMG liable to ICO investigations) in business terms should be included. This section should cover the impact on loss of confidentiality, integrity and availability of the assets. The format of this assessment may be dependent on the risk assessment method chosen.>*

## 3.4 Risk assessment

*<The content of this section will depend on the risk assessment methodology chosen, but should contain the output of the formal information risk assessment in a prioritised list using business language. Experts on the system and business process should have been involved in the risk assessment to ensure the formal risk methodology used has not missed out any risks. The example table below*

should be used as the format to identify the risks and document the controls used to mitigate those risks. >

Risk ID	Inherent risk	Inherent risk level	Vulnerability	Controls	Residual risk level
R1	Internet attackers could hack the system.	Medium	The service systems are exposed to the internet via the web portal.	C1: Internet-facing firewalls C2: Internet-facing IP whitelist C3: System hardening C4: Protective monitoring C5: Application access control C16: Anti-virus for incoming files C54: Files deleted when processed C59: Removal of departmental identifier	Very low
R2	Remote attackers could intercept or disrupt information crossing the internet.	Medium	File sharing with organisations across the internet.	C9: TLS communications C10: PGP file-sharing	Very low

Risk ID	Inherent risk	Inherent risk level	Vulnerability	Controls	Residual risk level
R3	Internal users could maliciously or accidentally alter bank details.	Medium-High	Users bank details can be altered as part of the normal business function.	<p>C12. System administrators hold SC clearance.</p> <p>C13. All changes to user information are logged and audited.</p> <p>C14. Letters are automatically sent to users home addresses when bank details are altered.</p> <p>C15. Staff awareness training</p>	Low

### 3.5 Controls

<The controls listed above to mitigate the risks identified should be detailed. There should be a description of each control, further information and configuration details where relevant, and an assessment of the implementation status of, and assurance in, the control. A sample layout is included below.>

ID	Control title	Control description	Further information and assurance status
C1	Internet-facing firewalls	Internet-facing firewalls are in place between the internet and the system', which restrict access from the internet to the required ports only.	Assured via ITHC firewall rule check
C2	Internet-facing IP whitelist	An IP whitelist is in place for all access from the internet.	Assured via ITHC
C15	Staff awareness training	All staff must undertake annual security awareness training and this process is audited and monitored by line managers.	Assured as part of ISO27001 certification

### 3.6 Residual risks and actions

<A summary of the residual risks which are likely to be above the risk appetite stated after all controls have been applied and verified should be listed with actions and timescales included.>

#### 4 In-service controls

< This section should describe the controls relating to the information lifecycle, including development, testing, in-service, termination and on-going risk management and accreditation assurance. Details of any formal assurance requirements specified in the contract such as security CHECK testing or maintained ISO27001 certification should be included. This section should include at least:

- a) information risk management and timescales and triggers for a review;
- b) contractual patching requirements and timescales for the different priorities of patch;
- c) protective monitoring arrangements to include how anomalous behaviour is identified and acted upon as well as how logging and auditing of user activity is done;
- d) configuration and change management;
- e) incident management;
- f) vulnerability management;
- g) user access management; and
- h) data sanitisation and disposal.>

#### 5 Security Operating Procedures (SyOps)

< If needed any SyOps requirements should be included and referenced here.>

#### 6 Major Hardware and Software and end of support dates

< This should be a table which lists the end of support dates for hardware and software products and components. An example table is shown below.>

Name	Version	End of mainstream Support/Extended Support	Notes/RAG Status
Server Host	HP XXXX	Feb 2020/ March 2022	

#### 7 Incident Management Process

<The suppliers' process, as agreed with the Buyer/Customer, should be included here. It must as a minimum include the protocol for how and when incidents will be reported to the Buyer/customer and the process that will be undertaken to mitigate the incidents and investigate the root cause.>

## 8 Security Requirements for User Organisations

<Any security requirements for connecting organisations or departments should be included or referenced here.>

## 9 Required Changes Register

<The table below shows the headings for the Required Changes Register which should be maintained and used to update the contents of this document at least annually.>

Ref	Section	Change	Agreed With	Date agreed	Documentation update	Status
1	6.4	A new Third Party supplier XXXX will be performing the print capability.	Buyer name	11/11/2018	Jul-2019	Open

## 10 Personal Data Processing Statement

<This should include: (i) the types of Personal Data which the Supplier and/or its Sub-contractors are Processing on behalf of the Buyer; (ii) the categories of Data Subjects whose Personal Data the Supplier and/or its Sub-contractors are Processing on behalf of the Buyer; the nature and purpose of such Processing; (iii) the locations at which the Supplier and/or its Subcontractors Process Buyer Data; and, (iv) the Protective Measures that the Supplier and, where applicable, its Subcontractors have implemented to protect the Buyer Data against a Security Breach including a Personal Data Breach.>

## 11 Annex A. ISO27001 and/or Cyber Essential Plus certificates

<Any certifications relied upon should have their certificates included>

## 12 Annex B. Cloud Security Principles assessment

<A spreadsheet may be attached>

## 13 Annex C. Protecting Bulk Data assessment if required by the Buyer/Customer

<A spreadsheet may be attached>

## 14 Annex E. Latest ITHC report and Vulnerability Correction Plan

## PART B – SECURITY ACCREDITATION

Not Applicable

### 1. Definitions

In this Schedule, the following definitions shall apply:

- "Accreditation"** means the assessment of the Core Information Management System in accordance with Paragraph 6 by the Buyer or an independent information risk manager/professional appointed by the Buyer, which results in an Accreditation Decision;
- "Accreditation Decision"** means is the decision of the Buyer, taken in accordance with the process set out in Paragraph 6, to issue the Supplier with a Risk Management Approval Statement or a Risk Management Rejection Notice in respect of the Core Information Management System;
- "Accreditation Plan"** means the Supplier's plan to attain a Risk Management Approval Statement from the Buyer, which is prepared by the Supplier and approved by the Buyer in accordance with Paragraph 6.6;
- "Anti-Malicious Software"** means software that scans for and identifies possible Malicious Software in the IT Environment;
- "Breach of Security"** means the occurrence of:
- (a) any unauthorised access to or use of the Services, the Buyer Premises, the Sites, the Supplier System, the Buyer System and/or any information or data (including the Confidential Information and the Buyer Data) used by the Buyer, the Supplier or any Sub-contractor in connection with this Contract;
  - (b) the loss (physical or otherwise) and/or unauthorised disclosure of any information or data (including the Confidential Information and the Buyer Data), including copies of such information or data, used by the Buyer, the Supplier or any Sub-contractor in connection with this Contract; and/or
  - (c) any part of the Supplier System ceasing to be compliant with the Certification Requirements,

	in each case as more particularly set out in the security requirements in Attachment 2.1 (Services Description) of the Order Form and the Baseline Security Requirements;
<b>"Certification Requirements"</b>	means the requirements set out in Paragraphs 7.1 to 7.7, inclusive;
<b>"CHECK Service Provider"</b>	means a company which has been certified by the National Cyber Security Centre, holds "Green Light" status and is authorised to provide the IT Health Check services required by the Paragraph 8.1;
<b>"CIMS Sub-contractor"</b>	means a Sub-contractor that provides or operates the whole, or a substantial part, of the Core Information Management System;
<b>"Commercial off the shelf Software" or "COTS Software"</b>	means the Supplier COTS Software and the Third Party COTS Software;
<b>"Core Information Management System"</b>	means those information assets, IT systems and/or Sites which will be used by the Supplier and/or its Sub-contractors to Process Buyer Data, together with the associated information management system (including organisational structure, controls, policies, practices, procedures, processes and resources) which the Buyer has determined in accordance with Paragraph 4.2 shall be subject to Accreditation;
<b>"CREST Service Provider"</b>	means a company with a SOC Accreditation from CREST International;
<b>"Cyber Essentials"</b>	means the Cyber Essentials certificate issued under the Cyber Essentials Scheme;
<b>"Cyber Essentials Plus"</b>	means the Cyber Essentials Plus certificate issued under the Cyber Essentials Scheme;
<b>"Cyber Essentials Scheme"</b>	means the Cyber Essentials scheme operated by the National Cyber Security Centre;
<b>"Higher Risk Sub-contractor"</b>	means a Sub-contractor that Processes Buyer Data[, where that data includes either:  (a) the Personal Data of 800 or more individuals in aggregate during the period between the first Operational Service Commencement Date and the date on which this

Contract terminates in accordance with Clause 4.1(b); or

(b) Special Category Personal Data.

**"Information Management System"** means the Core Information Management System and the Wider Information Management System;

**"IT Health Check"** has the meaning given Paragraph 8.1.1;

**"Medium Risk Sub-contractor"** means a Sub-contractor that Processes Buyer Data[, where that data

(a) includes the Personal Data of between 100 and 800 individuals (inclusive) in the period between the first Operational Service Commencement Date and the date on which this Contract terminates in accordance with Clause 4.1(b); and

(b) does not include Special Category Personal Data;]

**"Personal Data Processing Statement"** means a document setting out:

(f) the types of Personal Data which the Supplier and/or its Sub-contractors Processes or will Process under this Contract;

(g) the categories of Data Subjects whose Personal Data the Supplier and/or its Sub-contractors Processes or will Process under this Contract;

(h) the nature and purpose of such Processing;

(i) the locations at which the Supplier and/or its Sub-contractors Process Personal Data under this Contract; and

(j) the Protective Measures that the Supplier and, where applicable, its Sub-contractors have implemented to protect Personal Data Processed under this Contract against a Breach of Security (insofar as that Breach of Security relates to data) or a Personal Data Breach;

**"Process"** means any operation which is performed on data, whether or not by automated means, including

collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction;

<b>"Required Changes Register"</b>	means the register forming part of the Security Management Plan which records each of the changes that the Supplier has agreed with the Buyer shall be made to the Core Information Management System and/or the Security Management Plan as a consequence of the occurrence of any of the events set out in Paragraph 6.15.1 together with the date on which each such change shall be implemented and the date on which each such change was implemented;
<b>"Risk Management Approval Statement"</b>	means a notice issued by the Buyer which sets out the information risks associated with using the Core Information Management System and confirms that the Buyer is satisfied that the identified risks have been adequately and appropriately addressed and that the residual risks are understood and accepted by the Buyer;
<b>"Risk Management Reject Notice"</b>	has the meaning given in Paragraph 6.3.4;
<b>"Security Management Plan"</b>	has the meaning given in Paragraph 6.5;
<b>"Security Test"</b>	has the meaning given Paragraph 8.1; and
<b>"Special Category Personal Data"</b>	means the categories of Personal Data set out in article 9(1) of the GDPR.
<b>"Statement of Information Risk Appetite"</b>	has the meaning given in Paragraph 5.1;.
<b>"Sub-contractor Security Requirements"</b>	means those requirements set out in Annex 2.
<b>"Vulnerability Correction Plan"</b>	has the meaning given in Paragraph 8.3.3(a); and
<b>"Wider Information Management System"</b>	means those information assets, IT systems and/or Sites which will be used by the Supplier and/or its Sub-contractors to Process Buyer Data which have not been determined by the Buyer to form part of the Core Information Management System, together with the associated information

management system (including organisational structure, controls, policies, practices, procedures, processes and resources).

## **2. Introduction**

2.1 This Schedule sets out:

2.1.1 the arrangements the Supplier must implement before, and comply with when, providing the Services and performing its other obligations under this Contract to ensure the security of the Buyer Data, the IT Environment, the Services and the Information Management System;

2.1.2 the process which shall apply to the Accreditation of the Core Information Management System in Paragraph 6;

2.1.3 the Certification Requirements applicable to the Wider Information Management System in Paragraph 7;

2.1.4 the Security Tests which the Supplier shall conduct during the Contract Period in Paragraph 8;

2.1.5 the Security Tests which the Buyer may conduct during the Contract Period in Paragraph 8.6;

2.1.6 the requirements to patch vulnerabilities in the Core Information Management System in Paragraph 9;

2.1.7 the obligations on the Supplier to prevent the introduction of Malicious Software into the Information Management System and to scan for, contain the spread of, and minimise the impact of Malicious Software which is introduced into the Information Management System in Paragraph 10; and

2.1.8 each Party's obligations in the event of an actual or attempted Breach of Security in Paragraph 11.

## **3. Principles of Security**

3.1 The Supplier acknowledges that the Buyer places great emphasis on the confidentiality, integrity and availability of the Buyer Data and, consequently on the security of:

3.1.1 the Sites;

3.1.2 the IT Environment;

3.1.3 the Services; and

3.1.4 the Core Information Management System.

3.2 Notwithstanding the involvement of the Buyer in the Accreditation of the Core Information Management System, the Supplier shall be and shall remain responsible for:

- 3.2.1 the security, confidentiality, integrity and availability of the Buyer Data whilst that Buyer Data is under the control of the Supplier or any of its Sub-contractors; and
- 3.2.2 the security of the Information Management System.
- 3.3 The Supplier shall:
  - 3.3.1 comply with the Baseline Security Requirements; and
  - 3.3.2 ensure that each Sub-contractor that Processes Buyer Data complies with the Sub-contractor Security Requirements.
- 1.4 The Operational Board established under Paragraph **11.1** of Schedule 8.1 (Governance) shall, in addition to its responsibilities set out in that Schedule, monitor and may also provide recommendations to the Supplier on the Accreditation of the Core Information Management System.
- 3.4 To facilitate the Supplier's design, implementation, operation, management and continual improvement of the Security Management Plan and the security of the Services and Information Management System and otherwise:
  - 3.4.1 the Supplier shall provide access to the Supplier Personnel responsible for information assurance; and
  - 3.4.2 the Buyer shall provide access to its personnel responsible for information assurance in each case at reasonable times on reasonable notice.

#### **4. Information Management System**

- 4.1 The Information Management System comprises the Core Information Management System and the Wider Information Management System.
- 4.2 ~~[The component parts of the Core Information Management System and its boundary with the Wider Information Management System are shown in the diagram in Attachment 2.4 (Information Management System) of the Order Form].~~ Not Applicable

The Buyer shall be responsible for determining the boundary between the Core Information Management System and the Wider Information Management System. In order to enable the Buyer to make such determination, the Supplier shall provide the Buyer with such documentation and information that the Buyer may reasonably require regarding any information assets, IT systems and/or Sites which will be used by the Supplier or any Sub-contractor to Process Buyer Data together with the associated information management system (including organisational structure, controls, policies, practices, procedures, processes and resources). The Buyer shall notify the Supplier, as soon as reasonably practical following the receipt of such documentation and information, of its decision regarding the component parts of the Core Information Management System and its boundary with the Wider Information Management System. The Supplier shall reproduce the Buyer's decision as a diagram documenting the Core Information Management System, the Wider Information

Management system and the boundary between the two. This diagram shall form part of the Security Management Plan.]

- 4.3 Any proposed change to the component parts of the Core Information Management System or the boundary between the Core Information Management System and the Wider Information Management System shall be notified and processed in accordance with the Change Control Procedure.

## 5. **Statement of Information Risk Appetite and Baseline Security Requirements**

- 5.1 The Supplier acknowledges that the Buyer has provided and the Supplier has received a statement of information risk appetite for the Supplier System and the Services (the "**Statement of Information Risk Appetite**").
- 5.2 The Buyer's Baseline Security Requirements in respect of the Core Information Management System are set out in Annex 1.

## 6. **Accreditation of the Core Information Management System**

- 6.1 The Core Information Management System shall be subject to Accreditation in accordance with this Paragraph 6.
- 6.2 The Supplier acknowledges that the purpose of Accreditation is to ensure that:
  - 6.2.1 the Security Management Plan accurately represents the Core Information Management System;
  - 6.2.2 the Accreditation Plan, if followed, provides the Buyer with sufficient confidence that the CIMS will meet the requirements of the Baseline Security Requirements and the Statement of Risk Appetite; and
  - 6.2.3 the residual risks of the Core Information Management System are no greater than those provided for in the Statement of Risk Appetite and Baseline Security Requirements.
- 6.3 The Accreditation shall be performed by the Buyer or by representatives appointed by the Buyer.
- 6.4 In addition to any obligations imposed by Schedule 6.1 (Implementation Plan) or Schedule 6.2 (Testing) the Supplier must ensure that its Detailed Implementation Plan sets out in sufficient detail how it will ensure compliance with the requirements of this Schedule 2.4 (Security Management), including any requirements imposed on Sub- contractors by Annex 2, from any relevant Operational Service Commencement Date.
- 6.5 By the date specified in the Detailed Implementation Plan, the Supplier shall prepare and submit to the Buyer the risk management documentation for the Core Information Management System, which shall be subject to approval by the Buyer in accordance with, this Paragraph 6 (the "**Security Management Plan**").
- 6.6 The Security Management Plan shall be structured in accordance with the template as set out in Annex 3 and include:

- 6.6.1 the Accreditation Plan, which shall include:
  - (a) the dates on which each subsequent iteration of the Security Management Plan will be delivered to the Buyer for review and staged approval; and
  - (b) the date by which the Supplier is required to have received a Risk Management Approval Statement from the Buyer together with details of each of the tasks which must be completed by the Supplier, Milestones which must be Achieved and the Buyer Responsibilities which must be completed in order for the Supplier to receive a Risk Management Approval Statement pursuant to Paragraph 6.11;
- 6.6.2 a formal risk assessment of the Core Information Management System and a risk treatment plan for the Core Information Management System;
- 6.6.3 a completed ISO 27001:2013 Statement of Applicability for the Core Information Management System; the process for managing any security risks from Sub-contractors and third parties authorised by the Buyer with access to the Services, processes associated with the delivery of the Services, the Buyer Premises, the Sites, the Supplier System, the Buyer System (to extent that it is under the control of the Supplier) and any IT, Information and data (including the Confidential Information of the Buyer and the Buyer Data) and any system that could directly or indirectly have an impact on that Information, data and/or the Services;
- 6.6.4 unless such requirement is waived by the Buyer, proposed controls that will be implemented in respect of all aspects of the Services and all processes associated with the delivery of the Services, including the Buyer Premises, the Sites, the Supplier System, the Buyer System (to the extent that it is under the control of the Supplier) and any IT, Information and data (including the Confidential Information of the Buyer and the Buyer Data) to the extent used by the Buyer or the Supplier in connection with this Contract or in connection with any system that could directly or indirectly have an impact on that Information, data and/or the Services;
- 6.6.5 the Required Changes Register;
- 6.6.6 evidence that the Supplier and each applicable Sub-contractor is compliant with the Certification Requirements;
- 6.6.7 a Personal Data Processing Statement; and
- 1.4.1 the diagram documenting the Core Information Management System, the Wider Information Management System and the boundary between them created under Paragraph 4.2.
- 6.7 To facilitate Accreditation of the Core Information Management System, the Supplier shall provide the Buyer and its authorised representatives with:
  - 6.7.1 access to the Sites, ICT information assets and ICT systems within the Core Information Management System on request or in accordance with the Accreditation Plan; and
  - 6.7.2 such other information and/or documentation that the Buyer or its authorised representatives may reasonably require, to enable the Buyer to establish that the Core Information Management System is compliant with the Security Management Plan.

- 6.8 The Buyer shall, by the relevant date set out in the Accreditation Plan, review the Security Management Plan and issue to the Supplier either:
  - 6.8.1 a Risk Management Approval Statement which will then form part of the Security Management Plan, confirming that the Buyer is satisfied that the identified risks to the Core Information Management System have been adequately and appropriately addressed and that the residual risks are understood and accepted by the Buyer; or
  - 6.8.2 a rejection notice stating that the Buyer considers that the identified risks to the Core Information Management System have not been adequately or appropriately addressed, or the residual risks to the Core Information Management System have not been reduced to the level anticipated by the Statement of Information Risk Appetite, and the reasons why ("**Risk Management Rejection Notice**").
- 6.9 If the Buyer issues a Risk Management Rejection Notice, the Supplier shall, within 20 Working Days of the date of the Risk Management Rejection Notice:
  - 6.9.1 address all of the issues raised by the Buyer in such notice;
  - 6.9.2 update the Security Management Plan, as appropriate, and
  - 6.9.3 notify the Buyer that the Core Information Management System is ready for an Accreditation Decision.
- 6.10 If the Buyer issues a two or more Risk Management Rejection Notices, the failure to receive a Risk Management Approval Statement shall constitute a material Default and the Buyer may by terminate this Contract with immediate effect by issuing a Termination Notice to the Supplier in accordance with Clause 33(1)(b).
- 6.11 Subject to Paragraph 6.10, the process set out in Paragraphs 6.8 to 6.10 shall be repeated until such time as the Buyer issues a Risk Management Approval Statement to the Supplier or terminates this Contract.
- 6.12 The Supplier shall not use the Core Information Management System to Process Buyer Data before receiving a Risk Management Approval Statement.
- 6.13 The Supplier shall keep the Core Information Management System and Security Management Plan under review and shall update the Security Management Plan annually in accordance with this Paragraph and the Buyer shall review the Accreditation Decision annually and following the occurrence of any of the events set out in Paragraph 6.15.
  - 1.5 The Supplier shall notify the Buyer within 2 Working Days after becoming aware of:
    - 6.13.1 a significant change, or a significant planned change, to the components or architecture of the Core Information Management System;
    - 6.13.2 a new risk or vulnerability is identified to the components or architecture of the Core Information Management System;
    - 6.13.3 a change in the threat profile;

- 6.13.4 a Sub-contractor failure to comply with the Core Information Management System code of connection;
- 6.13.5 a significant change to any risk component;
- 6.13.6 a significant change in the quantity of Personal Data held within the Core Information Management System;
- 6.13.7 where the Supplier has previously Processed Personal Data that does not include Special Category Personal Data, it starts to, or proposes to start to, Process Special Category Personal Data under this Contract;
- 6.13.8 a proposal to change any of the Sites from which any part of the Services are provided; and/or
- 6.13.9 an ISO27001 audit report produced in connection with the Certification Requirements indicates significant concerns; and  
  
update the Required Changes Register and provide the updated Required Changes Register to the Buyer for review and approval within 10 Working Days after the initial notification or such other timescale as may be agreed with the Buyer.
- 6.14 If the Supplier fails to implement a change set out in the Required Changes Register by the date agreed with the Buyer, such failure shall constitute a material Default and the Supplier shall:
  - 6.14.1 immediately cease using the Core Information Management System to Process Buyer Data until the Default is remedied, unless directed otherwise by the Buyer in writing and then it may only continue to Process Buyer Data in accordance with the Buyer's written directions; and
  - 6.14.2 where such Default is capable of remedy, the Supplier shall remedy such Default within the timescales set by the Buyer and, should the Supplier fail to remedy the Default within such timescales, the Buyer may terminate this Contract with immediate effect by issuing a Termination Notice to the Supplier in accordance with Clause 33(1)(b).
- 6.15 The Supplier shall review each Change Request against the Security Management Plan to establish whether the documentation would need to be amended should such Change Request be agreed and, where a Change Request would require an amendment to the Security Management Plan, the Supplier shall set out any proposed amendments to the documentation in the Impact Assessment associated with such Change Request for consideration and approval by the Buyer.
- 6.16 The Supplier shall be solely responsible for the costs associated with developing and updating the Security Management Plan and carrying out any remedial action required by the Buyer as part of the Accreditation process.

## **7. Certification Requirements**

- 7.1 The Supplier shall ensure, at all times during the Term, that it is certified as compliant with:

- 7.1.1 ISO/IEC 27001:2013 by a United Kingdom Accreditation Service (UKAS)-approved certification body or are included within the scope of an existing certification of compliance with ISO/IEC 27001:2013; and
- 7.1.2 Cyber Essentials Plus,  
  - and shall provide the Buyer with a copy of each such certificate of compliance before the Supplier shall be permitted to use the Core Information Management System to receive or Process Buyer Data.
- 7.2 Notwithstanding anything else in this Contract, a CMIS Sub-contractor shall be treated for all purposes as a Key Sub-contractor.
- 7.3 In addition to the obligations contained in Clause 15, the Supplier must ensure that the Key Subcontract with each CIMS Sub-contractor:
  - 7.3.1 contains obligations no less onerous on the Key Sub-contractor than those imposed on the Supplier under this Schedule 2.4 (Security Management); but
  - 7.3.2 provides for the Buyer to perform Accreditation of any part of the Core Information Management System that the CIMS Sub-contractor provides or operates which is not otherwise subject to Accreditation under this Schedule 2.4 (Security Management).
- 7.4 The Supplier shall ensure that each Higher Risk Sub-contractor is certified as compliant with either:
  - 7.4.1 ISO/IEC 27001:2013 by a United Kingdom Accreditation Service (UKAS)-approved certification body or is included within the scope of an existing certification of compliance with ISO/IEC 27001:2013; or
  - 7.4.2 Cyber Essentials Plus,  
    - and shall provide the Buyer with a copy of each such certificate of compliance before the Higher-Risk Sub-contractor shall be permitted to receive or Process Buyer Data.
- 7.5 The Supplier shall ensure that each Medium Risk Sub-contractor is certified compliant with Cyber Essentials.
- 7.6 The Supplier shall ensure that the Supplier and each Sub-contractor who is responsible for the secure destruction of Buyer Data:
  - 7.6.1 securely destroys Buyer Data only on Sites which are included within the scope of an existing certification of compliance with ISO/IEC 27001:2013; and
  - 7.6.2 are certified as compliant with the NCSC Assured Service (CAS) Service Requirement Sanitisation Standard or an alternative standard as agreed by the Buyer.

The Supplier shall provide the Buyer with evidence of its and its Sub-contractor's compliance with the requirements set out in this Paragraph before the Supplier or the relevant Sub-contractor (as applicable) shall be permitted to carry out the secure destruction of the Buyer Data.

- 7.7 The Supplier shall notify the Buyer as soon as reasonably practicable and, in any event within 2 Working Days, if the Supplier or any Sub-contractor ceases to be compliant with the Certification Requirements and shall or shall procure that the relevant Sub-contractor shall:
- 7.7.1 immediately ceases receiving or Processing Buyer Data; and
  - 7.7.2 procure that the relevant Sub-contractor promptly returns, destroys and/or erases the Buyer Data in accordance with Baseline Security Requirements.
- 7.8 The Buyer may agree to exempt in whole or part the Supplier or any Sub-contractor from the Certification Requirements. Any exemption must be in writing to be effective. The Supplier must include the exemption in the Security Management Plan.

## 8. Security Testing

- 8.1 The Supplier shall, at its own cost and expense:
- 8.1.1 procure testing of the Core Information Management System by a CHECK Service Provider or a CREST Service Provider (an "IT Health Check"):
    - (a) prior to it submitting the Security Management Plan to the Buyer for an Accreditation Decision;
    - (b) if directed to do so by the Buyer; and
    - (c) once every 12 months during the Term.
  - 8.1.2 conduct vulnerability scanning and assessments of the Core Information Management System monthly;
  - 8.1.3 conduct an assessment as soon as reasonably practicable following receipt by the Supplier or any of its Sub-contractors of a critical vulnerability alert from a supplier of any software or other component of the Core Information Management System to determine whether the vulnerability affects the Core Information Management System; and
  - 8.1.4 conduct such other tests as are required by:
    - (a) any Vulnerability Correction Plans;
    - (b) the ISO27001 certification requirements;
    - (c) the Security Management Plan; and
    - (d) the Buyer following a Breach of Security or a significant change to the components or architecture of the Core Information Management System,(each a "Security Test").
- 8.2 The Supplier shall provide the Buyer with the results of such Security Tests (in a form approved by the Buyer in advance) as soon as practicable, and in any case within 10 Working Days, after completion of each Security Test.

- 8.3 In relation to each IT Health Check, the Supplier shall:
- 8.3.1 agree with the Buyer the aim and scope of the IT Health Check;
- 1.5.1 promptly, and in any case no later than 5 Working Days, following receipt of each IT Health Check report, provide the Buyer with a copy of the IT Health Check report;
- 8.3.2 in the event that the IT Health Check report identifies any vulnerabilities, the Supplier shall:
- (a) prepare a remedial plan for approval by the Buyer (each a "**Vulnerability Correction Plan**") which sets out in respect of each vulnerability identified in the IT Health Check report:
    - (i) how the vulnerability will be remedied;
    - (ii) unless otherwise agreed in writing between the Parties, the date by which the vulnerability will be remedied, which must be:
      - (A) within three months of the date the Supplier received the IT Health Check report in the case of any vulnerability categorised with a severity of "medium";
      - (B) within one month of the date the Supplier received the IT Health Check report in the case of any vulnerability categorised with a severity of "high"; and
      - (C) within 10 Working Days of the date the Supplier received the IT Health Check report in the case of any vulnerability categorised with a severity of "critical";
    - (iii) the tests which the Supplier shall perform or procure to be performed (which may, at the discretion of the Buyer, include a further IT Health Check) to confirm that the vulnerability has been remedied;
  - (b) comply with the Vulnerability Correction Plan; and
  - (c) conduct such further Security Tests on the Core Information Management System as are required by the Vulnerability Correction Plan to confirm that the Vulnerability Correction Plan has been complied with.
- 8.4 The Security Tests shall be designed and implemented by the Supplier so as to minimise the impact on the delivery of the Services and the date, timing, content and conduct of such Security Tests shall be agreed in advance with the Buyer. Subject to the Supplier complying with this Paragraph 8.4, if a Security Test causes a Performance Failure in a particular Measurement Period, the Supplier shall be granted relief in respect of such Performance Failure for that Measurement Period.
- 8.5 The Buyer shall be entitled to send a representative to witness the conduct of the Security Tests. Without prejudice to the Supplier's obligations under Paragraph 8.3, the Supplier shall provide the Buyer with the results of such Security Tests (in a form approved by the Buyer in

advance) as soon as practicable, and in any case no later than 10 Working Days, after completion of each Security Test.

- 8.6 The Buyer and/or its authorised representatives shall be entitled, at any time and without giving notice to the Supplier, to carry out such tests (including penetration tests) as it may deem necessary in relation to the Service, the Information Management System and/or the Supplier's compliance with the Security Management Plan ("**Buyer Security Tests**"). The Buyer shall take reasonable steps to notify the Supplier prior to carrying out such Buyer Security Test to the extent that it is reasonably practicable for it to do so taking into account the nature of the Buyer Security Test.
- 8.7 The Buyer shall notify the Supplier of the results of such Buyer Security Tests after completion of each Buyer Security Test.
- 8.8 The Buyer Security Tests shall be designed and implemented so as to minimise their impact on the delivery of the Services. If an Buyer Security Test causes Supplier Non-Performance, the Buyer Security Test shall be treated as an Buyer Cause, except where the root cause of the Supplier Non-Performance was a weakness or vulnerability exposed by the Buyer Security Test.
- 8.9 Without prejudice to the provisions of Paragraph 8.3.3, where any Security Test carried out pursuant to this Paragraph 8 reveals any actual or potential Breach of Security or weaknesses (including un-patched vulnerabilities, poor configuration and/or incorrect system management), the Supplier shall promptly notify the Buyer of any changes to the Core Information Management System and/or the Security Management Plan (and the implementation thereof) which the Supplier proposes to make in order to correct such failure or weakness. Subject to the Buyer's prior written approval, the Supplier shall implement such changes to the Core Information Management System and/or the Security Management Plan and repeat the relevant Security Tests in accordance with the timetable agreed with the Buyer or, otherwise, as soon as reasonably possible.
- 8.10 If the Buyer unreasonably withholds its approval to the implementation of any changes proposed by the Supplier to the Security Management Plan in accordance with Paragraph 8.8 above, the Supplier shall not be deemed to be in breach of this Contract to the extent it can be shown that such breach:
  - 8.10.1 has arisen as a direct result of the Buyer unreasonably withholding its approval to the implementation of such proposed changes; and
  - 8.10.2 would have been avoided had the Buyer given its approval to the implementation of such proposed changes.
- 8.11 For the avoidance of doubt, where a change to the Core Information Management System and/or the Security Management Plan is required to remedy non-compliance with the Risk Management Documentation, the Baseline Security Requirements and/or any obligation in this Contract, the Supplier shall effect such change at its own cost and expense.
- 8.12 If any repeat Security Test carried out pursuant to Paragraph 8.9 reveals an actual or potential Breach of Security or weakness exploiting the same root cause failure, such circumstance shall constitute a material Default and the Buyer may by terminate this Contract with

immediate effect by issuing a Termination Notice to the Supplier in accordance with Clause 33.1(b).

1.6 The Supplier shall, by 31 March of each year during the Term, provide to the Buyer a letter from its chief executive officer (or equivalent officer) confirming that having made due and careful enquiry:

8.12.1 the Supplier has in the previous year carried out all tests and has in place all procedures required in relation to security matters under this Contract; and

8.12.2 the Supplier is confident that its security and risk mitigation procedures with respect to the Services remain effective.

## **9. Vulnerabilities and Corrective Action**

9.1 The Buyer and the Supplier acknowledge that from time to time vulnerabilities in the Information Management System will be discovered which unless mitigated will present an unacceptable risk to the Buyer Data.

9.2 The severity of vulnerabilities for Supplier COTS Software and Third Party COTS Software shall be categorised by the Supplier as 'Critical', 'Important' and 'Other' by aligning these categories to the vulnerability scoring according to the agreed method in the Security Management Plan and using the appropriate vulnerability scoring systems including:

9.2.1 the 'National Vulnerability Database' 'Vulnerability Severity Ratings': 'High', 'Medium' and 'Low' respectively (these in turn are aligned to CVSS scores as set out by NIST at <http://nvd.nist.gov/cvss.cfm>); and

9.2.2 Microsoft's 'Security Bulletin Severity Rating System' ratings 'Critical', 'Important', and the two remaining levels ('Moderate' and 'Low') respectively.

9.3 Subject to Paragraph 9.4, the Supplier shall procure the application of security patches to vulnerabilities in the Core Information Management System within:

9.3.1 seven (7) days after the public release of patches for those vulnerabilities categorised as 'Critical';

9.3.2 thirty (30) days after the public release of patches for those vulnerabilities categorised as 'Important'; and

9.3.3 sixty (60) days after the public release of patches for those vulnerabilities categorised as 'Other'.

9.4 The timescales for applying patches to vulnerabilities in the Core Information Management System set out in Paragraph 9.3 shall be extended where:

9.4.1 the Supplier can demonstrate that a vulnerability in the Core Information Management System is not exploitable within the context of the Services (e.g. because it resides in a Software component which is not involved in running in the Services) provided such

vulnerabilities shall be remedied by the Supplier within the timescales set out in Paragraph 9.3 if the vulnerability becomes exploitable within the context of the Services;

- 9.4.2 the application of a 'Critical' or 'Important' security patch adversely affects the Supplier's ability to deliver the Services in which case the Supplier shall be granted an extension to such timescales of five (5) days, provided the Supplier had followed and continues to follow the security patch test plan agreed with the Buyer; or
- 9.4.3 the Buyer agrees a different maximum period after a case-by-case consultation with the Supplier under the processes defined in the Security Management Plan.
- 9.5 The Security Management Plan shall include provisions for major version upgrades of all Supplier COTS Software and Third Party COTS Software to be kept up to date such that all Supplier COTS Software and Third Party COTS Software are always in mainstream support throughout the Contract Period unless otherwise agreed by the Buyer in writing.
- 9.6 The Supplier shall:
  - 9.6.1 implement a mechanism for receiving, analysing and acting upon threat information supplied by NCSC, or any other competent Central Government Body;
  - 9.6.2 promptly notify NCSC of any actual or sustained attempted Breach of Security;
  - 9.6.3 ensure that the Core Information Management System is monitored to facilitate the detection of anomalous behaviour that would be indicative of system compromise;
  - 9.6.4 ensure it is knowledgeable about the latest trends in threat, vulnerability and exploitation that are relevant to the Core Information Management System by actively monitoring the threat landscape during the Contract Period;
  - 9.6.5 pro-actively scan the Core Information Management System for vulnerable components and address discovered vulnerabilities through the processes described in the Security Management Plan;
  - 9.6.6 from the date specified in the Accreditation Plan and within 5 Working Days of the end of each subsequent month during the Contract Period, provide the Buyer with a written report which details both patched and outstanding vulnerabilities in the Core Information Management System, the elapsed time between the public release date of patches and either time of application or for outstanding vulnerabilities the time of issue of such report and any failure to comply with the timescales set out in Paragraph 9.3 for applying patches to vulnerabilities in the Core Information Management System;
  - 9.6.7 propose interim mitigation measures to vulnerabilities in the Core Information Management System known to be exploitable where a security patch is not immediately available;
  - 9.6.8 remove or disable any extraneous interfaces, services or capabilities that are not needed for the provision of the Services (in order to reduce the attack surface of the Core Information Management System); and

- 9.6.9 inform the Buyer when it becomes aware of any new threat, vulnerability or exploitation technique that has the potential to affect the security of the Core Information Management System and provide initial indications of possible mitigations.
- 9.7 If the Supplier is unlikely to be able to mitigate the vulnerability within the timescales under Paragraph 10, the Supplier shall immediately notify the Buyer.
- 9.8 If the Supplier fails to patch vulnerabilities in the Core Information Management System in accordance with Paragraph 9.3, such failure shall constitute a material Default and the Buyer may by terminate this Contract with immediate effect by issuing a Termination Notice to the Supplier.

## **10. Malicious Software**

- 10.1 The Supplier shall install and maintain Anti-Malicious Software or procure that Anti-Malicious Software is installed and maintained on any part of the Information Management System which may Process Buyer Data and ensure that such Anti-Malicious Software is configured to perform automatic software and definition updates as well as regular scans of the Information Management System to check for, prevent the introduction of Malicious Software or where Malicious Software has been introduced into the Information Management System, to identify, contain the spread of, and minimise the impact of Malicious Software.
- 10.2 If Malicious Software is found, the Parties shall cooperate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Buyer Data, assist each other to mitigate any Losses and to restore the Services to their desired operating efficiency.
- 10.3 any cost arising out of the actions of the Parties taken in compliance with the provisions of Paragraph 10.2 shall be borne by the Parties as follows:
  - 10.3.1 by the Supplier where the Malicious Software originates from the Supplier Software, the Third-Party Software supplied by the Supplier or the Buyer Data (whilst the Buyer Data was under the control of the Supplier) unless the Supplier can demonstrate that such Malicious Software was present and not quarantined or otherwise identified by the Buyer when provided to the Supplier; and
  - 10.3.2 otherwise by the Buyer.

## **11. Breach of Security**

- 11.1 If either Party becomes aware of a Breach of Security or an attempted Breach of Security it shall notify the other in accordance with the security incident management process as set out in the Security Management Plan.
- 11.2 The security incident management process set out in the Security Management Plan shall, as a minimum, require the Supplier upon becoming aware of a Breach of Security or an attempted Breach of Security to:

- 11.2.1 immediately take all reasonable steps (which shall include any action or changes reasonably required by the Buyer which shall be completed within such timescales as the Buyer may reasonably require) necessary to:
- (a) minimise the extent of actual or potential harm caused by such Breach of Security;
  - (b) remedy such Breach of Security to the extent possible and protect the integrity of the Information Management System against any such potential or attempted Breach of Security;
  - (c) apply a tested mitigation against any such Breach of Security or potential or attempted Breach of Security and, provided that reasonable testing has been undertaken by the Supplier, if the mitigation adversely affects the Supplier's ability to deliver the Services so as to meet any Performance Indicator, the Supplier shall be granted relief against the failure to meet such affected Performance Indicator for such period as the Buyer, acting reasonably, may specify by written notice to the Supplier; and
  - (d) prevent a further Breach of Security or attempted Breach of Security in the future exploiting the same root cause failure;
- 11.2.2 as soon as reasonably practicable and, in any event, within 2 Working Days, following the Breach of Security or attempted Breach of Security, provide to the Buyer full details of the Breach of Security or attempted Breach of Security, including a root cause analysis where required by the Buyer.
- 11.3 In the event that any action is taken in response to a Breach of Security or attempted Breach of Security which occurred as a result of non-compliance of the Information Management System and/or the Security Management Plan with the Baseline Security Requirements and/or this Contract, then such action and any required change to the Information Management System and/or Security Management Plan shall be completed by the Supplier at no cost to the Buyer.
- 11.4 If the Supplier fails to comply with its obligations set out in this Paragraph 11, such failure shall constitute a material Default, which if not remedied to the satisfaction of the Buyer, shall permit the Buyer to terminate this Contract with immediate effect by issuing a Termination Notice to the Supplier.

## **12. Data Processing, Storage, Management and Destruction**

- 12.1 In addition to the obligations on the Supplier set out Clause 23 in respect of Processing Personal Data and compliance with the Data Protection Legislation, the Supplier shall:
- 12.1.1 Process Buyer Data only in the UK, except where the Buyer has given its consent in writing to a transfer of the Buyer Data to such other country;
  - 12.1.2 on demand, provide the Buyer with all Buyer Data in an agreed open format;
  - 12.1.3 have documented processes to guarantee availability of Buyer Data in the event of the Supplier ceasing to trade;

- 12.1.4 securely erase any or all Buyer Data held by the Supplier when requested to do so by the Buyer; and
- 12.1.5 securely destroy all media that has held Buyer Data at the end of life of that media in accordance with any specific requirements in this Contract and, in the absence of any such requirements, as directed by the Buyer.

## **Annex 1: Baseline Security Requirements**

### **1. Security Classification of Information**

If the provision of the Services requires the Supplier to Process Buyer Data which is classified as:

- 1.1 OFFICIAL-SENSITIVE, the Supplier shall implement such additional measures as agreed with the Buyer from time to time in order to ensure that such information is safeguarded in accordance with the applicable Standards; and/or
- 1.2 SECRET or TOP SECRET, the Supplier shall only do so where it has notified the Buyer prior to receipt of such Buyer Data and the Supplier shall implement additional measures as agreed with the Buyer from time to time in order to ensure that such information is safeguarded in accordance with the applicable Standards.

### **2. End User Devices**

- 2.1 The Supplier shall ensure that any Buyer Data which resides on a mobile, removable or physically uncontrolled device is stored encrypted using a product or system component which has been formally assured through a recognised certification process agreed with the Buyer except where the Buyer has given its prior written consent to an alternative arrangement.
- 2.2 The Supplier shall ensure that any device which is used to Process Buyer Data meets all of the security requirements set out in the NCSC End User Devices Platform Security Guidance, a copy of which can be found at: <https://www.ncsc.gov.uk/guidance/end-user-device-security>.

### **3. Networking**

The Supplier shall ensure that any Buyer Data which it causes to be transmitted over any public network (including the Internet, mobile networks or un-protected enterprise network) or to a mobile device shall be encrypted when transmitted.

### **4. Personnel Security**

- 4.1 All Supplier Staff shall be subject to a pre-employment check before they may participate in the provision and or management of the Services. Such pre-employment checks must include all pre-employment checks which are required by the HMG Baseline Personnel Security Standard including: verification of the individual's identity; verification of the individual's nationality and immigration status; and, verification of the individual's employment history; verification of the individual's criminal record.
- 4.2 The Buyer and the Supplier shall review the roles and responsibilities of the Supplier Staff who will be involved in the management and/or provision of the Services in order to enable the Buyer to determine which roles require additional vetting and a specific national security vetting clearance (e.g. a Counter Terrorist Check; a Security Check). Roles which are likely to require additional vetting and a specific national security vetting clearance include system administrators whose role would provide those individuals with privileged access to IT

systems which Process Buyer Data or data which, if it were Buyer Data, would be classified as OFFICIAL-SENSITIVE.

- 4.3 The Supplier shall not permit Supplier Staff who fail the security checks required by Paragraphs 4.1 and 4.2 to be involved in the management and/or provision of the Services except where the Buyer has expressly agreed in writing to the involvement of the named individual in the management and/or provision of the Services.
- 4.4 The Supplier shall ensure that Supplier Staff are only granted such access to Buyer Data as is necessary to enable the Supplier Staff to perform their role and to fulfil their responsibilities.
- 4.5 The Supplier shall ensure that Supplier Staff who no longer require access to the Buyer Data (e.g. they cease to be employed by the Supplier or any of its Sub-contractors), have their rights to access the Buyer Data revoked within 1 Working Day.
- 4.6 The Supplier shall ensure that Supplier Staff that have access to the Sites, the IT Environment or the Buyer Data receive regular training on security awareness that reflects the degree of access those individuals have to the Sites, the IT Environment or the Buyer Data.
- 4.7 The Supplier shall ensure that the training provided to Supplier Staff under paragraph 4.6 includes training on the identification and reporting fraudulent communications intended to induce individuals to disclose Personal Data or any other information that could be used, including in combination with other Personal Data or information, or with other techniques, to facilitate unauthorised access to the Sites, the IT Environment or the Buyer Data (“**phishing**”).

## **5. Identity, Authentication and Access Control**

- 5.1 The Supplier shall operate an access control regime to ensure:
  - 5.1.1 all users and administrators of the Supplier System are uniquely identified and authenticated when accessing or administering the Services; and
  - 5.1.2 all persons who access the Sites are identified and authenticated before they are allowed access to the Sites.
- 5.2 The Supplier shall apply the ‘principle of least privilege’ when allowing persons access to the Supplier System and Sites so that such persons are allowed access only to those parts of the Sites and the Supplier System they require.
- 5.3 The Supplier shall retain records of access to the Sites and to the Supplier System and shall make such record available to the Buyer on request.

## **6. Audit and Protective Monitoring**

- 6.1 The Supplier shall collect audit records which relate to security events in Core Information Management System or that would support the analysis of potential and actual compromises. In order to facilitate effective monitoring and forensic readiness such Supplier audit records should (as a minimum) include regular reports and alerts setting out details of access by users of the Core Information Management System, to enable the identification of

(without limitation) changing access trends, any unusual patterns of usage and/or accounts accessing higher than average amounts of Buyer Data.

- 6.2 In addition to any requirement in Clause 39.3, the Supplier shall
  - 6.2.1 Implement audit and monitoring of the Core Information Management System sufficient to comply with any applicable Relevant Requirements and to prevent or detect any Prohibited Act;
  - 6.2.2 Keep sufficient records to demonstrate compliance with the requirements of paragraph 6.2.1 to the Buyer; and
  - 6.2.3 Make those records and any documents describing the audit and monitoring undertaken to the Buyer on request.
- 6.3 The Supplier and the Buyer shall work together to establish any additional audit and monitoring requirements for the Core Information Management System.
- 6.4 The retention periods for audit records and event logs must be agreed with the Buyer and documented in the Security Management Plan.

## **7. Secure Architecture**

- 7.1 The Supplier shall design the Core Information Management System in accordance with:
  - 7.1.1 the NCSC "Security Design Principles for Digital Services", a copy of which can be found at: <https://www.ncsc.gov.uk/guidance/security-design-principles-digital-services-main>;
  - 7.1.2 the NCSC "Bulk Data Principles", a copy of which can be found at: <https://www.ncsc.gov.uk/guidance/protecting-bulk-personal-data-main>; and
  - 7.1.3 the NSCS "Cloud Security Principles", a copy of which can be found at: <https://www.ncsc.gov.uk/guidance/implementing-cloud-security-principles> and which are summarised below:
    - (a) "Cloud Security Principle 1: data in transit protection" which, amongst other matters, requires that user data transiting networks should be adequately protected against tampering and eavesdropping;
    - (b) "Cloud Security Principle 2: asset protection and resilience" which, amongst other matters, requires that user data, and the assets storing or processing it, should be protected against physical tampering, loss, damage or seizure;
    - (c) "Cloud Security Principle 3: separation between users" which, amongst other matters, requires that a malicious or compromised user of the service should not be able to affect the service or data of another;
    - (d) "Cloud Security Principle 4: governance framework" which, amongst other matters, requires that the Supplier should have a security governance framework which coordinates and directs its management of the Services and information within it;

- (e) "Cloud Security Principle 5: operational security" which, amongst other matters, requires that the Services need to be operated and managed securely in order to impede, detect or prevent a Breach of Security;
- (f) "Cloud Security Principle 6: personnel security" which, amongst other matters, requires that where Supplier Staff have access to Buyer Data and/or the Buyer System that those personnel be subject to appropriate security screening and regular security training;
- (g) "Cloud Security Principle 7: secure development" which, amongst other matters, requires that the Services be designed and developed to identify and mitigate threats to their security;
- (h) "Cloud Security Principle 8: supply chain security" which, amongst other matters, requires the Supplier to ensure that appropriate security controls are in place with its Sub-contractors and other suppliers;
- (i) "Cloud Security Principle 9: secure user management" which, amongst other matters, requires the Supplier to make the tools available for the Buyer to securely manage the Buyer's use of the Service;
- (j) "Cloud Security Principle 10: identity and authentication" which, amongst other matters, requires the Supplier to implement appropriate controls in order to ensure that access to Service interfaces is constrained to authenticated and authorised individuals;
- (k) "Cloud Security Principle 11: external interface protection" which, amongst other matters, requires that all external or less trusted interfaces with the Services should be identified and appropriately defended;
- (l) "Cloud Security Principle 12: secure service administration" which, amongst other matters, requires that any IT system which is used for administration of a cloud service will have highly privileged access to that service;
- (m) "Cloud Security Principle 13: audit information for users" which, amongst other matters, requires the Supplier to be able to provide the Buyer with the audit records it needs to monitor access to the Service and the Buyer Data held by the Supplier and/or its Sub-contractors;
- (n) "Cloud Security Principle 14: secure use of the service" which, amongst other matters, requires the Supplier to educate Supplier Staff on the safe and secure use of the Information Management System.

## **Annex 2: Security Requirements for Sub-contractors**

### **1. Application of Annex**

- 1.1 This Annex applies to all Sub-contractors that Process Buyer Data.
- 1.2 The Supplier must:
  - 1.2.1 ensure that those Sub-contractors comply with the provisions of this Annex;
  - 1.2.2 keep sufficient records to demonstrate that compliance to the Buyer; and
  - 1.2.3 ensure that its Detailed Implementation Plan includes Deliverables, Milestones and Milestone Dates that relate to the design, implementation and management of any systems used by Sub-contractors to Process Buyer Data.

### **2. Designing and managing secure solutions**

- 2.1 The Sub-contractor shall implement their solution(s) to mitigate the security risks in accordance with the NCSC's Cyber Security Design Principles <https://www.ncsc.gov.uk/collection/cyber-security-design-principles>.
- 2.2 The Sub-contractor must assess their systems against the NCSC Cloud Security Principles: <https://www.ncsc.gov.uk/collection/cloud-security?curPage=/collection/cloud-security/implementing-the-cloud-security-principles> at their own cost and expense to demonstrate that the people, process, technical and physical controls have been delivered in an effective way. The Sub-contractor must document that assessment and make that documentation available to the Buyer on the Buyer's request.

### **3. Data Processing, Storage, Management and Destruction**

- 3.1 The Sub-contractor must not Process any Buyer Data outside the UK. The Buyer may permit the Sub-contractor to Process Buyer Data outside the UK and may impose conditions on that permission, with which the Sub-contractor must comply. Any permission must be in writing to be effective.
- 3.2 The Sub-contractor must securely erase any or all Buyer Data held by the Sub-contractor when requested to do so by the Buyer; and securely destroy all media that has held Buyer Data at the end of life of that media in accordance with the NCSC Assured Service (CAS) Service Requirement Sanitisation Standard, or an alternative agreed in writing by the Buyer.

### **4. Personnel Security**

- 4.1 The Sub-contractor must perform appropriate checks on their staff before they may participate in the provision and or management of the Services. Those checks must include all pre-employment checks required by the HMG Baseline Personnel Security Standard including: verification of the individual's identity; verification of the individual's nationality and immigration status; verification of the individual's employment history; and verification of the individual's criminal record. The HMG Baseline Personnel Security Standard is at

<https://www.gov.uk/government/publications/government-baseline-personnel-security-standard>.

4.2 The Sub-contractor must, if the Buyer requires, at any time, ensure that one or more of the Sub-contractor's staff obtains Security Check clearance in order to Process Buyer Data containing Personal Data above certain volumes specified by the Buyer, or containing Special Category Personal Data.

4.3 Any Sub-contractor staff who will, when performing the Services, have access to a person under the age of 18 years must undergo Disclosure and Barring Service checks.

## **5. End User Devices**

5.1 The Sub-contractor shall ensure that any Buyer Data stored (for any period of time) on a mobile, removable or physically uncontrolled device is encrypted. The Sub-contractor must follow the Information Commissioner's Office guidance on implementing encryption, which can be found at <https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/security/encryption/>.

5.2 The Supplier shall ensure that any device used to Process Buyer Data meets all the security requirements set out in the NCSC End User Devices Platform Security Guidance, which can be found at: <https://www.ncsc.gov.uk/guidance/end-user-device-security>.

## **6. Networking**

The Supplier shall ensure that any Buyer Data which it causes to be transmitted over any public network (including the Internet, mobile networks or un-protected enterprise network) or to a mobile device shall be encrypted when transmitted.

## **7. Patching and Vulnerability Scanning**

7.1 The Sub-contractor must proactively monitor supplier vulnerability websites and ensure all necessary patches and upgrades are applied to maintain security, integrity and availability in accordance with the NCSC Cloud Security Principles.

## **8. Third Party Sub-contractors**

8.1 The Sub-contractor must not transmit or disseminate the Buyer Data to any other person unless specifically authorised by the Buyer. Such authorisation must be in writing to be effective and may be subject to conditions.

8.2 The Sub-contractor must not, when performing any part of the Services, use any software to Process Buyer Data where the licence terms of that software purport to grant the licensor rights to Process the Buyer Data greater than those rights strictly necessary for the use of the software.

## Annex 3

### Security Management Plan Template

#### Security Management Plan Template (Accreditation)

[Project/Service and Supplier Name]

#### 1 Executive Summary

*<This section should contain a brief summary of the business context of the system, any key IA controls, the assurance work done, any off-shoring considerations and any significant residual risks that need acceptance.>*

#### 2 System Description

##### 2.1 Background

*< A short description of the project/product/system. Describe its purpose, functionality, aim and scope.>*

##### 2.2 Organisational Ownership/Structure

*< Who owns the system and operates the system and the organisational governance structure. This should include how any ongoing security management is integrated into the project governance e.g. how a Security Working Group reports to the project board.>*

##### 2.3 Information assets and flows

*<The information assets processed by the system which should include a simple high level diagram on one page. Include a list of the type and volumes of data that will be processed, managed and stored within the supplier system. If personal data, please include the fields used such as name, address, department DOB, NI number etc.>*

##### 2.4 System Architecture

*<A description of the physical system architecture, to include the system management. A diagram will be needed here>*

##### 2.5 Users

*<A brief description of the system users, to include HMG users as well as any service provider users and system managers. If relevant, security clearance level requirements should be included.>*

## 2.6 Locations

*<Where the data assets are stored and managed from. If any locations hold independent security certifications (e.g. ISO27001:2013) these should be noted. Any off-shoring considerations should be detailed.>*

## 2.7 Test and Development Systems

*<Include information about any test and development systems, their locations and whether they contain live system data.>*

## 2.8 Key roles and responsibilities

*<A brief description of the lead security roles such as that of the SIRO, IAO, Security manager, Accreditor >*

# 3 Risk Assessment

## 3.1 Accreditation/Assurance Scope

*<This section describes the scope of the Accreditation/Assurance for the system. The scope of the assurance assessment should be clearly indicated, with components of the architecture upon which reliance is placed but assurance will not be done clearly shown e.g. a cloud hosting service. A logical diagram should be used along with a brief description of the components.>*

## 3.2 Risk appetite

*<A risk appetite should be agreed with the SIRO/SRO and included here.>*

## 3.3 Business impact assessment

*< A description of the information assets and the impact of their loss or corruption (e.g. large amounts of Official Sensitive personal data the loss of which would be severely damaging to individuals, embarrassing to HMG, and make HMG liable to ICO investigations) in business terms should be included. This section should cover the impact on loss of confidentiality, integrity and availability of the assets. The format of this assessment may be dependent on the risk assessment method chosen.>*

## 3.4 Risk assessment

*<The content of this section will depend on the risk assessment methodology chosen, but should contain the output of the formal information risk assessment in a prioritised list using business language. Experts on the system and business process should have been involved in the risk assessment to ensure the formal risk methodology used has not missed out any risks. The example table below*

should be used as the format to identify the risks and document the controls used to mitigate those risks. >

Risk ID	Inherent risk	Inherent risk level	Vulnerability	Controls	Residual risk level
R1	Internet attackers could hack the system.	Medium	The service systems are exposed to the internet via the web portal.	C1: Internet-facing firewalls C2: Internet-facing IP whitelist C3: System hardening C4: Protective monitoring C5: Application access control C16: Anti-virus for incoming files C54: Files deleted when processed C59: Removal of departmental identifier	Very low
R2	Remote attackers could intercept or disrupt information crossing the internet.	Medium	File sharing with organisations across the internet.	C9: TLS communications C10: PGP file-sharing	Very low

Risk ID	Inherent risk	Inherent risk level	Vulnerability	Controls	Residual risk level
R3	Internal users could maliciously or accidentally alter bank details.	Medium-High	Users bank details can be altered as part of the normal business function.	<p>C12. System administrators hold SC clearance.</p> <p>C13. All changes to user information are logged and audited.</p> <p>C14. Letters are automatically sent to users home addresses when bank details are altered.</p> <p>C15. Staff awareness training</p>	Low

### 3.5 Controls

<The controls listed above to mitigate the risks identified should be detailed. There should be a description of each control, further information and configuration details where relevant, and an assessment of the implementation status of, and assurance in, the control. A sample layout is included below.>

ID	Control title	Control description	Further information and assurance status
C1	Internet-facing firewalls	Internet-facing firewalls are in place between the internet and the system', which restrict access from the internet to the required ports only.	Assured via ITHC firewall rule check
C2	Internet-facing IP whitelist	An IP whitelist is in place for all access from the internet.	Assured via ITHC
C15	Staff awareness training	All staff must undertake annual security awareness training and this process is audited and monitored by line managers.	Assured as part of ISO27001 certification

### 3.6 Residual risks and actions

<A summary of the residual risks which are likely to be above the risk appetite stated after all controls have been applied and verified should be listed with actions and timescales included.>

#### **4 In-service controls**

< This section should describe the controls relating to the information lifecycle, including development, testing, in-service, termination and on-going risk management and accreditation assurance. Details of any formal assurance requirements specified in the contract such as security CHECK testing or maintained ISO27001 certification should be included. This section should include at least:

- i) information risk management and timescales and triggers for a review;
- j) contractual patching requirements and timescales for the different priorities of patch;
- k) protective monitoring arrangements to include how anomalous behaviour is identified and acted upon as well as how logging and auditing of user activity is done;
- l) configuration and change management;
- m) incident management;
- n) vulnerability management;
- o) user access management; and
- p) data sanitisation and disposal.>

#### **5 Security Operating Procedures (SyOps)**

< If needed any SyOps requirements should be included and referenced here.>

#### **6 Major Hardware and Software and end of support dates**

< This should be a table which lists the end of support dates for hardware and software products and components. An example table is shown below.>

Name	Version	End of mainstream Support/Extended Support	Notes/RAG Status
Server Host	HP XXXX	Feb 2020/ March 2022	

#### **7 Incident Management Process**

<The suppliers' process, as agreed with the Buyer/Customer, should be included here. It must as a minimum include the protocol for how and when incidents will be reported to the Buyer/customer and the process that will be undertaken to mitigate the incidents and investigate the root cause.>

## 8 Security Requirements for User Organisations

<Any security requirements for connecting organisations or departments should be included or referenced here.>

## 9 Required Changes Register

<The table below shows the headings for the Required Changes Register which should be maintained and used to update the contents of this document at least annually.>

Ref	Section	Change	Agreed With	Date agreed	Documentation update	Status
1	6.4	A new Third Party supplier XXXX will be performing the print capability.	Buyer name	11/11/2018	Jul-2019	Open

## 10 Personal Data Processing Statement

<This should include: (i) the types of Personal Data which the Supplier and/or its Sub-contractors are Processing on behalf of the Buyer; (ii) the categories of Data Subjects whose Personal Data the Supplier and/or its Sub-contractors are Processing on behalf of the Buyer; the nature and purpose of such Processing; (iii) the locations at which the Supplier and/or its Subcontractors Process Buyer Data; and, (iv) the Protective Measures that the Supplier and, where applicable, its Subcontractors have implemented to protect the Buyer Data against a Security Breach including a Personal Data Breach.>

## 11 Annex A. ISO27001 and/or Cyber Essential Plus certificates

<Any certifications relied upon should have their certificates included>

## 12 Annex B. Cloud Security Principles assessment

<A spreadsheet may be attached>

## 13 Annex C. Protecting Bulk Data assessment if required by the Buyer/Customer

<A spreadsheet may be attached>

## 14 Annex E. Latest ITHC report and Vulnerability Correction Plan

## **Annex 4**

### **Information Management System**

#### 4. Information Management System 4.2



## SCHEDULE 3

### BUYER RESPONSIBILITIES

#### 1 INTRODUCTION

- 1.1 The responsibilities of the Buyer set out in Attachment 3 (Buyer Responsibilities) of the Order Form shall constitute the Buyer Responsibilities under this Contract. Any obligations of the Buyer in Attachment 2.1 (*Services Description*) of the Order Form and Attachment 4.1 (*Supplier Solution*) of the Order Form shall not be Buyer Responsibilities and the Buyer shall have no obligation to perform any such obligations unless they are specifically stated to be "Buyer Responsibilities" and cross referenced in the table in Attachment 3 (Buyer Responsibilities) of the Order Form.
- 1.2 The responsibilities specified within this Schedule and Attachment 3 (Buyer Responsibilities) of the Order Form shall be provided to the Supplier free of charge, unless otherwise agreed between the Parties.

#### 2 GENERAL OBLIGATIONS

The Buyer shall:

- (a) perform those obligations of the Buyer which are set out in Attachment 3 (Buyer Responsibilities) of the Order Form;
- (b) use its reasonable endeavours to provide the Supplier with access to appropriate members of the Buyer's staff, as such access is reasonably requested by the Supplier in order for the Supplier to discharge its obligations throughout the Term and the Termination Assistance Period;
- (c) provide sufficient and suitably qualified staff to fulfil the Buyer's roles and duties under this Contract as defined in the Implementation Plan;
- (d) use its reasonable endeavours to provide such documentation, data and/or other information that the Supplier reasonably requests that is necessary to perform its obligations under the terms of this Contract provided that such documentation, data and/or information is available to the Buyer and is authorised for release by the Buyer; and
- (e) procure for the Supplier such agreed access and use of the Buyer Premises (as a licensee only) and facilities (including relevant IT systems) as is reasonably required for the Supplier to comply with its obligations under this Contract, such access to be provided during the Buyer's normal working hours on each Working Day or as otherwise agreed by the Buyer (such agreement not to be unreasonably withheld or delayed).

#### 3 NOT APPLICABLE

**SCHEDULE 4.1**  
**SUPPLIER SOLUTION**

**C249854 Supplier Technical and Social Value Tender Responses:**

Tec

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**C249854 Supplier Post Tender Technical Clarification Responses:**

20  
%2

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**SCHEDULE 4.2**

**COMMERCIALLY SENSITIVE INFORMATION**

<b>No.</b>	<b>Date</b>	<b>Item(s)</b>	<b>Duration of Confidentiality</b>
		Identify of professional staff and skills experience including sub-contractors (AQ2, AQ3 and AQ4 in Quality Envelope)	5 Years
		Fee rates for professional staff and pricing breakdown (Pricing Envelope)	5 Years
		Methodologies and tools (Quality Envelope)	5 Years

### **SCHEDULE 4.3**

#### **NOTIFIED KEY SUB-CONTRACTORS**

PA Consulting Services Limited incorporated and registered in England and Wales with company number 00414220 whose registered office is at 10 Bressenden Place, London SW1E 5DN

## ANNEX 2: FORM OF CONFIDENTIALITY UNDERTAKING

### CONFIDENTIALITY AGREEMENT

THIS AGREEMENT is made on [*date*] 20

#### BETWEEN:

- (1) [*insert name*] of [*insert address*] (the “**Sub-licensee**”); and
- (2) [*insert name*] of [*insert address*] (the “**Supplier**” and together with the Supplier, the “**Parties**”).

#### WHEREAS:

- (A) [*insert name of Buyer*] (the “**Buyer**”) and the Supplier are party to a contract dated [*insert date*] (the “**Contract**”) for the provision by the Supplier of [*insert brief description of services*] to the Buyer.
- (B) The Buyer wishes to grant a sub-licence to the Sub-licensee in respect of certain software and intellectual property rights licensed to the Buyer pursuant to the Contract (the “**Sub-licence**”).
- (C) It is a requirement of the Contract that, before the Buyer grants such sub-licence to the Sub-licensee, the Sub-licensee execute a confidentiality agreement in favour of the Supplier in or substantially in the form of this Contract to protect the Confidential Information of the Supplier.

#### IT IS AGREED as follows:

### 1 Interpretation

1.1 In this Contract, unless the context otherwise requires:

**“Confidential Information”**

means:

(a) Information, including all personal data within the meaning of the Data Protection Act 2018, and however it is conveyed, provided by the Buyer to the Sub-licensee pursuant to or in connection with the Sub-licence that relates to:

(i) the Supplier; or

(ii) the operations, business, affairs, developments, intellectual property rights, trade secrets, know-how and/or personnel of the Supplier;

(b) the source code and the object code of the software sub-licensed to the Sub-licensee pursuant to the Sub-licence together with build information, relevant design and development information, technical specifications of all functionality including those not included in standard manuals (such as those that modify system performance and access levels), configuration details, test

scripts, user manuals, operating manuals, process definitions and procedures, and all such other documentation supplied by the Supplier to the Buyer pursuant to or in connection with the Sub-licence;

(c) other Information provided by the Buyer pursuant to this Contract to the Sub- licensee that is clearly designated as being confidential or equivalent or that ought reasonably to be considered to be confidential which comes (or has come) to the Sub- licensee's attention or into the Sub- licensee's possession in connection with the Sub- licence; and

(d) Information derived from any of the above,

but not including any Information that:

(a) was in the possession of the Sub- licensee without obligation of confidentiality prior to its disclosure by the Buyer;

(b) was already generally available and in the public domain at the time of disclosure otherwise than by a breach of this Contract or breach of a duty of confidentiality; or

(c) was independently developed without access to the Information;

**“Information”** means all information of whatever nature, however conveyed and in whatever form, including in writing, orally, by demonstration, electronically and in a tangible, visual or machine-readable medium (including CD-ROM, magnetic and digital form); and

**“Sub-licence”** has the meaning given to that expression in recital (B) to this Contract.

1.2 In this Contract:

- (a) a reference to any gender includes a reference to other genders;
- (b) the singular includes the plural and vice versa;
- (c) the words “include” and cognate expressions shall be construed as if they were immediately followed by the words “without limitation”;
- (d) references to any statutory provision include a reference to that provision as modified, replaced, amended and/or re-enacted from time to time (before or after the date of this Contract) and any prior or subsequent subordinate legislation made under it;
- (e) headings are included for ease of reference only and shall not affect the interpretation or construction of this Contract; and
- (f) references to Clauses are to clauses of this Contract.

## **2 Confidentiality Obligations**

2.1 In consideration of the Buyer entering into the Sub-licence, the Sub-licensee shall:

- (a) treat all Confidential Information as secret and confidential;
- (b) have in place and maintain proper security measures and procedures to protect the confidentiality of the Confidential Information (having regard to its form and nature);
- (c) not disclose or permit the disclosure of any of the Confidential Information to any other person without obtaining the prior written consent of the Supplier or except as expressly set out in this Contract;
- (d) not transfer any of the Confidential Information outside the United Kingdom;
- (e) not use or exploit any of the Confidential Information for any purpose whatsoever other than as permitted under the Sub-licence;
- (f) immediately notify the Supplier in writing if it suspects or becomes aware of any unauthorised access, copying, use or disclosure in any form of any of the Confidential Information; and
- (g) upon the expiry or termination of the Sub-licence:
  - (i) destroy or return to the Supplier all documents and other tangible materials that contain any of the Confidential Information;
  - (ii) ensure, so far as reasonably practicable, that all Confidential Information held in electronic, digital or other machine-readable form ceases to be readily accessible (other than by the information technology staff of the Sub-licensee) from any computer, word processor, voicemail system or any other device; and
  - (iii) make no further use of any Confidential Information.

## **3 Permitted Disclosures**

3.1 The Sub-licensee may disclose Confidential Information to those of its directors, officers, employees, consultants and professional advisers who:

- (a) reasonably need to receive the Confidential Information in connection with the Sub-licence; and
- (b) have been informed by the Sub-licensee of the confidential nature of the Confidential Information; and
- (c) have agreed to terms similar to those in this Contract.

3.2 The Sub-licensee shall be entitled to disclose Confidential Information to the extent that it is required to do so by applicable law or by order of a court or other public body that has jurisdiction over the Sub-licensee.

- 3.3 Before making a disclosure pursuant to Clause 3.2, the Sub-licensee shall, if the circumstances permit:
- (a) notify the Supplier in writing of the proposed disclosure as soon as possible (and if possible before the court or other public body orders the disclosure of the Confidential Information); and
  - (b) ask the court or other public body to treat the Confidential Information as confidential.

#### **4 General**

- 4.1 The Sub-licensee acknowledges and agrees that all property, including intellectual property rights, in Confidential Information disclosed to it by the Supplier shall remain with and be vested in the Supplier.
- 4.2 This Contract does not include, expressly or by implication, any representations, warranties or other obligations:
- (a) to grant the Sub-licensee any licence or rights other than as may be expressly stated in the Sub-licence;
  - (b) to require the Supplier to disclose, continue disclosing or update any Confidential Information; or
  - (c) as to the accuracy, efficacy, completeness, capabilities, safety or any other qualities whatsoever of any Information or materials provided pursuant to or in anticipation of the Sub-licence.
- 4.3 The rights, powers and remedies provided in this Contract are cumulative and not exclusive of any rights, powers or remedies provided by law. No failure or delay by either Party to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same, or of some other right, power or remedy.
- 4.4 Without prejudice to any other rights or remedies that the Supplier may have, the Sub-licensee acknowledges and agrees that damages alone may not be an adequate remedy for any breach by the Sub-licensee of any of the provisions of this Contract. Accordingly, the Sub-licensee acknowledges that the Supplier shall be entitled to the remedies of injunction and specific performance as well as any other equitable relief for any threatened or actual breach of this Contract and/or breach of confidence and that no proof of special damages shall be necessary for the enforcement of such remedies.
- 4.5 The maximum liability of the Sub-licensee to the Supplier for any breach of this Contract shall be limited to ten million pounds (£10,000,000).
- 4.6 For the purposes of the Contracts (Rights of Third Parties) Act 1999 no one other than the Parties has the right to enforce the terms of this Contract.
- 4.7 Each Party shall be responsible for all costs incurred by it or on its behalf in connection with this Contract.

4.8 This Contract may be executed in any number of counterparts and by the Parties on separate counterparts, but shall not be effective until each Party has executed at least one counterpart. Each counterpart shall constitute an original of this Contract, but all the counterparts shall together constitute but one and the same instrument.

**5 Notices**

5.1 Any notice to be given under this Contract (each a “**Notice**”) shall be given in writing and shall be delivered by hand and shall be deemed to have been duly given at the time of delivery provided that such Notice is sent to the relevant physical address, and expressly marked for the attention of the relevant individual, set out in Clause 5.2.

5.2 Any Notice:

(a) if to be given to the Supplier shall be sent to:

[Address]

Attention: [Contact name and/or position, e.g. “The Finance Director”]

(b) if to be given to the Sub-licensee shall be sent to:

[Name of Organisation]  
[Address]

Attention: [ ]

**6 Governing law**

6.1 This Contract shall be governed by, and construed in accordance with, English law and any matter claim or dispute arising out of or in connection with this Contract whether contractual or non-contractual, shall be governed by and determined in accordance with English law.

6.2 Each Party hereby irrevocably submits to the exclusive jurisdiction of the English courts in respect of any claim or dispute arising out of or in connection with this Contract.

**IN WITNESS** of the above this Contract has been signed by the duly authorised representatives of the Parties on the date which appears at the head of page 1.

**For and on behalf of [name of Supplier]**

Signature: \_\_\_\_\_ Date:

Name: Position:

**For and on behalf of [name of Sub-licensee]**

Signature: \_\_\_\_\_ Date:

Name: Position:

**SCHEDULE 6.1**  
**IMPLEMENTATION PLAN**

## **1 INTRODUCTION**

### **1.1 This Schedule:**

- (a) defines the process for the preparation and implementation of the Outline Implementation Plan and Detailed Implementation Plan; and
- (b) identifies the Milestones (and associated Deliverables) including the Milestones which trigger payment to the Supplier of the applicable Milestone Payments following the issue of the applicable Milestone Achievement Certificate.

## **2 OUTLINE IMPLEMENTATION PLAN**

2.1 The Outline Implementation Plan is set out in Attachment 6.1 of the Order Form.

2.2 All changes to the Outline Implementation Plan shall be subject to the Change Control Procedure provided that the Supplier shall not attempt to postpone any of the Milestones using the Change Control Procedure or otherwise (except in accordance with Clause 31 (*Buyer Cause*)).

## **3 APPROVAL OF THE DETAILED IMPLEMENTATION PLAN**

3.1 The Supplier shall submit a draft of the Detailed Implementation Plan to the Buyer for approval within 20 Working Days of the Effective Date.

3.2 The Supplier shall ensure that the draft Detailed Implementation Plan:

- (a) incorporates all of the Milestones and Milestone Dates set out in the Outline Implementation Plan;
- (b) includes (as a minimum) the Supplier's proposed timescales in respect of the following for each of the Milestones:
  - (i) the completion of each design document;
  - (ii) the completion of the build phase;
  - (iii) the completion of any Testing to be undertaken in accordance with Schedule 6.2 (*Testing Procedures*); and
  - (iv) training and roll-out activities;
- (c) clearly outlines all the steps required to implement the Milestones to be achieved in the next 15 months, together with a high level plan for the rest of the programme, in conformity with the Buyer Requirements;
- (d) clearly outlines the required roles and responsibilities of both Parties, including staffing requirements; and
- (e) is produced using a software tool as specified, or agreed by the Buyer.

- 3.3 Prior to the submission of the draft Detailed Implementation Plan to the Buyer in accordance with Paragraph 3.1, the Buyer shall have the right:
- (a) to review any documentation produced by the Supplier in relation to the development of the Detailed Implementation Plan, including:
    - (i) details of the Supplier's intended approach to the Detailed Implementation Plan and its development;
    - (i) copies of any drafts of the Detailed Implementation Plan produced by the Supplier; and
    - (ii) any other work in progress in relation to the Detailed Implementation Plan; and
  - (b) to require the Supplier to include any reasonable changes or provisions in the Detailed Implementation Plan.
- 3.4 Following receipt of the draft Detailed Implementation Plan from the Supplier, the Buyer shall:
- (a) review and comment on the draft Detailed Implementation Plan as soon as reasonably practicable; and
  - (b) notify the Supplier in writing that it approves or rejects the draft Detailed Implementation Plan no later than 20 Working Days after the date on which the draft Detailed Implementation Plan is first delivered to the Buyer.
- 3.5 If the Buyer rejects the draft Detailed Implementation Plan:
- (a) the Buyer shall inform the Supplier in writing of its reasons for its rejection; and
  - (b) the Supplier shall then revise the draft Detailed Implementation Plan (taking reasonable account of the Buyer's comments) and shall re-submit a revised draft Detailed Implementation Plan to the Buyer for the Buyer's approval within 20 Working Days of the date of the Buyer's notice of rejection. The provisions of Paragraph 3.4 and this Paragraph 3.5 shall apply again to any resubmitted draft Detailed Implementation Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.
- 3.6 If the Buyer approves the draft Detailed Implementation Plan, it shall replace the Outline Implementation Plan from the date of the Buyer's notice of approval.

#### **4 UPDATES TO AND MAINTENANCE OF THE DETAILED IMPLEMENTATION PLAN**

- 4.1 Following the approval of the Detailed Implementation Plan by the Buyer:
- (a) the Supplier shall submit a revised Detailed Implementation Plan to the Buyer every 3 months starting 3 months from the Effective Date;
  - (b) without prejudice to Paragraph 4.1(a), the Buyer shall be entitled to request a revised Detailed Implementation Plan at any time by giving written notice to the Supplier and the Supplier shall submit a draft revised Detailed Implementation Plan to the Buyer

within 20 Working Days of receiving such a request from the Buyer (or such longer period as the Parties may agree provided that any failure to agree such longer period shall be referred to the Dispute Resolution Procedure);

- (c) any revised Detailed Implementation Plan shall (subject to Paragraph 4.2) be submitted by the Supplier for approval in accordance with the procedure set out in Paragraph 3; and
- (d) the Supplier's performance against the Implementation Plan shall be monitored at meetings of the Service Management Board (as defined in Schedule 8.1 (*Governance*)). In preparation for such meetings, the current Detailed Implementation Plan shall be provided by the Supplier to the Buyer not less than 5 Working Days in advance of each meeting of the Service Management Board.

4.2 Save for any amendments which are of a type identified and notified by the Buyer (at the Buyer's discretion) to the Supplier in writing as not requiring approval, any material amendments to the Detailed Implementation Plan shall be subject to the Change Control Procedure provided that:

- (a) any amendments to elements of the Detailed Implementation Plan which are based on the contents of the Outline Implementation Plan shall be deemed to be material amendments; and
- (b) in no circumstances shall the Supplier be entitled to alter or request an alteration to any Milestone Date except in accordance with Clause 31 (*Buyer Cause*).

4.3 Any proposed amendments to the Detailed Implementation Plan shall not come into force until they have been approved in writing by the Buyer.

## **5 GOVERNMENT REVIEWS**

The Supplier acknowledges that the Services may be subject to Government review at key stages of the project. The Supplier shall cooperate with any bodies undertaking such review and shall allow for such reasonable assistance as may be required for this purpose within the Charges.

## ANNEX 1: OUTLINE IMPLEMENTATION PLAN

#	Milestone	<b>Deliverables</b> <i>(bulleted list showing all Deliverables (and associated tasks) required for each Milestone)</i>	<b>Duration</b> <i>(Working Days)</i>	<b>Milestone Date</b>
MS01	Supplier personnel forming the Senior Leadership Team deployed and committed to contract	<ul style="list-style-type: none"> <li>• All Supplier personnel forming the Senior Leadership Team deployed &amp; delivering contract deliverables.</li> </ul>		Contract Commencement Date
MS02	<ul style="list-style-type: none"> <li>• Supplier personnel forming the core Senior Leadership Team fully onboarded:</li> <li>• All supplier Senior Leadership Team members have access to systems and resources relevant to that role and received all necessary handover materials from previous supplier (if necessary)</li> <li>• Team integrated into Programme</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier's Senior Leadership Team fully in place and integrated with existing NIHR Senior Leadership Team.</li> <li>• Successful and verified handover of all materials.</li> <li>• Initial review of Priority projects and agreement with NIHR DDaT Office on restart process</li> <li>• Successful and continual attendance in programme governance structure either virtually or in person.</li> </ul>	10	All to be completed and/or started by 2 Weeks after Contract Commencement Date

#	Milestone	<b>Deliverables</b> <i>(bulleted list showing all Deliverables (and associated tasks) required for each Milestone)</i>	<b>Duration</b> <i>(Working Days)</i>	<b>Milestone Date</b>
	Level governance structure and reporting schedules. <ul style="list-style-type: none"> <li>• Team preparing programme Wellbeing plan.</li> <li>• Team commencing initial induction meetings / visits to core NIHR staff</li> </ul>			
MS03	<ul style="list-style-type: none"> <li>• Acquisition and operational control and management of programme level technical, solution and operational documentation pertinent to proper management of the programme</li> <li>• Jira / Confluence administration passwords and operational</li> </ul>	<ul style="list-style-type: none"> <li>• Successful and verified handover of all materials.</li> </ul>	20	All to be completed by 4 weeks after Contract Commencement Date

#	Milestone	<b>Deliverables</b> <i>(bulleted list showing all Deliverables (and associated tasks) required for each Milestone)</i>	<b>Duration</b> <i>(Working Days)</i>	<b>Milestone Date</b>
	control completed.			
MS04	<ul style="list-style-type: none"> <li>• Outline 12-month programme level delivery plan produced and provided to NIHR DDaT Office which will include:</li> <li>• Carrying out a preliminary review and producing delivery plans for restart of paused / parked projects (outlined in Section 10) – including a review of future resource work for established projects.</li> <li>• Production of delivery framework &amp;</li> </ul>	<ul style="list-style-type: none"> <li>☑ Delivery of outline 12-month programme level delivery plan signed off by NIHR DDaT Office and DHSC</li> <li>☑ Delivery of Programme Communications Plan signed off by NIHR DDaT Office and DHSC</li> <li>☑ Delivery of Programme Wellbeing Plan signed off by NIHR DDaT Office and DHSC</li> </ul>	20	All to be completed by 4 weeks after Contract Commencement Date

#	Milestone	<b>Deliverables</b> <i>(bulleted list showing all Deliverables (and associated tasks) required for each Milestone)</i>	<b>Duration</b> <i>(Working Days)</i>	<b>Milestone Date</b>
	digital delivery methodology for 12 months and documentation to be developed / delivered under that framework. <ul style="list-style-type: none"> <li>• Agreeing planned deliverables for 12 months with NIHR DDaT Office</li> <li>• Producing a Programme Communications Plan &amp; content for delivery to NIHR and partner organisations</li> <li>• Producing a Programme Wellbeing Plan.</li> </ul>			
MS05	<ul style="list-style-type: none"> <li>• Final 12-month programme level delivery plan developed and published:</li> </ul>	<ul style="list-style-type: none"> <li>☐ Delivery of final 12-month programme level delivery plan signed off by NIHR DDaT Office</li> <li>• Delivery of “Restart” workshop as a hybrid event</li> </ul>	30	All to be completed by 6 weeks after Contract Commencement Date

#	Milestone	<b>Deliverables</b> <i>(bulleted list showing all Deliverables (and associated tasks) required for each Milestone)</i>	<b>Duration</b> <i>(Working Days)</i>	<b>Milestone Date</b>
	<ul style="list-style-type: none"> <li>• Aligned to outline level delivery plans developed as part of MS04.</li> <li>• Aligned to NIHR Coordinating Centre business arrangements and/or any other significant programme identified.</li> <li>• Created in conjunction with the established and agreed programme data architecture.</li> <li>• Cognisant of One NIHR</li> <li>• Alternative projects identified in case primary projects unable to proceed.</li> <li>• Schedule of programme workshops,</li> </ul>			

#	Milestone	Deliverables ( <i>bulleted list showing all Deliverables (and associated tasks) required for each Milestone</i> )	Duration ( <i>Working Days</i> )	Milestone Date
	reviews, etc developed and agreed with NIHR DDaT Office <ul style="list-style-type: none"> <li>• Delivery of “Restart” workshop for NIHR Digital Strategy</li> </ul>			
MS06	<ul style="list-style-type: none"> <li>• Completion and delivery of any required contract documentation including:               <ul style="list-style-type: none"> <li>a) Exit Plan</li> <li>b) Net Zero</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Delivery and submission of plans to DHSC with evidence on consultation and agreement of NIHR DDaT office.</li> </ul>		To be submitted no later than 12 months from contract commencement date.
MS07	Quarterly iterative review and refinement of the delivery plan produced by the Supplier under MS05: <ul style="list-style-type: none"> <li>• Refreshing and maintaining the delivery plan to maintain a</li> </ul>	<ul style="list-style-type: none"> <li>• Delivery of refreshed 12-month delivery plan signed off by NIHR DDaT Office.</li> <li>• Delivery of quarterly delivery planning workshops</li> </ul>	<b>90</b>	Every 3 months following due date of MS05

#	Milestone	<b>Deliverables</b> <i>(bulleted list showing all Deliverables (and associated tasks) required for each Milestone)</i>	<b>Duration</b> <i>(Working Days)</i>	<b>Milestone Date</b>
	continuous 12-month plan of delivery. <ul style="list-style-type: none"> <li>• Planning, managing, and delivering quarterly delivery planning workshops with appropriate Authority &amp; NIHR personnel.</li> <li>• Resource planning of Supplier personnel for planned projects/work packages</li> <li>• Producing agile sprint plans and goals for planned projects/work packages</li> <li>• Clear identification of business benefit, benefit owners and anticipated</li> </ul>			

#	Milestone	<b>Deliverables</b> <i>(bulleted list showing all Deliverables (and associated tasks) required for each Milestone)</i>	<b>Duration</b> <i>(Working Days)</i>	<b>Milestone Date</b>
	realisation timeframes for planned projects/work packages <ul style="list-style-type: none"> <li>• Identification and proposed mitigation(s) of any risks, issues, assumptions, and dependencies</li> <li>• Identification of any value-added design/development for the next 12 months.</li> </ul>			
MS08	Delivery of outputs as per agreed Work Packages and properly laid out as in Annex 1 C249854 RM6100-Lot-4-Call-Off-Terms-SCHEDULE 8.2 CHANGE CONTROL PROCEDURE.	<ul style="list-style-type: none"> <li>• Successful completion of each Work Package</li> </ul>		Throughout the duration of the contract and subject to the timing conditions of the work package.

**SCHEDULE 6.2**  
**TESTING PROCEDURES**

## 1 DEFINITIONS

In this Schedule, the following definitions shall apply:

<b>“Component”</b>	any constituent parts of the infrastructure for a Service, hardware or Software;
<b>“Material Test Issue”</b>	a Test Issue of Severity Level 1 or Severity Level 2;
<b>“Severity Level”</b>	the level of severity of a Test Issue, the criteria for which are described in Annex 1;
<b>“Test Certificate”</b>	a certificate materially in the form of the document contained in Annex 2 issued by the Buyer when a Deliverable has satisfied its relevant Test Success Criteria;
<b>“Test Issue”</b>	any variance or non-conformity of a Deliverable from its requirements (such requirements being set out in the relevant Test Success Criteria);
<b>“Test Issue Threshold”</b>	in relation to the Tests applicable to a Milestone, a maximum number of Severity Level 3, Severity Level 4 and Severity Level 5 Test Issues as set out in the relevant Test Plan;
<b>“Test Issue Management Log”</b>	a log for the recording of Test Issues as described further in Paragraph 9.1;
<b>“Test Plan”</b>	a plan: (a) for the Testing of Deliverables; and (b) setting out other agreed criteria related to the achievement of Milestones, as described further in Paragraph 5;
<b>“Test Reports”</b>	the reports to be produced by the Supplier setting out the results of Tests;
<b>“Test Specification”</b>	the specification that sets out how Tests will demonstrate that the Test Success Criteria have been satisfied, as described in more detail in Paragraph 7;
<b>“Test Strategy”</b>	a strategy for the conduct of Testing as described further in Paragraph 4;
<b>“Test Success Criteria”</b>	in relation to a Test, the test success criteria for that Test as referred to in Paragraph 6;
<b>“Test Witness”</b>	any person appointed by the Buyer pursuant to Paragraph 10.1; and

**“Testing Procedures”** the applicable testing procedures set out in this Schedule and Test Success Criteria set out in Attachment 6.2 (Test Success Criteria) of the Order Form.

## **2 RISK**

- 2.1 The issue of a Test Certificate, a Milestone Achievement Certificate and/or a conditional Milestone Achievement Certificate shall not:
- (a) operate to transfer any risk that the relevant Deliverable or Milestone is complete or will meet and/or satisfy the Buyer's requirements for that Deliverable or Milestone; or
  - (b) affect the Buyer's right subsequently to reject:
    - (i) all or any element of the Deliverables to which a Test Certificate relates; or
    - (i) any Milestone to which the Milestone Achievement Certificate relates.
- 2.2 Notwithstanding the issuing of any Milestone Achievement Certificate (including the Milestone Achievement Certificate in respect of Buyer to Proceed), the Supplier shall remain solely responsible for ensuring that:
- (a) the Supplier Solution as designed and developed is suitable for the delivery of the Services and meets the Buyer Requirements;
  - (b) the Services are implemented in accordance with this Contract; and
  - (c) each Target Performance Level is met from the relevant Operational Service Commencement Date.

## **3 TESTING OVERVIEW**

- 3.1 All Tests conducted by the Supplier shall be conducted in accordance with the Test Strategy, the Test Plans and the Test Specifications.
- 3.2 The Supplier shall not submit any Deliverable for Testing:
- (a) unless the Supplier is reasonably confident that it will satisfy the relevant Test Success Criteria;
  - (b) until the Buyer has issued a Test Certificate in respect of any prior, dependant Deliverable(s); and
  - (c) until the Parties have agreed the Test Plan and the Test Specification relating to the relevant Deliverable(s).
- 3.3 The Supplier shall use reasonable endeavours to submit each Deliverable for Testing or re-Testing by or before the date set out in the Implementation Plan for the commencement of Testing in respect of the relevant Deliverable.

3.4 Prior to the issue of a Test Certificate, the Buyer shall be entitled to review the relevant Test Reports and the Test Issue Management Log.

3.5 Any Disputes between the Buyer and the Supplier regarding Testing shall be referred to the Dispute Resolution Procedure using the Expedited Dispute Timetable.

#### **4 TEST STRATEGY**

4.1 The Supplier shall develop the final Test Strategy as soon as practicable after the Effective Date but in any case no later than 20 Working Days (or such other period as the Parties may agree in writing) after the Effective Date.

4.2 The final Test Strategy shall include:

- (a) an overview of how Testing will be conducted in accordance with the Implementation Plan;
- (b) the process to be used to capture and record Test results and the categorisation of Test Issues;
- (c) the method for mapping the expected Test results to the Test Success Criteria;
- (d) the procedure to be followed if a Deliverable fails to satisfy the Test Success Criteria or produces unexpected results, including a procedure for the resolution of Test Issues;
- (e) the procedure to be followed to sign off each Test;
- (f) the process for the production and maintenance of Test Reports and reporting, including templates for the Test Reports and the Test Issue Management Log, and a sample plan for the resolution of Test Issues;
- (g) the names and contact details of the Buyer's and the Supplier's Test representatives;
- (h) a high level identification of the resources required for Testing, including facilities, infrastructure, personnel and Buyer and/or third party involvement in the conduct of the Tests;
- (i) the technical environments required to support the Tests; and
- (j) the procedure for managing the configuration of the Test environments.

#### **5 TEST PLANS**

5.1 The Supplier shall develop Test Plans and submit these for the approval of the Buyer as soon as practicable but in any case no later than 20 Working Days (or such other period as the Parties may agree in the Test Strategy or otherwise agree in writing) prior to the start date for the relevant Testing (as specified in the Implementation Plan).

5.2 Each Test Plan shall include as a minimum:

- (a) the relevant Test definition and the purpose of the Test, the Milestone to which it relates, the requirements being tested and, for each Test, the specific Test Success Criteria to be satisfied;
- (b) a detailed procedure for the Tests to be carried out, including:
  - (i) the timetable for the Tests, including start and end dates;
  - (i) the Testing mechanism;
  - (ii) dates and methods by which the Buyer can inspect Test results or witness the Tests in order to establish that the Test Success Criteria have been met;
  - (iii) the mechanism for ensuring the quality, completeness and relevance of the Tests;
  - (iv) the format and an example of Test progress reports and the process with which the Buyer accesses daily Test schedules;
  - (v) the process which the Buyer will use to review Test Issues and the Supplier's progress in resolving these in a timely basis;
  - (vi) the Test Schedule;
  - (vii) the re-Test procedure, the timetable and the resources which would be required for re-Testing; and
  - (viii) the process for escalating Test Issues from a re-test situation to the taking of specific remedial action to resolve the Test Issue.

5.3 The Buyer shall not unreasonably withhold or delay its approval of the Test Plans provided that the Supplier shall incorporate any reasonable requirements of the Buyer in the Test Plans.

## **6 TEST SUCCESS CRITERIA**

The Test Success Criteria for:

- (a) each Test that must be Achieved for the Supplier to Achieve either the ATP Milestone or a CPP Milestone are set out in Attachment 6.2 (Test Success Criteria) of the Order Form; and
- (b) all other Tests shall be agreed between the Parties as part of the relevant Test Plan pursuant to Paragraph 5.

## **7 TEST SPECIFICATION**

7.1 Following approval of a Test Plan, the Supplier shall develop the Test Specification for the relevant Deliverables as soon as reasonably practicable and in any event at least 10 Working Days (or such other period as the Parties may agree in the Test Strategy or otherwise agree in writing) prior to the start of the relevant Testing (as specified in the Implementation Plan).

7.2 Each Test Specification shall include as a minimum:

- (a) the specification of the Test data, including its source, scope, volume and management, a request (if applicable) for relevant Test data to be provided by the Buyer and the extent to which it is equivalent to live operational data;
- (b) a plan to make the resources available for Testing;
- (c) Test scripts;
- (d) Test pre-requisites and the mechanism for measuring them; and
- (e) expected Test results, including:
  - (i) a mechanism to be used to capture and record Test results; and
  - (ii) a method to process the Test results to establish their content.

## **8 TESTING**

- 8.1 Before submitting any Deliverables for Testing the Supplier shall subject the relevant Deliverables to its own internal quality control measures.
- 8.2 The Supplier shall manage the progress of Testing in accordance with the relevant Test Plan and shall carry out the Tests in accordance with the relevant Test Specification. Tests may be witnessed by the Test Witnesses in accordance with Paragraph 10.
- 8.3 The Supplier shall notify the Buyer at least 10 Working Days (or such other period as the Parties may agree in writing) in advance of the date, time and location of the relevant Tests and the Buyer shall ensure that the Test Witnesses attend the Tests, except where the Buyer has specified in writing that such attendance is not necessary.
- 8.4 The Buyer may raise and close Test Issues during the Test witnessing process.
- 8.5 The Supplier shall provide to the Buyer in relation to each Test:
  - (a) a draft Test Report not less than 2 Working Days (or such other period as the Parties may agree in writing) prior to the date on which the Test is planned to end; and
  - (b) the final Test Report within 5 Working Days (or such other period as the Parties may agree in writing) of completion of Testing.
- 8.6 Each Test Report shall provide a full report on the Testing conducted in respect of the relevant Deliverables, including:
  - (a) an overview of the Testing conducted;
  - (b) identification of the relevant Test Success Criteria that have been satisfied;
  - (c) identification of the relevant Test Success Criteria that have not been satisfied together with the Supplier's explanation of why those criteria have not been met;
  - (d) the Tests that were not completed together with the Supplier's explanation of why those Tests were not completed;

- (e) the Test Success Criteria that were satisfied, not satisfied or which were not tested, and any other relevant categories, in each case grouped by Severity Level in accordance with Paragraph 9.1; and
- (f) the specification for any hardware and software used throughout Testing and any changes that were applied to that hardware and/or software during Testing.

## **9 TEST ISSUES**

- 9.1 Where a Test Report identifies a Test Issue, the Parties shall agree the classification of the Test Issue using the criteria specified in Annex 1 and the Test Issue Management Log maintained by the Supplier shall log Test Issues reflecting the Severity Level allocated to each Test Issue.
- 9.2 The Supplier shall be responsible for maintaining the Test Issue Management Log and for ensuring that its contents accurately represent the current status of each Test Issue at all relevant times. The Supplier shall make the Test Issue Management Log available to the Buyer upon request.
- 9.3 The Buyer shall confirm the classification of any Test Issue unresolved at the end of a Test in consultation with the Supplier. If the Parties are unable to agree the classification of any unresolved Test Issue, the Dispute shall be dealt with in accordance with the Dispute Resolution Procedure using the Expedited Dispute Timetable.

## **10 TEST WITNESSING**

- 10.1 The Buyer may, in its sole discretion, require the attendance at any Test of one or more Test Witnesses selected by the Buyer, each of whom shall have appropriate skills to fulfil the role of a Test Witness.
- 10.2 The Supplier shall give the Test Witnesses access to any documentation and Testing environments reasonably necessary and requested by the Test Witnesses to perform their role as a Test Witness in respect of the relevant Tests.
- 10.3 The Test Witnesses:
  - (a) shall actively review the Test documentation;
  - (b) will attend and engage in the performance of the Tests on behalf of the Buyer so as to enable the Buyer to gain an informed view of whether a Test Issue may be closed or whether the relevant element of the Test should be re-Tested;
  - (c) shall not be involved in the execution of any Test;
  - (d) shall be required to verify that the Supplier conducted the Tests in accordance with the Test Success Criteria and the relevant Test Plan and Test Specification;
  - (e) may produce and deliver their own, independent reports on Testing, which may be used by the Buyer to assess whether the Tests have been Achieved;
  - (f) may raise Test Issues on the Test Issue Management Log in respect of any Testing; and

- (g) may require the Supplier to demonstrate the modifications made to any defective Deliverable before a Test Issue is closed.

## 11 TEST QUALITY AUDIT

- 11.1 Without prejudice to its rights pursuant to Clause 12.2(b) (*Records, Reports, Audits & Open Book Data*), the Buyer may perform on-going quality audits in respect of any part of the Testing (each a “**Testing Quality Audit**”) subject to the provisions set out in the agreed Quality Plan.
- 11.2 The focus of the Testing Quality Audits shall be on:
  - (a) adherence to an agreed methodology;
  - (b) adherence to the agreed Testing process;
  - (c) adherence to the Quality Plan;
  - (d) review of status and key development issues; and
  - (e) identification of key risk areas.
- 11.3 The Supplier shall allow sufficient time in the Test Plan to ensure that adequate responses to a Testing Quality Audit can be provided.
- 11.4 The Buyer will give the Supplier at least 5 Working Days' written notice of the Buyer's intention to undertake a Testing Quality Audit and the Supplier may request, following receipt of that notice, that any Testing Quality Audit be delayed by a reasonable time period if in the Supplier's reasonable opinion, the carrying out of a Testing Quality Audit at the time specified by the Buyer will materially and adversely impact the Implementation Plan.
- 11.5 A Testing Quality Audit may involve document reviews, interviews with the Supplier Personnel involved in or monitoring the activities being undertaken pursuant to this Schedule, the Buyer witnessing Tests and demonstrations of the Deliverables to the Buyer. Any Testing Quality Audit shall be limited in duration to a maximum time to be agreed between the Supplier and the Buyer on a case by case basis (such agreement not to be unreasonably withheld or delayed). The Supplier shall provide all reasonable necessary assistance and access to all relevant documentation required by the Buyer to enable it to carry out the Testing Quality Audit.
- 11.6 If the Testing Quality Audit gives the Buyer concern in respect of the Testing Procedures or any Test, the Buyer shall:
  - (a) discuss the outcome of the Testing Quality Audit with the Supplier, giving the Supplier the opportunity to provide feedback in relation to specific activities; and
  - (b) subsequently prepare a written report for the Supplier detailing its concerns,and the Supplier shall, within a reasonable timeframe, respond in writing to the Buyer's report.
- 11.7 In the event of an inadequate response to the Buyer's report from the Supplier, the Buyer (acting reasonably) may withhold a Test Certificate (and consequently delay the grant of a

Milestone Achievement Certificate) until the issues in the report have been addressed to the reasonable satisfaction of the Buyer.

## **12 OUTCOME OF TESTING**

- 12.1 The Buyer shall issue a Test Certificate as soon as reasonably practicable when the Deliverables satisfy the Test Success Criteria in respect of that Test without any Test Issues.
- 12.2 If the Deliverables (or any relevant part) do not satisfy the Test Success Criteria then the Buyer shall notify the Supplier and:
- (a) the Buyer may issue a Test Certificate conditional upon the remediation of the Test Issues;
  - (b) where the Parties agree that there is sufficient time prior to the relevant Milestone Date, the Buyer may extend the Test Plan by such reasonable period or periods as the Parties may reasonably agree and require the Supplier to rectify the cause of the Test Issue and re-submit the Deliverables (or the relevant part) to Testing; or
  - (c) where the failure to satisfy the Test Success Criteria results, or is likely to result, in the failure (in whole or in part) by the Supplier to meet a Milestone, then without prejudice to the Buyer's other rights and remedies, such failure shall constitute a Notifiable Default for the purposes of Clause 27.1 (*Rectification Plan Process*).
- 12.3 The Buyer shall be entitled, without prejudice to any other rights and remedies that it has under this Contract, to recover from the Supplier any reasonable additional costs it may incur as a direct result of further review or re-Testing which is required for the Test Success Criteria for that Deliverable to be satisfied.

## **13 ISSUE OF MILESTONE ACHIEVEMENT CERTIFICATE**

- 13.1 The Buyer shall issue a Milestone Achievement Certificate in respect of a given Milestone as soon as is reasonably practicable following:
- (a) the issuing by the Buyer of Test Certificates and/or conditional Test Certificates in respect of all Deliverables related to that Milestone which are due to be Tested; and
  - (b) performance by the Supplier to the reasonable satisfaction of the Buyer of any other tasks identified in the Implementation Plan as associated with that Milestone (which may include the submission of a Deliverable that is not due to be Tested, such as the production of Documentation).
- 13.2 The grant of a Milestone Achievement Certificate shall entitle the Supplier to the receipt of a payment in respect of that Milestone in accordance with the provisions of Schedule 7.1 (*Charges and Invoicing*).
- 13.3 If a Milestone is not Achieved, the Buyer shall promptly issue a report to the Supplier setting out:
- (a) the applicable Test Issues ; and
  - (b) any other reasons for the relevant Milestone not being Achieved.

- 13.4 If there are Test Issues but these do not exceed the Test Issues Threshold, then provided there are no Material Test Issues, the Buyer shall issue a Milestone Achievement Certificate.
- 13.5 Without prejudice to the Buyer's other remedies the following shall constitute a Notifiable Default for the purposes of Clause 27.1 (Rectification Plan Process) and the Buyer shall refuse to issue a Milestone Achievement Certificate where:
- (a) there is one or more Material Test Issue(s); or
  - (b) the information required under Part B of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form has not been uploaded to the Virtual Library in accordance with Paragraph 3 of that Schedule 8.4 (Reports and Records Provision).
- 13.6 If there are Test Issues which exceed the Test Issues Threshold but there are no Material Test Issues, the Buyer may at its discretion (without waiving any rights in relation to the other options) choose to issue a Milestone Achievement Certificate conditional on the remediation of the Test Issues in accordance with an agreed Rectification Plan provided that:
- (a) any Rectification Plan shall be agreed before the issue of a conditional Milestone Achievement Certificate unless the Buyer agrees otherwise (in which case the Supplier shall submit a Rectification Plan for approval by the Buyer within 10 Working Days of receipt of the Buyer's report pursuant to Paragraph 13.3); and
  - (b) where the Buyer issues a conditional Milestone Achievement Certificate, it may (but shall not be obliged to) revise the failed Milestone Date and any subsequent Milestone Date.

## ANNEX 1: TEST ISSUES – SEVERITY LEVELS

- 1**     **Severity Level 1 Test Issue:** a Test Issue that causes non-recoverable conditions, e.g. it is not possible to continue using a Component, a Component crashes, there is database or file corruption, or data loss;
- 2**     **Severity Level 2 Test Issue:** a Test Issue for which, as reasonably determined by the Buyer, there is no practicable workaround available, and which:
  - (a)     causes a Component to become unusable;
  - (b)     causes a lack of functionality, or unexpected functionality, that has an impact on the current Test; or
  - (c)     has an adverse impact on any other Component(s) or any other area of the Services;
- 3**     **Severity Level 3 Test Issue:** a Test Issue which:
  - 3.1     causes a Component to become unusable;
  - 3.2     causes a lack of functionality, or unexpected functionality, but which does not impact on the current Test; or
  - 3.3     has an impact on any other Component(s) or any other area of the Services;but for which, as reasonably determined by the Buyer, there is a practicable workaround available;
- 4**     **Severity Level 4 Test Issue:** a Test Issue which causes incorrect functionality of a Component or process, but for which there is a simple, Component based, workaround, and which has no impact on the current Test, or other areas of the Services; and
- 5**     **Severity Level 5 Test Issue:** a Test Issue that causes a minor problem, for which no workaround is required, and which has no impact on the current Test, or other areas of the Services

## ANNEX 2: TEST CERTIFICATE

To: **[NAME OF SUPPLIER]**

FROM: **[NAME OF BUYER]**

**[Date]**

Dear Sirs,

### TEST CERTIFICATE

Deliverables: **[insert description of Deliverables]**

We refer to the agreement (the “**Contract**”) relating to the provision of the Services between the **[name of Buyer]** (the “**Buyer**”) and **[name of Supplier]** (the “**Supplier**”) dated **[date]**.

Capitalised terms used in this certificate have the meanings given to them in Schedule 1 (*Definitions*) or Schedule 6.2 (*Testing Procedures*) of the Contract.

[We confirm that the Deliverables listed above have been tested successfully in accordance with the Test Plan relevant to those Deliverables.]

### OR

[This Test Certificate is issued pursuant to Paragraph 12.1 of Schedule 6.2 (*Testing Procedures*) of the Contract on the condition that any Test Issues are remedied in accordance with the Rectification Plan attached to this certificate.]\*

*\*delete as appropriate*

Yours faithfully

**[Name]**

**[Position]**

acting on behalf of **[name of Buyer]**

### ANNEX 3: MILESTONE ACHIEVEMENT CERTIFICATE

To: **[NAME OF SUPPLIER]**

FROM: **[NAME OF BUYER]**

**[Date]**

Dear Sirs,

#### MILESTONE ACHIEVEMENT CERTIFICATE

Milestone: **[insert description of Milestone]**

We refer to the agreement (the “**Contract**”) relating to the provision of the Services between the **[name of Buyer]** (the “**Buyer**”) and **[name of Supplier]** (the “**Supplier**”) dated **[date]**.

Capitalised terms used in this certificate have the meanings given to them in Schedule 1 (*Definitions*) or Schedule 6.2 (*Testing Procedures*) of the Contract.

[We confirm that all the Deliverables relating to Milestone **[number]** have been tested successfully in accordance with the Test Plan relevant to this Milestone [or that a conditional Test Certificate has been issued in respect of those Deliverables that have not satisfied the relevant Test Success Criteria.]]\*

**OR**

[This Milestone Achievement Certificate is granted pursuant to Paragraph 13.1 of Schedule 6.2 (*Testing Procedures*) of the Contract on the condition that any Test Issues are remedied in accordance with the Rectification Plan attached to this certificate.]\*

[You may now issue an invoice in respect of the Milestone Payment associated with this Milestone in accordance with the provisions of Schedule 7.1 (*Charges and Invoicing*)]\*

*\*delete as appropriate*

Yours faithfully

**[Name]**

**[Position]**

acting on behalf of **[Buyer]**

## **ANNEX 4: TEST SUCCESS CRITERIA**

As Work Package If required

**SCHEDULE 7.1**

**CHARGES AND INVOICING**

## 1 DEFINITIONS

In this Schedule, the following definitions shall apply:

<b>“Achieved Profit Margin”</b>	the cumulative Supplier Profit Margin calculated from (and including) the Effective Date (or, if applicable, the date of the last adjustment to the Charges made pursuant to Paragraph 2.2 of Part D) to (and including) the last day of the previous Contract Year;
<b>“Anticipated Contract Life Profit Margin”</b>	the anticipated Supplier Profit Margin over the Term as reflected in the Financial Model;
<b>“Capped ADR”</b>	in relation to a Milestone Payment or Service Charge means a capped average day rate calculated by reference to a Time and Materials pricing mechanism, £[ <b>Not Applicable</b> ];
<b>“Certificate of Costs”</b>	a certificate of costs signed by the Supplier’s Chief Financial Officer or Director of Finance (or equivalent as agreed in writing by the Buyer in advance of issue of the relevant certificate) and substantially in the format set out in Annex 3;
<b>“Costs”</b>	the following costs (without double recovery) to the extent that they are reasonably and properly incurred by the Supplier in providing the Services:  (a) the cost to the Supplier or the Key Sub-contractor (as the context requires), calculated per Work Day, of engaging the Supplier Personnel, including:  (i) base salary paid to the Supplier Personnel;

- (ii) employer's national insurance contributions;
  - (iii) Employer Pension Contributions;
  - (iv) car allowances;
  - (v) any other contractual employment benefits;
  - (vi) staff training;
  - (vii) work place accommodation;
  - (viii) work place IT equipment and tools reasonably necessary to perform the Services (but not including items included within limb (b) below); and
  - (ix) reasonable recruitment costs, as agreed with the Buyer;
- (b) costs incurred in respect of those Assets which are detailed on the Registers and which would be treated as capital costs according to generally accepted accounting principles within the UK, which shall include the cost to be charged in respect of Assets by the Supplier to the Buyer or (to the extent that risk and title in any Asset is not held by the Supplier) any cost actually incurred by the Supplier in respect of those Assets;
- (c) operational costs which are not included within (a) or (b) above, to the extent that such costs are necessary and properly incurred by the Supplier in the delivery of the Services;
- (d) Forecast Contingency Costs;
- (e) Reimbursable Expenses to the extent these are incurred in delivering any Services where the Charges for those Services are to be calculated on a Fixed Price or

Firm Price pricing mechanism;

but excluding:

- (i) Overhead;
- (ii) financing or similar costs;
- (iii) maintenance and support costs to the extent that these relate to maintenance and/or support services provided beyond the Term, whether in relation to Assets or otherwise;
- (iv) taxation;
- (v) fines and penalties;
- (vi) amounts payable under Schedule 7.3 (*Benchmarking*); and
- (vii) non-cash items (including depreciation, amortisation, impairments and movements in provisions);

**“Delay Payment Rate”**

has the meaning given in Paragraph 1.1(a) of Part C;

**“The Employer Pension Contributions”**

means:

- (a) in respect of CSPA Eligible Employees those sums set out at Clauses 7.1.1 (annual administration charges covering core services), 7.1.5 (employer contributions), 7.1.7 (the ASLC) and 7.1.8 (flat charges applicable to the Partnership Pension Account) of the Admission Contract;
- (b) in respect of NHSPA Eligible Employees, the standard employer contribution rate applicable to NHS Pension Scheme employers during the Term and payable

by the Supplier<sup>[1]</sup> (but no other costs, contributions, charges or surcharges payable by the Supplier to or in respect of the NHS Pension Scheme or in respect of any NHS Premature Retirement Rights, unless otherwise agreed in writing by the Buyer);

(c) in respect of LGPS Eligible Employees the standard employer contribution rate applicable to LGPS Eligible Employees during the Term and payable by the Supplier<sup>[2]</sup> (but no other costs, contributions, charges or surcharges payable by the Supplier to or in respect of the LGPS or in respect of any Beckmann Liabilities, unless otherwise agreed in writing by the Buyer); and

such other employer pension contributions, charges or costs incurred by the Supplier which have been expressly agreed by the Buyer in writing to constitute 'Employer Pension Contributions';

**“European Standard”**

in relation to an electronic invoice means the European standard and any of the syntaxes published in Commission Implementing Decision (EU) 2017/1870.

**“Forecast Contingency Costs”**

the costs which the Supplier forecasts may be incurred in relation to the risks and contingencies that are identified

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<sup>[1]</sup> Currently 14.3%

<sup>[2]</sup> Currently 14.3%

	in the Risk Register, such costs being those set out in the column headed 'Forecast Contingency Costs' in the Risk Register (as such costs are updated from time to time);
<b>“Guaranteed Maximum Price”</b>	in relation to a Milestone, 110% of the Target Price for the relevant Milestone;
<b>“Incurred Costs”</b>	in relation to a Milestone, the sum of: <ul style="list-style-type: none"> <li>(a) the fixed day costs set out in Table 3 of Part A of Attachment 7.1 (Charges) of the Order Form multiplied by the number of Work Days that have been expended by the Supplier Personnel in Achieving the relevant Milestone; and</li> <li>(b) any amount that would fall within limbs (b) or (c) of the definition of “Costs” (but subject to exceptions (i) to (vii) in that definition), to the extent that such amount has been incurred in Achieving the relevant Milestone;</li> </ul>
<b>“Indexation” and “Index”</b>	the adjustment of an amount or sum in accordance with Paragraph 5 of Part C;
<b>“Maximum Permitted Profit Margin”</b>	the Anticipated Contract Life Profit Margin plus 5%;
<b>“Milestone Group”</b>	has the meaning given in Paragraph 1.5 of Part B;
<b>“Milestone Retention”</b>	has the meaning given in Paragraph 1.3 of Part B;
<b>“Overhead”</b>	those amounts which are intended to recover a proportion of the Supplier’s or the Key Sub-contractor’s (as the context requires) indirect corporate costs (including financing, marketing, advertising, research and

development and insurance costs and any fines or penalties) but excluding allowable indirect costs apportioned to facilities and administration in the provision of Supplier Personnel and accordingly included within limb (a) of the definition of "Costs" or the day cost set out in Table 3 of Part A of Attachment 7.1 (Charges) of the Order Form ;

**"Reimbursable Expenses"**

reasonable out of pocket travel and subsistence (for example, hotel and food) expenses, properly and necessarily incurred in the performance of the Services, calculated at the rates and in accordance with the Buyer's expenses policy current from time to time, but not including:

(a) travel expenses incurred as a result of Supplier Personnel travelling to and from their usual place of work, or to and from the premises at which the Services are principally to be performed, unless the Buyer otherwise agrees in advance in writing; and

(b) subsistence expenses incurred by Supplier Personnel whilst performing the Services at their usual place of work, or to and from the premises at which the Services are principally to be performed;

**"Supplier Profit"**

in relation to a period or a Milestone (as the context requires), the difference between the total Charges (in nominal cash flow terms but excluding any Deductions) and total Costs (in nominal cash flow terms) for the relevant period or in relation to the relevant Milestone;

<b>“Supplier Profit Margin”</b>	in relation to a period or a Milestone (as the context requires), the Supplier Profit for the relevant period or in relation to the relevant Milestone divided by the total Charges over the same period or in relation to the relevant Milestone and expressed as a percentage;
<b>“Supporting Documentation”</b>	sufficient information in writing to enable the Buyer reasonably to assess whether the Charges, Reimbursable Expenses and other sums due from the Buyer detailed in the information are properly payable, including copies of any applicable Milestone Achievement Certificates or receipts;
<b>“Target Cost”</b>	has the meaning given in Paragraph 3.1 of Part A;
<b>“Target Price”</b>	has the meaning given in Paragraph 3.1 of Part A;
<b>“Verification Period”</b>	in relation to an Allowable Assumption, the period from (and including) the Effective Date to (and including) the date at which the relevant Allowable Assumption expires, as set out against the relevant Allowable Assumption in column 11 in the table in Part D of Attachment 7.1 (Charges) of the Order Form;
<b>“Work Day”</b>	7.5 Work Hours, whether or not such hours are worked consecutively and whether or not they are worked on the same day;
<b>“Work Hours”</b>	the hours spent by the Supplier Personnel properly working on the Services including time spent travelling (other than to and from the Supplier's offices, or to and from the Sites) but excluding lunch breaks;

## PART A: Pricing

### 1 APPLICABLE PRICING MECHANISM

- 1.1 Milestone Payments and Service Charges shall be calculated using the pricing mechanism specified in Part B of Attachment 7.1 (Charges) of the Order Form and on the basis of the rates and prices specified in Part A of Attachment 7.1 (Charges) of the Order Form as more particularly set out in this Schedule.
- 1.2 Table 1 of Part B of Attachment 7.1 (Charges) of the Order Form sets out which pricing mechanism shall be used to calculate each Milestone Payment, which shall be one or more of the following:
- (a) **“Time and Materials”**, in which case the provisions of Paragraph 2 shall apply;
  - (b) **“Guaranteed Maximum Price with Target Cost”**, in which case the provisions of Paragraph 3 shall apply;
  - (c) **“Fixed Price”**, in which case the provisions of Paragraph 4 shall apply; or
  - (d) **“Firm Price”**, in which case the provisions of Paragraph 5 shall apply.
- 1.3 Table 2 of Annex 2 sets out which pricing mechanism shall be used to calculate each Service Charge, which shall be one or more of the following:
- (a) **“Time and Materials”**, in which case the provisions of Paragraph 2 shall apply;
  - (b) **“Volume Based”** pricing, in which case the provisions of Paragraph 6 shall apply; or
  - (c) **“Fixed Price”** in which case the provisions of Paragraph 4 shall apply.

### 2 TIME AND MATERIALS MILESTONE PAYMENTS OR SERVICE CHARGES

- 2.1 Where Table 1 or Table 2 of Part B of Attachment 7.1 (Charges) of the Order Form indicates that a Milestone Payment or Service Charge (as applicable) is to be calculated by reference to a Time and Materials pricing mechanism:

- (a) the day rates set out in Table 1 of Part A of Attachment 7.1 (Charges) of the Order Form shall be used to calculate the relevant Charges, provided that the Supplier (or its Sub-contractor) shall:
- (i) not be entitled to include any uplift for risks or contingencies within its day rates;
  - (ii) not be paid any Charges to the extent that they would otherwise exceed the cap specified against the relevant Charge in Table 2 of Part A of Attachment 7.1 (Charges) of the Order Form unless the Supplier has obtained the Buyer's prior written consent. The Supplier shall monitor the amount of each Charge incurred in relation to the relevant cap and notify the Buyer immediately in the event of any risk that the cap may be exceeded and the Buyer shall instruct the Supplier on how to proceed;
  - (iii) unless otherwise agreed by the Buyer in relation to the relevant Milestone Payment or Service Charge (as the case may be), not be paid any Charges to the extent that they would otherwise exceed the amount calculated by multiplying:
    - (A) the total number of days expended by the Supplier in relation to the relevant Milestone; or
    - (B) the total number of days expended by the Supplier during the relevant Service Period in relation to the relevant Service,by the Capped ADR; and
  - (iv) only be entitled to be paid Charges that have been properly and reasonably incurred, taking into account the Supplier's obligation to deliver the Services in a proportionate and efficient manner; and
- (b) the Supplier shall keep records of hours properly worked by Supplier Personnel (in the form of timesheets) and expenses incurred and submit a summary of the relevant records with each invoice. If the Buyer requests copies of such records, the Supplier shall make them available to the Buyer within 10 Working Days of the Buyer's request.

2.2 The Supplier shall be entitled to Index the rates set out in Table 1 of Part A of Attachment 7.1 (Charges) of the Order Form and the Capped ADR in accordance with Paragraph 5 of Part C, but any caps set out in Table 2 of Part A of Attachment 7.1 (Charges) of the Order Form shall not be subject to Indexation.

### 3 GUARANTEED MAXIMUM PRICE WITH TARGET COST INCENTIVE MILESTONE PAYMENTS

- 3.1 Where Table 1 of Part B of Attachment 7.1 (Charges) of the Order Form indicates that a Milestone Payment is to be calculated by reference to the Guaranteed Maximum Price with Target Cost pricing mechanism, the target Costs (the “**Target Cost**”) and the target Charge (the “**Target Price**”) for the relevant Milestone shall be as set out in Table 4 of Part A of Attachment 7.1 (Charges) of the Order Form.
- 3.2 If the Incurred Costs relating to a Milestone are lower than the Target Cost for that Milestone, the difference between the Incurred Costs and the Target Cost shall be shared equally between the Buyer and the Supplier (resulting in the Supplier receiving a higher Supplier Profit Margin in relation to that Milestone), and the Milestone Payment shall be calculated as follows:

$$\text{Milestone Payment} = TP - ((TC - IC)/2)$$

where:

- TP is the Target Price for the relevant Milestone;
- TC is the Target Cost for the relevant Milestone; and
- IC is the Incurred Costs relating to the relevant Milestone.

- 3.3 If the Incurred Costs relating to a Milestone are greater than the Target Cost for that Milestone, the difference between the Incurred Costs and the Target Cost shall be borne equally between the Buyer and the Supplier (resulting in the Supplier receiving a lower Supplier Profit Margin in relation to that Milestone), provided that the maximum Milestone Payment payable by the Buyer for the relevant Milestone shall not exceed an amount equal to the guaranteed maximum price for that Milestone as set out in Table 4 of Part A of Attachment 7.1 (Charges) of the Order Form (the “**Guaranteed Maximum Price**”) Represented numerically:

- (a) if:
- (i)  $IC > TC$ ; and
- (ii)  $TP + ((IC - TC)/2) < GMP$ ,

then Milestone Payment =  $TP + ((IC - TC)/2)$ ; or

- (b) if:
- (i)  $IC > TC$ ; and
  - (ii)  $TP + ((IC - TC)/2) \geq GMP$ ,

then Milestone Payment = GMP

where:

- IC is the Incurred Costs relating to the relevant Milestone;
- TC is the Target Cost for the relevant Milestone;
- TP is the Target Price for the relevant Milestone; and
- GMP is  $TP * 1.1$ , being the Guaranteed Maximum Price for the relevant Milestone.

3.4 The Supplier shall be entitled to Index the day costs set out in Table 3 of Part A of Attachment 7.1 (Charges) of the Order Form annually, but the Target Cost, Target Price and Guaranteed Maximum Price shall not be subject to Indexation.

#### **4 FIXED PRICE MILESTONE PAYMENTS OR SERVICE CHARGES**

4.1 Where Table 1 or Table 2 of Part B of Attachment 7.1 (Charges) of the Order Form indicates that a Milestone Payment or Service Charge is to be calculated by reference to a Fixed Price pricing mechanism, the relevant Charge shall be the amount set out against that Charge in Table 5 of Part A of Attachment 7.1 (Charges) of the Order Form.

4.2 Charges calculated by reference to a Fixed Price pricing mechanism shall be subject to increase by way of Indexation.

## **5 FIRM PRICE MILESTONE PAYMENTS**

- 5.1 Where Table 1 of Part B of Attachment 7.1 (Charges) of the Order Form indicates that a Milestone Payment is to be calculated by reference to a Firm Price pricing mechanism, the relevant Charge shall be the amount set out against that Charge in Table 6 of Part A of Attachment 7.1 (Charges) of the Order Form.
- 5.2 Charges calculated by reference to a Firm Price pricing mechanism shall not be subject to increase by way of Indexation.

## **6 VOLUME BASED SERVICE CHARGES**

- 6.1 Where Table 2 of Part B of Attachment 7.1 (Charges) of the Order Form indicates that a Service Charge is to be calculated by reference to a Volume Based pricing mechanism, the relevant Charges shall be calculated on the basis of the unit costs set out against that Service Charge in Table 7 of Part A of Attachment 7.1 (Charges) of the Order Form.
- 6.2 In the event that the volume of any Services that are to be calculated by reference to a Volume Based pricing mechanism fall outside the relevant volume bands set out against that Service Charge in Table 7 of Part A of Attachment 7.1 (Charges) of the Order Form, the relevant Service Charges shall be calculated in accordance with the Change Control Procedure and Paragraph 4 of Part C.
- 6.3 The Charge per unit set out in Table 7 of Part A of Attachment 7.1 (Charges) of the Order Form shall be subject to annual Indexation.

## **7 REIMBURSABLE EXPENSES**

7.1 Where:

- (a) Services are to be charged using the Time and Materials or Guaranteed Maximum Price with Target Cost pricing mechanism; and
- (b) the Buyer so agrees in writing,

the Supplier shall be entitled to be reimbursed by the Buyer for Reimbursable Expenses (in addition to being paid the relevant Charges), provided that such Reimbursable Expenses are supported by Supporting Documentation.

7.2 The Buyer shall provide a copy of its current expenses policy to the Supplier upon request.

- 7.3 Except as expressly set out in Paragraph 7.1, the Charges shall include all costs and expenses relating to the Deliverables, the Services and/or the Supplier's performance of its obligations under this Contract and no further amounts shall be payable by the Buyer to the Supplier in respect of such performance, including in respect of matters such as:
- (a) any incidental expenses that the Supplier incurs, including travel, subsistence and lodging, document and report reproduction, shipping, desktop and office equipment costs required by the Supplier Personnel, including network or data interchange costs or other telecommunications charges; or
  - (b) any amount for any services provided or costs incurred by the Supplier prior to the Effective Date.

## PART B: CHARGING MECHANISMS

### 1 MILESTONE PAYMENTS

- 1.1 Subject to the provisions of Paragraph 1.3 of Part C in relation to the deduction of Delay Payments, on the Achievement of a Milestone the Supplier shall be entitled to invoice the Buyer for the Milestone Payment associated with that Milestone less the applicable Milestone Retention in accordance with this Part B.
- 1.2 Each invoice relating to a Milestone Payment shall be supported by:
- (a) a Milestone Achievement Certificate; and
  - (b) where the Milestone Payment is to be calculated by reference to a Guaranteed Maximum Price with Target Cost or Time and Materials pricing mechanism, a Certificate of Costs with Supporting Documentation.
- 1.3 The “**Milestone Retention**” for each Milestone shall be calculated as follows:
- (a) where the Milestone Payment for the relevant Milestone is determined by reference to a Guaranteed Maximum Price with Target Cost pricing mechanism, 10% of the Target Price for the Milestone;
  - (b) where the Milestone Payment for the relevant Milestone is determined by reference to a Time and Materials, Fixed Price or Firm Price pricing mechanism, 10% of the Charges for that Milestone,

and, in the case of a Key Milestone, prior to deduction from the Milestone Payment of any Delay Payment attributable to that Key Milestone and without taking account of any amount payable by the Supplier pursuant to Paragraph 1.3 of Part C.

#### **Guaranteed Maximum Price with Target Cost pricing mechanism**

- 1.4 Where a Milestone Payment relating to a single Milestone is to be calculated by reference to a Guaranteed Maximum Price with Target Cost pricing mechanism, then the following payment process shall apply:
- (a) upon the issue of a Milestone Achievement Certificate for the Milestone, the Supplier may invoice the Buyer for the Target Price for the relevant Milestone, less the Milestone Retention calculated using such Target Price; and

- (b) no later than 60 Working Days after the invoice referred to in Paragraph 1.3(a) has been issued, the Supplier shall:
  - (i) submit to the Buyer a report setting out the Incurred Costs and actual Milestone Payment for the Milestone;
  - (ii) issue to the Buyer an invoice or credit note for the difference between the actual Milestone Payment payable and the Target Price invoiced for the Milestone (in each case, after deducting the applicable Milestone Retention);
  - (iii) where a credit note is to be issued to the Buyer pursuant to Paragraph 1.4(b)(ii), repay to the Buyer a sum equal to such difference as a debt within 10 Working Days of issue of the credit note; and
  - (iv) issue a Certificate of Costs with Supporting Documentation, which shall exclude any accruals, prepayments and provisions.

1.5 Where Milestones are stated in Table 4 of Part A of Attachment 7.1 (Charges) of the Order Form to constitute a group of Milestones (a “**Milestone Group**”) and the Milestone Payments relating to the Milestones in that Milestone Group are each to be calculated by reference to a Guaranteed Maximum Price with Target Cost pricing mechanism, then the following payment process shall apply:

- (a) in respect of each Milestone within the Milestone Group, the Supplier may invoice the Buyer for the Target Price for the relevant Milestone, less the Milestone Retention calculated using such Target Price, upon the issue of the associated Milestone Achievement Certificate; and
- (b) no later than 60 Working Days after the issue of the invoice for the final Milestone Payment relating to the Milestone Group, the Supplier shall:
  - (i) submit to the Buyer a report setting out the Incurred Costs and actual Milestone Payments for the Milestone Group;
  - (ii) issue to the Buyer an invoice or credit note for the difference between the aggregate of the actual Milestone Payments payable and Target Prices invoiced for Milestones in the Milestone Group (in each case, after deducting all Milestone Retentions relating to that Milestone Group);
  - (iii) where a credit note is to be issued to the Buyer pursuant to Paragraph 1.5(b)(ii), repay to the Buyer a sum equal to such difference as a debt within 10 Working Days of issue of the credit note; and
  - (iv) issue a Certificate of Costs with Supporting Documentation, which shall exclude any accruals, prepayments and provisions.

- 1.6 If the Supplier does not repay any such sum as is referred to in Paragraph 1.4(b)(ii) or 1.5(b)(ii) within 10 Working Days of issue of the relevant credit note, it shall repay such sum together with interest on such sum at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from (and including) the due date up to (but excluding) the date of actual payment, whether before or after judgment.
- 1.7 Following the issue of a Certificate of Costs in accordance with Paragraph 1.2, 1.4(b)(iii) or 1.5(b)(iii), the Supplier shall not be entitled to invoice the Buyer for any additional Charges relating to the Milestone or Milestone Group (as applicable) save as provided in Paragraph 1.8.

### **Release of Milestone Retentions**

- 1.8 On Achievement of a CPP Milestone relating to the Supplier Solution or one or more Services (as the case may be), the Supplier shall be entitled to invoice the Buyer for an amount equal to all Milestone Retentions that relate to Milestones identified in the “*CPP Milestone Charge Number*” column of Table 1 (or, in relation to Milestone Retentions in respect of Optional Services, Table 3) of Part B of Attachment 7.1 (Charges) of the Order Form and corresponding CPP Milestone Charge Number identified in Paragraph 2 of Attachment 6.2 (Testing Procedures) of the Order Form as being payable in respect of that CPP Milestone and have not been paid before such CPP Milestone.

## **2 SERVICE CHARGES**

- 2.1 Each Service to which a Service Charge relates shall commence on the Achievement of the Milestone set out against that Service in the “*Service Charge Trigger Event*” column of Table 2 of Part B of Attachment 7.1 (Charges) of the Order Form.
- 2.2 Service Charges shall be invoiced by the Supplier for each Service Period in arrear in accordance with the requirements of Part E.
- 2.3 If a Service Charge is to be calculated by reference to a Fixed Price pricing mechanism and the relevant Service:
  - (a) commences on a day other than the first day of a month; and/or
  - (b) ends on a day other than the last day of a month,

the Service Charge for the relevant Service Period shall be pro-rated based on the proportion which the number of days in the month for which the Service is provided bears to the total number of days in that month.

2.4 Any Service Credits that accrue during a Service Period shall be deducted from the Service Charges payable for the next following Service Period. An invoice for a Service Charge shall not be payable by the Buyer unless all adjustments (including Service Credits) relating to the Service Charges for the immediately preceding Service Period have been agreed.

### **3 OPTIONAL SERVICES**

If the Buyer gives notice pursuant to Clause 5.10 (*Optional Services*) that it requires the Supplier to provide any or all of the Optional Services:

- (a) the Milestone Payments (if any) for the relevant Optional Services shall be calculated by reference to the pricing mechanism for those Optional Services set out in Table 3 of Part B of Attachment 7.1 (Charges) of the Order Form; and
- (b) the Service Charges for the relevant Optional Services shall be calculated by reference to the pricing mechanism for those Optional Services set out in Table 4 of Part B of Attachment 7.1 (Charges) of the Order Form,

in both cases using the relevant rates and prices specified in Part A of Attachment 7.1 (Charges) of the Order Form.

## PART C: ADJUSTMENTS TO THE CHARGES AND RISK REGISTER

### 1 DELAY PAYMENTS

- 1.1 If a Key Milestone has not been Achieved on or before the relevant Milestone Date, the Supplier shall pay a Delay Payment to the Buyer in respect of that Key Milestone. Delay Payments shall accrue:
- (a) at the daily rate (the “**Delay Payment Rate**”) determined in accordance with Paragraph 1.2;
  - (b) from (but excluding) the relevant Milestone Date to (and including) the earlier of:
    - (i) the date on which the Key Milestone is Achieved; and
    - (ii) the expiry of the Delay Deduction Period; and
  - (c) on a daily basis, with any part day’s Delay counting as a day.
- 1.2 Where a Delay Payment is payable in respect of a Key Milestone, the Delay Payment Rate shall be:
- (a) where the Supplier has given the Buyer less than 3 months’ prior notice of the Delay, the amount set out in column 4 of Table 1 of Part B of Attachment 7.1 (Charges) of the Order Form for the Key Milestone;
  - (b) where the Supplier has given the Buyer between three (3) months’ and six (6) months’ prior notice of the Delay, the amount set out in column 5 of Table 1 of Part B of Attachment 7.1 (Charges) of the Order Form for the Key Milestone; or
  - (c) where the Supplier has given the Buyer more than 6 months’ prior notice of the Delay, the amount set out in column 6 of Table 1 of Part B of Attachment 7.1 (Charges) of the Order Form for the Key Milestone.
- 1.3 Where the Supplier serves a notice pursuant to Paragraph 1.2(b) or 1.2(c), the Supplier shall, within 5 Working Days of the date the notice is served:
- (a) pay to the Buyer in cleared funds on account of the relevant Delay Payment (but subject always to Paragraph 1.4) an amount equal to:
    - (i) in the case of a notice served pursuant to Paragraph 1.2(b), five (5) days of Delay Payments; or

(ii) in the case of a notice served pursuant to Paragraph 1.2(c), ten (10) days of Delay Payments in accordance with paragraph 1.4,

in each case calculated at the applicable Delay Payment Rate; and

(b) issue a credit note to the Buyer in respect of the relevant amount.

Failure to make payment within 10 Working Days of the Supplier's notice shall invalidate the notice.

1.4 Any amounts paid to the Buyer pursuant to Paragraph 1.3 shall not be refundable to the Supplier in any circumstances, including where a Delay as referred to in the Supplier's notice:

(a) does not occur; or

(b) does occur but continues for fewer days during the relevant Delay Deduction Period than the number of days referred to in Paragraph 1.3(a) or 1.3(b) as the case may be.

1.5 The Parties agree that Delay Payments calculated in accordance with the applicable Delay Payment Rates are in each case a genuine pre-estimate of the Losses which the Buyer will incur as a result of any failure by the Supplier to Achieve the relevant Key Milestone by the Milestone Date. Delay Payment Rates are stated exclusive of VAT.

1.6 The Delay Payment in respect of a Key Milestone (net of any payment made in respect of that Key Milestone pursuant to Paragraph 1.3) shall be shown as a deduction from the amount due from the Buyer to the Supplier in the next invoice due to be issued by the Supplier after the date on which the relevant Key Milestone is Achieved or the expiry of the Delay Deduction Period (as the case may be). If the relevant Key Milestone is not Achieved by the expiry of the Delay Deduction Period and no invoice is due to be issued by the Supplier within 10 Working Days of expiry of the Delay Deduction Period, then the Supplier shall within 10 Working Days of expiry of the Delay Deduction Period:

(a) issue a credit note to the Buyer in respect of the total amount of the Delay Payment in respect of the Key Milestone (net of any payment made in respect of the Key Milestone pursuant to Paragraph 1.3); and

(b) pay to the Buyer as a debt a sum equal to the total amount of the Delay Payment in respect of the Key Milestone together with interest on such amount at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from (and including) the due date up to (but excluding) the date of actual payment, whether before or after judgment.

## 2 PAYMENTS FOR DELAYS DUE TO BUYER CAUSE

2.1 If the Supplier is entitled in accordance with Clause 31.1(iii)(D) (*Buyer Cause*) to compensation for failure to Achieve a Milestone by its Milestone Date, then, subject always to Clause 25 (*Limitations on Liability*), such compensation shall be determined in accordance with the following principles:

- (a) the compensation shall reimburse the Supplier for additional Costs incurred by the Supplier that the Supplier:
  - (i) can demonstrate it has incurred solely and directly as a result of the Buyer Cause; and
  - (ii) is, has been, or will be unable to mitigate, having complied with its obligations under Clause 31.1 (*Buyer Cause*)

together with an amount equal to the Anticipated Contract Life Profit Margin thereon;

- (b) the compensation shall not operate so as to put the Supplier in a better position than it would have been in but for the occurrence of the Buyer Cause;
- (c) where the Milestone Payment for the relevant Milestone is to be calculated by reference to the Guaranteed Maximum Price with Target Cost pricing mechanism, then:
  - (i) the Target Price for the Milestone shall be increased in accordance with the following formula:

$$NNNNN = NNN + (AAAA \times 1. x)$$

where:

- NTP is the revised Target Price for the relevant Milestone;
- TP is the original Target Price for the relevant Milestone;
- AC is an amount equal to any additional Costs incurred by the Supplier in Achieving the Milestone to the extent that the Supplier can demonstrate that such additional Costs were caused by the Buyer Cause; and

x is the Supplier Profit Margin that the Supplier would have received in respect of the relevant Milestone on the basis of the unadjusted Target Cost and unadjusted Target Price for that Milestone, as set out in Table 4 of Annex 1, expressed as a decimal; and

(ii) the Guaranteed Maximum Price shall be increased to an amount equal to 110% of the Target Price as adjusted pursuant to Paragraph 2.1(c)(i);

(d) where the relevant Milestone Payment is to be calculated based upon a Fixed Price or a Firm Price pricing mechanism, the compensation shall include such amount as is appropriate to maintain the Supplier Profit Margin set out in respect of the relevant Milestone in Table 5 or Table 6 of Part A of Attachment 7.1 (Charges) of the Order Form; and

(e) where the Milestone Payment includes any Charges which are capped, then to the extent that the compensation agreed pursuant to this Paragraph 2 results in the Buyer paying additional Time and Materials Charges for resources or effort which the Supplier demonstrates are required as a result of the Buyer Cause, such additional Time and Materials Charges shall be disregarded for the purposes of calculating the relevant cap.

2.2 The Supplier shall provide the Buyer with any information the Buyer may require in order to assess the validity of the Supplier's claim to compensation.

### **3 SERVICE CREDITS**

3.1 Service Credits shall be calculated by reference to the number of Service Points accrued in any one Service Period pursuant to the provisions of Schedule 2.2 (*Performance Levels*).

3.2 For each Service Period:

(a) the Service Points accrued shall be converted to a percentage deduction from the Service Charges for the relevant Service Period on the basis of one point equating to a 1 Percentage% deduction in the Service Charges; and

(b) the total Service Credits applicable for the Service Period shall be calculated in accordance with the following formula:

$$SSAA = TSP \times X \times AC$$

where:

- SC is the total Service Credits for the relevant Service Period;
- TSP is the total Service Points that have accrued for the relevant Service Period;
- X is percentage deduction per Service Point 1%; and
- AC is the total Services Charges payable for the relevant Service Period (prior to deduction of applicable Service Credits).

- 3.3 The liability of the Supplier in respect of Service Credits shall be subject to Clause 25.4(c) (*Financial and other Limits*) provided that, for the avoidance of doubt, the operation of the Service Credit Cap shall not affect the continued accrual of Service Points in excess of such financial limit in accordance with the provisions of Schedule 2.2 (*Performance Levels*).
- 3.4 Service Credits are a reduction of the Service Charges payable in respect of the relevant Services to reflect the reduced value of the Services actually received and are stated exclusive of VAT.
- 3.5 Service Credits shall be shown as a deduction from the amount due from the Buyer to the Supplier in the invoice for the Service Period immediately succeeding the Service Period to which they relate.

#### **4 CHANGES TO CHARGES**

- 4.1 Any Changes to the Charges shall be developed and agreed by the Parties in accordance with Schedule 8.2 (*Change Control Procedure*) and on the basis that the Supplier Profit Margin on such Charges shall:
  - (a) be no greater than that applying to Charges using the same pricing mechanism as at the Effective Date (as set out in the Contract Inception Report); and
  - (b) in no event exceed the Maximum Permitted Profit Margin.
- 4.2 The Buyer may request that any Impact Assessment presents Charges without Indexation for the purposes of comparison.

## 5 INDEXATION

- 5.1 Any amounts or sums in this Contract which are expressed to be “subject to Indexation” shall be adjusted in accordance with the provisions of this Paragraph 5 to reflect the effects of inflation.
- 5.2 Where Indexation applies, the relevant adjustment shall be:
- (a) applied on the first day of the second April following the Effective Date and on the first day of April in each subsequent year (each such date an “**adjustment date**”); and
  - (b) determined by multiplying the relevant amount or sum by the percentage increase or changes in the Consumer Price Index published for the 12 months ended on the 31 January immediately preceding the relevant adjustment date.
- 5.3 Except as set out in this Paragraph 5, neither the Charges nor any other costs, expenses, fees or charges shall be adjusted to take account of any inflation, change to exchange rate, change to interest rate or any other factor or element which might otherwise increase the cost to the Supplier or Sub-contractors of the performance of their obligations.

## 6 ALLOWABLE ASSUMPTIONS

- 6.1 The Supplier shall determine whether each Allowable Assumption is accurate within its Verification Period.
- 6.2 During each Verification Period, the Buyer shall provide the Supplier with reasonable assistance and access to information within its possession or reasonable control and which the Buyer deems is relevant to the Allowable Assumption being verified.
- 6.3 Within 10 Working Days of the end of each Verification Period, the Supplier shall provide the Buyer with a written report setting out the results of the Supplier's verification activity for the relevant Allowable Assumption, including whether the Allowable Assumption is accurate or whether the Implementation Plan and/or the Contract Inception Report require adjustment.
- 6.4 Each Allowable Assumption shall be deemed accurate unless adjusting for the relevant Allowable Assumption has an impact:
- (a) on the Financial Model greater than the associated trigger for invocation, as set out in column 9 of the table in Part D of Attachment 7.1 (Charges) of the Order Form; or

- (b) on the Implementation Plan which would require adjustment under the Change Control Procedure, as identified in column 3 of the table in Part D of Attachment 7.1 (Charges) of the Order Form,

in which case Paragraph 6.5 shall apply.

6.5 Where the Parties agree that an Allowable Assumption is not accurate and the Financial Model and/or Implementation Plan require adjusting:

- (a) the Supplier shall take all reasonable steps to mitigate the impact of the Allowable Assumption on the Financial Model and/or the Implementation Plan;
- (b) the Supplier may (subject to Paragraph 6.5(c)) propose a Change to take account of the impact of the adjustment of the Allowable Assumption and such Change Request shall be considered in accordance with the Change Control Procedure; and
- (c) where the Supplier proposes a Change to the Charges under Paragraph 6.5(b), the Change Request shall reflect the requirements of the table in Part D of Attachment 7.1 (Charges) of the Order Form, including the requirement that any proposed adjustment to the Charges shall not exceed the maximum impact on the relevant Charges as specified in column 7 of the table in Part D of Attachment 7.1 (Charges) of the Order Form.

## **7 RISK REGISTER**

The Parties shall review the Risk Register set out in Part C of Attachment 7.1 (Charges) of the Order Form from time to time and as otherwise required for the purposes of Schedule 8.1 (*Governance*).

## **PART D: EXCESSIVE SUPPLIER PROFIT MARGIN**

### **1 LIMIT ON SUPPLIER PROFIT MARGIN**

- 1.1 The Supplier acknowledges that the Achieved Profit Margin applicable over the Term shall not exceed the Maximum Permitted Profit Margin.
- 1.2 The Supplier shall include in each Annual Contract Report the Achieved Profit Margin as at the end of the Contract Year to which the Annual Contract Report is made up and the provisions of Paragraph 2 of Part B of Schedule 7.5 (*Financial Reports and Audit Rights*) shall apply to the approval of the Annual Contract Report.

### **2 ADJUSTMENT TO THE CHARGES IN THE EVENT OF EXCESS SUPPLIER PROFIT**

- 2.1 If an Annual Contract Report demonstrates (or it is otherwise determined pursuant to Paragraph 2 of Part B of Schedule 7.5 (*Financial Reports and Audit Rights*)) that the Achieved Profit Margin as at the end of the Contract Year to which the Annual Contract Report is made up exceeds the Maximum Permitted Profit Margin:
  - (a) the Supplier shall, within 5 Working Days of delivery to the Buyer of the Annual Contract Report, propose such adjustments to the Charges as will ensure that the Achieved Profit Margin both over the Contract Year to which the next Annual Contract Report will relate and over the Term will not exceed the Maximum Permitted Profit Margin;
  - (b) the Buyer (acting reasonably) may agree or reject the proposed adjustments;
  - (c) if the Buyer rejects the proposed adjustments it shall give reasons and the Supplier shall propose revised adjustments within 10 Working Days of receiving those reasons; and
  - (d) if the Parties cannot agree such revised adjustments and the Buyer terminates this Contract by issuing a Termination Notice to the Supplier pursuant to Clause 33.1(a) (*Termination by the Buyer*), then for the purpose of calculating any Compensation Payment due to the Supplier, the Termination Notice shall be deemed to have been served as at the date of receipt by the Buyer of the relevant Annual Contract Report.
- 2.2 Pending agreement of a proposed adjustment to the Charges pursuant to this Part D, the Charges then in force shall continue to apply. Once the adjustments to the Charges are agreed in accordance with Paragraph 2.1, the Parties shall document the adjustment in a Change Authorisation Note and the adjusted Charges shall apply with effect from the first day of the Service Period that immediately follows the Service Period in which the Change Authorisation Note is executed or such other date as is specified in the Change Authorisation Note.

## PART E: INVOICING AND PAYMENT TERMS

### 1 SUPPLIER INVOICES

- 1.1 The Buyer shall accept for processing any electronic invoice that complies with the European Standard, provided that it is valid and undisputed.
- 1.2 If the Supplier proposes to submit for payment an invoice that does not comply with the European standard the Supplier shall:
  - (a) comply with the requirements of the Buyer's e-invoicing system;
  - (b) prepare and provide to the Buyer for approval of the format a template invoice within 10 Working Days of the Effective Date which shall include, as a minimum the details set out in Paragraph 1.3 together with such other information as the Buyer may reasonably require to assess whether the Charges that will be detailed therein are properly payable; and
  - (c) make such amendments as may be reasonably required by the Buyer if the template invoice outlined in (b) is not approved by the Buyer.
- 1.3 The Supplier shall ensure that each invoice is submitted in the correct format for the Buyer's e-invoicing system, or that it contains the following information:
  - (a) the date of the invoice;
  - (b) a unique invoice number;
  - (c) the Service Period or other period(s) to which the relevant Charge(s) relate;
  - (d) the correct reference for this Contract;
  - (e) the reference number of the purchase order to which it relates (if any);
  - (f) the dates between which the Services subject of each of the Charges detailed on the invoice were performed;
  - (g) a description of the Services;



with a copy (again including any Supporting Documentation) to such other person and at such place as the Buyer may notify to the Supplier from time to time.

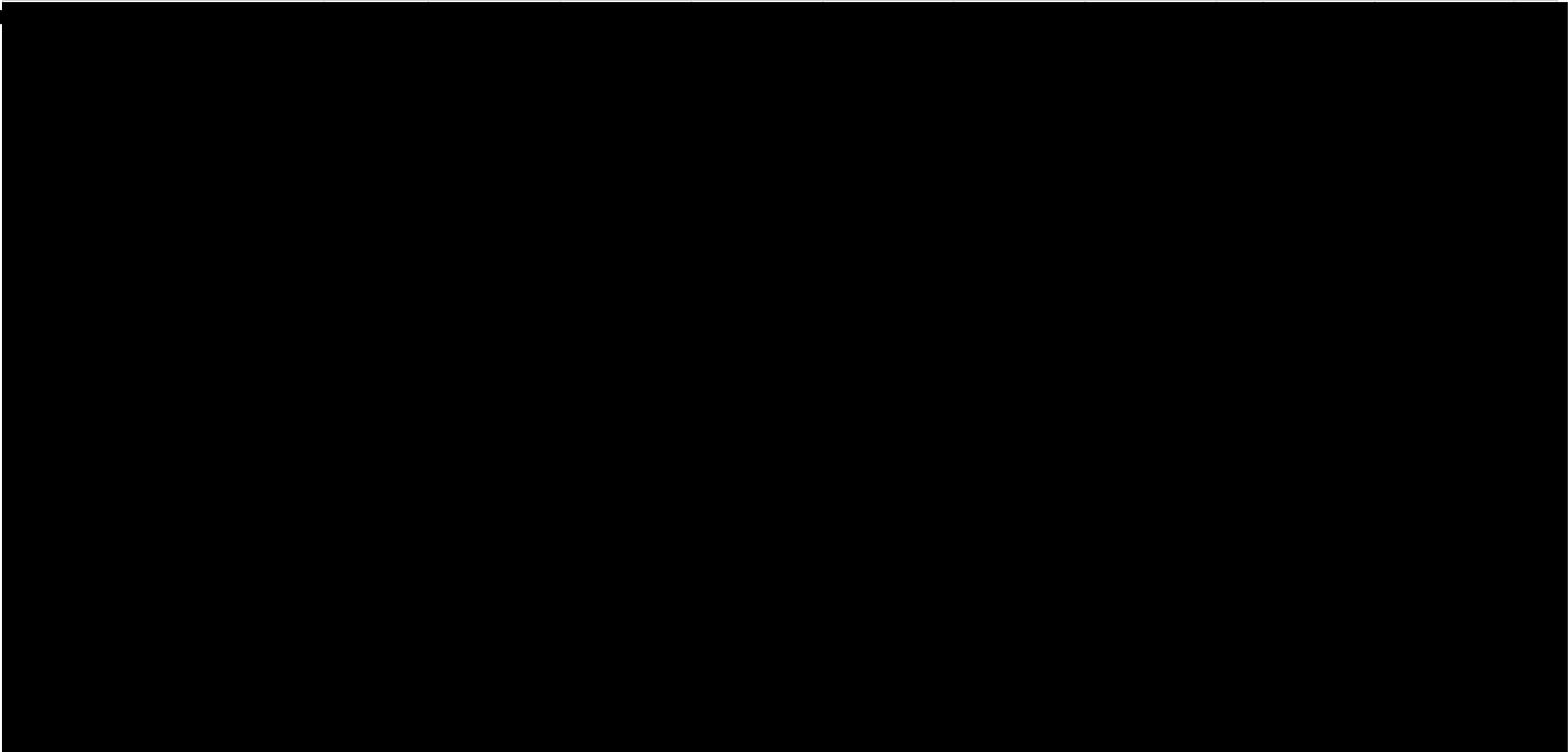
- 1.7 All Supplier invoices shall be expressed in sterling or such other currency as shall be permitted by the Buyer in writing.
- 1.8 The Buyer shall regard an invoice as valid only if it complies with the provisions of this Part E. Where any invoice does not conform to the Buyer's requirements set out in this Part E, the Buyer shall promptly return the disputed invoice to the Supplier and the Supplier shall promptly issue a replacement invoice which shall comply with such requirements.
- 1.9 If the Buyer fails to consider and verify an invoice in accordance with paragraphs 1.4 and 1.8, the invoice shall be regarded as valid and undisputed for the purpose of paragraph 2.1 Payment in 30 days after a reasonable time has passed.

## **2 PAYMENT TERMS**

- 2.1 Subject to the relevant provisions of this Schedule, the Buyer shall make payment to the Supplier within thirty (30) days of verifying that the invoice is valid and undisputed.
- 2.2 Unless the Parties agree otherwise in writing, all Supplier invoices shall be paid in sterling by electronic transfer of funds to the bank account that the Supplier has specified on its invoice.

**ANNEX 1: PRICING MECHANISM**

**1 TABLE 1: SUPPLIER PERSONNEL RATE CARD**

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### ANNEX 3: PRO-FORMA CERTIFICATE OF COSTS

I **[name of CFO or Director of Finance or equivalent as agreed in advance in writing with the Buyer]** of **[insert name of Supplier]**, certify that the financial information provided as part of this Certificate of Costs, incurred in relation to the **[insert name/reference for the Contract]** (the “Contract”) in relation to the following [Milestone/Milestone Group]:

**[Insert details of Milestone/Milestone Group]**

- 1 has been reasonably and properly incurred in accordance with **[name of Supplier]**’s books, accounts, other documents and records;
- 2 is accurate and not misleading in all key respects; and
- 3 is in conformity with the Contract and with all generally accepted accounting principles within the United Kingdom.

Signed **[Director of Finance or equivalent]**

**[NAME OF SUPPLIER]**

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**SCHEDULE 7.2**  
**PAYMENTS ON TERMINATION**

# 1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

<b>“Applicable Personnel”</b>	<b>Supplier</b>	any Supplier Personnel who: (i) at the Termination Date: a) are employees of the Supplier; b) are Dedicated Supplier Personnel; c) have not transferred (and are not in scope to transfer at a later date) to the Buyer or the Replacement Supplier by virtue of the Employment Regulations; and (ii) are dismissed or given notice of dismissal by the Supplier within: d) 40 Working Days of the Termination Date; or e) such longer period required by Law, their employment contract (as at the Termination Date) or an applicable collective agreement; and (iii) have not resigned or given notice of resignation prior to the date of their dismissal by the Supplier; and (iv) the Supplier can demonstrate to the satisfaction of the Buyer: a) are surplus to the Supplier's requirements after the Termination Date notwithstanding its obligation to provide services to its other customers; b) are genuinely being dismissed for reasons of redundancy; and c) have been selected for redundancy by the Supplier on objective grounds other than the fact that the Supplier is entitled to reimbursement under this provision in respect of such employees;
<b>“Breakage Costs Payment”</b>		an amount equal to the Redundancy Costs and the Contract Breakage Costs as at the Termination Date as determined in accordance with Paragraph 3;
<b>“Compensation Payment”</b>		the payment calculated in accordance with Paragraph 6;
<b>“Contract Breakage Costs”</b>		the amounts payable by the Supplier to its Key Sub-contractors or other third parties (as applicable) for terminating all relevant Key Sub-contracts or Third Party

		Contracts as a direct result of the early termination of this Contract;
<b>“Dedicated Personnel”</b>	<b>Supplier</b>	all Supplier Personnel then assigned to the Services or any part of the Services. If the Supplier is unsure as to whether Supplier Personnel are or should be regarded as so assigned, it shall consult with the Buyer whose view shall be determinative provided that the employee has been materially involved in the provision of the Services or any part of the Services;
<b>“Profit Already Paid”</b>		the Supplier Profit paid or payable to the Supplier under this Contract for the period from the Effective Date up to (and including) the Termination Date;
<b>“Redundancy Costs”</b>		<p>the total sum of any of the following sums paid to Applicable Supplier Personnel, each amount apportioned between the Supplier and the Buyer based on the time spent by such employee on the Services as a proportion of the total Service duration:</p> <p>(a) any statutory redundancy payment; and</p> <p>(b) in respect of an employee who was a Transferring Former Supplier Employee or a Transferring Buyer Employee, any contractual redundancy payment (or where such a contractual benefit on redundancy is a benefit payable from a pension scheme, the increase in cost to the Supplier as a net present value compared to the benefit payable on termination of employment without redundancy), provided that such employee was entitled to such contractual redundancy payment immediately prior to his or her transfer to the Supplier under the Employment Regulations;</p>
<b>“Request for Estimate”</b>		a written request sent by the Buyer to the Supplier, requiring that the Supplier provide it with an accurate estimate of the Termination Payment and Compensation Payment that would be payable if the Buyer exercised its right under Clause 33.1(a) ( <i>Termination by the Buyer</i> ) to terminate this Contract for convenience on a specified Termination Date;
<b>“Shortfall Period”</b>		has the meaning given in Paragraph 6.2;
<b>“Termination Estimate”</b>		has the meaning given in Paragraph 11.2;
<b>“Third Party Contract”</b>		a contract with a third party entered into by the Supplier exclusively for the purpose of delivering the Services, as listed in Attachment 4.4 ( <i>Third Party Contracts</i> ) of the Order Form;
<b>“Total Costs Incurred”</b>		the Costs incurred by the Supplier up to the Termination Date in the performance of this Contract and detailed in the

Financial Model (but excluding Contract Breakage Costs, Redundancy Costs and any costs the Supplier would not otherwise be able to recover through the Charges) less any Deductions up to (and including) the Termination Date;

**“Unrecovered Costs”**

the Costs incurred by the Supplier in the performance of this Contract (as summarised in the Financial Model) to the extent that the same remain at the Termination Date to be recovered through Charges that but for the termination of this Contract would have been payable by the Buyer after the Termination Date in accordance with Schedule 7.1 (*Charges and Invoicing*) as such Costs and Charges are forecast in the Financial Model;

**“Unrecovered Payment”**

an amount equal to the lower of:

- (a) the sum of the Unrecovered Costs and the Unrecovered Profit; and
- (b) the amount specified in Paragraph 4; and

**“Unrecovered Profit”**

(Total Costs Incurred x Anticipated Contract Life Profit Margin) - Profit Already Paid + Milestone Retentions remaining unpaid at the Termination Date.

**2 TERMINATION PAYMENT**

The Termination Payment payable pursuant to Clause 34.3(a) (*Payments by the Buyer*) shall be an amount equal to the aggregate of the Breakage Costs Payment and the Unrecovered Payment.

**3 BREAKAGE COSTS PAYMENT**

3.1 The Supplier may recover through the Breakage Costs Payment only those costs incurred by the Supplier directly as a result of the termination of this Contract which:

- (a) would not have been incurred had this Contract continued until expiry of the Initial Term, or in the event that the Term has been extended, the expiry of the Extension Period;
- (b) are unavoidable, proven, reasonable, and not capable of recovery;
- (c) are incurred under arrangements or agreements that are directly associated with this Contract;
- (d) are not Contract Breakage Costs relating to contracts or Sub-contracts with Affiliates of the Supplier; and
- (e) relate directly to the termination of the Services.

### **Limitation on Breakage Costs Payment**

- 3.2 The Breakage Costs Payment shall not exceed the lower of:
- (a) the relevant limit set out in Annex 1; and
  - (b) 120% of the estimate for the Breakage Costs Payment set out in any relevant Termination Estimate.

### **Redundancy Costs**

- 3.3 The Buyer shall not be liable under this Schedule for any costs associated with Supplier Personnel (whether relating to redundancy, redeployment or otherwise) other than the Redundancy Costs.
- 3.4 Where the Supplier can demonstrate that a member of Supplier Personnel will be made redundant following termination of this Contract, but redeployment of such person is possible and would offer value for money to the Buyer when compared with redundancy, then the Buyer shall pay the Supplier the actual direct costs incurred by the Supplier or its Sub-contractor arising out of the redeployment of such person (including retraining and relocation costs) subject to a maximum amount of £30,000 per relevant member of the Supplier Personnel.

### **Contract Breakage Costs**

- 3.5 The Supplier shall be entitled to Contract Breakage Costs only in respect of Third Party Contracts or Sub-contracts which:
- (a) are not assigned or novated to a Replacement Supplier at the request of the Buyer in accordance with Schedule 8.5 (*Exit Management*); and
  - (b) the Supplier can demonstrate:
    - (i) are surplus to the Supplier's requirements after the Termination Date, whether in relation to use internally within its business or in providing services to any of its other customers; and
    - (ii) have been entered into by it in the ordinary course of business.
- 3.6 The Supplier shall seek to negotiate termination of any Third Party Contracts or Sub-contracts with the relevant third party or Sub-contractor (as the case may be) using all reasonable endeavours to minimise the cancellation or termination charges.
- 3.7 Except with the prior written agreement of the Buyer, the Buyer shall not be liable for any costs (including cancellation or termination charges) that the Supplier is obliged to pay in respect of:
- (a) the termination of any contractual arrangements for occupation of, support of and/or services provided for Supplier premises which may arise as a consequence of the termination of this Contract; and/or
  - (b) Assets not yet installed at the Termination Date.

#### 4 UNRECOVERED PAYMENT

The Unrecovered Payment shall not exceed the lowest of:

- (a) the relevant limit set out in Attachment 7.2 (Maximum Payments on Termination) of the Order Form;
- (b) 120% of the estimate for the Unrecovered Payment set out in any relevant Termination Estimate; and
- (c) the Charges that but for the termination of this Contract would have been payable by the Buyer after the Termination Date in accordance with Schedule 7.1 (*Charges and Invoicing*) as forecast in the Financial Model.

#### 5 MITIGATION OF CONTRACT BREAKAGE COSTS, REDUNDANCY COSTS AND UNRECOVERED COSTS

5.1 The Supplier agrees to use all reasonable endeavours to minimise and mitigate Contract Breakage Costs, Redundancy Costs and Unrecovered Costs by:

- (a) the appropriation of Assets, employees and resources for other purposes;
- (b) at the Buyer's request, assigning any Third Party Contracts and Sub-contracts to the Buyer or a third party acting on behalf of the Buyer; and
- (c) in relation Third Party Contracts and Sub-contract that are not to be assigned to the Buyer or to another third party, terminating those contracts at the earliest possible date without breach or where contractually permitted.

5.2 If Assets, employees and resources can be used by the Supplier for other purposes, then there shall be an equitable reduction in the Contract Breakage Costs, Redundancy Costs and Unrecovered Costs payable by the Buyer or a third party to the Supplier. In the event of any Dispute arising over whether the Supplier can use any Assets, employees and/or resources for other purposes and/or over the amount of the relevant equitable reduction, the Dispute shall be referred to an Expert for determination in accordance with the procedure detailed in Schedule 8.3 (*Dispute Resolution Procedure*).

#### 6 COMPENSATION PAYMENT

6.1 The Compensation Payment payable pursuant to Clause 34.3(b) (*Payments by the Buyer*) shall be an amount equal to the total forecast Charges over the Shortfall Period (as stated in the Financial Model) multiplied by the Anticipated Contract Life Profit Margin.

6.2 For the purposes of Paragraph 6.1, the "**Shortfall Period**" means:

- (a) where the Buyer terminates this Contract pursuant to Clause 33.1(a) (*Termination by the Buyer*), a number of days equal to the number of days by which the notice given (or deemed given pursuant to Paragraph 2.1(a) of Part D of Schedule 7.1 (*Charges and Invoicing*)) falls short of three hundred and sixty-five (365) days; or
- (b) where the Supplier terminates this Contract pursuant to Clause 33.3(a) (*Termination by the Supplier*), a number of days equal to the number of days by which the period

from (and including) the date of the non-payment by the Buyer to (and including) the Termination Date falls short of 365 days,

but in each case subject to the limit set out in Paragraph 6.3.

6.3 The Compensation Payment shall be no greater than the lower of:

- (a) the relevant limit set out in Attachment 7.2 (Maximum Payments on Termination) of the Order Form; and
- (b) 120% of the estimate for the Compensation Payment set out in the relevant Termination Estimate.

## **7 FULL AND FINAL SETTLEMENT**

Any Termination Payment and/or Compensation Payment paid under this Schedule shall be in full and final settlement of any claim, demand and/or proceedings of the Supplier in relation to any termination by the Buyer pursuant to Clause 33.1(a) (*Termination by the Buyer*) or termination by the Supplier pursuant to Clause 33.3(a) (*Termination by the Supplier*) (as applicable), and the Supplier shall be excluded from all other rights and remedies it would otherwise have been entitled to in respect of any such termination.

## **8 INVOICING FOR THE PAYMENTS ON TERMINATION**

All sums due under this Schedule shall be payable by the Buyer to the Supplier in accordance with the payment terms set out in Schedule 7.1 (*Charges and Invoicing*).

## **9 SET OFF**

The Buyer shall be entitled to set off any outstanding liabilities of the Supplier against any amounts that are payable by it pursuant to this Schedule.

## **10 NO DOUBLE RECOVERY**

10.1 If any amount payable under this Schedule (in whole or in part) relates to or arises from any Transferring Assets then, to the extent that the Buyer makes any payments pursuant to Schedule 8.5 (*Exit Management*) in respect of such Transferring Assets, such payments shall be deducted from the amount payable pursuant to this Schedule.

10.2 The value of the Termination Payment and/or the Compensation Payment shall be reduced or extinguished to the extent that the Supplier has already received the Charges or the financial benefit of any other rights or remedy given under this Contract so that there is no double counting in calculating the relevant payment.

10.3 Any payments that are due in respect of the Transferring Assets shall be calculated in accordance with the provisions of the Exit Plan.

## **11 ESTIMATE OF TERMINATION PAYMENT AND COMPENSATION PAYMENT**

11.1 The Buyer may issue a Request for Estimate at any time during the Term provided that no more than 2 Requests for Estimate may be issued in any 6 month period.

- 11.2 The Supplier shall within 20 Working Days of receiving the Request for Estimate (or such other timescale agreed between the Parties), provide an accurate written estimate of the Termination Payment and the Compensation Payment that would be payable by the Buyer based on a postulated Termination Date specified in the Request for Estimate (such estimate being the “**Termination Estimate**”). The Termination Estimate shall:
- (a) be based on the relevant amounts set out in the Financial Model;
  - (b) include:
    - (i) details of the mechanism by which the Termination Payment is calculated;
    - (ii) full particulars of the estimated Contract Breakage Costs in respect of each Sub-contract or Third Party Contract and appropriate supporting documentation; and
    - (iii) such information as the Buyer may reasonably require; and
  - (c) state the period for which that Termination Estimate remains valid, which shall be not less than 20 Working Days.
- 11.3** The Supplier acknowledges that issue of a Request for Estimate shall not be construed in any way as to represent an intention by the Buyer to terminate this Contract.
- 11.4 If the Buyer issues a Termination Notice to the Supplier within the stated period for which a Termination Estimate remains valid, the Supplier shall use the same mechanism to calculate the Termination Payment as was detailed in the Termination Estimate unless otherwise agreed in writing between the Supplier and the Buyer.

## ANNEX 1: MAXIMUM PAYMENTS ON TERMINATION

### Additional Clause C3

#### 1. Special Term

1.1 The Lot 4 Call Off Terms are hereby amended to include the following new Clause 33.1A:

“The Buyer may at any time terminate for convenience a Work Package (or any part or parts of such package) without terminating the entire Contract by issuing a Termination Notice to the Supplier identifying the relevant Work Package or such part or parts the Buyer requires to be terminated for convenience and the date of such termination, which shall be no less than:

1. 30 (thirty) days, where the Scheduled WP End Date for that Work Package is 3 (three) or less calendar months after its scheduled commencement; or
2. 60 (sixty) days, where the Scheduled WP End Date for that Work Package is more than 3 (three) calendar months after its scheduled commencement,

and further to such notice so issued such work package or (as the case may be) such part(s) shall terminate on such termination date.”.

2.1 The Lot 4 Call Off Terms are hereby amended to include the following new Clause 34.4A:

“Where the Buyer terminates for convenience any Work Package or part or parts of any such work package under Clause 33.1A and not the Contract as a whole, the Buyer shall pay the Supplier an amount (such amount being the Supplier’s sole remedy for such termination) equal to the lower of (a) **L** and (b) the aggregate of **M** and **N**,

where:

- **L** = the aggregate of any and all Charges agreed in accordance with Attachment 8.2 (Change Control Procedure) to be payable by the Buyer to the Supplier for the performance and delivery of:
  - (where that work package is being so terminated in whole) that Work Package; or
  - (where part or parts of that work package is/are being so terminated and not the whole of that package) the relevant part or part(s) of such package,

in either such case up to such package’s Scheduled WP End Date;

- **M** = any sum or sums, which the Supplier is entitled to be paid under this Contract for any work done prior to the WP Termination Date in respect of that Work Package (or, where the Buyer elects to terminate part(s) of this Work Package, such part(s));
- **N** = (without double counting with M) any unavoidable loss incurred by the Supplier by reason of the termination of that Work Package in whole or in part under Clause 33.1A; and
- **WP Termination Date** means the date, on which this Work Package terminates early in whole or in part in accordance with Clause 33.1A.”.

- 3.1 The definition of **Key Milestone** set out in Schedule 1 is hereby amended in respect of this Contract so that the words “as supplemented from time to time in accordance with Attachment 8.2 (Change Control Procedure) of the Order Form” are added immediately after the words “as key milestones” on the first line of such definition.
- 4.1 The definition of **Implementation Plan** is hereby amended in respect of this Contract so that the words “or in accordance with Attachment 8.2 (Change Control Procedure) of the Order Form” are added before the words “from time to time” at the end of such definition.
- 5.1 The definition of **Services Description** is hereby amended in respect of this Contract so that the words “as updated from time to time in accordance with Attachment 8.2 (Change Control Procedure) of the Order Form” are added at the end of such definition.
- 6.1 The definition of **Target Performance Level** set out in Attachment 1 of this Order Form is hereby amended in respect of this Contract so that the words “or as established in accordance with Attachment 8.2 (Change Control Procedure) of the Order Form” are added at the end of such definition.
- 7.1 Attachment 1 (Definitions) of this Order Form is hereby varied in respect of this Contract to include the following new capitalised terms and definitions:

<b><i>Uncommitted Work Package</i></b>	<i>ans any work and/or service(s) not as at the Effective Date forming part of this Contract.</i>
<b><i>Work Package</i></b>	<i>means any Deliverable or Deliverables either forming part of this Contract as at the Effective Date or incorporated into this Contract as an Uncommitted Work Package after the Effective Date through the operation of Attachment 8.2 (Change Control Procedure).</i>

- 8.1 Paragraph 1.3 of Part E (Invoicing and Payment Terms) of Attachment 7.1 (Charges and Invoicing) of this Order Form is hereby amended in respect of this Contract so that it includes before “and” a new limb (o) (the current limb (o) being renumbered accordingly as (p)):

(o) details of any payment due and payable by the Buyer to the Supplier as calculated in accordance with Clause 34.4A in respect of the Buyer’s termination for convenience of any Work Package or part or parts of such package under Clause 33.1A or otherwise due and payable as calculated in accordance with Attachment 7.2 (Payments on Termination);”.

- 9.1 Paragraph 7 of Attachment 7.2 (Payments on Termination) of this Order Form is hereby amended in respect of this Contract so that it includes the following second paragraph:

“Any payment made by the Buyer to the Supplier as calculated in accordance with Clause 34.4A in respect of the Buyer’s termination for convenience of any Work Package or part or parts of such package under Clause 33.1A shall be in full and final settlement of any claim, demand and/or proceedings of the Supplier in relation to that termination and the Supplier shall be excluded from all other rights and remedies it would otherwise have been entitled to in respect of any such termination.”.

10.1 Paragraph 8 of Attachment 7.2 (Payments on Termination) of this Order Form is hereby amended in respect of this Contract so that it reads:

“All sums under this Schedule or Clause 34.4A shall be payable by the Buyer to the Supplier in accordance with the payment terms set out in Schedule 7.1 (Charges and Invoicing)”.

11.1 Paragraph 4 of Attachment 8.2 (Change Control Procedure) of this Order Form is hereby amended in respect of this Contract so that it reads:

“Either Party may issue a Change Request to the other Party at any time during the Term. A Change Request shall be substantially in the form of Annex 1 and state whether the Party issuing the Change Request considers the proposed Change Request to be a Fast-Track Change. If the Buyer is issuing a Change Request to effect the introduction of one or more Uncommitted Work Package(s), the Buyer shall identify in writing to the Supplier:

- (1) the commencement date and (subject to such work package’s earlier termination in accordance with the terms of this Contract) the scheduled end date for the or each Work Package (the **Scheduled WP End Date**);
- (2) any and all Milestone(s) (together with proposed, linked Milestone Dates) relevant to the performance and delivery of any Deliverable(s) in connection with such work package(s) and which payment mechanism identified in Table 1 of Part B of Attachment 7.1 (Charges) of this Order Form shall be used to calculate the Milestone Payment relevant to the or each such milestone; and
- (3) which pricing mechanism identified in Table 2 of Annex 2 to Attachment 7.1 (Charges) of this Order Form shall be used to calculate the Service Charge for each Service Period for the or each such work package.

12.1 Paragraph 5(e) of Attachment 8.2 (Change Control Procedure) shall be amended in respect of this Contract so that it reads:

“details of the ongoing costs required by the proposed Contract Changes when implemented, any increase or decrease in the Charges together with (in connection with the introduction of any Uncommitted Work Package):

- (1) the Supplier’s proposed Milestone Payment for each Milestone for that package, which shall be based on the payment mechanism for that payment identified by the Buyer in the relevant Change Request in connection with that package; and
- (2) the Supplier’s proposed Service Charge for that package, which shall be based on the payment mechanism for that payment identified by the Buyer in the relevant Change Request in connection with that package,

together with details of any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party;

**SCHEDULE 7.4**  
**FINANCIAL DISTRESS**

## 1 DEFINITIONS

In this Schedule, the following definitions shall apply:

- “Applicable Financial Indicators”** means the financial indicators from Paragraph 1 of Part A of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form which are to apply to the Monitored Suppliers as set out in Paragraph 2 of Part A of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form;
- “Board”** means the Supplier’s board of directors;
- “Board Confirmation”** means written confirmation from the Board in accordance with Paragraph 8 of this Schedule;
- “Credit Rating Level”** a credit rating level as specified in Part C of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form;
- “Credit Rating Threshold”** the minimum Credit Rating Level for each entity in the FDE Group as set out in Part C of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form;
- “FDE Group”** means the Supplier, Key Sub-contractors, the Guarantor and the Monitored Suppliers;
- “Financial Indicators”** in respect of the Supplier, Key Sub-contractors and the Guarantor, means each of the financial indicators set out at Paragraph 1 of Part A of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form; and in respect of each Monitored Supplier, means those Applicable Financial Indicators;
- “Financial Target Thresholds”** means the target thresholds for each of the Financial Indicators set out at Paragraph 1 of Part A of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form;
- “Monitored Suppliers”** means those entities specified at Paragraph 2 of Part A of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form;
- “Rating Agencies”** the rating agencies listed in Part B of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form.

## **2 WARRANTIES AND DUTY TO NOTIFY**

- 2.1 The Supplier warrants and represents to the Buyer for the benefit of the Buyer that as at the Effective Date:
- (a) the long term credit ratings issued for each entity in the FDE Group by each of the Rating Agencies are as set out in Part B of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form; and
  - (b) the financial position or, as appropriate, the financial performance of each of the Supplier, Guarantor and Key Sub-contractors satisfies the Financial Target Thresholds.
- 2.2 The Supplier shall promptly notify (or shall procure that its auditors promptly notify) the Buyer in writing if there is any downgrade in the credit rating issued by any Rating Agency for any entity in the FDE Group (and in any event within 5 Working Days of the occurrence of the downgrade).
- 2.3 The Supplier shall:
- (a) regularly monitor the credit ratings of each entity in the FDE Group with the Rating Agencies;
  - (b) monitor and report on the Financial Indicators for each entity in the FDE Group against the Financial Target Thresholds at least at the frequency set out for each in Paragraph 1 of Part A of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form (where specified) and in any event, on a regular basis and no less than once a year within one hundred and twenty (120) days after the Accounting Reference Date; and
  - (c) promptly notify (or shall procure that its auditors promptly notify) the Buyer in writing following the occurrence of a Financial Distress Event or any fact, circumstance or matter which could cause a Financial Distress Event (and in any event, ensure that such notification is made within 10 Working Days of the date on which the Supplier first becomes aware of the Financial Distress Event or the fact, circumstance or matter which could cause a Financial Distress Event).
- 2.4 For the purposes of determining whether a Financial Distress Event has occurred pursuant to the provisions of Paragraphs 3.1(a), and for the purposes of determining relief under Paragraph 7.1, the credit rating of an FDE Group entity shall be deemed to have dropped below the applicable Credit Rating Threshold if:
- (a) any of the Rating Agencies have given a Credit Rating Level for that entity which is below the applicable Credit Rating Threshold; or
  - (b) a Rating Agency that is specified as holding a Credit Rating for an entity as set out at Part C of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form ceases to hold a Credit Rating for that entity.
- 2.5 Each report submitted by the Supplier pursuant to paragraph 2.3(b) shall:

- (a) be a single report with separate sections for each of the FDE Group entities;
- (b) contain a sufficient level of information to enable the Buyer to verify the calculations that have been made in respect of the Financial Indicators;
- (c) include key financial and other supporting information (including any accounts data that has been relied on) as separate annexes;
- (d) be based on the audited accounts for the date or period on which the Financial Indicator is based or, where the Financial Indicator is not linked to an accounting period or an accounting reference date, on unaudited management accounts prepared in accordance with their normal timetable; and
- (e) include a history of the Financial Indicators reported by the Supplier in graph form to enable the Buyer to easily analyse and assess the trends in financial performance.

### **3 FINANCIAL DISTRESS EVENTS**

#### **3.1 The following shall be Financial Distress Events:**

- (a) the credit rating of an FDE Group entity dropping below the applicable Credit Rating Threshold;
- (b) an FDE Group entity issuing a profits warning to a stock exchange or making any other public announcement, in each case about a material deterioration in its financial position or prospects;
- (c) there being a public investigation into improper financial accounting and reporting, suspected fraud or any other impropriety of an FDE Group entity;
- (d) an FDE Group entity committing a material breach of covenant to its lenders;
- (e) a Key Sub-contractor notifying the Buyer that the Supplier has not satisfied any material sums properly due under a specified invoice and not subject to a genuine dispute;
- (f) any of the following:
  - (i) commencement of any litigation against an FDE Group entity with respect to financial indebtedness greater than £5m or obligations under a service contract with a total contract value greater than £5m;
  - (ii) non-payment by an FDE Group entity of any financial indebtedness;
  - (iii) any financial indebtedness of an FDE Group entity becoming due as a result of an event of default;
  - (iv) the cancellation or suspension of any financial indebtedness in respect of an FDE Group entity; or

- (v) the external auditor of an FDE Group entity expressing a qualified opinion on, or including an emphasis of matter in, its opinion on the statutory accounts of that FDE entity;

in each case which the Buyer reasonably believes (or would be likely reasonably to believe) could directly impact on the continued performance and delivery of the Services in accordance with this Contract; and

- (g) any two of the Financial Indicators set out at Part A of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form for any of the FDE Group entities failing to meet the required Financial Target Threshold.

#### **4 CONSEQUENCES OF FINANCIAL DISTRESS EVENTS**

4.1 Immediately upon notification by the Supplier of a Financial Distress Event (or if the Buyer becomes aware of a Financial Distress Event without notification and brings the event to the attention of the Supplier), the Supplier shall have the obligations and the Buyer shall have the rights and remedies as set out in Paragraphs 4.3 to 4.6.

4.2 In the event of a late or non-payment of a Key Sub-contractor pursuant to Paragraph 3.1(e), the Buyer shall not exercise any of its rights or remedies under Paragraph 4.3 without first giving the Supplier 10 Working Days to:

- (a) rectify such late or non-payment; or
- (b) demonstrate to the Buyer's reasonable satisfaction that there is a valid reason for late or non-payment.

4.3 The Supplier shall (and shall procure that any Monitored Supplier, the Guarantor and/or any relevant Key Sub-contractor shall):

- (a) at the request of the Buyer, meet the Buyer as soon as reasonably practicable (and in any event within 3 Working Days of the initial notification (or awareness) of the Financial Distress Event or such other period as the Buyer may permit and notify to the Supplier in writing) to review the effect of the Financial Distress Event on the continued performance and delivery of the Services in accordance with this Contract; and

- (b) where the Buyer reasonably believes (taking into account the discussions and any representations made under Paragraph 4.3(a) that the Financial Distress Event could impact on the continued performance and delivery of the Services in accordance with this Contract:

- (i) submit to the Buyer for its approval, a draft Financial Distress Remediation Plan as soon as reasonably practicable (and in any event, within 10 Working Days of the initial notification (or awareness) of the Financial Distress Event or such other period as the Buyer may permit and notify to the Supplier in writing); and
- (ii) to the extent that it is legally permitted to do so and subject to Paragraph 4.8, provide such information relating to the Supplier, any Monitored Supplier, Key

Sub-contractors and/or the Guarantor as the Buyer may reasonably require in order to understand the risk to the Services, which may include forecasts in relation to cash flow, orders and profits and details of financial measures being considered to mitigate the impact of the Financial Distress Event.

- 4.4 The Buyer shall not withhold its approval of a draft Financial Distress Remediation Plan unreasonably. If the Buyer does not approve the draft Financial Distress Remediation Plan, it shall inform the Supplier of its reasons and the Supplier shall take those reasons into account in the preparation of a further draft Financial Distress Remediation Plan, which shall be resubmitted to the Buyer within 5 Working Days of the rejection of the first draft. This process shall be repeated until the Financial Distress Remediation Plan is approved by the Buyer or referred to the Dispute Resolution Procedure under Paragraph 4.5.
- 4.5 If the Buyer considers that the draft Financial Distress Remediation Plan is insufficiently detailed to be properly evaluated, will take too long to complete or will not ensure the continued performance of the Supplier's obligations in accordance with the Contract, then it may either agree a further time period for the development and agreement of the Financial Distress Remediation Plan or escalate any issues with the draft Financial Distress Remediation Plan using the Dispute Resolution Procedure.
- 4.6 Following approval of the Financial Distress Remediation Plan by the Buyer, the Supplier shall:
- (a) on a regular basis (which shall not be less than fortnightly):
    - (i) review and make any updates to the Financial Distress Remediation Plan as the Supplier may deem reasonably necessary and/or as may be reasonably requested by the Buyer, so that the plan remains adequate, up to date and ensures the continued performance and delivery of the Services in accordance with this Contract; and
    - (ii) provide a written report to the Buyer setting out its progress against the Financial Distress Remediation Plan, the reasons for any changes made to the Financial Distress Remediation Plan by the Supplier and/or the reasons why the Supplier may have decided not to make any changes;
  - (b) where updates are made to the Financial Distress Remediation Plan in accordance with Paragraph 4.6(a), submit an updated Financial Distress Remediation Plan to the Buyer for its approval, and the provisions of Paragraphs 4.4 and 4.5 shall apply to the review and approval process for the updated Financial Distress Remediation Plan; and
  - (c) comply with the Financial Distress Remediation Plan (including any updated Financial Distress Remediation Plan) and ensure that it achieves the financial and performance requirements set out in the Financial Distress Remediation Plan.
- 4.7 Where the Supplier reasonably believes that the relevant Financial Distress Event under Paragraph 4.1 (or the circumstance or matter which has caused or otherwise led to it) no longer exists, it shall notify the Buyer and the Parties may agree that the Supplier shall be relieved of its obligations under Paragraph 4.6.

- 4.8 The Supplier shall use reasonable endeavours to put in place the necessary measures to ensure that the information specified at paragraph 4.3(b)(ii) is available when required and on request from the Buyer and within reasonable timescales. Such measures may include:
- (a) obtaining in advance written authority from Key Sub-contractors, the Guarantor and/or Monitored Suppliers authorising the disclosure of the information to the Buyer and/or entering into confidentiality agreements which permit disclosure;
  - (b) agreeing in advance with the Buyer, Key Sub-contractors, the Guarantor and/or Monitored Suppliers a form of confidentiality agreement to be entered by the relevant parties to enable the disclosure of the information to the Buyer;
  - (c) putting in place any other reasonable arrangements to enable the information to be lawfully disclosed to the Buyer (which may include making price sensitive information available to Buyer nominated personnel through confidential arrangements, subject to their consent); and
  - (d) disclosing the information to the fullest extent that it is lawfully entitled to do so, including through the use of redaction, anonymisation and any other techniques to permit disclosure of the information without breaching a duty of confidentiality.

## **5 FINANCIAL INDICATORS**

### **Schedule 7.4 Annex 2 and Annex 3**

#### **Monitored Suppliers**

#### **CDW Limited**

## **6 TERMINATION RIGHTS**

The Buyer shall be entitled to terminate this Contract under Clause 33.1(b) (*Termination by the Buyer*) if:

- (a) the Supplier fails to notify the Buyer of a Financial Distress Event in accordance with Paragraph 2.3(c);
- (b) the Parties fail to agree a Financial Distress Remediation Plan (or any updated Financial Distress Remediation Plan) in accordance with Paragraphs 4.3 to 4.5; and/or
- (c) the Supplier fails to comply with the terms of the Financial Distress Remediation Plan (or any updated Financial Distress Remediation Plan) in accordance with Paragraph 4.6(c).

## **7 PRIMACY OF CREDIT RATINGS**

- 7.1 Without prejudice to the Supplier's obligations and the Buyer's rights and remedies under Paragraph 2, if, following the occurrence of a Financial Distress Event pursuant to any of Paragraphs 3.1(b) to 3.1(g), the Rating Agencies review and report subsequently that the credit ratings for the FDE Group entities do not drop below the relevant Credit Rating Thresholds specified for those entities in Part C of Attachment 7.4 (Financial Indicators, Rating Agencies and Credit Ratings) of the Order Form, then:

- (a) the Supplier shall be relieved automatically of its obligations under Paragraphs 4.3 to 4.6; and
- (b) the Buyer shall not be entitled to require the Supplier to provide financial information in accordance with Paragraph 4.3(b)(ii).

## **8 BOARD CONFIRMATION**

- 8.1 If this Contract has been specified as a Critical Service Contract under Paragraph 10.1 of Part 2 to Schedule 8.6 (Service Continuity Plan and Corporate Resolution Planning) then, subject to Paragraph 8.4 of this Schedule, the Supplier shall within one hundred and twenty (120) days after each Accounting Reference Date or within 15 months of the previous Board Confirmation (whichever is the earlier) provide a Board Confirmation to the Buyer in the form set out at Annex 4 of this Schedule, confirming that to the best of the Board's knowledge and belief, it is not aware of and has no knowledge:
- (a) that a Financial Distress Event has occurred since the later of the Effective Date or the previous Board Confirmation or is subsisting; or
  - (b) of any matters which have occurred or are subsisting that could reasonably be expected to cause a Financial Distress Event.
- 8.2 The Supplier shall ensure that in its preparation of the Board Confirmation it exercises due care and diligence and has made reasonable enquiry of all relevant Supplier Personnel and other persons as is reasonably necessary to understand and confirm the position.
- 8.3 In respect of the first Board Confirmation to be provided under this Contract, the Supplier shall provide the Board Confirmation within 15 months of the Effective Date if earlier than the timescale for submission set out in Paragraph 8.1 of this Schedule.
- 8.4 Where the Supplier is unable to provide a Board Confirmation in accordance with Paragraphs 8.1 to 8.3 of this Schedule due to the occurrence of a Financial Distress Event or knowledge of subsisting matters which could reasonably be expected to cause a Financial Distress Event, it will be sufficient for the Supplier to submit in place of the Board Confirmation, a statement from the Board of Directors to the Buyer (and where the Supplier is a Strategic Supplier, the Supplier shall send a copy of the statement to the Cabinet Office Markets and Suppliers Team) setting out full details of any Financial Distress Events that have occurred and/or the matters which could reasonably be expected to cause a Financial Distress Event.

**ANNEX 1: RATING AGENCIES AND THEIR STANDARD RATING SYSTEM**

**Rating Agencies and Credit Ratings**

- Company accounts
- Suppliers completed Financial Viability Risk Assessment tool
- External service provider (e.g., D&B)

**ANNEX 2: CREDIT RATINGS AND CREDIT RATING THRESHOLDS****Financial Indicators**

<b>Metric</b>	<b>Measure</b>
Metric 1 - Turnover Ratio	<b>&lt;1.5</b>
Metric 2 - Operating Margin	<b>&gt;10</b>
Metric 3(a) - Free Cash Flow/ Net Debt	<b>&gt;1</b>
Metric 3(b) - Net Debt / EBITDA	<b>&gt;3.5x</b>
Metric 4 - Net Debt + Net Pension Deficit + EBITDA	<b>&lt;3.5</b>
Metric 5 - Net Interest Paid Cover	<b>&lt;2.5x</b>
Metric 6 - Acid Ratio	<b>&lt;0.7x</b>
Metric 7 - Net Assets	<b>&gt;Nil</b>
Metric 8 - Group Exposure	<b>N/A</b>

**ANNEX 3: CALCULATION METHODOLOGY FOR FINANCIAL INDICATORS****Financial Calculations**

Financial Indicator	Calculation <sup>1</sup>	Financial Target Threshold:	Monitoring and Reporting Frequency [if different from the default position set out in Paragraph 5.1]
1 [Operating Margin] OR [The higher of (a) the Operating Margin for the most recent 12-month period and (b) the average Operating Margin for the last two 12-month periods]	[Operating Margin = Operating Profit / Revenue]	[> <b>[10%]</b> ]	Tested and reported [yearly / half yearly] in arrears within [120 / 90] days of each [accounting reference date / half year end] based upon figures for the 12 months ending on the relevant [accounting reference date / half year end]
2 [Free Cash Flow to Net Debt Ratio] OR [Net Debt to EBITDA Ratio]	[Free Cash Flow to Net Debt Ratio = Free Cash Flow / Net Debt] OR [Net Debt to EBITDA ratio = Net Debt / EBITDA]	[> <b>[1%]</b> ]  OR [< <b>[3.5]</b> ] times	Tested and reported [yearly / half yearly] in arrears within [120 / 90] days of each [accounting reference date / half year end] based upon [Free Cash Flow / EBITDA] for the 12 months ending on, and Net Debt at, the relevant [accounting reference date / half year end]
3 [Net Debt + Net Pension Deficit to EBITDA ratio]	[Net Debt + Net Pension Deficit to EBITDA Ratio = (Net Debt + Net Pension Deficit) / EBITDA]	[< <b>[3.5]</b> ] times	Tested and reported yearly in arrears within 120 days of each accounting reference date based upon EBITDA for the 12 months ending on, and the Net Debt and Net Pension Deficit at, the relevant accounting reference date
4 [Net Interest Paid Cover]	[Net Interest Paid Cover = Earnings Before Interest and Tax / Net Interest Paid]	[> <b>[2.5]</b> ] times	Tested and reported [yearly / half yearly] in arrears within [120 / 90] days of each [accounting reference date / half year end] based upon figures for the 12 months ending on the relevant [accounting reference date / half year end]
5 [Acid Ratio]	[Acid Ratio = (Current Assets – Inventories) / Current Liabilities]	[> <b>[0.7]</b> ] times	Tested and reported [yearly / half yearly] in arrears within [120 / 90] days of each [accounting reference date / half year end] based upon figures at the relevant [accounting reference date / half year end]
6 [Net Asset value]	[Net Asset Value = Net Assets]	[> <b>£0]</b>	Tested and reported [yearly / half yearly] in arrears within [120 / 90] days of each [accounting reference date / half year end] based upon figures at the relevant [accounting reference date / half year end]

**ANNEX 4: BOARD CONFIRMATION**

**Supplier Name: CDW Limited**

**Contract Reference Number: C249854**

The Board of Directors acknowledge the requirements set out at paragraph 8 of Schedule 7.4 (Financial Distress) and confirm that the Supplier has exercised due care and diligence and made reasonable enquiry of all relevant Supplier Personnel and other persons as is reasonably necessary to enable the Board to prepare this statement.

The Board of Directors confirms, to the best of its knowledge and belief, that as at the date of this Board Confirmation it is not aware of and has no knowledge:

- a) that a Financial Distress Event has occurred since the later of the previous Board Confirmation and the Effective Date or is subsisting; or
- b) of any matters which have occurred or are subsisting that could reasonably be expected to cause a Financial Distress Event

For and on behalf of the Supplier :

Chair .....

Signed .....

Date .....

Director .....

Signed .....

Date .....

C249854

**SCHEDULE 7.5**

**FINANCIAL REPORTS AND AUDIT RIGHTS**

## 1 DEFINITIONS

In this Schedule, the following definitions shall apply:

<b>“Annual Contract Report”</b>	the annual contract report to be provided by the Supplier to the Buyer pursuant to Paragraph 1 of Part B;
<b>“Audit Agents”</b>	<ul style="list-style-type: none"> <li>(a) the Buyer’s internal and external auditors;</li> <li>(b) the Buyer’s statutory or regulatory auditors;</li> <li>(c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office;</li> <li>(d) HM Treasury or the Cabinet Office;</li> <li>(e) any party formally appointed by the Buyer to carry out audit or similar review functions; and</li> <li>(f) successors or assigns of any of the above;</li> </ul>
<b>“Contract Amendment Report”</b>	the contract amendment report to be provided by the Supplier to the Buyer pursuant to Paragraph 1 of Part B;
<b>“Final Reconciliation Report”;</b>	the final reconciliation report to be provided by the Supplier to the Buyer pursuant to Paragraph 1 of Part B;
<b>“Financial Model”</b>	the Contract Inception Report, the latest Annual Contract Report or the latest Contract Amendment Report, whichever has been most recently approved by the Buyer in accordance with Paragraph 2 of Part B;
<b>“Financial Reports”</b>	the Contract Inception Report and the reports listed in the table in Paragraph 1.1 of Part B;
<b>“Financial Representative”</b>	a reasonably skilled and experienced member of the Supplier’s staff who has specific responsibility for preparing, maintaining, facilitating access to, discussing and explaining the Open Book Data and Financial Reports;
<b>“Financial Transparency Objectives”</b>	has the meaning given in Paragraph 1 of Part A;
<b>“Material Change”</b>	<p>a Change which:</p> <ul style="list-style-type: none"> <li>(a) materially changes the profile of the Charges; or</li> <li>(b) varies the total Charges payable during the Term (as forecast in the latest Financial Model) by: <ul style="list-style-type: none"> <li>(i) 5% or more; or</li> <li>(ii) £1m or more;</li> </ul> </li> </ul>

<b>“Onerous Contract”</b>	a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, as defined under International Accounting Standard 37;
<b>“Onerous Contract Report”</b>	means a report provided by the Supplier pursuant to Paragraph 3 of Part A to this Schedule;
<b>“Open Book Data”</b>	<p>complete and accurate financial and non-financial information which is sufficient to enable the Buyer to verify the Charges already paid or payable and Charges forecast to be paid during the remainder of the Term, including details and all assumptions relating to:</p> <ul style="list-style-type: none"><li>(a) the Supplier’s Costs broken down against each Service and/or Deliverable, including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all hardware and software;</li><li>(b) operating expenditure relating to the provision of the Services including an analysis showing:<ul style="list-style-type: none"><li>(i) the unit costs and quantity of consumables and bought-in services;</li><li>(ii) manpower resources broken down into the number and grade/role of all Supplier Personnel (free of any contingency) together with a list of agreed rates against each manpower grade;</li><li>(iii) a list of Costs underpinning those rates for each manpower grade, being the agreed rate less the Supplier’s Profit Margin; and</li><li>(iv) Reimbursable Expenses;</li></ul></li><li>(c) Overheads;</li><li>(d) all interest, expenses and any other third party financing costs incurred in relation to the provision of the Services;</li><li>(e) the Supplier Profit achieved over the Term and on an annual basis;</li><li>(f) confirmation that all methods of Cost apportionment and Overhead allocation are consistent with and not more onerous than such methods applied generally by the Supplier;</li><li>(g) an explanation of the type and value of risk and contingencies associated with the provision of the Services, including the amount of money attributed to each risk and/or contingency; and</li><li>(h) the actual Costs profile for each Service Period.</li></ul>

**PART A: FINANCIAL TRANSPARENCY OBJECTIVES AND OPEN BOOK DATA**

**1 FINANCIAL TRANSPARENCY OBJECTIVES**

The Supplier acknowledges that the provisions of this Schedule are designed (inter alia) to facilitate, and the Supplier shall co-operate with the Buyer in order to achieve, the following objectives:

1.1 Understanding the Charges

- (a) for the Buyer to understand any payment sought from it by the Supplier including an analysis of the Costs, Overhead recoveries (where relevant), time spent by Supplier Personnel in providing the Services and the Supplier Profit Margin;
- (b) for both Parties to be able to understand the Financial Model and Cost forecasts and to have confidence that these are based on justifiable numbers and appropriate forecasting techniques;
- (c) to facilitate the use of Guaranteed Maximum Price with Target Cost pricing mechanisms (where relevant as referred to in Schedule 7.1 (*Charges and Invoicing*));

1.2 Agreeing the impact of Change

- (d) for both Parties to agree the quantitative impact of any Changes that affect ongoing costs and to identify how these could be mitigated and/or reflected in the Supplier's Charges;
- (e) for both Parties to be able to review, address issues with and re-forecast progress in relation to the provision of the Services;

1.3 Continuous improvement

- (f) for the Parties to challenge each other with ideas for efficiency and improvements; and
- (g) to enable the Buyer to demonstrate that it is achieving value for money for the tax payer relative to current market prices,

(together the "**Financial Transparency Objectives**").

**2 OPEN BOOK DATA**

2.1 The Supplier acknowledges the importance to the Buyer of the Financial Transparency Objectives and the Buyer's need for complete transparency in the way in which the Charges are calculated.

2.2 During the Term, and for a period of 7 years following the end of the Term, the Supplier shall:

- (a) maintain and retain the Open Book Data; and
- (b) disclose and allow the Buyer and/or the Audit Agents access to the Open Book Data.

### **3 ONEROUS CONTRACTS**

- 3.1 If the Supplier publicly designates the Contract as an Onerous Contract (including where the Supplier has identified the Contract as such in any published accounts or public reports and announcements), the Supplier shall promptly notify the Buyer of the designation and shall prepare and deliver to the Buyer within the timescales agreed by the Parties (an in any event, no later than 2 months following the publication of the designation) a draft Onerous Contract Report which includes the following:
- (a) An initial root cause analysis of the issues and circumstances which may have contributed to the Contract being designated as an Onerous Contract;
  - (b) An initial risk analysis and impact assessment on the provision of the Services as a result of the Supplier's designation of the Contract as an Onerous Contract;
  - (c) the measures which the Supplier intends to put in place to minimise and mitigate any adverse impact on the provision on the Services;
  - (d) details of any other options which could be put in place to remove the designation of the Contract as an Onerous Contract and/or which could minimise and mitigate any adverse impact on the provision of the Services.
- 3.2 Following receipt of the Onerous Contract Report, the Buyer shall review and comment on the report as soon as reasonably practicable and the Parties shall cooperate in good faith to agree the final form of the report, which shall be submitted to the Programme Board, such final form report to be agreed no later than 1 month following the Buyer's receipt of the draft Onerous Contract Report.
- 3.3 The Programme Board shall meet within 14 Working Days of the final Onerous Contract Report being agreed by the Parties to discuss the contents of the report; and the Parties shall procure the attendance at the meeting of any key participants where reasonably required (including the Cabinet Office Markets and Suppliers team where the Supplier is a Strategic Supplier; representatives from any Key Sub-contractors/Monitored Suppliers; and the project's senior responsible officers (or equivalent) for each Party).
- 3.4 The Supplier acknowledges and agrees that the report is submitted to the Buyer and Programme Board on an information only basis and the Buyer and Programme Board's receipt of and comments in relation to the report shall not be deemed to be an acceptance or rejection of the report nor shall it relieve the Supplier of any liability under this Contract. Any Changes to be agreed by the Parties pursuant to the report shall be subject to the Change Control Procedure.

**PART B: FINANCIAL REPORTS****1 PROVISION OF THE FINANCIAL REPORTS**

1.1 The Supplier shall provide

- (a) the Contract Inception Report on or before the Effective Date; and
- (b) during the Term the following financial reports to the Buyer, in the frequency specified below:

<b>Financial Report</b>	<b>When to be provided</b>
<b>Contract Amendment Report</b>	Within 1 month of a Material Change being agreed between the Supplier and the Buyer
<b>Quarterly Contract Report</b>	Within 1 month of the end of each Quarter
<b>Annual Contract Report</b>	Within 1 month of the end of the Contract Year to which that report relates
<b>Final Reconciliation Report</b>	Within 6 months after the end of the Term

1.2 The Supplier shall provide to the Buyer the Financial Reports in the same software package (Microsoft Excel or Microsoft Word), layout and format as the blank templates which have been issued by the Buyer to the Supplier on or before the Effective Date for the purposes of this Contract. The Buyer shall be entitled to modify the template for any Financial Report by giving written notice to the Supplier, including a copy of the updated template.

1.3 A copy of each Financial Report shall be held by both the Buyer and the Supplier. If there is a Dispute regarding a Financial Report, the Buyer's copy of the relevant Financial Report shall be authoritative.

1.4 Each Financial Report shall:

- (a) be completed by the Supplier using reasonable skill and care;
- (b) incorporate and use the same defined terms as are used in this Contract;
- (c) quote all monetary values in pounds sterling;
- (d) quote all Costs as exclusive of any VAT; and
- (e) quote all Costs and Charges based on current prices.

1.5 Each Annual Contract Report and the Final Reconciliation Report shall be certified by the Supplier's Chief Financial Officer or Director of Finance (or equivalent as agreed in writing by the Buyer in advance of issue of the relevant Financial Report), acting with express authority, as:

- (a) being accurate and not misleading;
- (b) having been prepared in conformity with generally accepted accounting principles within the United Kingdom;
- (c) being a true and fair reflection of the information included within the Supplier's management and statutory accounts; and
- (d) compliant with the requirements of Paragraph 1.6.

1.6 The Supplier shall:

- (a) prepare each Financial Report using the same methodology as that used for the Contract Inception Report;
- (b) ensure that each Annual Contract Report and each Contract Amendment Report (if any) is a true and fair reflection of the Costs and Supplier Profit Margin forecast by the Supplier;
- (c) the Final Reconciliation Report is a true and fair reflection of the Costs; and
- (d) not have any other internal financial model in relation to the Services inconsistent with the Financial Model.

1.7 During the Term, and for a period of 18 months following the end of the Term, the Supplier shall make available the Financial Representative at reasonable times and on reasonable notice to answer any queries that the Buyer may have on any of the Financial Reports and/or Open Book Data.

1.8 If the Supplier becomes aware of the occurrence, or the likelihood of the future occurrence, of an event which will or may have a material effect on the following:

- (a) the Costs incurred (or those forecast to be incurred) by the Supplier; and/or
- (b) the forecast Charges for the remainder of the Term,

the Supplier shall, as soon as practicable, notify the Buyer in writing of the event in question detailing the actual or anticipated effect. For the avoidance of doubt, notifications provided in accordance with this Paragraph 1.8 shall not have the effect of amending any provisions of this Contract.

## **2 FINANCIAL MODEL**

2.1 Following the delivery by the Supplier of each Annual Contract Report and any Contract Amendment Report:

- (a) the Parties shall meet to discuss its contents within 10 Working Days of receipt (or such other period as the Parties shall agree). The Financial Representative shall attend the meeting;
- (b) the Supplier shall make appropriate Supplier Personnel and advisers available to discuss any variations between the relevant Financial Report and the Contract

Inception Report or immediately preceding Annual Contract Report or Contract Amendment Report (as the case may be) and to explain such variations (with reference to supporting evidence) to the satisfaction of the Buyer; and

- (c) the Buyer shall either within 10 Working Days of the meeting referred to in Paragraph 2.1(a) notify the Supplier that:
  - (i) the relevant Financial Report contains errors or omissions or that further explanations or supporting information is required, in which event the Supplier shall make any necessary modifications to the Financial Report and/or supply the Buyer with such supporting evidence as is required to address the Buyer's concerns within 10 Working Days of such notification and the Buyer shall following receipt of such amended Financial Report and/or supporting information, approve or reject such Financial Report; or
  - (ii) the Buyer has approved the relevant Financial Report.

2.2 Following approval by the Buyer of the relevant Financial Report in accordance with Paragraph 2.1(c), that version shall become, with effect from the date of such approval, the current approved version of the Financial Model for the purposes of this Contract, a version of which shall be held by both the Buyer and the Supplier. If there is a Dispute regarding a Financial Report, the Buyer's copy of the relevant Financial Report shall be authoritative.

2.3 If the Parties are unable to reach agreement on any Financial Report within 30 Working Days of its receipt by the Buyer, the matter shall be referred for determination in accordance with Schedule 8.3 (*Dispute Resolution Procedure*).

### **3 DISCUSSION OF QUARTERLY CONTRACT REPORTS AND FINAL RECONCILIATION REPORT**

3.1 Following the delivery by the Supplier of each Quarterly Contract Report, the Parties shall meet to discuss its contents within 10 Working Days of receipt (or such other period as the Parties shall agree). The Financial Representative shall attend the meeting.

3.2 Following the delivery by the Supplier of the Final Reconciliation Report, the Parties shall meet to discuss its contents within 10 Working Days of receipt (or such other period as the Parties shall agree). The Financial Representative shall attend the meeting.

### **4 KEY SUB-CONTRACTORS**

4.1 The Supplier shall, if requested by the Buyer, provide (or procure the provision of) a report or reports including the level of information set out in the Financial Reports in relation to the costs and expenses to be incurred by any of its Key Sub-contractors.

4.2 Without prejudice to Paragraph 1.1 of Part C, the Supplier shall:

- (a) be responsible for auditing the financial models/reports of its Key Sub-contractors and for any associated costs and expenses incurred or forecast to be incurred; and
- (b) on written request by the Buyer, provide the Buyer or procure that the Buyer is provided with:

- (i) full copies of audit reports for the Key Sub-contractors. The Buyer shall be entitled to rely on such audit reports; and
- (ii) further explanation of, and supporting information in relation to, any audit reports provided.

**PART C: AUDIT RIGHTS****1 AUDIT RIGHTS**

- 1.1 The Buyer, acting by itself or through its Audit Agents, shall have the right during the Term and for a period of 18 months thereafter, to assess compliance by the Supplier and/or its Key Sub-contractors of the Supplier's obligations under this Contract, including for the following purposes:
- (a) to verify the integrity and content of any Financial Report;
  - (b) to verify the accuracy of the Charges and any other amounts payable by the Buyer under this Contract (and proposed or actual variations to such Charges and payments);
  - (c) to verify the Costs (including the amounts paid to all Sub-contractors and any third party suppliers);
  - (d) to verify the Certificate of Costs and/or the Open Book Data;
  - (e) to verify the Supplier's and each Key Sub-contractor's compliance with this Contract and applicable Law;
  - (f) to identify or investigate actual or suspected fraud, impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Buyer shall have no obligation to inform the Supplier of the purpose or objective of its investigations;
  - (g) to identify or investigate any circumstances which may impact upon the financial stability of the Supplier, the Guarantor and/or any Key Sub-contractors or their ability to perform the Services;
  - (h) to obtain such information as is necessary to fulfil the Buyer's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General;
  - (i) to review any books of account and the internal contract management accounts kept by the Supplier in connection with this Contract;
  - (j) to carry out the Buyer's internal and statutory audits and to prepare, examine and/or certify the Buyer's annual and interim reports and accounts;
  - (k) to enable the National Audit Office to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Buyer has used its resources;
  - (l) to verify the accuracy and completeness of any Management Information delivered or required by this Contract;
  - (m) to review any Performance Monitoring Reports and/or other records relating to the Supplier's performance of the Services and to verify that these reflect the Supplier's own internal reports and records;

- (n) to inspect the IT Environment (or any part of it) and the wider service delivery environment (or any part of it);
  - (o) to review the accuracy and completeness of the Registers;
  - (p) to review any records created during the design and development of the Supplier System and pre-operational environment such as information relating to Testing;
  - (q) to review the Supplier's quality management systems (including all relevant Quality Plans and any quality manuals and procedures);
  - (r) to review the Supplier's compliance with the Standards;
  - (s) to inspect the Buyer Assets, including the Buyer's IPRs, equipment and facilities, for the purposes of ensuring that the Buyer Assets are secure and that any register of assets is up to date; and/or
  - (t) to review the integrity, confidentiality and security of the Buyer Data.
- 1.2 Except where an audit is imposed on the Buyer by a regulatory body or where the Buyer has reasonable grounds for believing that the Supplier has not complied with its obligations under this Contract, the Buyer may not conduct an audit of the Supplier or of the same Key Sub-contractor more than twice in any Contract Year.
- 1.3 Nothing in this Contract shall prevent or restrict the rights of the Comptroller and/or Auditor General and/or their representatives from carrying out an audit, examination or investigation of the Supplier and/or any of the Key Sub-contractors for the purposes of and pursuant to applicable Law.

## **2 CONDUCT OF AUDITS**

- 2.1 The Buyer shall during each audit comply with those security, sites, systems and facilities operating procedures of the Supplier that the Buyer deems reasonable and use its reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Supplier or delay the provision of the Services.
- 2.2 Subject to the Buyer's obligations of confidentiality, the Supplier shall on demand provide the Buyer and the Audit Agents with all reasonable co-operation and assistance (and shall procure such co-operation and assistance from its Sub-contractors) in relation to each audit, including:
- (a) all information requested by the Buyer within the permitted scope of the audit;
  - (b) reasonable access to any Sites and to any equipment used (whether exclusively or non-exclusively) in the performance of the Services;
  - (c) access to the Supplier System; and
  - (d) access to Supplier Personnel.
- 2.3 The Supplier shall implement all measurement and monitoring tools and procedures necessary to measure and report on the Supplier's performance of the Services against the

applicable Performance Indicators at a level of detail sufficient to verify compliance with the Performance Indicators.

- 2.4 The Buyer shall endeavour to (but is not obliged to) provide at least 15 Working Days' notice of its intention to conduct an audit.
- 2.5 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under this Paragraph 2, unless the audit identifies a material Default by the Supplier in which case the Supplier shall reimburse the Buyer for all the Buyer's reasonable costs incurred in connection with the audit.

### **3 USE OF SUPPLIER'S INTERNAL AUDIT TEAM**

- 3.1 As an alternative to the Buyer's right pursuant to Paragraph 1.1 to exercise an audit either itself or through its Audit Agents, the Buyer may require in writing that an audit is undertaken by the Supplier's own internal audit function for any of the purposes set out in Paragraph 1.1.
- 3.2 Following the receipt of a request from the Buyer under Paragraph 3.1 above, the Supplier shall procure that the relevant audit is undertaken as soon as reasonably practicable and that the Buyer has unfettered access to:
- (a) the resultant audit reports; and
  - (b) all relevant members of the Supplier's internal audit team for the purpose of understanding such audit reports.

### **4 RESPONSE TO AUDITS**

- 4.1 If an audit undertaken pursuant to Paragraphs 1 or 3 identifies that:
- (a) the Supplier has committed a Default, the Buyer may (without prejudice to any rights and remedies the Buyer may have) require the Supplier to correct such Default as soon as reasonably practicable and, if such Default constitutes a Notifiable Default, to comply with the Rectification Plan Process;
  - (b) there is an error in a Financial Report, the Supplier shall promptly rectify the error;
  - (c) the Buyer has overpaid any Charges, the Supplier shall pay to the Buyer:
    - (i) the amount overpaid;
    - (ii) interest on the amount overpaid at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from the date of overpayment by the Buyer up to the date of repayment by the Supplier; and
    - (iii) the reasonable costs incurred by the Buyer in undertaking the audit,the Buyer may exercise its right to deduct such amount from the Charges if it prefers; and
  - (d) the Buyer has underpaid any Charges, the Supplier shall not be entitled to increase the Charges paid or payable by the Buyer.

**SCHEDULE 8.1**

**GOVERNANCE**

## 1 DEFINITIONS

In this Schedule, the following definitions shall apply:

<b>“Board Member”</b>	the initial persons appointed by the Buyer and Supplier to the Boards as set out in Attachment 8.1 (Representation and Structure of Boards) of the Order Form and any replacements from time to time agreed by the Parties in accordance with Paragraph 3.3;
<b>“Boards”</b>	the Operational Board, Service Management Board, Programme Board, Change Management Board, Technical Board and Risk Management Board and <b>“Board”</b> shall mean any of them;
<b>“Change Management Board”</b>	the body described in Paragraph 6;
<b>“Project Managers”</b>	the individuals appointed as such by the Buyer and the Supplier in accordance with Paragraph 1; and
<b>“Risk Management Board”</b>	the body described in Paragraph 8;
<b>“Service Management Board”</b>	the body described in Paragraph 4; and
<b>“Technical Board”</b>	the body described in Paragraph 7.

## 2 MANAGEMENT OF THE SERVICES

- 2.1 The Supplier and the Buyer shall each appoint a project manager for the purposes of this Contract through whom the Services shall be managed at a day-to-day.
- 2.2 Both Parties shall ensure that appropriate resource is made available on a regular basis such that the aims, objectives and specific provisions of this Contract can be fully realised.

## 3 BOARDS

### Establishment and structure of the Boards

- 3.1 The Boards shall be established by the Buyer for the purposes of this Contract on which both the Supplier and the Buyer shall be represented.
- 3.2 In relation to each Board, the:
- (a) Buyer Board Members;



[REDACTED]

[REDACTED]

(b) Supplier Board Members;

**CDW Limited**

[REDACTED]

**PA Consulting**

[REDACTED]

[REDACTED]

(c) frequency that the Board shall meet (unless otherwise agreed between the Parties);

(d) location of the Board's meetings; and

(e) planned start date by which the Board shall be established,

shall be as set out in Attachment 8.1 (Representation and Structure of Boards) of the Order Form.

3.3 In the event that either Party wishes to replace any of its appointed Board Members, that Party shall notify the other in writing of the proposed change for agreement by the other Party (such agreement not to be unreasonably withheld or delayed). Notwithstanding the foregoing it is intended that each Buyer Board Member has at all times a counterpart Supplier Board Member of equivalent seniority and expertise.

**Board meetings**

3.4 Each Party shall ensure that its Board Members shall make all reasonable efforts to attend Board meetings at which that Board Member's attendance is required. If any Board Member is not able to attend a Board meeting, that person shall use all reasonable endeavours to ensure that:

(a) a delegate attends the relevant Board meeting in his/her place who (wherever possible) is properly briefed and prepared; and

(b) that he/she is debriefed by such delegate after the Board Meeting.

3.5 A chairperson shall be appointed by the Buyer for each Board as identified in Attachment 8.1 (Representation and Structure of Boards) of the Order Form. The chairperson shall be responsible for:

(a) scheduling Board meetings;

- (b) setting the agenda for Board meetings and circulating to all attendees in advance of such meeting;
- (c) chairing the Board meetings;
- (d) monitoring the progress of any follow up tasks and activities agreed to be carried out following Board meetings;
- (e) ensuring that minutes for Board meetings are recorded and disseminated electronically to the appropriate persons and to all Board meeting participants within seven Working Days after the Board meeting; and
- (f) facilitating the process or procedure by which any decision agreed at any Board meeting is given effect in the appropriate manner.

3.6 Board meetings shall be quorate as long as at least two representatives from each Party are present.

3.7 The Parties shall ensure, as far as reasonably practicable, that all Boards shall as soon as reasonably practicable resolve the issues and achieve the objectives placed before them. Each Party shall endeavour to ensure that Board Members are empowered to make relevant decisions or have access to empowered individuals for decisions to be made to achieve this.

#### **4 ROLE OF THE SERVICE MANAGEMENT BOARD**

The Service Management Board shall be responsible for the executive management of the Services and shall:

- (a) be accountable to the Programme Board for comprehensive oversight of the Services and for the senior management of the operational relationship between the Parties;
- (b) report to the Programme Board on significant issues requiring decision and resolution by the Programme Board and on progress against the high level Implementation Plan;
- (c) receive reports from the Project Managers on matters such as issues relating to delivery of existing Services and performance against Performance Indicators, progress against the Implementation Plan and possible future developments;
- (d) review and report to the Programme Board on service management, co-ordination of individual projects and any integration issues;
- (e) deal with the prioritisation of resources and the appointment of Project Managers on behalf of the Parties;
- (f) consider and resolve Disputes (including Disputes as to the cause of a Delay or the performance of the Services) in the first instance and if necessary escalate the Dispute to the Programme Board; and
- (g) develop operational/supplier relationship and develop and propose the relationship development strategy and ensure the implementation of the same.

## **5 ROLE OF THE PROGRAMME BOARD**

5.1 The Programme Board shall:

- (a) provide senior level guidance, leadership and strategy for the overall delivery of the Services;
- (b) be the point of escalation from the Change Management Board, the Technical Board and the Service Management Board; and
- (c) carry out the specific obligations attributed to it in Paragraph 5.2.

5.2 The Programme Board shall:

- (a) ensure that this Contract is operated throughout the Term in a manner which optimises the value for money and operational benefit derived by the Buyer and the commercial benefit derived by the Supplier;
- (b) receive and review reports from the Service Management Board and review reports on technology, service and other developments that offer potential for improving the benefit that either Party is receiving, in particular value for money;
- (c) determine business strategy and provide guidance on policy matters which may impact on the implementation of the Services or on any Optional Services;
- (d) authorise the commissioning and initiation of, and assess opportunities for, Optional Services; and
- (e) provide guidance and authorisation to the Change Management Board on relevant Changes.

## **6 ROLE OF THE CHANGE MANAGEMENT BOARD**

6.1 The Change Management Board shall assess the impact and approve or reject all Change Requests. Changes which will have a significant impact on the Services shall be escalated to the Programme Board.

6.2 The Change Management Board shall:

- (a) analyse and record the impact of all Changes, specifically whether the proposed Change:
  - (i) has an impact on other areas or aspects of this Contract and/or other documentation relating to the Services;
  - (ii) has an impact on the ability of the Buyer to meet its agreed business needs within agreed time-scales;
  - (iii) will raise any risks or issues relating to the proposed Change; and

- (iv) will provide value for money in consideration of any changes to the Financial Model, future Charges and/or Performance Indicators and Target Performance Levels;
- (b) provide recommendations, seek guidance and authorisation from the Programme Board as required; and
- (c) approve or reject (close) all proposed Changes.

## **7 ROLE OF THE TECHNICAL BOARD**

7.1 The Technical Board shall be accountable to the Programme Board for oversight of the technology used in the Supplier Solution and ensuring that technological choices are made to maximise the long term value of the Supplier Solution as a business asset of the Buyer.

7.2 The Technical Board shall:

- (a) ensure compliance with the Standards;
- (b) grant dispensations for variations from such compliance where appropriate;
- (c) assure the coherence and consistency of the systems architecture for the Supplier Solution;
- (d) monitor developments in new technology and reporting on their potential benefit to the Services;
- (e) provide advice, guidance and information on technical issues; and
- (f) assure that the technical architecture of the Supplier Solution is aligned to the Service Requirements and has sufficient flexibility to cope with future requirements of the Buyer.

## **8 ROLE OF THE RISK MANAGEMENT BOARD**

8.1 The Risk Management Board shall identify and manage risks relating to the performance of the Services.

8.2 The Risk Management Board shall:

- (a) provide assurance to the Programme Board that risks are being effectively managed across the Services, including reporting the 'top 5' risks to the Programme Board on a monthly basis;
- (b) identify the risks to be reported to the Programme Board via the regular risk reports;
- (c) subject to the Change Control Procedure, accept or reject new risks proposed for inclusion in the Risk Register;
- (d) ratify or refuse requests to close risks on the Risk Register; and

- (e) identify risks relating to or arising out of the performance of the Services and provisional owners of these risks.

## **9 CONTRACT MANAGEMENT MECHANISMS**

- 9.1 Both Parties shall pro-actively manage risks attributed to them under the terms of this Contract.
- 9.2 The Supplier shall develop, operate, maintain and amend, as agreed with the Buyer, processes for:
  - (a) the identification and management of risks;
  - (b) the identification and management of issues; and
  - (c) monitoring and controlling project plans.

The Risk Register shall be updated by the Supplier and submitted for review by the Risk Management Board.

## **10 ANNUAL REVIEW**

- 10.1 An annual review meeting shall be held throughout the Term on a date to be agreed between the Parties.
- 10.2 The meetings shall be attended by the Account Director of the Supplier and the Head of System and Information (Research) of the Buyer and any other persons considered by the Buyer necessary for the review.
- 11.1 The Operational Board will review Supplier performance including without limitation forward delivery of change, product development, continuous improvement, and problem resolution areas.

## ANNEX 1: REPRESENTATION AND STRUCTURE OF BOARDS

Operational Board (Service Review Meetings)	
Buyer Members for the Operational Board	NIHR Chief Digital Officer Buyer's Contract Manager Buyer's Project Manager Other appropriate representatives from the Buyer or NIHR (as nominated by the Buyer) as relevant on each occasion.
Supplier Members for the Operational Board	Supplier's Contract Manager Supplier's Project Manager Other appropriate representatives from the Supplier as relevant on each occasion as requested by the Buyer.
Frequency of the Operational Board	Quarterly
Location of the Operational Board	To be held virtually or where notified by the Buyer, in person at the Buyer's Premises such location to be notified by the Buyer to the Supplier on no less than 10 days' notice.
Supplier Reporting to Operational Board	<p>The Operational Board agenda will focus on Supplier performance including without limitation forward delivery of change, product development, continuous improvement, and problem resolution areas.</p> <p>The Supplier must provide a written progress report (a <b>Progress Report</b>) no later than 5 Working Days prior to each Operational Board. The Progress Report must include, but not be limited to, detail on operation, management, and progress of the NIHR Digital Strategy and Services, including:</p> <ul style="list-style-type: none"> <li>• Up to date risks/issues register;</li> <li>• Monthly performance against Service Levels and any KPIs;</li> <li>• Monthly performance report on the deliverables of live Work Packages</li> <li>• Report on development, planning, delivery, and function of NIHR Digital Strategy against agreed Milestones and Service Levels – and to include forward review and quarterly analysis of product roadmap(s) and agile delivery to brief DHSC / NIHR DDaT Office on appropriateness against overarching strategic goals;</li> <li>• An easily accessible service catalogue and performance report of 3<sup>rd</sup> Party applications and Subcontractors (including risks and issues) and work with DHSC / NIHR DDaT Office to review performance and contribute to NIHR Digital Strategy at quarterly review meetings and more often as reasonably directed by the Buyer; and</li> <li>• Qualitative survey of projects to gauge impact and effectiveness of projects and delivery mechanisms to improve project design.</li> <li>•</li> </ul>

**SCHEDULE 8.2**

**CHANGE CONTROL PROCEDURE**

## 1 DEFINITIONS

In this Schedule, the following definitions shall apply:

<b>“Buyer Change Manager”</b>	the person appointed to that position by the Buyer from time to time and notified in writing to the Supplier or, if no person is notified, the Buyer Representative;
<b>“Change Request”</b>	a written request for a Contract Change which shall be substantially in the form of Annex 1;
<b>“Change Communication”</b>	any Change Request, Impact Assessment, Change Authorisation Note or other communication sent or required to be sent pursuant to this Schedule;
<b>“Fast-track Change”</b>	any Contract Change which the Parties agree to expedite in accordance with Paragraph 8;
<b>“Impact Assessment”</b>	an assessment of a Change Request in accordance with Paragraph 5;
<b>“Impact Assessment Estimate”</b>	has the meaning given in Paragraph 4.3;
<b>“Receiving Party”</b>	the Party which receives a proposed Contract Change; and
<b>“Supplier Change Manager”</b>	the person appointed to that position by the Supplier from time to time and notified in writing to the Buyer or, if no person is notified, the Supplier Representative.

## 2 GENERAL PRINCIPLES OF CHANGE CONTROL PROCEDURE

- 2.1 This Schedule sets out the procedure for dealing with Changes.
- 2.2 Operational Changes shall be processed in accordance with Paragraph 9. If either Party is in doubt about whether a change falls within the definition of an Operational Change, then it must be processed as a Contract Change.
- 2.3 The Parties shall deal with Contract Change as follows:
- (a) either Party may request a Contract Change which they shall initiate by issuing a Change Request in accordance with Paragraph 4;
  - (b) unless this Contract otherwise requires, the Supplier shall assess and document the potential impact of a proposed Contract Change in accordance with Paragraph 5 before the Contract Change can be either approved or implemented;
  - (c) the Buyer shall have the right to request amendments to a Change Request, approve it or reject it in the manner set out in Paragraph 6;

- (d) the Supplier shall have the right to reject a Change Request solely in the manner set out in Paragraph 7;
- (e) save as otherwise provided in this Contract, no proposed Contract Change shall be implemented by the Supplier until a Change Authorisation Note has been signed and issued by the Buyer in accordance with Paragraph 6.2; and
- (f) if a proposed Contract Change is a Fast-track Change, it shall be processed in accordance with Paragraph 8.

2.4 To the extent that any Contract Change requires testing and/or a programme for implementation, then the Parties shall follow the procedures set out in Schedule 6.2 (*Testing Procedures*), and, where appropriate, the Change Authorisation Note relating to such a Contract Change shall specify Milestones and/or a Key Milestone and Milestone Date(s) in respect of such Contract Change for the purposes of such procedures.

2.5 Until a Change Authorisation Note has been signed and issued by the Buyer in accordance with Paragraph 6.2, then:

- (a) unless the Buyer expressly agrees (or requires) otherwise in writing, the Supplier shall continue to supply the Services in accordance with the existing terms of this Contract as if the proposed Contract Change did not apply; and
- (b) any discussions, negotiations or other communications which may take place between the Buyer and the Supplier in connection with any proposed Contract Change, including the submission of any Change Communications, shall be without prejudice to each Party's other rights under this Contract.

2.6 The Supplier shall:

- (a) within 10 Working Days of the Buyer's signature and issue of a Change Authorisation Note, deliver to the Buyer a copy of this Contract updated to reflect all Contract Changes agreed in the relevant Change Authorisation Note and annotated with a reference to the Change Authorisation Note pursuant to which the relevant Contract Changes were agreed; and
- (b) thereafter provide to the Buyer such further copies of the updated Contract as the Buyer may from time to time request.

### **3 COSTS**

3.1 Subject to Paragraph 3.3:

- (a) the costs of preparing each Change Request shall be borne by the Party making the Change Request; and
- (b) the costs incurred by the Supplier in undertaking an Impact Assessment shall be borne by the Party making the Change Request provided that the Buyer shall not be required to pay any such costs if:
  - (i) such costs are below £100,000

- (ii) the Supplier is able to undertake the Impact Assessment by using resources already deployed in the provision of the Services; or
- (iii) such costs exceed those in the accepted Impact Assessment Estimate.

3.2 The cost of any Contract Change shall be calculated and charged in accordance with the principles and day rates or day costs (as applicable) set out in Attachment 7.1 (Charges) of the Order Form. The Supplier shall be entitled to increase the Charges only if it can demonstrate in the Impact Assessment that the proposed Contract Change requires additional resources and, in any event, any change to the Charges resulting from a Contract Change (whether the change will cause an increase or a decrease in the Charges) will be strictly proportionate to the increase or decrease in the level of resources required for the provision of the Services as amended by the Contract Change.

3.3 Both Parties' costs incurred in respect of any use of this Change Control Procedure as a result of any error or Default by the Supplier shall be paid for by the Supplier.

#### **4 CHANGE REQUEST**

4.1 Either Party may issue a Change Request to the other Party at any time during the Term. A Change Request shall be substantially in the form of Annex 1 and state whether the Party issuing the Change Request considers the proposed Contract Change to be a Fast-track Change.

4.2 If the Supplier issues the Change Request, then it shall also provide an Impact Assessment to the Buyer as soon as is reasonably practicable but in any event within 10 Working Days of the date of issuing the Change Request.

4.3 If the Buyer issues the Change Request, then the Supplier shall provide as soon as reasonably practical and in any event within ten (10) Working Days of the date of receiving the Change Request an estimate ("**Impact Assessment Estimate**") of the cost of preparing an Impact Assessment and the timetable for preparing it. The timetable shall provide for the completed Impact Assessment to be received by the Buyer within ten (10) Working Days of acceptance of the Impact Assessment Estimate or within any longer time period agreed by the Buyer.

4.4 If the Buyer accepts an Impact Assessment Estimate then following receipt of notice of such acceptance the Supplier shall provide the completed Impact Assessment to the Buyer as soon as is reasonably practicable and in any event within the period agreed in the Impact Assessment Estimate. If the Supplier requires any clarification in relation to the Change Request before it can deliver the Impact Assessment, then it shall promptly make a request for clarification to the Buyer and provided that sufficient information is received by the Buyer to fully understand:

- (a) The nature of the request for clarification; and
- (b) The reasonable justification for the request;

the time period to complete the Impact Assessment shall be extended by the time taken by the Buyer to provide that clarification. The Buyer shall respond to the request for clarification as soon as is reasonably practicable.

## 5 IMPACT ASSESSMENT

5.1 Each Impact Assessment shall be completed in good faith and shall include:

- (a) details of the proposed Contract Change including the reason for the Contract Change; and
- (b) details of the impact of the proposed Contract Change on the Services, the Optional Services (if any) and the Supplier's ability to meet its other obligations under this Contract;
- (c) any variation to the terms of this Contract that will be required as a result of that impact, including changes to:
  - (i) the Services Description, the Performance Indicators and/or the Target Performance Levels;
  - (ii) the format of Buyer Data, as set out in the Services Description;
  - (iii) the Milestones, Implementation Plan and any other timetable previously agreed by the Parties;
  - (iv) other services provided by third party contractors to the Buyer, including any changes required by the proposed Contract Change to the Buyer's IT infrastructure;
- (d) details of the cost of implementing the proposed Contract Change;
- (e) details of the ongoing costs required by the proposed Contract Change when implemented, including any increase or decrease in the Charges, any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party;
- (f) a timetable for the implementation, together with any proposals for the testing of the Contract Change;
- (g) details of how the proposed Contract Change will ensure compliance with any applicable Change in Law; and
- (h) such other information as the Buyer may reasonably request in (or in response to) the Change Request.

5.2 If the Contract Change involves the processing or transfer of any Personal Data outside the European Economic Area, the preparation of the Impact Assessment shall also be subject to Clause 23 (*Protection of Personal Data*).

5.3 Subject to the provisions of Paragraph 5.4, the Buyer shall review the Impact Assessment and respond to the Supplier in accordance with Paragraph 6 within 15 Working Days of receiving the Impact Assessment, it.

5.4 If the Buyer is the Receiving Party and the Buyer reasonably considers that it requires further information regarding the proposed Contract Change so that it may properly evaluate the

Change Request and the Impact Assessment, then within 5 Working Days of receiving the Impact Assessment, it shall notify the Supplier of this fact and detail the further information that it requires. The Supplier shall then re-issue the relevant Impact Assessment to the Buyer within 10 Working Days of receiving such notification. At the Buyer's discretion, the Parties may repeat the process described in this Paragraph 5.4 until the Buyer is satisfied that it has sufficient information to properly evaluate the Change Request and Impact Assessment.

- 5.5 The calculation of costs for the purposes of Paragraphs 5.1(d) and (e) shall:
- (a) be based on the Financial Model;
  - (b) facilitate the Financial Transparency Objectives;
  - (c) include estimated volumes of each type of resource to be employed and the applicable rate card;
  - (d) include full disclosure of any assumptions underlying such Impact Assessment;
  - (e) include evidence of the cost of any assets required for the Change; and
  - (f) include details of any new Sub-contracts necessary to accomplish the Change.

## **6 BUYER'S RIGHT OF APPROVAL**

- 6.1 Within 15 Working Days of receiving the Impact Assessment from the Supplier or within 10 Working Days of receiving the further information that it may request pursuant to Paragraph 5.4, the Buyer shall evaluate the Change Request and the Impact Assessment and shall do one of the following:
- (a) approve the proposed Contract Change, in which case the Parties shall follow the procedure set out in Paragraph 6.2;
  - (b) in its absolute discretion reject the Contract Change, in which case it shall notify the Supplier of the rejection. The Buyer shall not reject any proposed Contract Change to the extent that the Contract Change is necessary for the Supplier or the Services to comply with any Changes in Law. If the Buyer does reject a Contract Change, then it shall explain its reasons in writing to the Supplier as soon as is reasonably practicable following such rejection; or
  - (c) in the event that it reasonably believes that a Change Request or Impact Assessment contains errors or omissions, require the Supplier to modify the relevant document accordingly, in which event the Supplier shall make such modifications within 5 Working Days of such request. Subject to Paragraph 5.4, on receiving the modified Change Request and/or Impact Assessment, the Buyer shall approve or reject the proposed Contract Change within 10 Working Days.
- 6.2 If the Buyer approves the proposed Contract Change pursuant to Paragraph 6.1 and it has not been rejected by the Supplier in accordance with Paragraph 7, then it shall inform the Supplier and the Supplier shall prepare two copies of a Change Authorisation Note which it shall sign and deliver to the Buyer for its signature. Following receipt by the Buyer of the Change Authorisation Note, it shall sign both copies and return one copy to the Supplier. On the Buyer's signature the Change Authorisation Note shall constitute (or, where the Buyer has

agreed to or required the implementation of a Change prior to signature of a Change Authorisation Note, shall constitute confirmation of) a binding variation to this Contract.

- 6.3 If the Buyer does not sign the Change Authorisation Note within 10 Working Days, then the Supplier shall have the right to notify the Buyer and if the Buyer does not sign the Change Authorisation Note within 5 Working Days of such notification, then the Supplier may refer the matter to the Expedited Dispute Timetable pursuant to the Dispute Resolution Procedure.

## **7 SUPPLIER'S RIGHT OF APPROVAL**

Following an Impact Assessment, if:

- (a) the Supplier reasonably believes that any proposed Contract Change which is requested by the Buyer would:
  - (i) materially and adversely affect the risks to the health and safety of any person; and/or
  - (ii) require the Services to be performed in a way that infringes any Law; and/or
- (b) the Supplier demonstrates to the Buyer's reasonable satisfaction that the proposed Contract Change is technically impossible to implement and neither the Supplier Solution nor the Services Description state that the Supplier does have the technical capacity and flexibility required to implement the proposed Contract Change,

then the Supplier shall be entitled to reject the proposed Contract Change and shall notify the Buyer of its reasons for doing so within 5 Working Days after the date on which it is obliged to deliver the Impact Assessment pursuant to Paragraph 4.3.

## **8 FAST-TRACK CHANGES**

- 8.1 The Parties acknowledge that to ensure operational efficiency there may be circumstances where it is desirable to expedite the processes set out above.

8.2 If:

- (a) the total number of Contract Changes in relation to which this Fast-track Change procedure has been applied does not exceed 4 in any 12 month period; and
- (b) both Parties agree the value of the proposed Contract Change over the remaining Term and any period for which Termination Services may be required does not exceed £100,000 and the proposed Contract Change is not significant (as determined by the Buyer acting reasonably)

then the Parties shall confirm to each other in writing that they shall use the process set out in Paragraphs 4, 5, 6 and 7 but with reduced timescales, such that any period of 15 Working Days is reduced to 5 Working Days, any period of 10 Working Days is reduced to 2 Working Days and any period of 5 Working Days is reduced to 1 Working Day.

- 8.3 The Parties may agree in writing to revise the parameters set out in Paragraph 8.2 from time to time or that the Fast-track Change procedure shall be used in relation to a particular

Contract Change notwithstanding that the total number of Contract Changes to which such procedure is applied will then exceed 4 in a 12 month period.

## **9 OPERATIONAL CHANGE PROCEDURE**

- 9.1 Any Operational Changes identified by the Supplier to improve operational efficiency of the Services may be implemented by the Supplier without following the Change Control Procedure for proposed Contract Changes provided they do not:
- (a) have an impact on the business of the Buyer;
  - (b) require a change to this Contract;
  - (c) have a direct impact on use of the Services; or
  - (d) involve the Buyer in paying any additional Charges or other costs.
- 9.2 The Buyer may request an Operational Change by submitting a written request for Operational Change ("**RFOC**") to the Supplier Representative.
- 9.3 The RFOC shall include the following details:
- (a) the proposed Operational Change; and
  - (b) the time-scale for completion of the Operational Change.
- 9.4 The Supplier shall inform the Buyer of any impact on the Services that may arise from the proposed Operational Change.
- 9.5 The Supplier shall complete the Operational Change by the timescale specified for completion of the Operational Change in the RFOC, and shall promptly notify the Buyer when the Operational Change is completed.

## **10 COMMUNICATIONS**

For any Change Communication to be valid under this Schedule, it must be sent to either the Buyer Change Manager or the Supplier Change Manager, as applicable. The provisions of Clause 44 (*Notices*) shall apply to a Change Communication as if it were a notice.

**ANNEX 1: CHANGE REQUEST FORM**

CR NO.:	TITLE:	TYPE OF CHANGE:
CONTRACT:	REQUIRED BY DATE:	
ACTION:	NAME:	DATE:
RAISED BY:		
AREA(S) IMPACTED ( <i>OPTIONAL FIELD</i> ):		
ASSIGNED FOR IMPACT ASSESSMENT BY:		
ASSIGNED FOR IMPACT ASSESSMENT TO:		
SUPPLIER REFERENCE NO.:		
FULL DESCRIPTION OF REQUESTED CONTRACT CHANGE (INCLUDING PROPOSED CHANGES TO THE WORDING OF THE CONTRACT):		
DETAILS OF ANY PROPOSED ALTERNATIVE SCENARIOS:		
REASONS FOR AND BENEFITS AND DISADVANTAGES OF REQUESTED CONTRACT CHANGE:		
SIGNATURE OF REQUESTING CHANGE OWNER:		
DATE OF REQUEST:		

**ANNEX 2: CHANGE AUTHORISATION NOTE**

CR NO.:	TITLE:	DATE RAISED:
CONTRACT:	TYPE OF CHANGE:	REQUIRED BY DATE:
[KEY MILESTONE DATE: <i>[if any]</i> ]		
DETAILED DESCRIPTION OF CONTRACT CHANGE FOR WHICH IMPACT ASSESSMENT IS BEING PREPARED AND WORDING OF RELATED CHANGES TO THE CONTRACT:		
PROPOSED ADJUSTMENT TO THE CHARGES RESULTING FROM THE CONTRACT CHANGE:		
DETAILS OF PROPOSED ONE-OFF ADDITIONAL CHARGES AND MEANS FOR DETERMINING THESE (E.G. FIXED PRICE BASIS):		
SIGNED ON BEHALF OF THE BUYER:		SIGNED ON BEHALF OF THE SUPPLIER:
Signature: _____		Signature: _____
Name: _____		Name: _____
Position: _____		Position: _____
Date: _____		Date: _____

The fourth box of Annex 2 to Attachment 8.2 (Change Control Procedure) is hereby amended in respect of this Contract so that it reads:

“DETAILED DESCRIPTION OF THE CONTRACT CHANGE AND THE WORDING OF RELATED CHANGES TO THE CONTRACT, INCLUDING CHANGES TO THE SERVICES DESCRIPTION, AND CHANGES TO THE IMPLEMENTATION PLAN:”

**ANNEX 3 – UNCOMMITTED WORK PACKAGE(S) – UD CHANGE FORM**

<b>1. WORK PACKAGE DETAILS</b>	
<b>Date:</b>	
<b>Change Form Title:</b>	
<b>Change Form No:</b>	
<b>Call-Off Contract Reference:</b>	C249854
<b>Work Package Start Date:</b>	
<b>Work Package End Date (subject to earlier termination in accordance with this Contract):</b>	

<b>2. BACKGROUND IMPACT OF WORK PACKAGE</b>	
<b>Work Package Background:</b>	<i>Buyer to insert details of which elements of the Deliverables this Work Package will address.</i>
<b>Description of Proposed Change on the Services and Contract:</b>	<i>Supplier to supply all Relevant Information in respect of the proposed Change.</i>
<b>Details of any Savings to Arise from Proposed Work Package(s):</b>	<i>Supplier to insert details of any savings and wider benefits, if any, that will arise from the delivery of the proposed Work Package.</i>

### 3. BUYER REQUIREMENTS – WORK PACKAGE DELIVERABLES AND RELATED CHANGES

Changes to Attachment 1 to the Order Form relevant to the Work Package(s) *Buyer to insert details of the key deliverables that the Supplier is required to deliver under the new Work Package(s).*

Changes to Attachment 2 to the Order Form relevant to the Work Package(s) *Buyer to insert details of the charging method relevant to the new Work Package(s) and the Supplier to provide the relevant pricing information requested.*

As relevant to the charging method selected:

**Part A – Milestone Payments and Delay Payments**

	Milestone Description	Milestone Payment amount (GBP £)	Milestone Date	Delay Payments (where Milestone) (£GBP per day)
M[•]	[•]	[•]	[•]	[•]
M[•]	[•]	[•]	[•]	[•]

**Part B – Service Charges**

Charge Number	Service Charges
<i>[Service Line [•]]</i>	
[•]	[•]
<i>[Service Line [•]]</i>	
[•]	[•]

**Part C – Supplier Personnel Rate Card for Calculation of Time and Materials Charges**

Staff Grade	Role	Days Effort	Day Rate (£)
[•]	[•]	[•]	[•]

**Part D – Risk Register**

*[Supplier to identify any changes]*

**Part E - Early Termination Fee(s)(Work Package)**

Where the Buyer terminates (once incorporated into this Contract) this Work Package (either in whole or in part) and not the Contract (in whole) under Clauses 35.1.9 (Termination Without Cause) and 35.3, the Supplier is entitled to be paid in accordance with Clause 36.2 an early termination fee being an amount equal to the lower of (a) **L** and (b) the aggregate of **M** and **N**, where:

**L** = the total sum calculated in accordance with paragraph 2.10(b)(ii)(b) of Part A of Schedule 8.2 (Change Control Procedure);

**M** = any sum or sums, which the Supplier is entitled to be paid under this Contract for any work done prior to the WP Termination Date in respect of the Work Package implemented under this UD Change Notice (or, where the Buyer elects to terminate part(s) of this Work Package, such part(s));

**N** = (without double counting with **M**) any unavoidable loss incurred by the Supplier by reason of the termination of this Work Package in whole or in part under Clauses 35.1.9 (Termination Without Cause) and 35.3; and

**WP Termination Date** means the date, on which this Work Package terminates early in whole or in part in accordance with Clauses 35.1.9 and 35.3.

Changes to Attachment 3 to the Order Form relevant to the Work Package(s)

*[Buyer to add details of any changes to Attachment 3 (Outline Implementation Plan) to the Order Form relevant to the performance and delivery of the Work Package(s).]*

Changes to Attachment 4 to the Order Form relevant to the Work Package(s)

*[Buyer to add details of any Service Level Performance Criterion/Criteria, Key Indicator(s), Service Level Performance Measure(s), Service Level Threshold(s), Service Credit(s), Service Credit Cap(s) and Critical Service Level Failure drafting relevant to the performance and delivery of the Work Package(s).]*

**Service Levels and Service Credits**

Service Levels				Service Credit for each Service Period
Service Level	Key Indicator	Service Level	Service Level	
Performance Criterion		Performance Measure	Threshold	
[•]	[•]	[•]	[•]	[•]



	<b>Part B – Third Party Software</b>							
	<b>Third Party Software</b>	<b>Supplier</b>	<b>Purpose</b>	<b>Number of Licences</b>	<b>Restrictions</b>	<b>Number of Copies</b>	<b>Type (COTS or NonCOTS)</b>	<b>Term/Expiry</b>
	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Changes to Attachment 9 to the Order Form relevant to the Work Package(s)</b>	<i>Buyer to provide details of any update to Attachment 9 to the Order Form relevant to the performance and delivery of the new Work Package(s)</i>							
	<b>Description</b>				<b>Details</b>			
	Identity of Controller for each Category of Personal Data							
	Duration of the processing							
	Nature and purposes of the processing							
	Type of Personal Data							
	Categories of Data Subject							
	Plan for return and destruction of the data once the processing is complete  UNLESS requirement under union or member state law to preserve that type of data							
<b>Effect and Preservation of terms</b>	The amendments identified in Part 3 of this UD Change Form shall take effect once signed and dated by both Parties.							
	The provisions of the Contract shall, save as amended in this UD Change Form, continue in full force and effect and shall be read and construed as one document with this UD Change Form.							

4. COLLABORATION	
<b>Organisation/s:</b>	<i>[Buyer to insert details of suppliers working in Collaboration on this Work Package].</i>
<b>Description of Proposed Collaboration on the Services:</b>	<i>[Supplier to supply all Relevant Information in respect of the proposed Collaboration activities.]</i>
<b>Details of any Savings to Arise from Proposed Collaboration:</b>	<i>[Supplier to insert details of any savings and wider benefits, if any, that will arise from the delivery of Collaboration for this Work Package].</i>

5. SIGNATURES AND APPROVALS	
<b>Signed by an authorised signatory for and on behalf of the Buyer:</b>	<p>Name and title</p> <p>Date</p> <p>Signature</p>
<b>Signed by an authorised signatory for and on behalf of the Supplier:</b>	<p>Name and title</p> <p>Date</p>
	<p>Signature</p>

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**SCHEDULE 8.3**

**DISPUTE RESOLUTION PROCEDURE**

## 1 DEFINITIONS

In this Schedule, the following definitions shall apply:

<b>“CEDR”</b>	the Centre for Effective Dispute Resolution of International Dispute Resolution Centre, 70 Fleet Street, London, EC4Y 1EU;
<b>“Counter Notice”</b>	has the meaning given in Paragraph 7.2;
<b>“Expert”</b>	in relation to a Dispute, a person appointed in accordance with Paragraph 6.2 to act as an expert in relation to that Dispute;
<b>“Expert Determination”</b>	determination by an Expert in accordance with Paragraph 6;
<b>“Mediation Notice”</b>	has the meaning given in Paragraph 4.2;
<b>“Mediator”</b>	the independent third party appointed in accordance with Paragraph 5.2 to mediate a Dispute;
<b>“Multi-Party Dispute”</b>	a Dispute which involves the Parties and one or more Related Third Parties;
<b>“Multi-Party Dispute Representatives”</b>	has the meaning given in Paragraph 9.6;
<b>“Multi-Party Dispute Resolution Board”</b>	has the meaning given in Paragraph 9.6;
<b>“Related Third Party”</b>	a party to: (a) another contract with the Buyer or the Supplier which is relevant to this Contract; or (b) a Sub-contract; and
<b>“Supplier Request”</b>	a notice served by the Supplier requesting that the Dispute be treated as a Multi-Party Dispute, setting out its grounds for that request and specifying each Related Third Party that it believes should be involved in the Multi-Dispute Resolution Procedure in respect of that Dispute.

## 2 DISPUTE NOTICES

2.1 If a Dispute arises then:

- (a) the Buyer Representative and the Supplier Representative shall attempt in good faith to resolve the Dispute; and
- (b) if such attempts are not successful within a reasonable period, not being longer than 20 Working Days, either Party may issue to the other a Dispute Notice.

2.2 A Dispute Notice:

- (a) shall set out:
  - (i) the material particulars of the Dispute;
  - (ii) the reasons why the Party serving the Dispute Notice believes that the Dispute has arisen; and
  - (iii) if the Party serving the Dispute Notice believes that the Dispute should be dealt with under the Expedited Dispute Timetable, the reason why; and
- (b) may specify in accordance with the requirements of Paragraphs 9.2 and 9.3 that the Party issuing the Dispute Notice has determined (in the case of the Buyer) or considers (in the case of the Supplier) that the Dispute is a Multi-Party Dispute, in which case Paragraph 2.3 shall apply.

2.3 If a Dispute Notice specifies that the Dispute has been determined or is considered to be a Multi-Party Dispute pursuant to Paragraph 2.2(b), then:

- (a) if it is served by the Buyer it shall be treated as a Multi-Party Procedure Initiation Notice; and
- (b) if it is served by the Supplier it shall be treated as a Supplier Request,

and in each case the provisions of Paragraph 9 shall apply.

2.4 Subject to Paragraphs 2.5 and 3.2 and so long as the Buyer has not served a Multi-Party Procedure Initiation Notice in respect of the relevant Dispute, following the issue of a Dispute Notice the Parties shall seek to resolve the Dispute:

- (a) first by commercial negotiation (as prescribed in Paragraph 4);
- (b) then, if either Party serves a Mediation Notice, by mediation (as prescribed in Paragraph 5); and
- (c) lastly by recourse to arbitration (as prescribed in Paragraph 7) or litigation (in accordance with Clause 46 (*Governing Law and Jurisdiction*)).

2.5 Specific issues shall be referred to Expert Determination (as prescribed in Paragraph 6) where specified under the provisions of this Contract and may also be referred to Expert Determination where otherwise appropriate as specified in Paragraph 6.1.

2.6 Unless agreed otherwise in writing, the Parties shall continue to comply with their respective obligations under this Contract regardless of the nature of the Dispute and notwithstanding any issue of a Dispute Notice or a Multi-Party Procedure Initiation Notice or proceedings under Paragraph 8 (*Urgent Relief*).

### **3 EXPEDITED DISPUTE TIMETABLE**

3.1 In exceptional circumstances where the use of the times in this Schedule would be unreasonable, including (by way of example) where one Party would be materially disadvantaged by a delay in resolving the Dispute, the Parties may agree to use the Expedited Dispute Timetable. If the Parties are unable to reach agreement on whether to use the

Expedited Dispute Timetable within 5 Working Days of the issue of a Dispute Notice, the use of the Expedited Dispute Timetable shall be at the sole discretion of the Buyer.

3.2 If the Expedited Dispute Timetable is to be used pursuant to the provisions of Paragraph 3.1 or is otherwise specified under the provisions of this Contract, then the following periods of time shall apply in lieu of the time periods specified in the applicable Paragraphs:

- (a) in Paragraph 4.2(c), 10 Working Days;
- (b) in Paragraph 5.2, 10 Working Days;
- (c) in Paragraph 6.2, 5 Working Days; and
- (d) in Paragraph 7.2, 10 Working Days.

3.3 If at any point it becomes clear that an applicable deadline cannot be met or has passed, the Parties may (but shall be under no obligation to) agree in writing to extend the deadline. If the Parties fail to agree within 2 Working Days after the deadline has passed, the Buyer may set a revised deadline provided that it is no less than 5 Working Days before the end of the period of time specified in the applicable paragraphs (or 2 Working Days in the case of Paragraph 6.2). Any agreed extension shall have the effect of delaying the start of the subsequent stages by the period agreed in the extension. If the Buyer fails to set such a revised deadline then the use of the Expedited Dispute Timetable shall cease and the normal time periods shall apply from that point onwards.

#### **4 COMMERCIAL NEGOTIATION**

4.1 Following the service of a Dispute Notice, then, so long as the Buyer has not served a Multi-Party Procedure Initiation Notice in respect of the relevant Dispute, the Buyer and the Supplier shall make reasonable endeavours to resolve the Dispute as soon as possible by commercial negotiation between the Buyer's Head of System and Information (Research) and the Supplier's Account Director.

4.2 If:

- (a) either Party is of the reasonable opinion that the resolution of a Dispute by commercial negotiation, or the continuance of commercial negotiation, will not result in an appropriate solution;
- (b) the Parties have already held discussions of a nature and intent (or otherwise were conducted in the spirit) that would equate to the conduct of commercial negotiation in accordance with this Paragraph 4; or
- (c) the Parties have not settled the Dispute in accordance with Paragraph 4.1 within 30 Working Days of service of the Dispute Notice,

either Party may serve a written notice to proceed to mediation in accordance with Paragraph 5 (a "**Mediation Notice**").

## **5 MEDIATION**

- 5.1 If a Mediation Notice is served, the Parties shall attempt to resolve the dispute in accordance with the version of CEDR's Model Mediation Procedure which is current at the time the Mediation Notice is served (or such other version as the Parties may agree).
- 5.2 If the Parties are unable to agree on the joint appointment of an independent person to mediate the Dispute within 20 Working Days from (and including) the service of a Mediation Notice then either Party may apply to CEDR to nominate such a person.
- 5.3 If the Parties are unable to reach a settlement in the negotiations at the mediation, and only if both Parties so request and the Mediator agrees, the Mediator shall produce for the Parties a non-binding recommendation on terms of settlement. This shall not attempt to anticipate what a court might order but shall set out what the Mediator suggests are appropriate settlement terms in all of the circumstances.
- 5.4 Any settlement reached in the mediation shall not be legally binding until it has been reduced to writing and signed by, or on behalf of, the Parties (in accordance with the Change Control Procedure where appropriate). The Mediator shall assist the Parties in recording the outcome of the mediation.

## **6 EXPERT DETERMINATION**

- 6.1 If a Dispute relates to any aspect of the technology underlying the provision of the Services or otherwise relates to a technical matter of an IT, accounting or financing nature and the Dispute has not been resolved by commercial negotiation in accordance with Paragraph 4 or, if applicable, mediation in accordance with Paragraph 5, then either Party may by written notice to the other request (agreement to which request shall not be unreasonably withheld or delayed) that the Dispute be referred to an expert for determination.
- 6.2 The expert shall be appointed by agreement in writing between the Parties, but in the event of a failure to agree within 10 Working Days of the relevant request made pursuant to Paragraph 6.1, or if the person appointed is unable or unwilling to act, the expert shall be appointed:
  - (a) if the Dispute relates to any aspect of the technology underlying the provision of the Services or a matter of an IT technical nature, on the instructions of the President of the British Computer Society (or any other association that has replaced the British Computer Society);
  - (b) if the Dispute relates to a matter of a financial technical nature, on the instructions of the President of the Institute of Chartered Accountants of England and Wales; or
  - (c) if the Dispute relates to a matter of a technical nature not falling within Paragraphs 6.2(a) or (b), on the instructions of the president (or equivalent) of:
    - (i) an appropriate body agreed between the Parties; or
    - (ii) if the Parties do not reach agreement on the relevant body within 15 Working Days of the relevant request made pursuant to Paragraph 6.1, such body as

may be specified by the President of the Law Society on application by either Party.

6.3 The Expert shall act on the following basis:

- (a) he/she shall act as an expert and not as an arbitrator and shall act fairly and impartially;
- (b) the Expert's determination shall (in the absence of a material failure to follow the agreed procedures) be final and binding on the Parties;
- (c) the Expert shall decide the procedure to be followed in the determination and shall be requested to make his/her determination within 30 Working Days of his appointment or as soon as reasonably practicable thereafter and the Parties shall assist and provide the documentation that the Expert requires for the purpose of the determination;
- (d) any amount payable by one Party to another as a result of the Expert's determination shall be due and payable within 20 Working Days of the Expert's determination being notified to the Parties;
- (e) the process shall be conducted in private and shall be confidential; and
- (f) the Expert shall determine how and by whom the costs of the determination, including his/her fees and expenses, are to be paid.

## **7 ARBITRATION**

7.1 Subject to compliance with its obligations under Paragraph 4.1 and to the provisions of Paragraph 6, the Buyer may at any time before court proceedings are commenced refer the Dispute to arbitration in accordance with the provisions of Paragraph 7.5.

7.2 Before the Supplier commences court proceedings or arbitration, it shall serve written notice on the Buyer of its intentions and the Buyer shall have 15 Working Days following receipt of such notice to serve a reply (a "**Counter Notice**") on the Supplier requiring the Dispute to be referred to and resolved by arbitration in accordance with Paragraph 7.5 or be subject to the exclusive jurisdiction of the courts of England and Wales. The Supplier shall not commence any court proceedings or arbitration until the expiry of such 15 Working Day period.

7.3 If the Buyer serves a Counter Notice, then:

- (a) if the Counter Notice requires the Dispute to be referred to arbitration, the provisions of Paragraph 7.5 shall apply; or
- (b) if the Counter Notice requires the Dispute to be subject to the exclusive jurisdiction of the courts of England and Wales, the Dispute shall be so referred to those courts and the Supplier shall not commence arbitration proceedings.

7.4 If the Buyer does not serve a Counter Notice within the 15 Working Day period referred to in Paragraph 7.2, the Supplier may either commence arbitration proceedings in accordance with Paragraph 7.5 or commence court proceedings in the Courts of England and Wales which shall (in those circumstances) have exclusive jurisdiction.

- 7.5 The Parties hereby confirm that if any arbitration proceedings are commenced pursuant to Paragraphs 7.1 to 7.4:
- (a) the Dispute shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration (“**LCIA**”) (subject to Paragraphs 7.5(e), (f) and (g));
  - (b) the arbitration shall be administered by the LCIA;
  - (c) the LCIA procedural rules in force at the date that the Dispute was referred to arbitration shall be applied and are deemed to be incorporated by reference into this Contract and the decision of the arbitrator shall be binding on the Parties in the absence of any material failure to comply with such rules;
  - (d) if the Parties fail to agree the appointment of the arbitrator within 10 Working Days from the date on which arbitration proceedings are commenced or if the person appointed is unable or unwilling to act, the arbitrator shall be appointed by the LCIA;
  - (e) the chair of the arbitral tribunal shall be British;
  - (f) the arbitration proceedings shall take place in London and in the English language; and
  - (g) the seat of the arbitration shall be London.

## **8 URGENT RELIEF**

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

- (a) for interim or interlocutory remedies in relation to this Contract or infringement by the other Party of that Party’s Intellectual Property Rights; and/or
- (b) where compliance with Paragraph 2.1 and/or referring the Dispute to mediation may leave insufficient time for that Party to commence proceedings before the expiry of the limitation period.

## **9 MULTI-PARTY DISPUTES**

- 9.1 All Multi-Party Disputes shall be resolved in accordance with the procedure set out in this Paragraph 9 (the “**Multi-Party Dispute Resolution Procedure**”).
- 9.2 If at any time following the issue of a Dispute Notice, the Buyer reasonably considers that the matters giving rise to the Dispute involve one or more Related Third Parties, then the Buyer shall be entitled to determine that the Dispute is a Multi-Party Dispute and to serve a notice on the Supplier which sets out the Buyer’s determination that the Dispute is a Multi-Party Dispute and specifies the Related Third Parties which are to be involved in the Multi-Party Dispute Resolution Procedure, such notice a “**Multi-Party Procedure Initiation Notice**”.
- 9.3 If following the issue of a Dispute Notice but before the Dispute has been referred to Expert Determination or to arbitration in accordance with Paragraph 7, the Supplier has reasonable grounds to believe that the matters giving rise to the Dispute have been contributed to by one or more Related Third Parties, the Supplier may serve a Supplier Request on the Buyer.

- 9.4 The Buyer shall (acting reasonably) consider each Supplier Request and shall determine within 5 Working Days whether the Dispute is:
- (a) a Multi-Party Dispute, in which case the Buyer shall serve a Multi-Party Procedure Initiation Notice on the Supplier; or
  - (b) not a Multi-Party Dispute, in which case the Buyer shall serve written notice of such determination upon the Supplier and the Dispute shall be treated in accordance with Paragraphs 3 to 8.
- 9.5 If the Buyer has determined, following a Supplier Request, that a Dispute is not a Multi-Party Dispute, the Supplier may not serve another Supplier Request with reference to the same Dispute.
- 9.6 Following service of a Multi-Party Procedure Initiation Notice a Multi-Party Dispute shall be dealt with by a board (in relation to such Multi-Party Dispute, the “**Multi-Party Dispute Resolution Board**”) comprising representatives from the following parties to the Multi-Party Dispute, each of whom shall be of a suitable level of seniority to finalise any agreement with the other parties to settle the Multi-Party Dispute:
- (a) the Buyer;
  - (b) the Supplier;
  - (c) each Related Third Party involved in the Multi-Party Dispute; and
  - (d) any other representatives of any of the Parties and/or any Related Third Parties whom the Buyer considers necessary,
- (together “**Multi-Party Dispute Representatives**”).
- 9.7 The Parties agree that the Multi-Party Dispute Resolution Board shall seek to resolve the relevant Multi-Party Dispute in accordance with the following principles and procedures:
- (a) the Parties shall procure that their Multi-Party Dispute Representatives attend, and shall use their best endeavours to procure that the Multi-Party Dispute Representatives of each Related Third Party attend, all meetings of the Multi-Party Dispute Resolution Board in respect of the Multi-Party Dispute;
  - (b) the Multi-Party Dispute Resolution Board shall first meet within 10 Working Days of service of the relevant Multi-Party Procedure Initiation Notice at such time and place as the Parties may agree or, if the Parties do not reach agreement on the time and place within 5 Working Days of service of the relevant Multi-Party Procedure Initiation Notice, at the time and place specified by the Buyer, provided such place is at a neutral location within England and that the meeting is to take place between 9.00am and 5.00pm on a Working Day; and
  - (c) in seeking to resolve or settle any Multi-Party Dispute, the members of the Multi-Party Dispute Resolution Board shall have regard to the principle that a Multi-Party Dispute should be determined based on the contractual rights and obligations between the Parties and the Related Third Parties and that any apportionment of costs should reflect the separate components of the Multi-Party Dispute.

9.8 If a Multi-Party Dispute is not resolved between the Parties and all Related Third Parties within 25 Working Days of the issue of the Multi-Party Procedure Initiation Notice (or such longer period as the Parties may agree in writing), then:

- (a) either Party may serve a Mediation Notice in respect of the Multi-Party Dispute in which case Paragraph 5 shall apply;
- (b) either Party may request that the Multi-Party Dispute is referred to an expert in which case Paragraph 6 shall apply; and/or
- (c) subject to Paragraph 9.9, Paragraph 7 shall apply to the Multi-Party Dispute,

and in each case references to the "Supplier" or the "Parties" in such provisions shall include a reference to all Related Third Parties.

9.9 If a Multi-Party Dispute is referred to arbitration in accordance with Paragraph 7 or a Dispute becomes a Multi-Party Dispute during the course of arbitration proceedings and either Party is unable to compel a Related Third Party to submit to such arbitration proceedings, the Buyer or the Supplier may discontinue such arbitration proceedings and instead initiate court proceedings. The costs of any such discontinued arbitration proceedings shall be borne by the Party which is in a direct contractual relationship with the Related Third Party or, where the Related Third Party is a Sub-Contractor, by the Supplier.

**SCHEDULE 8.4**  
**REPORTS AND RECORDS PROVISIONS**

## **1 TRANSPARENCY REPORTS**

- 1.1 Within three (3) months of the Effective Date the Supplier shall provide to the Buyer for its approval (such approval not to be unreasonably withheld or delayed) draft reports in accordance with Part A of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form (once approved, the “**Transparency Reports**”).
- 1.2 If the Buyer rejects any draft Transparency Report, the Supplier shall submit a revised version of the relevant report for further approval by the Buyer within five (5) days of receipt of any notice of rejection, taking account of any recommendations for revision and improvement to the report provided by the Buyer. If the Parties fail to agree on a draft Transparency Report the Buyer shall determine what should be included.
- 1.3 The Supplier shall provide accurate and up-to-date versions of each Transparency Report to the Buyer at the frequency referred to in Part A of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form.
- 1.4 Any disagreement in connection with the preparation and/or approval of Transparency Reports, other than under paragraph 1.2 above in relation to the contents of a Transparency Report, shall be treated as a Dispute.
- 1.5 The requirements for Transparency Reports are in addition to any other reporting requirements in this Contract.

## **2 OTHER REPORTS**

The Buyer may require any or all of the following reports:

- (a) delay reports;
- (b) reports relating to Testing and tests carried out under Schedule 2.4 (*Security Management*) and Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*);
- (c) reports which the Supplier is required to supply as part of the Management Information;
- (d) annual reports on the Insurances;
- (e) security reports; and
- (f) Force Majeure Event reports.

## **3 RECORDS**

- 3.1 The Supplier shall retain and maintain all the records (including superseded records) referred to in Paragraph 1 and Annex 2 (together “**Records**”):
  - (a) in accordance with the requirements of The National Archives and Good Industry Practice;
  - (b) in chronological order;

- (c) in a form that is capable of audit; and
  - (d) at its own expense.
- 3.2 The Supplier shall make the Records available for inspection to the Buyer on request, subject to the Buyer giving reasonable notice.
- 3.3 Where Records are retained in electronic form, the original metadata shall be preserved together with all subsequent metadata in a format reasonably accessible to the Buyer.
- 3.4 The Supplier shall, during the Term and a period of at least 7 years following the expiry or termination of this Contract, maintain or cause to be maintained complete and accurate documents and records in relation to the provision of the Services including but not limited to all Records.
- 3.5 Records that contain financial information shall be retained and maintained in safe storage by the Supplier for a period of at least 7 years after the expiry or termination of this Contract.
- 3.6 Without prejudice to the foregoing, the Supplier shall provide the Buyer:
- (a) as soon as they are available, and in any event within 10 months of each financial year end of the Supplier during the Term, a copy, certified as a true copy by an authorised representative of the Supplier, of its audited accounts.
  - (b) as soon as they shall have been sent to its shareholders in order to be laid before an annual general meeting of the Supplier, but not later than 130 Working Days after the end of each accounting reference period of the Supplier part or all of which falls during the Term, the Supplier's audited accounts and if applicable, of the consolidated audited accounts of the Supplier and its Affiliates in respect of that period together with copies of all related directors' and auditors' reports and all other notices/circulars to shareholders.

#### **4 Virtual Library**

- 4.1 The Supplier shall, no later than eight (8) weeks prior to the Operational Services Commencement Date and without charge to the Buyer, create a Virtual Library on which the Supplier shall (subject to any applicable legislation governing the use or processing of personal data) make information about this Contract available in accordance with the requirements outlined in this Schedule.
- 4.2 The Supplier shall ensure that the Virtual Library is:
- (a) capable of holding and allowing access to the information described in Part B of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form and includes full and accurate file details of all uploaded items including date and time of upload, version number and the name of the uploader;
  - (b) structured so that each document uploaded has a unique identifier which is automatically assigned;



- 4.9 Where Access Permission is not listed (in column 6 of the table at Part B of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form) as being subject to the occurrence of a certain event the Supplier shall grant access to the person and information specified (in column 6 of the table at Part B of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form) from the Initial Upload Date.
- 4.10 Where Access Permission is specified as being granted to the Buyer's Third Party Auditor (prior to the Buyer being granted access) it shall:
- (a) be entitled to access, view and download information specified in Part B of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form subject to it entering into a confidentiality agreement with the Supplier to keep the contents confidential (except to the extent disclosure of the confidential information is required under paragraph 4.10(b) of this Schedule); and
  - (b) report to the Buyer (at its request) as to the completeness and accuracy of the information but not the substance of the information.
- 4.11 The Supplier shall ensure that the Virtual Library retains in an accessible form all historic or superseded records of the information specified in Part B of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form. In order to maintain the integrity of the historic archive of the information and documentation and for the purposes of maintaining a clear audit trail, the Supplier shall not delete or overwrite any information that has been stored in the Virtual Library, except for the purposes of maintenance (provided no information is lost during maintenance) or to enable the Supplier to comply with Data Protection Legislation.
- 4.12 The Supplier warrants that the information uploaded to the Virtual Library is accurate, complete, up-to-date and in accordance with this Contract at the date of upload.
- 4.13 Where the Supplier becomes aware that any of the information provided on the Virtual Library is materially inaccurate, incomplete or out of date (other than in respect of historic versions of documents) the Supplier shall provide an update to the information within fourteen (14) days unless already due to be updated beforehand due to an Update Requirement specified in Part B of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form.
- 4.14 In the event of a conflict between any requirement in this Contract (excluding Part B of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form) for the Supplier to provide information to the Buyer and the requirements set out in Part B of Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form, the requirement elsewhere in this Contract shall prevail.
- 4.15 The Supplier shall ensure that all approved users of the Virtual Library are alerted by email each time that information in the Virtual Library is uploaded or updated as it occurs.
- 4.16 No later than one (1) Month prior to the Operational Services Commencement Date, the Supplier shall provide training manuals to the Buyer relating to the use of the Virtual Library.

- 4.17 On request by the Buyer the Supplier shall provide the Buyer's nominated users with a reasonable level of training and ongoing support to enable them to make use of the Virtual Library.
- 4.18 For the avoidance of doubt, the cost of any redactions, access restrictions or compliance with the Data Protection Legislation in respect of the information hosted on the Virtual Library shall be at the Supplier's own cost and expense.

**ANNEX 1: TRANSPARENCY REPORTS**

<b>Title</b>	<b>Content</b>	<b>Format</b>	<b>Frequency</b>
Performance	<ul style="list-style-type: none"><li>• How the service has operated</li><li>• Delivery SLA's</li><li>• Delivery against Work Packages</li><li>• Systems</li><li>• Call-Off Contract Charges</li><li>• Key Subcontractors</li><li>• Any other agreed reporting requirements</li></ul>	To be agreed	Quarterly:  December March June September

## **ANNEX 2: RECORDS TO BE KEPT BY THE SUPPLIER**

The records to be kept by the Supplier are:

1. This Contract, its Schedules and all amendments to such documents.
2. All other documents which this Contract expressly requires to be prepared.
3. Records relating to the appointment and succession of the Supplier Representative and each member of the Key Personnel.
4. Notices, reports and other documentation submitted by any Expert.
5. All operation and maintenance manuals prepared by the Supplier for the purpose of maintaining the provision of the Services and the underlying IT Environment and Supplier Equipment.
6. Documents prepared by the Supplier or received by the Supplier from a third party relating to a Force Majeure Event.
7. All formal notices, reports or submissions made by the Supplier to the Buyer Representative in connection with the provision of the Services.
8. All certificates, licences, registrations or warranties in each case obtained by the Supplier in relation to the provision of the Services.
9. Documents prepared by the Supplier in support of claims for the Charges.
10. Documents submitted by the Supplier pursuant to the Change Control Procedure.
11. Documents submitted by the Supplier pursuant to invocation by it or the Buyer of the Dispute Resolution Procedure.
12. Documents evidencing any change in ownership or any interest in any or all of the shares in the Supplier and/or the Guarantor, where such change may cause a change of Control; and including documents detailing the identity of the persons changing such ownership or interest.
13. Invoices and records related to VAT sought to be recovered by the Supplier.
14. Financial records, including audited and un-audited accounts of the Guarantor and the Supplier.
15. Records required to be retained by the Supplier by Law, including in relation to health and safety matters and health and safety files and all consents.
16. All documents relating to the insurances to be maintained under this Contract and any claims made in respect of them.
17. All journals and audit trail data referred to in Schedule 2.4 (*Security Management Plan*).
18. All other records, notices or certificates required to be produced and/or maintained by the Supplier pursuant to this Contract.

**ANNEX 3: RECORDS TO UPLOAD TO VIRTUAL LIBRARY**

**[Guidance Note: complete the information required in Attachment 8.4 (Transparency Reports and Records to Upload to the Virtual Library) of the Order Form]**

**[To be populated upon contract award]**

**ANNEX 4: SUPPLY CHAIN TRANSPARENCY INFORMATION TEMPLATE**

	<b>Financial Year 20[ ]</b>	
	<b>Under this Contract</b>	
	<b>Supplier as a whole</b>	
	£	%
		£
		%
Estimated total contract revenue (£) to be received in this Financial Year	£[ ]	100% £[ ] 100%
Total value of Sub-contracted revenues (£) in this Financial Year	£[ ]	[ ] £[ ] [ ]
Total value of Sub-contracted revenues to SMEs (£) in this Financial Year	£[ ]	[ ] £[ ] [ ]
Total value of Sub-contracted revenues to VCSEs (£) in this Financial Year	£[ ]	[ ] £[ ] [ ]

**SCHEDULE 8.5**  
**EXIT MANAGEMENT**

## 1 DEFINITIONS

In this Schedule, the following definitions shall apply:

<b>“Application Interface” or “API”</b>	<b>Programming</b>	Means a piece of software that facilitates access to the Supplier’s application(s) to provide access to business functionality and/or Buyer Data to support any relevant Termination Services which conforms to the Government Digital Service API technical and data standards set <a href="https://www.gov.uk/guidance/gds-api-technical-and-data-standards">https://www.gov.uk/guidance/gds-api-technical-and-data-standards</a> online at:
<b>“Emergency Exit”</b>		any termination of this Contract which is a: <ul style="list-style-type: none"> <li>(a) termination of the whole or part of this Contract in accordance with Clause 33 (Termination Rights), except where the period of notice given under that Clause is greater than or equal to 6 months;</li> <li>(b) termination of the provision of the Services for any reason prior to the expiry of any period of notice of termination served pursuant to Clause 33 (Termination Rights); or</li> <li>(c) wrongful termination or repudiation of this Contract by either Party;</li> </ul>
<b>“Ethical Wall Contract”</b>		an ethical wall agreement in a form similar to the draft ethical wall agreement set out at Annex 2;
<b>“Exclusive Assets”</b>		those Assets used by the Supplier or a Key Sub-contractor which are used exclusively in the provision of the Services;
<b>“Exit Information”</b>		has the meaning given in Paragraph 3.1;
<b>“Exit Manager”</b>		the person appointed by each Party pursuant to Paragraph 2.3 for managing the Parties’ respective obligations under this Schedule;
<b>“Net Book Value”</b>		the net book value of the relevant Asset(s) calculated in accordance with the depreciation policy of the Supplier set out in the letter in the

agreed form from the Supplier to the Buyer of the same date as this Contract;

**“Non-Exclusive Assets”**

those Assets (if any) which are used by the Supplier or a Key Sub-contractor in connection with the Services but which are also used by the Supplier or Key Sub-contractor for other purposes of material value;

**“Ordinary Exit”**

any termination of the whole or any part of this Contract which occurs:

pursuant to Clause 33 (Termination Rights) where the period of notice given by the Party serving notice to terminate pursuant to such Clause is greater than or equal to 6 months; or

as a result of the expiry of the Initial Term or any Extension Period;

**“Registers”**

the register and configuration database referred to in Paragraphs 2.1(a) and 2.1(b);

**“Transferable Assets”**

those of the Exclusive Assets which are capable of legal transfer to the Buyer; and

**“Transferable Contracts”**

the Sub-contracts, licences for Supplier's Software, licences for Third Party Software or other agreements which are necessary to enable the Buyer or any Replacement Supplier to perform the Services or the Replacement Services, including in relation to licences all relevant Documentation; and

**“Transferring Contracts”**

has the meaning given in Paragraph 7.2(c).

## **2 OBLIGATIONS DURING THE TERM TO FACILITATE EXIT**

2.1 During the Term, the Supplier shall:

- (a) create and maintain a register of all:
  - (i) Assets, detailing their:
    - (A) make, model and asset number;
    - (B) ownership and status as either Exclusive Assets or Non-Exclusive Assets;
    - (C) Net Book Value;
    - (D) condition and physical location; and

- (E) use (including technical specifications); and
  - (ii) Sub-contracts and other relevant agreements (including relevant software licences, maintenance and support agreements and equipment rental and lease agreements) required for the performance of the Services;
  - (b) create and maintain a configuration database detailing the technical infrastructure and operating procedures through which the Supplier provides the Services, which shall contain sufficient detail to permit the Buyer and/or Replacement Supplier to understand how the Supplier provides the Services and to enable the smooth transition of the Services with the minimum of disruption;
  - (c) agree the format of the Registers with the Buyer as part of the process of agreeing the Exit Plan; and
  - (d) at all times keep the Registers up to date, in particular in the event that Assets, Sub-contracts or other relevant agreements are added to or removed from the Services.
- 2.2 The Supplier shall procure that all Exclusive Assets listed in the Registers are clearly marked to identify that they are exclusively used for the provision of the Services under this Contract.
- 2.3 Each Party shall appoint a person for the purposes of managing the Parties' respective obligations under this Schedule and provide written notification of such appointment to the other Party within 3 months of the Effective Date. The Supplier's Exit Manager shall be responsible for ensuring that the Supplier and its employees, agents and Sub-contractors comply with this Schedule. The Supplier shall ensure that its Exit Manager has the requisite authority to arrange and procure any resources of the Supplier as are reasonably necessary to enable the Supplier to comply with the requirements set out in this Schedule. The Parties' Exit Managers will liaise with one another in relation to all issues relevant to the termination of this Contract and all matters connected with this Schedule and each Party's compliance with it.

### **3 OBLIGATIONS TO ASSIST ON RE-TENDERING OF SERVICES**

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

- (e) a list of on-going and/or threatened disputes in relation to the provision of the Services;
- (f) to the extent permitted by applicable Law, all information relating to Transferring Supplier Employees required to be provided by the Supplier under this Contract; and
- (g) such other material and information as the Buyer shall reasonably require,

(together, the “**Exit Information**”).

3.2 The Supplier acknowledges that the Buyer may disclose the Supplier's Confidential Information to an actual or prospective Replacement Supplier or any third party whom the Buyer is considering engaging to the extent that such disclosure is necessary in connection with such engagement (except that the Buyer may not under this Paragraph 3.2 disclose any Supplier's Confidential Information which is information relating to the Supplier's or its Sub-contractors' prices or costs).

3.3 The Supplier shall:

- (a) notify the Buyer within 5 Working Days of any material change to the Exit Information which may adversely impact upon the potential transfer and/or continuance of any Services and shall consult with the Buyer regarding such proposed material changes; and
- (b) provide complete updates of the Exit Information on an as-requested basis as soon as reasonably practicable and in any event within 10 Working Days of a request in writing from the Buyer.

3.4 The Supplier may charge the Buyer for its reasonable additional costs to the extent the Buyer requests more than 4 updates in any 6 month period.

3.5 The Exit Information shall be accurate and complete in all material respects and the level of detail to be provided by the Supplier shall be such as would be reasonably necessary to enable a third party to:

- (a) prepare an informed offer for those Services; and
- (b) not be disadvantaged in any subsequent procurement process compared to the Supplier (if the Supplier is invited to participate).

#### **4 OBLIGATION TO ENTER INTO AN ETHICAL WALL AGREEMENT ON RE-TENDERING OF SERVICES**

4.1 The Buyer may require the Supplier to enter into the Ethical Wall Contract at any point during a re-tendering or contemplated re-tendering of the Services or any part of the Services.

4.2 If required to enter into the Ethical Wall Contract, the Supplier will return a signed copy of the Ethical Wall Contract within 10 Working Days of receipt. The Supplier's costs of entering into the Ethical Wall Contract will be borne solely by the Supplier.

## 5 EXIT PLAN

- 5.1 The Supplier shall, **within 3 months after the Effective Date,** deliver to the Buyer an Exit Plan which:
- (a) sets out the Supplier's proposed methodology for achieving an orderly transition of the relevant Services from the Supplier to the Buyer and/or its Replacement Supplier on the Partial Termination, expiry or termination of this Contract;
  - (b) complies with the requirements set out in Paragraph 5.2; and
  - (c) is otherwise reasonably satisfactory to the Buyer.
- 5.2 The Parties shall use reasonable endeavours to agree the contents of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within 20 Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 5.3 The Exit Plan shall set out, as a minimum:
- (a) how the Exit Information is obtained;
  - (b) separate mechanisms for dealing with Ordinary Exit and Emergency Exit, the provisions relating to Emergency Exit being prepared on the assumption that the Supplier may be unable to provide the full level of assistance which is required by the provisions relating to Ordinary Exit, and in the case of Emergency Exit, provision for the supply by the Supplier of all such reasonable assistance as the Buyer shall require to enable the Buyer or its sub-contractors to provide the Services;
  - (c) a mechanism for dealing with Partial Termination on the assumption that the Supplier will continue to provide the remaining Services under this Contract;
  - (d) the management structure to be employed during both transfer and cessation of the Services in an Ordinary Exit and an Emergency Exit;
  - (e) the management structure to be employed during the Termination Assistance Period;
  - (f) a detailed description of both the transfer and cessation processes, including a timetable, applicable in the case of an Ordinary Exit and an Emergency Exit;
  - (g) how the Services will transfer to the Replacement Supplier and/or the Buyer, including details of the processes, documentation, data transfer, systems migration, security and the segregation of the Buyer's technology components from any technology components operated by the Supplier or its Sub-contractors (where applicable);
  - (h) the scope of the Termination Services that may be required for the benefit of the Buyer (including such of the services set out in Annex 1 as are applicable);
  - (i) a timetable and critical issues for providing the Termination Services;

- (j) any charges that would be payable for the provision of the Termination Services (calculated in accordance with the methodology that would apply if such Services were being treated as a Contract Change), together with a capped estimate of such charges;
- (k) how the Termination Services would be provided (if required) during the Termination Assistance Period;
- (l) procedures to deal with requests made by the Buyer and/or a Replacement Supplier for Staffing Information pursuant to Schedule 9.1 (*Staff Transfer*); and
- (m) how each of the issues set out in this Schedule will be addressed to facilitate the transition of the Services from the Supplier to the Replacement Supplier and/or the Buyer with the aim of ensuring that there is no disruption to or degradation of the Services during the Termination Assistance Period.

5.4 The Parties acknowledge that the migration of the Services from the Supplier to the Buyer and/or its Replacement Supplier may be phased, such that certain of the Services are handed over before others.

5.5 The Supplier shall review and (if appropriate) update the Exit Plan on a basis consistent with the principles set out in this Schedule in the first month of each Contract Year (commencing with the second Contract Year) and if requested by the Buyer following the occurrence of a Financial Distress Event, within 14 days of such request, to reflect any changes in the Services that have occurred since the Exit Plan was last agreed. Following such update the Supplier shall submit the revised Exit Plan to the Buyer for review. Within 20 Working Days following submission of the revised Exit Plan, the Parties shall meet and use reasonable endeavours to agree the contents of the revised Exit Plan. If the Parties are unable to agree the contents of the revised Exit Plan within that 20 Working Day period, such dispute shall be resolved in accordance with the Dispute Resolution Procedure.

#### **Finalisation of the Exit Plan**

5.6 Within 20 Working Days after service of a Termination Notice by either Party or 6 months prior to the expiry of this Contract, the Supplier will submit for the Buyer's approval the Exit Plan in a final form that could be implemented immediately. The final form of the Exit Plan shall be prepared on a basis consistent with the principles set out in this Schedule and shall reflect any changes in the Services that have occurred since the Exit Plan was last agreed.

5.7 The Parties will meet and use their respective reasonable endeavours to agree the contents of the final form of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within 20 Working Days following its delivery to the Buyer then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure. Until the agreement of the final form of the Exit Plan, the Supplier shall provide the Termination Services in accordance with the principles set out in this Schedule and the last approved version of the Exit Plan (insofar as relevant).

## **6 TERMINATION SERVICES**

### **Notification of Requirements for Termination Services**

6.1 The Buyer shall be entitled to require the provision of Termination Services at any time during the Term by giving written notice to the Supplier (a **“Termination Assistance Notice”**) at least 4 months prior to the date of termination or expiry of this Contract or as soon as reasonably practicable (but in any event, not later than 1 month) following the service by either Party of a Termination Notice. The Termination Assistance Notice shall specify:

- (a) the date from which Termination Services are required;
- (b) the nature of the Termination Services required; and
- (c) the period during which it is anticipated that Termination Services will be required, which shall continue no longer than 24 months after the date that the Supplier ceases to provide the terminated Services.

6.2 The Buyer shall have:

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

**Termination Assistance Period**

6.3 Throughout the Termination Assistance Period, or such shorter period as the Buyer may require, the Supplier shall:

- (a) continue to provide the Services (as applicable) and, if required by the Buyer pursuant to Paragraph 6.1, provide the Termination Services;
- (b) in addition to providing the Services and the Termination Services, provide to the Buyer any reasonable assistance requested by the Buyer to allow the Services to continue without interruption following the Partial Termination, termination or expiry of this Contract and to facilitate the orderly transfer of responsibility for and conduct of the Services to the Buyer and/or its Replacement Supplier;
- (c) use all reasonable endeavours to reallocate resources to provide such assistance as is referred to in Paragraph 6.3(b) without additional costs to the Buyer;
- (d) provide the Services and the Termination Services at no detriment to the Target Performance Levels, save to the extent that the Parties agree otherwise in accordance with Paragraph 6.5; and
- (e) at the Buyer's request and on reasonable notice, deliver up-to-date Registers to the Buyer.

- 6.4 Without prejudice to the Supplier's obligations under Paragraph 6.3(c), if it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in Paragraph 6.3(b) without additional costs to the Buyer, any additional costs incurred by the Supplier in providing such reasonable assistance which is not already in the scope of the Termination Services or the Exit Plan shall be subject to the Change Control Procedure.
- 6.5 If the Supplier demonstrates to the Buyer's reasonable satisfaction that transition of the Services and provision of the Termination Services during the Termination Assistance Period will have a material, unavoidable adverse effect on the Supplier's ability to meet one or more particular Target Performance Level(s), the Parties shall vary the relevant Target Performance Level(s) and/or the applicable Service Credits to take account of such adverse effect.

#### **Termination Obligations**

- 6.6 The Supplier shall comply with all of its obligations contained in the Exit Plan in respect of any Partial Termination or termination.
- 6.7 Upon termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule) in respect of the Services that have been terminated, the Supplier shall:
- (a) cease to use the Buyer Data;
  - (b) provide the Buyer and/or the Replacement Supplier with a complete and uncorrupted version of the Buyer Data in electronic form (or such other format as reasonably required by the Buyer);
  - (c) erase from any computers, storage devices and storage media that are to be retained by the Supplier after the end of the Termination Assistance Period all Buyer Data and promptly certify to the Buyer that it has completed such deletion;
  - (d) return to the Buyer such of the following as is in the Supplier's possession or control:
    - (i) all copies of the Buyer Software and any other software licensed by the Buyer to the Supplier under this Contract;
    - (ii) all materials created by the Supplier under this Contract in which the IPRs are owned by the Buyer;
    - (iii) any parts of the IT Environment and any other equipment which belongs to the Buyer; and
    - (iv) any items that have been on-charged to the Buyer, such as consumables;
  - (e) vacate any Buyer Premises unless access is required to continue to deliver the Services;
  - (f) provide access during normal working hours to the Buyer and/or the Replacement Supplier for up to 12 months after the Partial Termination, expiry or termination of this Contract to:

- (i) such information relating to the Services as remains in the possession or control of the Supplier; and
- (ii) such members of the Supplier Personnel as have been involved in the design, development and provision of the Services and who are still employed by the Supplier, provided that the Buyer and/or the Replacement Supplier shall pay the reasonable costs of the Supplier actually incurred in responding to requests for access under this Paragraph 6.7(f)(ii).

6.8 Upon Partial Termination, termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule), each Party shall return to the other Party (or if requested, destroy or delete) all Confidential Information of the other Party in respect of the terminated Services and shall certify that it does not retain the other Party's Confidential Information save to the extent (and for the limited period) that such information needs to be retained by the Party in question for the purposes of providing or receiving any Services or Termination Services or for statutory compliance purposes.

6.9 Except where this Contract provides otherwise, all licences, leases and authorisations granted by the Buyer to the Supplier in relation to the terminated Services shall be terminated with effect from the end of the Termination Assistance Period.

## 7 ASSETS, SUB-CONTRACTS AND SOFTWARE

7.1 Following notice of termination or Partial Termination of this Contract and during the Termination Assistance Period, the Supplier shall not, in respect of the terminated Services, without the Buyer's prior written consent:

- (a) terminate, enter into or vary any Sub-contract except to the extent that such change does not or will not affect the provision of Services or the Charges;
- (b) (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Assets or acquire any new Assets; or
- (c) terminate, enter into or vary any licence for software in connection with the Services.

7.2 Within 20 Working Days of receipt of the up-to-date Registers provided by the Supplier pursuant to Paragraph 6.3(e), the Buyer shall provide written notice to the Supplier setting out:

- (a) which, if any, of the Transferable Assets the Buyer requires to be transferred to the Buyer and/or the Replacement Supplier in respect of the terminated Services ("**Transferring Assets**");
  - (i) which, if any, of:
    - the Exclusive Assets that are not Transferable Assets; and
    - the Non-Exclusive Assets,

the Buyer and/or the Replacement Supplier requires the continued use of; and

- (b) which, if any, of Transferable Contracts the Buyer requires to be assigned or novated to the Buyer and/or the Replacement Supplier (the “**Transferring Contracts**”),

in order for the Buyer and/or its Replacement Supplier to provide the Services from the expiry of the Termination Assistance Period. Where requested by the Buyer and/or its Replacement Supplier, the Supplier shall provide all reasonable assistance to the Buyer and/or its Replacement Supplier to enable it to determine which Transferable Assets and Transferable Contracts the Buyer and/or its Replacement Supplier requires to provide the Services or Replacement Services.

7.3 With effect from the expiry of the Termination Assistance Period, the Supplier shall sell the Transferring Assets to the Buyer and/or its nominated Replacement Supplier for a consideration equal to their Net Book Value, except where:

- (a) a Termination Payment is payable by the Buyer to the Supplier, in which case, payment for such Assets shall be included within the Termination Payment; or
- (b) the cost of the Transferring Asset has been partially or fully paid for through the Charges at the time of expiry or termination of this Contract, in which case the Buyer shall pay the Supplier the Net Book Value of the Transferring Asset less the amount already paid through the Charges.

7.4 Risk in the Transferring Assets shall pass to the Buyer or the Replacement Supplier (as appropriate) at the end of the Termination Assistance Period and title to the Transferring Assets shall pass to the Buyer or the Replacement Supplier (as appropriate) on payment for the same.

7.5 Where the Supplier is notified in accordance with Paragraph 7.2(b) that the Buyer and/or the Replacement Supplier requires continued use of any Exclusive Assets that are not Transferable Assets or any Non-Exclusive Assets, the Supplier shall as soon as reasonably practicable:

- (a) procure a non-exclusive, perpetual, royalty-free licence (or licence on such other terms that have been agreed by the Buyer) for the Buyer and/or the Replacement Supplier to use such assets (with a right of sub-licence or assignment on the same terms); or failing which
- (b) procure a suitable alternative to such assets and the Buyer or the Replacement Supplier shall bear the reasonable proven costs of procuring the same.

7.6 The Supplier shall as soon as reasonably practicable assign or procure the novation to the Buyer and/or the Replacement Supplier of the Transferring Contracts. The Supplier shall execute such documents and provide such other assistance as the Buyer reasonably requires to effect this novation or assignment.

7.7 The Buyer shall:

- (a) accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and

- (b) once a Transferring Contract is novated or assigned to the Buyer and/or the Replacement Supplier, carry out, perform and discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract, or as applicable, procure that the Replacement Supplier does the same.

7.8 The Supplier shall hold any Transferring Contracts on trust for the Buyer until such time as the transfer of the relevant Transferring Contract to the Buyer and/or the Replacement Supplier has been effected.

7.9 The Supplier shall indemnify the Buyer (and/or the Replacement Supplier, as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to the Buyer (and/or Replacement Supplier) pursuant to Paragraph 7.6 both:

- (a) in relation to any matters arising prior to the date of assignment or novation of such Sub-contract; and
- (b) in relation to any matters arising after the date of assignment or novation of such Sub-contract where the loss, liability or cost arises as a result of the Supplier's failure to comply with Clauses 16 (Intellectual Property Rights) and/or Clause 17 (Transfer and Licences Granted by the Supplier).

## **8 SUPPLIER PERSONNEL**

8.1 The Buyer and Supplier agree and acknowledge that in the event of the Supplier ceasing to provide the Services or part of them for any reason, Schedule 9.1 (*Staff Transfer*) shall apply.

8.2 The Supplier shall not take any step (expressly or implicitly or directly or indirectly by itself or through any other person) to dissuade or discourage any employees engaged in the provision of the Services from transferring their employment to the Buyer and/or the Replacement Supplier.

8.3 During the Termination Assistance Period, the Supplier shall give the Buyer and/or the Replacement Supplier reasonable access to the Supplier's personnel to present the case for transferring their employment to the Buyer and/or the Replacement Supplier.

8.4 The Supplier shall immediately notify the Buyer or, at the direction of the Buyer, the Replacement Supplier of any period of notice given by the Supplier or received from any person referred to in the Staffing Information, regardless of when such notice takes effect.

8.5 The Supplier shall not for a period of 12 months from the date of transfer re-employ or re-engage or entice any employees, suppliers or Sub-contractors whose employment or engagement is transferred to the Buyer and/or the Replacement Supplier, except that this paragraph shall not apply where the employee, supplier or Sub-contractor applies in response to a public advertisement of a vacancy.

## **9 CHARGES**

9.1 During the Termination Assistance Period (or for such shorter period as the Buyer may require the Supplier to provide the Termination Services), the Buyer shall pay the Charges to the Supplier in respect of the Termination Services in accordance with the rates set out

in the Exit Plan (but shall not be required to pay costs in excess of the estimate set out in the Exit Plan). If the scope or timing of the Termination Services is changed and this results in a change to the costs of such Termination Services, the estimate may be varied in accordance with the Change Control Procedure.

- 9.2 Where the Buyer requests an extension to the Termination Services beyond the Termination Assistance Period in accordance with Paragraph 6.2:
- (a) where more than 6 months' notice is provided, the same rate as set out in the Exit Plan (or the Charges when not stated in the Exit Plan) shall be payable; and
  - (b) where less than 6 months' notice is provided, no more than 1.2 times the rate as set out in the Exit Plan (or the Charges when not stated in the Exit Plan) shall be payable.
- 9.3 For the purpose of calculating the costs of providing the Termination Services for inclusion in the Exit Plan or, if no Exit Plan has been agreed, the costs of providing Termination Services shall be determined in accordance with the Change Control Procedure.
- 9.4 Except as otherwise expressly specified in this Contract, the Supplier shall not make any charges for the services provided by the Supplier pursuant to, and the Buyer shall not be obliged to pay for costs incurred by the Supplier in relation to its compliance with, this Schedule including the preparation and implementation of the Exit Plan and any activities mutually agreed between the Parties to carry on after the expiry of the Termination Assistance Period.

## **10 APPORTIONMENTS**

- 10.1 All outgoings and expenses (including any remuneration due) and all rents, royalties and other periodical payments receivable in respect of the Transferring Assets and Transferring Contracts shall be apportioned between the Buyer and the Supplier and/or the Replacement Supplier and the Supplier (as applicable) as follows:
- (a) the amounts shall be annualised and divided by 365 to reach a daily rate;
  - (b) the Buyer shall be responsible for (or shall procure that the Replacement Supplier shall be responsible for) or entitled to (as the case may be) that part of the value of the invoice pro rata to the number of complete days following the transfer, multiplied by the daily rate; and
  - (c) the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice.
- 10.2 Each Party shall pay (and/or the Buyer shall procure that the Replacement Supplier shall pay) any monies due under Paragraph 10.1 as soon as reasonably practicable.

## **ANNEX 1: SCOPE OF THE TERMINATION SERVICES**

- 1** The Termination Services to be provided by the Supplier shall include such of the following services as the Buyer may specify:
  - (a) ceasing all non-critical Software changes (except where agreed in writing with the Buyer);
  - (b) notifying the Sub-contractors of procedures to be followed during the Termination Assistance Period and providing management to ensure these procedures are followed;
  - (c) providing assistance and expertise as necessary to examine all operational and business processes (including all supporting documentation) in place and re-writing and implementing processes and procedures such that they are appropriate for use by the Buyer and/or the Replacement Supplier after the end of the Termination Assistance Period;
  - (d) delivering to the Buyer the existing systems support profiles, monitoring or system logs, problem tracking/resolution documentation and status reports all relating to the 12 month period immediately prior to the commencement of the Termination Services;
  - (e) providing details of work volumes and staffing requirements over the 12 month period immediately prior to the commencement of the Termination Services;
  - (f) with respect to work in progress as at the end of the Termination Assistance Period, documenting the current status and stabilising for continuity during transition;
  - (g) providing the Buyer with any problem logs which have not previously been provided to the Buyer;
  - (h) providing assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services and re-writing and implementing these during and for a period of 12 months after the Termination Assistance Period;
  - (i) providing assistance and expertise as necessary to examine all relevant roles and responsibilities in place for the provision of the Services and re-writing and implementing these such that they are appropriate for the continuation of the Services after the Termination Assistance Period;
  - (j) reviewing all Software libraries used in connection with the Services and providing details of these to the Buyer and/or the Replacement Supplier;
  - (k) providing assistance and expertise as necessary to support the Buyer and/or the Replacement Supplier develop the migration plan for business operations and Buyer Data to the Replacement Supplier, which may include migration approach, testing of plans, contingency options, and handling of historic or archived Buyer Data;

- (l) provide all necessary support, equipment, tools, and Software such as data migration services and/or Automated Programming Interfaces, in order to enable and support the execution of the migration plan by the Buyer and/or Replacement Supplier;
- (m) making available to the Buyer and/or the Replacement Supplier expertise to analyse training requirements and provide all necessary training for the use of tools by such staff as are nominated by the Buyer (acting reasonably) at the time of termination or expiry;
- (n) assisting in establishing naming conventions for any new production site;
- (o) analysing and providing information about capacity and performance requirements, processor requirements and bandwidth requirements, and known planned requirements for capacity growth across these areas;
- (p) generating a computer listing of the Source Code of relevant Software in a form and on media reasonably requested by the Buyer;
- (q) agreeing with the Buyer a handover plan for all of the Supplier's responsibilities as set out in the Security Management Plan;
- (r) delivering copies of the production databases (with content listings) to the Buyer's and/or the Replacement Supplier's operations staff (on appropriate media) as reasonably requested by the Buyer;
- (s) assisting with the loading, testing and implementation of the production databases;
- (t) assisting in the execution of a parallel operation until the effective date of expiry or termination of this Contract;
- (u) in respect of the maintenance and support of the Supplier System, providing historical performance data for the previous 2 years, plus any extension periods;
- (v) assisting in the execution of a parallel operation of the maintenance and support of the Supplier System until the end of the Termination Assistance Period or as otherwise specified by the Buyer (provided that these Services shall end on a date no later than the end of the Termination Assistance Period);
- (w) providing an information pack listing and describing the Services for use by the Buyer in the procurement of the Replacement Services;
- (x) answering all reasonable questions from the Buyer and/or the Replacement Supplier regarding the Services;
- (y) agreeing with the Buyer and/or the Replacement Supplier a plan for the migration of the Buyer Data to the Buyer and/or the Replacement Supplier;
- (z) providing access to the Buyer and/or the Replacement Supplier during the Termination Assistance Period and for a period not exceeding 6 months afterwards for the purpose of the smooth transfer of the Services to the Buyer and/or the Replacement Supplier;

- (i) to information and documentation relating to the Transferring Services that is in the possession or control of the Supplier or its Sub-contractors (and the Supplier agrees and shall procure that its Sub-contractors do not destroy or dispose of that information within this period) including the right to take reasonable copies of that material; and
  - (ii) following reasonable notice and during the Supplier's normal business hours, to members of the Supplier Personnel who have been involved in the provision or management of the Services and who are still employed or engaged by the Supplier or its Sub-contractors; and
- (aa) knowledge transfer services, including:
- (i) transferring all training material and providing appropriate training to those Buyer and/or Replacement Supplier staff responsible for internal training in connection with the provision of the Services;
  - (ii) providing for transfer to the Buyer and/or the Replacement Supplier of all knowledge reasonably required for the provision of the Services which may, as appropriate, include information, records and documents; and
  - (iii) providing the Supplier and/or the Replacement Supplier with access to such members of the Supplier's or its Sub-contractors' personnel as have been involved in the design, development, provision or management of the Services and who are still employed or engaged by the Supplier or its Sub-contractors.

1.2 The Supplier shall:

- (a) provide a documented plan relating to the training matters referred to in Paragraph 1.1(k) for agreement by the Buyer at the time of termination or expiry of this Contract;
- (b) co-operate fully in the execution of the handover plan agreed pursuant to Paragraph 1.1(o), providing skills and expertise of a suitable standard; and
- (c) fully co-operate in the execution of the Buyer Database migration plan agreed pursuant to Paragraph 1.1(w), providing skills and expertise of a reasonably acceptable standard.

1.3 To facilitate the transfer of knowledge from the Supplier to the Buyer and/or its Replacement Supplier, the Supplier shall provide a detailed explanation of the procedures and operations used to provide the Services, the change management process and other standards and procedures to the operations personnel of the Buyer and/or the Replacement Supplier.

1.4 The information which the Supplier shall provide to the Buyer and/or the Replacement Supplier pursuant to Paragraph 1.1(y) shall include:

- (a) copies of up-to-date procedures and operations manuals;
- (b) product information;

- (c) agreements with third party suppliers of goods and services which are to be transferred to the Buyer and/or the Replacement Supplier;
- (d) key support contact details for third party supplier personnel under contracts which are to be assigned or novated to the Buyer pursuant to this Schedule;
- (e) information regarding any unresolved faults in progress at the commencement of the Termination Assistance Period as well as those expected to be in progress at the end of the Termination Assistance Period;
- (f) details of physical and logical security processes and tools which will be available to the Buyer; and
- (g) any relevant interface information.

1.5 During the Termination Assistance Period the Supplier shall grant any agent or personnel (including employees, consultants and Suppliers) of the Replacement Supplier and/or the Buyer access, during business hours and upon reasonable prior written notice, to any Sites for the purpose of effecting a prompt knowledge transfer provided that:

- (a) any such agent or personnel (including employees, consultants and suppliers) having access to any Sites pursuant to this Paragraph 1.5 shall:
  - (i) sign a confidentiality undertaking in favour of the Supplier (in such form as the Supplier shall reasonably require); and
  - (ii) during each period of access comply with the security, systems and facilities operating procedures of the Supplier relevant to such Site and that the Buyer deems reasonable; and
- (b) the Buyer and/or the Replacement Supplier shall pay the reasonable, proven and proper costs of the Supplier incurred in facilitating such access.

## **ANNEX 2: DRAFT ETHICAL WALL AGREEMENT**

Department of Health and Social Care on behalf of the Secretary of State for Health and Social Care (the "Buyer") acting on behalf of the Crown of 39 Victoria Street, London, SW1H 0EU

**and**

CDW Limited a company registered in England and Wales under registered number 02465350 whose registered office is at 3rd Floor One New Change, London, United Kingdom, EC4M 9AF (the "Counterparty").

**This Contract is dated 13<sup>th</sup> January 2025**

**Between**

- (1) Department of Health and Social Care on behalf of the Secretary of State for Health and Social Care (the "**Buyer**") acting on behalf of the Crown of 39 Victoria Street London SW1H 0EU; and
- (2) **CDW Limited** a company registered in England and Wales under registered number 02465350 whose registered office is at 3rd Floor One New Change, London, United Kingdom, EC4M 9AF (the "**Counterparty**").

**BACKGROUND**

- A. The Buyer is obliged to ensure transparency, fairness, non-discrimination and equal treatment in relation to its procurement process pursuant to the Public Contracts Regulations 2015 (as amended) (the **PCR**). The purpose of this document ("Contract") is to define the protocols to be followed to prevent, identify and remedy any conflict of interest (whether actual, potential or perceived) in the context of the Procurement.
- B. The Buyer is conducting a procurement exercise for the [supply/purchase] of [insert details of project/goods/services] (the "**Purpose**").
- C. The Buyer has an obligation to deal with conflicts of interest as set out in Regulation 24 (1) of the PCR. The concept of conflict of interest is wide. In the PCR it is described as covering at least *"any situation where relevant staff members have, directly or indirectly, a financial, economic or other personal interest which might be perceived to compromise their impartiality and independence in the context of the procurement procedure"* (Regulation 24(2)). *"Staff members"* refers to staff members of the Buyer or of a procurement service provider acting on behalf of the Buyer who are involved in the conduct of the procurement procedure or may influence the outcome of that procedure. *"Procurement service provider"* refers to a public or private body which offers ancillary purchasing activities on the market.
- D. Pursuant to Regulation 41 of the PCR, the Buyer is under an obligation to ensure that competition is not distorted by the participation of any bidder. Accordingly, the Buyer has identified that a potential distortion of competition could arise as a consequence of a bidder wishing to submit a Tender for this procurement, where it has also performed services for the Buyer under existing contractual arrangements or as a subcontractor under those same arrangements.
- E. The parties wish to enter into this Contract to ensure that a set of management processes, barriers and disciplines are put in place to ensure that conflicts of interest do not arise, and that the Counterparty does not obtain an unfair competitive advantage over Other Bidders.

**IT IS AGREED:**

**1 DEFINITIONS AND INTERPRETATION**

- 1.1 The following words and expressions shall have the following meanings in this agreement and its recitals:

**“Affiliate”** means in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control of that body corporate from time to time;

**“Contract”** means this ethical walls agreement duly executed by the Parties;

**“Bid Team”** means any Counterparty, Affiliate, connected to the preparation of an ITT Response;

**“Central Government Body”** means a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics:

- a) Government Department;
- b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal);
- c) Non-Ministerial Department; or
- d) Executive Agency;

**“Conflicted Personnel”** means any Counterparty, Affiliate, staff or agents of the Counterparty or an Affiliate who, because of the Counterparty’s relationship with the Buyer under any Contract have or have had access to information which creates or may create a conflict of interest;

**“Contract”** means the [contract for [ NIHR Digital Strategy Services]] dated [ ] between the Buyer and the Counterparty and/or an Affiliate;

**“Control”** means the beneficial ownership of more than 50% of the issued share capital of a company or the legal power to direct or cause the direction of the management of the company and **“Controls”** and **“Controlled”** shall be interpreted accordingly;

**“Effective Date”** means the date of this Contract as set out above;

**“Invitation to Tender”** or **“ITT”** means an invitation to submit tenders issued by the Buyer as part of an ITT Process;

**“ITT Process”** means, with regard to the Purpose, the relevant procedure provided for in the PCR which the Buyer has elected to use to select a contractor, together with all relevant information, correspondence and/or documents issued by the Buyer as part of that procurement exercise, all information, correspondence and/or documents issued by the bidders in response together with any resulting contract;

**“ITT Response”** means the tender submitted or to be submitted by the Counterparty or an Affiliate [(or, where relevant, by an Other Bidder)] in response to an ITT;

**“Other Affiliate”** any person who is a subsidiary, subsidiary undertaking or holding company of any Other Bidder;

**“Other Bidder”** means any other bidder or potential bidder that is not the Counterparty or any Affiliate that has or is taking part in the ITT Process;

**“Parties”** means the Buyer and the Counterparty;

**“Professional Advisor”** means a supplier, subcontractor, advisor or consultant engaged by the Counterparty under the auspices of compiling its ITT Response;

**“Purpose”** has the meaning given to it in recital B to this Contract;

**“Representative”** refers to a person's officers, directors, employees, advisers and agents and, where the context admits, providers or potential providers of finance to the Counterparty or any Affiliate in connection with the ITT Process and the representatives of such providers or potential providers of finance; and

**“Third Party”** means any person who is not a Party and includes Other Affiliates and Other Bidders.

- 1.2 Reference to the disclosure of information includes any communication or making available information and includes both direct and indirect disclosure.
- 1.3 Reference to the disclosure of information, or provision of access, by or to the Buyer or the Counterparty includes disclosure, or provision of access, by or to the representatives of the Buyer or Representatives of the Counterparty (as the case may be).
- 1.4 Reference to persons includes legal and natural persons.
- 1.5 Reference to any enactment is to that enactment as amended, supplemented, re-enacted or replaced from time to time.
- 1.6 Reference to clauses and recitals is to clauses of and recitals to this Contract.
- 1.7 Reference to any gender includes any other.
- 1.8 Reference to writing includes email.
- 1.9 The terms “associate”, “holding company”, “subsidiary”, “subsidiary undertaking” and “wholly owned subsidiary” have the meanings attributed to them in the Companies Act 2006, except that for the purposes of section 1159(1)(a) of that Act, the words ‘holds a majority of the voting rights’ shall be changed to ‘holds 30% or more of the voting rights’, and other expressions shall be construed accordingly.
- 1.10 The words “include” and “including” are to be construed without limitation.
- 1.11 The singular includes the plural and vice versa.
- 1.12 The headings contained in this Contract shall not affect its construction or interpretation.

## **2 ETHICAL WALLS**

- 2.1 In consideration of the sum of £1 payable by the Buyer to the Counterparty, receipt of which is hereby acknowledged, the Counterparty:
  - 2.1.1 shall take all appropriate steps to ensure that neither the Counterparty nor its Affiliates and/or Representatives are in a position where, in the reasonable opinion of the Buyer, there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Counterparty or its Affiliates

or Representatives and the duties owed to the Buyer under the Contract or pursuant to an open and transparent ITT Process;

- 2.1.2 acknowledges and agrees that a conflict of interest may arise in situations where the Counterparty or an Affiliate intends to take part in the ITT Process and, because of the Counterparty's relationship with the Buyer under any Contract, the Counterparty, its Affiliates and/or Representatives have or have had access to information which could provide the Counterparty and/or its Affiliates with an advantage and render unfair an otherwise genuine and open competitive ITT Process; and
- 2.1.3 where there is or is likely to be a conflict of interest or the perception of a conflict of interest of any kind in relation to the ITT Process, shall comply with Clause 2.2.

## 2.2 The Counterparty shall:

- 2.2.1 Not assign any of the Conflicted Personnel to the Bid Team at any time;
- 2.2.2 Provide to the Buyer a complete and up to date list of the Conflicted Personnel and the Bid Team and reissue such list upon any change to it;
- 2.2.3 Ensure that by no act or omission by itself, its staff, agents and/or Affiliates results in information of any kind or in any format and however so stored:
  - (a) about the Contract, its performance, operation and all matters connected or ancillary to it becoming available to the Bid Team; and/or
  - (b) which would or could in the opinion of the Buyer confer an unfair advantage on the Counterparty in relation to its participation in the ITT Process becoming available to the Bid Team;
- 2.2.4 Ensure that by no act or omission by itself, its staff, agents and/or Affiliates and in particular the Bid Team results in information of any kind or in any format and however so stored about the ITT Process, its operation and all matters connected or ancillary to it becoming available to the Conflicted Personnel;
- 2.2.5 Ensure that confidentiality agreements which flow down the Counterparty's obligations in this Contract are entered into as necessary between the Buyer and the Counterparty, its Affiliates, its staff, agents, any Conflicted Personnel, and between any other parties necessary in a form to be prescribed by the Buyer;
- 2.2.6 physically separate the Conflicted Personnel and the Bid Team, either in separate buildings or in areas with restricted access;
- 2.2.7 provide regular training to its staff, agents and its Affiliates to ensure it is complying with this Contract;
- 2.2.8 monitor Conflicted Personnel movements within restricted areas (both physical and electronic online areas) to ensure it is complying with this Contract ensure adherence to the ethical wall arrangements;
- 2.2.9 ensure that the Conflicted Personnel and the Bid Team are line managed and report independently of each other; and

- 2.2.10 comply with any other action as the Buyer, acting reasonably, may direct.
- 2.3 In addition to the obligations set out in Clause 2.1.1 and 2.1.3, the Counterparty shall:
  - 2.3.1 notify the Buyer immediately of all perceived, potential and/or actual conflicts of interest that arise;
  - 2.3.2 submit in writing to the Buyer full details of the nature of the conflict including (without limitation) full details of the risk assessments undertaken, the impact or potential impact of the conflict, the measures and arrangements that have been established and/or are due to be established to eliminate the conflict and the Counterparty's plans to prevent future conflicts of interests from arising; and
  - 2.3.3 seek the Buyer's approval thereto,  
  
which the Buyer shall have the right to grant, grant conditionally or deny (if the Buyer denies its approval the Counterparty shall repeat the process set out in clause 2.3 until such time as the Buyer grants approval or the Counterparty withdraws from the ITT Process).
- 2.4 Any breach of Clause 2.1, Clause 2.2 or Clause 2.3 shall entitle the Buyer to exclude the Counterparty or any Affiliate or Representative from the ITT Process, and the Buyer may, in addition to the right to exclude, take such other steps as it deems necessary where, in the reasonable opinion of the Buyer there has been a breach of Clause 2.1, Clause 2.2 or Clause 2.3.
- 2.5 The Counterparty will provide, on demand, any and all information in relation to its adherence with its obligations set out under Clauses 2.1 and 2.2 as reasonably requested by the Buyer.
- 2.6 The Buyer reserves the right to require the Counterparty to demonstrate the measures put in place by the Counterparty under Clauses 2.1.3 and 2.2.
- 2.7 The Counterparty acknowledges that any provision of information or demonstration of measures, in accordance with Clauses 2.5 and 2.6, does not constitute acceptance by the Buyer of the adequacy of such measures and does not discharge the Counterparty of its obligations or liability under this Contract.
- 2.8 The actions of the Buyer pursuant to Clause 2.4 shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to the Buyer.
- 2.9 In no event shall the Buyer be liable for any bid costs incurred by:
  - 2.9.1 the Counterparty or any Affiliate or Representative; or
  - 2.9.2 any Other Bidder, Other Affiliate or Other Representative,as a result of any breach by the Counterparty, Affiliate or Representative of this Contract, including, without limitation, where the Counterparty or any Affiliate or Representative, or any Other Bidder, Other Affiliate or Other Representative are excluded from the ITT Process.
- 2.10 The Counterparty acknowledges and agrees that:

- 2.10.1 neither damages nor specific performance are adequate remedies in the event of its breach of the obligations in clause 2; and
- 2.10.2 in the event of such breach by the Counterparty of any of its obligations in clause 2 which cannot be effectively remedied the Buyer shall have the right to terminate this Contract and the Counterparty's participation in the ITT Process.

### **3 SOLE RESPONSIBILITY**

It is the sole responsibility of the Counterparty to comply with the terms of this Contract. No approval by the Buyer of any procedures, agreements or arrangements provided by the Counterparty or any Affiliate or Representative to the Buyer shall discharge the Counterparty's obligations.

### **4 WAIVER AND INVALIDITY**

- 4.1 No failure or delay by any Party in exercising any right, power or privilege under this Contract or by law shall constitute a waiver of that or any other right, power or privilege, nor shall it restrict the further exercise of that or any other right, power or privilege. No single or partial exercise of such right, power or privilege shall prevent or restrict the further exercise of that or any other right, power or privilege.
- 4.2 If any provision of this Contract is prohibited or unenforceable in any jurisdiction in relation to any Party, such prohibition or unenforceability will not invalidate the remaining provisions of this Contract or affect the validity or enforceability of the provisions of this Contract in relation to any other Party or any other jurisdiction.

### **5 ASSIGNMENT AND NOVATION**

- 5.1 Subject to clause 6.2 the Parties shall not assign, novate or otherwise dispose of or create any trust in relation to any or all of its rights, obligations or liabilities under this Contract without the prior written consent of the Buyer.
- 5.2 The Buyer may assign, novate or otherwise dispose of any or all of its rights, obligations and liabilities under this Contract and/or any associated licences to:
  - 5.2.1 any Central Government Body; or
  - 5.2.2 to a body other than a Central Government Body (including any private sector body) which performs any of the functions that previously had been performed by the Buyer; and
  - 5.2.3 the Counterparty shall, at the Buyer's request, enter into a novation agreement in such form as the Buyer may reasonably specify in order to enable the Buyer to exercise its rights pursuant to this Clause 5.
- 5.3 A change in the legal status of the Buyer such that it ceases to be a Central Government Body shall not affect the validity of this Contract and this Contract shall be binding on any successor body to the Buyer.

## 6 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a Party to this Contract has no right under the Contract (Rights of Third Parties) Act 1999 (as amended, updated or replaced from time to time) to enforce any term of this Contract but this does not affect any right remedy of any person which exists or is available otherwise than pursuant to that Act.

## 7 TRANSPARENCY

The parties acknowledge and agree that the Buyer is under a legal duty pursuant to the PCR to run transparent and fair procurement processes. Accordingly, the Buyer may disclose the contents of this Contract to potential bidders in the ITT Process, for the purposes of transparency and in order to evidence that a fair procurement process has been followed.

## 8 NOTICES

8.1 Any notices sent under this Contract must be in writing.

8.2 The following table sets out the method by which notices may be served under this Contract and the respective deemed time and proof of service:

Manner of Delivery	Deemed time of service	Proof of service
Email	9.00am on the first Working Day after sending	Dispatched as a pdf attachment to an e-mail to the correct e-mail address without any error message.
Personal delivery	On delivery, provided delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the next Working Day.	Properly addressed and delivered as evidenced by signature of a delivery receipt.
Prepaid, Royal Mail Signed For™ 1 <sup>st</sup> Class or other prepaid, next working day service providing proof of delivery.	At the time recorded by the delivery service, provided that delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the same Working Day (if delivery before 9.00am) or on the next Working Day (if after 5.00pm).	Properly addressed prepaid and delivered as evidenced by signature of a delivery receipt.

8.3 Notices shall be sent to the addresses set out below or at such other address as the relevant party may give notice to the other party for the purpose of service of notices under this Contract:

	Counterparty	Buyer
Contact	██████████	██████████

Address	[REDACTED]	[REDACTED]
Email	[REDACTED]	[REDACTED]

8.4 This Clause 8 does not apply to the service of any proceedings or other documents in any legal action or other method of dispute resolution.

## 9 WAIVER AND CUMULATIVE REMEDIES

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

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

## 10 TERM

Each party's obligations under this Contract shall continue in full force and effect for period of 5 years from the Effective Date.

## 11 GOVERNING LAW AND JURISDICTION

11.1 This Contract and any issues, disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.

11.2 The Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Contract or its subject matter or formation.

For and on behalf of the Buyer

Name:

Signature:

Position in Buyer:

For and on behalf of the Supplier

Name:

Signature:

Position in Counterparty:

**SCHEDULE 8.6**

**SERVICE CONTINUITY PLAN AND CORPORATE RESOLUTION PLANNING**

**.1 PART 1: SERVICE CONTINUITY PLAN**

**.2 DEFINITIONS**

.2.1 In this Schedule, the following definitions shall apply:

<b>“Business Continuity Plan”</b>	<b>Continuity</b>	has the meaning given in Paragraph 2.2(a)(ii);
<b>“Business Services”</b>	<b>Continuity</b>	has the meaning given in Paragraph 4.2(b);
<b>“Department”</b>		a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics:  (a) Government Department; or  (b) Non-Ministerial Department.
<b>“Disaster”</b>		the occurrence of one or more events which, either separately or cumulatively, mean that the Services, or a material part of the Services will be unavailable for a period of 12 hours or which is reasonably anticipated will mean that the Services or a material part of the Services will be unavailable for that period;
<b>“Disaster Plan”</b>	<b>Recovery</b>	has the meaning given in Paragraph 2.2(a)(iii);
<b>“Disaster Services”</b>	<b>Recovery</b>	the services embodied in the processes and procedures for restoring the Services following the occurrence of a Disaster;
<b>“Disaster System”</b>	<b>Recovery</b>	the system identified by the Supplier in the Supplier Solution which shall be used for the purpose of delivering the Disaster Recovery Services;
<b>“Insolvency Plan”</b>	<b>Continuity</b>	has the meaning given in Paragraph 2.2(a)(iv).
<b>“Related Provider”</b>	<b>Service</b>	any person who provides services to the Buyer in relation to this Contract from time to time, which persons include as at the Effective Date 13 <sup>th</sup> January 2025;
<b>“Review Report”</b>		has the meaning given in Paragraphs 7.2(a) to 7.2(c);
<b>“Service Plan”</b>	<b>Continuity</b>	means the plan prepared pursuant to Paragraph 2 of this Schedule which incorporates the Business Continuity Plan, Disaster Recovery Plan and the Insolvency Continuity Plan;

**.3 SERVICE CONTINUITY PLAN**

- 3.1 Within 40 Working Days from the Effective Date the Supplier shall prepare and deliver to the Buyer for the Buyer's written approval a plan, which shall detail the processes and arrangements that the Supplier shall follow to:
- (a) ensure continuity of the business processes and operations supported by the Services following any failure or disruption of any element of the Services (including where caused by an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member); and
  - (b) the recovery of the Services in the event of a Disaster.
- 3.2 The Service Continuity Plan shall:
- (a) be divided into four parts:
    - (i) Part A which shall set out general principles applicable to the Service Continuity Plan;
    - (ii) Part B which shall relate to business continuity (the "**Business Continuity Plan**");
    - (iii) Part C which shall relate to disaster recovery (the "**Disaster Recovery Plan**");
    - (iv) Part D which shall relate to an Insolvency Event of the Supplier, any Key Sub-contractors and/or any Supplier Group member (the "**Insolvency Continuity Plan**"); and
  - (b) unless otherwise required by the Buyer in writing, be based upon and be consistent with the provisions of Paragraphs 3, 4, 5 and 6.
- 3.3 Following receipt of the draft Service Continuity Plan from the Supplier, the Buyer shall:
- (a) review and comment on the draft Service Continuity Plan as soon as reasonably practicable; and
  - (b) notify the Supplier in writing that it approves or rejects the draft Service Continuity Plan no later than 20 Working Days after the date on which the draft Service Continuity Plan is first delivered to the Buyer.
- 3.4 If the Buyer rejects the draft Service Continuity Plan:
- (a) the Buyer shall inform the Supplier in writing of its reasons for its rejection; and
  - (b) the Supplier shall then revise the draft Service Continuity Plan (taking reasonable account of the Buyer's comments) and shall re-submit a revised draft Service Continuity Plan to the Buyer for the Buyer's approval within 20 Working Days of the date of the Buyer's notice of rejection. The provisions of Paragraph 2.3 and this Paragraph 2.4 shall apply again to any resubmitted draft Service Continuity Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

**.4 SERVICE CONTINUITY PLAN: PART A – GENERAL PRINCIPLES AND REQUIREMENTS**

4.1 Part A of the Service Continuity Plan shall:

- (a) set out how the business continuity, disaster recovery and insolvency continuity elements of the plan link to each other;
- (b) provide details of how the invocation of any element of the Service Continuity Plan may impact upon the operation of the Services and any services provided to the Buyer by a Related Service Provider;
- (c) contain an obligation upon the Supplier to liaise with the Buyer and (at the Buyer's request) any Related Service Provider with respect to issues concerning business continuity, disaster recovery and insolvency continuity where applicable;
- (d) detail how the Service Continuity Plan links and interoperates with any overarching and/or connected disaster recovery, business continuity and/or insolvency continuity plan of the Buyer and any of its other Related Service Providers in each case as notified to the Supplier by the Buyer from time to time;
- (e) contain a communication strategy including details of an incident and problem management service and advice and help desk facility which can be accessed via multi-channels (including but without limitation a web-site (with FAQs), e-mail, phone and fax) for both portable and desk top configurations, where required by the Buyer;
- (f) contain a risk analysis, including:
  - (i) failure or disruption scenarios and assessments and estimates of frequency of occurrence;
  - (ii) identification of any single points of failure within the Services and processes for managing the risks arising therefrom;
  - (iii) identification of risks arising from the interaction of the Services with the services provided by a Related Service Provider;
  - (iv) identification of risks arising from an Insolvency Event of the Supplier, any Key Sub-contractors and/or Supplier Group member; and
  - (v) a business impact analysis (detailing the impact on business processes and operations) of different anticipated failures or disruptions;
- (g) provide for documentation of processes, including business processes, and procedures;
- (h) set out key contact details (including roles and responsibilities) for the Supplier (and any Sub-contractors) and for the Buyer;
- (i) identify the procedures for reverting to “normal service”;

- (j) set out method(s) of recovering or updating data collected (or which ought to have been collected) during a failure or disruption to ensure that there is no more than the accepted amount of data loss and to preserve data integrity;
- (k) identify the responsibilities (if any) that the Buyer has agreed it will assume in the event of the invocation of the Service Continuity Plan; and
- (l) provide for the provision of technical advice and assistance to key contacts at the Buyer as notified by the Buyer from time to time to inform decisions in support of the Buyer's business continuity plans.

4.2 The Service Continuity Plan shall be designed so as to ensure that:

- (a) the Services are provided in accordance with this Contract at all times during and after the invocation of the Service Continuity Plan;
- (b) the adverse impact of any Disaster; service failure; an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member; or disruption on the operations of the Buyer, is minimal as far as reasonably possible;
- (c) it complies with the relevant provisions of ISO/IEC 22301 and all other industry standards from time to time in force; and
- (d) there is a process for the management of disaster recovery testing detailed in the Service Continuity Plan.

4.3 The Service Continuity Plan shall be upgradeable and sufficiently flexible to support any changes to the Services, to the business processes facilitated by and the business operations supported by the Services, and/or changes to the Supplier Group structure.

4.4 The Supplier shall not be entitled to any relief from its obligations under the Performance Indicators or to any increase in the Charges to the extent that a Disaster occurs as a consequence of any breach by the Supplier of this Contract.

## **.5 SERVICE CONTINUITY PLAN: PART B - BUSINESS CONTINUITY**

### **.6 PRINCIPLES AND CONTENTS**

6.1 The Business Continuity Plan shall set out the arrangements that are to be invoked to ensure that the business processes and operations facilitated by the Services remain supported and to ensure continuity of the business operations supported by the Services including, unless the Buyer expressly states otherwise in writing:

- (a) the alternative processes (including business processes), options and responsibilities that may be adopted in the event of a failure in or disruption to the Services; and
- (b) the steps to be taken by the Supplier upon resumption of the Services in order to address any prevailing effect of the failure or disruption including a root cause analysis of the failure or disruption.

6.2 The Business Continuity Plan shall:

- (a) address the various possible levels of failures of or disruptions to the Services;
- (b) set out the services to be provided and the steps to be taken to remedy the different levels of failures of and disruption to the Services (such services and steps, the “**Business Continuity Services**”);
- (c) specify any applicable Performance Indicators with respect to the provision of the Business Continuity Services and details of any agreed relaxation to the Performance Indicators in respect of other Services during any period of invocation of the Business Continuity Plan; and
- (d) clearly set out the conditions and/or circumstances under which the Business Continuity Plan is invoked.

**.7 SERVICE CONTINUITY PLAN: PART C – DISASTER RECOVERY**

**.8 PRINCIPLES AND CONTENTS**

8.1 The Disaster Recovery Plan shall be designed so as to ensure that upon the occurrence of a Disaster the Supplier ensures continuity of the business operations of the Buyer supported by the Services following any Disaster or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.

8.2 The Disaster Recovery Plan shall be invoked only upon the occurrence of a Disaster.

8.3 The Disaster Recovery Plan shall include the following:

- (a) the technical design and build specification of the Disaster Recovery System;
- (b) details of the procedures and processes to be put in place by the Supplier in relation to the Disaster Recovery System and the provision of the Disaster Recovery Services and any testing of the same including but not limited to the following:
  - (i) data centre and disaster recovery site audits;
  - (ii) backup methodology and details of the Supplier's approach to data back-up and data verification;
  - (iii) identification of all potential disaster scenarios;
  - (iv) risk analysis;
  - (v) documentation of processes and procedures;
  - (vi) hardware configuration details;
  - (vii) network planning including details of all relevant data networks and communication links;

- (viii) invocation rules;
  - (ix) Service recovery procedures; and
  - (x) steps to be taken upon resumption of the Services to address any prevailing effect of the failure or disruption of the Services;
- (c) any applicable Performance Indicators with respect to the provision of the Disaster Recovery Services and details of any agreed relaxation to the Performance Indicators in respect of other Services during any period of invocation of the Disaster Recovery Plan;
  - (d) details of how the Supplier shall ensure compliance with security standards ensuring that compliance is maintained for any period during which the Disaster Recovery Plan is invoked;
  - (e) access controls to any disaster recovery sites used by the Supplier in relation to its obligations pursuant to this Schedule; and
  - (f) testing and management arrangements.

**.9 SERVICE CONTINUITY PLAN: PART D – INSOLVENCY CONTINUITY PLAN**

**.10 PRINCIPLES AND CONTENTS**

- 10.1 The Insolvency Continuity Plan shall be designed by the Supplier to permit continuity of the business operations of the Buyer supported by the Services through continued provision of the Services following an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member with, as far as reasonably possible, minimal adverse impact.
- 10.2 The Insolvency Continuity Plan shall include the following:
  - (a) communication strategies which are designed to minimise the potential disruption to the provision of the Services, including key contact details in respect of the supply chain and key contact details for operational and contract Supplier Personnel, Key Sub-contractor personnel and Supplier Group member personnel;
  - (b) identification, explanation, assessment and an impact analysis of risks in respect of dependencies between the Supplier, Key Sub-contractors and Supplier Group members where failure of those dependencies could reasonably have an adverse impact on the Services;
  - (c) plans to manage and mitigate identified risks;
  - (d) details of the roles and responsibilities of the Supplier, Key Sub-contractors and/or Supplier Group members to minimise and mitigate the effects of an Insolvency Event of such persons on the Services;
  - (e) details of the recovery team to be put in place by the Supplier (which may include representatives of the Supplier, Key Sub-contractors and Supplier Group members); and

- (f) sufficient detail to enable an appointed insolvency practitioner to invoke the plan in the event of an Insolvency Event of the Supplier.

**.11 REVIEW AND AMENDMENT OF THE SERVICE CONTINUITY PLAN**

11.1 The Supplier shall review and update the Service Continuity Plan (and the risk analysis on which it is based):

- (a) on a regular basis and as a minimum once every 6 months;
- (b) within three calendar months of the Service Continuity Plan (or any part) having been invoked pursuant to Paragraph 9;
- (c) within 14 days of a Financial Distress Event;
- (d) within 30 days of a Corporate Change Event; and
- (e) where the Buyer requests any additional reviews (over and above those provided for in Paragraphs 7.1(a) to 7.1(d)) by notifying the Supplier to such effect in writing, whereupon the Supplier shall conduct such reviews in accordance with the Buyer's written requirements. Prior to starting its review, the Supplier shall provide an accurate written estimate of the total costs payable by the Buyer for the Buyer's approval. The costs of both Parties of any such additional reviews shall be met by the Buyer except that the Supplier shall not be entitled to charge the Buyer for any costs that it may incur above any estimate without the Buyer's prior written approval.

11.2 Each review of the Service Continuity Plan pursuant to Paragraph 7.1 shall be a review of the procedures and methodologies set out in the Service Continuity Plan and shall assess their suitability having regard to any change to the Services or any underlying business processes and operations facilitated by or supported by the Services which have taken place since the later of the original approval of the Service Continuity Plan or the last review of the Service Continuity Plan and shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the Service Continuity Plan. The review shall be completed by the Supplier within the period required by the Service Continuity Plan or, if no such period is required, within such period as the Buyer shall reasonably require. The Supplier shall, within 20 Working Days of the conclusion of each such review of the Service Continuity Plan, provide to the Buyer a report (a "**Review Report**") setting out:

- (a) the findings of the review;
- (b) any changes in the risk profile associated with the Services; and
- (c) the Supplier's proposals (the "**Supplier's Proposals**") for addressing any changes in the risk profile and its proposals for amendments to the Service Continuity Plan following the review detailing the impact (if any and to the extent that the Supplier can reasonably be expected to be aware of the same) that the implementation of such proposals may have on any services or systems provided by a third party.

11.3 Following receipt of the Review Report and the Supplier's Proposals, the Buyer shall:

- (a) review and comment on the Review Report and the Supplier's Proposals as soon as reasonably practicable; and
- (b) notify the Supplier in writing that it approves or rejects the Review Report and the Supplier's Proposals no later than 20 Working Days after the date on which they are first delivered to the Buyer.

11.4 If the Buyer rejects the Review Report and/or the Supplier's Proposals:

- (a) the Buyer shall inform the Supplier in writing of its reasons for its rejection; and
- (b) the Supplier shall then revise the Review Report and/or the Supplier's Proposals as the case may be (taking reasonable account of the Buyer's comments and carrying out any necessary actions in connection with the revision) and shall re-submit a revised Review Report and/or revised Supplier's Proposals to the Buyer for the Buyer's approval within 20 Working Days of the date of the Buyer's notice of rejection. The provisions of Paragraph 7.3 and this Paragraph 7.4 shall apply again to any resubmitted Review Report and Supplier's Proposals, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

11.5 The Supplier shall as soon as is reasonably practicable after receiving the Buyer's approval of the Supplier's Proposals (having regard to the significance of any risks highlighted in the Review Report) effect any change in its practices or procedures necessary so as to give effect to the Supplier's Proposals. Any such change shall be at the Supplier's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Services.

**.12 TESTING OF THE SERVICE CONTINUITY PLAN**

12.1 The Supplier shall test the Service Continuity Plan on a regular basis (and in any event not less than once in every Contract Year). Subject to Paragraph 8.2, the Buyer may require the Supplier to conduct additional tests of some or all aspects of the Service Continuity Plan at any time where the Buyer considers it necessary, including where there has been any change to the Services or any underlying business processes, or on the occurrence of any event which may increase the likelihood of the need to implement the Service Continuity Plan.

12.2 If the Buyer requires an additional test of the Service Continuity Plan, it shall give the Supplier written notice and the Supplier shall conduct the test in accordance with the Buyer's requirements and the relevant provisions of the Service Continuity Plan. The Supplier's costs of the additional test shall be borne by the Buyer unless the Service Continuity Plan fails the additional test in which case the Supplier's costs of that failed test shall be borne by the Supplier.

12.3 The Supplier shall undertake and manage testing of the Service Continuity Plan in full consultation with the Buyer and shall liaise with the Buyer in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Buyer in this regard. Each test shall be carried out under the supervision of the Buyer or its nominee.

- 12.4 The Supplier shall ensure that any use by it or any Sub-contractor of “live” data in such testing is first approved with the Buyer. Copies of live test data used in any such testing shall be (if so required by the Buyer) destroyed or returned to the Buyer on completion of the test.
- 12.5 The Supplier shall, within 20 Working Days of the conclusion of each test, provide to the Buyer a report setting out:
- (a) the outcome of the test;
  - (b) any failures in the Service Continuity Plan (including the Service Continuity Plan's procedures) revealed by the test; and
  - (c) the Supplier's proposals for remedying any such failures.
- 12.6 Following each test, the Supplier shall take all measures requested by the Buyer, (including requests for the re-testing of the Service Continuity Plan) to remedy any failures in the Service Continuity Plan and such remedial activity and re-testing shall be completed by the Supplier, at no additional cost to the Buyer, by the date reasonably required by the Buyer and set out in such notice.
- 12.7 For the avoidance of doubt, the carrying out of a test of the Service Continuity Plan (including a test of the Service Continuity Plan’s procedures) shall not relieve the Supplier of any of its obligations under this Contract.
- 12.8 The Supplier shall also perform a test of the Service Continuity Plan in the event of any major reconfiguration of the Services or as otherwise reasonably requested by the Buyer.

**.13 INVOCATION OF THE SERVICE CONTINUITY PLAN**

- 13.1 In the event of a loss of any critical part of the Service or a Disaster, the Supplier shall immediately invoke the business continuity and disaster recovery provisions in the Service Continuity Plan, including any linked elements in other parts of the Service Continuity Plan, and shall inform the Buyer promptly of such invocation. In all other instances the Supplier shall invoke the business continuity and disaster recovery plan elements only with the prior consent of the Buyer.
- 13.2 The Insolvency Continuity Plan element of the Service Continuity Plans, including any linked elements in other parts of the Service Continuity Plan, shall be invoked by the Supplier:
- (a) where an Insolvency Event of a Key Sub-contractor and/or Supplier Group member (other than the Supplier) could reasonably be expected to adversely affect delivery of the Services; and/or
  - (b) where there is an Insolvency Event of the Supplier and the insolvency arrangements enable the Supplier to invoke the plan.

## **PART 2: CORPORATE RESOLUTION PLANNING**

### **.14 Service Status and Supplier Status**

- 14.1 This Contract is not a Critical Service Contract.
- 14.2 The Supplier shall notify the Buyer in writing within 5 Working Days of the Effective Date and throughout the Term within 120 days after each Accounting Reference Date as to whether or not it is a Public Sector Dependent Supplier.

### **.15 Provision of Corporate Resolution Planning Information**

- 15.1 Paragraphs 11 to 13 of this Part 2 shall apply if this Contract has been specified as a Critical Service Contract under Paragraph 10.1 of this Part 2 or the Supplier is or becomes a Public Sector Dependent Supplier.
- 15.2 Subject to Paragraphs 11.6, 11.10 and 11.11 of this Part 2:
- (a) where this Contract is a Critical Service Contract, the Supplier shall provide the Relevant Buyer or Relevant Authorities with the CRP Information within 60 days of the Effective Date; and
  - (b) except where it has already been provided in accordance with Paragraph 11.2(a) of this Part 2, where the Supplier is a Public Sector Dependent Supplier, it shall provide the Relevant Buyer or Relevant Authorities with the CRP Information within 60 days of the date of the Relevant Buyer's or Relevant Authorities' request.
- 15.3 The Supplier shall ensure that the CRP Information provided pursuant to Paragraphs 11.2, 11.8 and 11.9 of this Part 2:
- (a) is full, comprehensive, accurate and up to date;
  - (b) is split into two parts:
    - (i) Group Structure Information and Resolution Commentary;
    - (ii) UK Public Service / CNI Contract Information
  - (c) and is structured and presented in accordance with the requirements and explanatory notes set out at Annex I of the latest published version of the Resolution Planning Guidance published by the Cabinet Office Government Commercial Function and available at <https://www.gov.uk/government/publications/the-outsourcing-playbook> and contains the level of detail required (adapted as necessary to the Supplier's circumstances);
  - (d) incorporates any additional commentary, supporting documents and evidence which would reasonably be required by the Relevant Buyer or Relevant Authorities to understand and consider the information for approval;

- (e) provides a clear description and explanation of the Supplier Group members that have agreements for goods, services or works provision in respect of UK Public Sector Business and/or Critical National Infrastructure and the nature of those agreements; and
  - (f) complies with the requirements set out at Appendix I (Group Structure Information and Resolution Commentary) and Appendix II (UK Public Sector / CNI Contract Information) respectively.
- 15.4 Following receipt by the Relevant Buyer or Relevant Authorities of the CRP Information pursuant to Paragraphs 11.2, 11.8 and 11.9 of this Part 2, the Buyer shall procure that the Relevant Buyer or Relevant Authorities discuss in good faith the contents of the CRP Information with the Supplier and no later than 60 days after the date on which the CRP Information was delivered by the Supplier either provide an Assurance to the Supplier that Relevant Buyer or Relevant Authorities approve the CRP Information or that Relevant Buyer or Relevant Authorities reject the CRP Information.
- 15.5 If the Relevant Buyer or Relevant Authorities reject the CRP Information:
  - (a) the Buyer shall (and shall procure that the Cabinet Office Markets and Suppliers Team shall) inform the Supplier in writing of its reasons for its rejection; and
  - (b) the Supplier shall revise the CRP Information, taking reasonable account of the Relevant Buyer's or Relevant Authorities' comments, and shall re-submit the CRP Information to the Relevant Buyer or Relevant Authorities for approval within 30 days of the date of the Relevant Buyer's or Relevant Authorities' rejection. The provisions of paragraph 11.3 to 11.5 of this Part 2 shall apply again to any resubmitted CRP Information provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.
- 15.6 Where the Supplier or a member of the Supplier Group has already provided CRP Information to a Department or the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely to the Cabinet Office Markets and Suppliers Team) and has received an Assurance of its CRP Information from that Department and the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely from the Cabinet Office Markets and Suppliers Team), then provided that the Assurance remains Valid on the date by which the CRP Information would otherwise be required, the Supplier shall not be required to provide the CRP Information under Paragraph 11.2 if it provides a copy of the Valid Assurance to the Relevant Buyer or Relevant Authorities on or before the date on which the CRP Information would otherwise have been required.
- 15.7 An Assurance shall be deemed Valid for the purposes of Paragraph 11.6 of this Part 2 if:
  - (a) the Assurance is within the validity period stated in the Assurance (or, if no validity period is stated, no more than 12 months has elapsed since it was issued and no more than 18 months has elapsed since the Accounting Reference Date on which the CRP Information was based); and
  - (b) no Corporate Change Events or Financial Distress Events (or events which would be deemed to be Corporate Change Events or Financial Distress Events if this Contract had then been in force) have occurred since the date of issue of the Assurance.

15.8 If this Contract is a Critical Service Contract, the Supplier shall provide an updated version of the CRP Information (or, in the case of Paragraph 11.8(c) of this Part 2 its initial CRP Information) to the Relevant Buyer or Relevant Authorities:

- (a) within 14 days of the occurrence of a Financial Distress Event (along with any additional highly confidential information no longer exempted from disclosure under Paragraph 11.11 of this Part 2) unless the Supplier is relieved of the consequences of the Financial Distress Event under Paragraph 7.1 of Schedule 7.4 (Financial Distress);
- (a) within 30 days of a Corporate Change Event unless not required pursuant to Paragraph 11.10;
- (a) within 30 days of the date that:
  - (i) the credit rating(s) of each of the Supplier and its Parent Undertakings fail to meet any of the criteria specified in Paragraph 11.10; or
  - (i) none of the credit rating agencies specified at Paragraph 11.10 hold a public credit rating for the Supplier or any of its Parent Undertakings; and
- (a) in any event, within 6 months after each Accounting Reference Date or within 15 months of the date of the previous Assurance received from the Relevant Buyer (whichever is the earlier), unless:
  - (i) updated CRP Information has been provided under any of Paragraphs 11.8(a) 11.8(b) or 11.8(c) since the most recent Accounting Reference Date (being no more than 12 months previously) within the timescales that would ordinarily be required for the provision of that information under this Paragraph 11.8(d); or
  - (i) unless not required pursuant to Paragraph 11.10.

15.9 Where the Supplier is a Public Sector Dependent Supplier and this Contract is not a Critical Service Contract, then on the occurrence of any of the events specified in Paragraphs 11.8(a) to (d) of this Part 2, the Supplier shall provide at the request of the Relevant Buyer or Relevant Authorities and within the applicable timescales for each event as set out in Paragraph 11.8 (or such longer timescales as may be notified to the Supplier by the Buyer), the CRP Information to the Relevant Buyer or Relevant Authorities.

15.10 Where the Supplier or a Parent Undertaking of the Supplier has a credit rating of either:

- (i) Aa3 or better from Moody's;
- (ii) AA- or better from Standard and Poors;
- (iii) AA- or better from Fitch;

the Supplier will not be required to provide any CRP Information unless or until either (i) a Financial Distress Event occurs (unless the Supplier is relieved of the consequences of the Financial Distress Event under Paragraph 7.1 of Schedule 7.4 (Financial Distress)) or (ii) the Supplier and its Parent Undertakings cease to fulfil the criteria set out in this Paragraph

11.10, in which cases the Supplier shall provide the updated version of the CRP Information in accordance with paragraph 11.8.

.15.11 Subject to Paragraph 13, where the Supplier demonstrates to the reasonable satisfaction of the Relevant Buyer or Relevant Authorities that a particular item of CRP Information is highly confidential, the Supplier may, having orally disclosed and discussed that information with the Relevant Buyer or Relevant Authorities, redact or omit that information from the CRP Information provided that if a Financial Distress Event occurs, this exemption shall no longer apply and the Supplier shall promptly provide the relevant information to the Relevant Buyer or Relevant Authorities to the extent required under Paragraph 11.8.

**.16 Termination Rights**

16.1 The Buyer shall be entitled to terminate this Contract under Clause 33.1(b) (Termination by the Buyer) if the Supplier is required to provide CRP Information under Paragraph 11 of this Part 2 and either:

- (a) the Supplier fails to provide the CRP Information within 4 months of the Effective Date if this is a Critical Service Contract or otherwise within 4 months of the Relevant Buyer's or Relevant Authorities' request; or
- (b) the Supplier fails to obtain an Assurance from the Relevant Buyer or Relevant Authorities within 4 months of the date that it was first required to provide the CRP Information under this Contract.

**.17 Confidentiality and usage of CRP Information**

17.1 The Buyer agrees to keep the CRP Information confidential and use it only to understand the implications of an Insolvency Event of the Supplier and/or Supplier Group members on its UK Public Sector Business and/or services in respect of CNI and to enable contingency planning to maintain service continuity for end users and protect CNI in such eventuality.

17.2 Where the Relevant Buyer is the Cabinet Office Markets and Suppliers Team, at the Supplier's request, the Buyer shall use reasonable endeavours to procure that the Cabinet Office enters into a confidentiality and usage agreement with the Supplier containing terms no less stringent than those placed on the Buyer under paragraph 13.1 of this Part 2 and Clause 21.

17.3 The Supplier shall use reasonable endeavours to obtain consent from any third party which has restricted the disclosure of the CRP Information to enable disclosure of that information to the Relevant Buyer or Relevant Authorities pursuant to Paragraph 11 of this Part 2 subject, where necessary, to the Relevant Buyer or Relevant Authorities entering into an appropriate confidentiality agreement in the form required by the third party.

17.4 Where the Supplier is unable to procure consent pursuant to Paragraph 13.3 of this Part 2, the Supplier shall use all reasonable endeavours to disclose the CRP Information to the fullest extent possible by limiting the amount of information it withholds including by:

- a) redacting only those parts of the information which are subject to such obligations of confidentiality

- b) providing the information in a form that does not breach its obligations of confidentiality including (where possible) by:
  - i) summarising the information;
  - ii) grouping the information;
  - iii) anonymising the information; and
  - iv) presenting the information in general terms

17.5 The Supplier shall provide the Relevant Buyer or Relevant Authorities with contact details of any third party which has not provided consent to disclose CRP Information where that third party is also a public sector body and where the Supplier is legally permitted to do so.

## APPENDIX I

### Group Structure Information and Resolution Commentary

1. The Supplier shall:
  - 1.1 provide sufficient information to allow the Relevant Buyer to understand the implications on the Supplier Group's UK Public Sector Business and CNI contracts listed pursuant to Appendix II if the Supplier or another member of the Supplier Group is subject to an Insolvency Event.
  - 1.2 ensure that the information is presented so as to provide a simple, effective and easily understood overview of the Supplier Group; and
  - 1.3 provide full details of the importance of each member of the Supplier Group to the Supplier Group's UK Public Sector Business and CNI contracts listed pursuant to Appendix II and the dependencies between each.

## APPENDIX II

### UK Public Sector / CNI contract Information

1. The Supplier shall:
  - 1.1 provide details of all agreements held by members of the Supplier Group where those agreements are for goods, services or works provision and:
    - 1.1.1 are with any UK public sector bodies including: central Government departments and their arms-length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police fire and rescue, education bodies and the devolved administrations;
    - 1.1.2 are with any private sector entities where the end recipient of the service, goods or works provision is any of the bodies set out in paragraph 1.1.1 of this Appendix II and where the member of the Supplier Group is acting as a key sub-contractor under the agreement with the end recipient; or
    - 1.1.3 involve or could reasonably be considered to involve CNI;
  - 1.2 provide the Relevant Buyer with a copy of the latest version of each underlying contract worth more than £5m per contract year and their related key sub-contracts, which shall be included as embedded documents within the CRP Information or via a directly accessible link.

## SCHEDULE 8.7

### CONDUCT OF CLAIMS

#### 1. INDEMNITIES

- 1.1 This Schedule shall apply to the conduct, by a Party from whom an indemnity is sought under this Contract (the “**Indemnifier**”), of claims made by a third person against a party having (or claiming to have) the benefit of the indemnity (the “**Beneficiary**”).
- 1.2 If the Beneficiary receives any notice of any claim for which it appears that the Beneficiary is, or may become, entitled to indemnification under this Contract (a “**Claim**”), the Beneficiary shall give notice in writing to the Indemnifier as soon as reasonably practicable and in any event within 10 Working Days of receipt of the same.
- 1.3 Subject to Paragraph 2, on the giving of a notice by the Beneficiary, where it appears that the Beneficiary is or may be entitled to indemnification from the Indemnifier in respect of all (but not part only) of the liability arising out of the Claim, the Indemnifier shall (subject to providing the Beneficiary with a secured indemnity to its reasonable satisfaction against all costs and expenses that it may incur by reason of such action) be entitled to dispute the Claim in the name of the Beneficiary at the Indemnifier’s own expense and take conduct of any defence, dispute, compromise or appeal of the Claim and of any incidental negotiations relating to the Claim. If the Indemnifier does elect to conduct the Claim, the Beneficiary shall give the Indemnifier all reasonable cooperation, access and assistance for the purposes of such Claim and, subject to Paragraph 2.2, the Beneficiary shall not make any admission which could be prejudicial to the defence or settlement of the Claim without the prior written consent of the Indemnifier.
- 1.4 With respect to any Claim conducted by the Indemnifier pursuant to Paragraph 1.3:
- (a) the Indemnifier shall keep the Beneficiary fully informed and consult with it about material elements of the conduct of the Claim;
  - (b) the Indemnifier shall not bring the name of the Beneficiary into disrepute;
  - (c) the Indemnifier shall not pay or settle such Claim without the prior written consent of the Beneficiary, such consent not to be unreasonably withheld or delayed; and
  - (d) the Indemnifier shall conduct the Claim with all due diligence.
- 1.5 The Beneficiary shall be entitled to have conduct of the Claim and shall be free to pay or settle any Claim on such terms as it thinks fit and without prejudice to its rights and remedies under this Contract if:
- (a) the Indemnifier is not entitled to take conduct of the Claim in accordance with Paragraph 1.3;
  - (b) the Indemnifier fails to notify the Beneficiary in writing of its intention to take conduct of the relevant Claim within 10 Working Days of the notice from the Beneficiary or if the Indemnifier notifies the Beneficiary in writing that it does not intend to take conduct of the Claim; or

- (c) the Indemnifier fails to comply in any material respect with the provisions of Paragraph 1.4.

## **2 SENSITIVE CLAIMS**

- 2.1 With respect to any Claim which the Beneficiary, acting reasonably, considers is likely to have an adverse impact on the general public's perception of the Beneficiary (a "**Sensitive Claim**"), the Indemnifier shall be entitled to take conduct of any defence, dispute, compromise or appeal of the Sensitive Claim only with the Beneficiary's prior written consent. If the Beneficiary withholds such consent and elects to conduct the defence, dispute, compromise or appeal of the Sensitive Claim itself, it shall conduct the Sensitive Claim with all due diligence and if it fails to do so, the Indemnifier shall only be liable to indemnify the Beneficiary in respect of that amount which would have been recoverable by the Beneficiary had it conducted the Sensitive Claim with all due diligence.
- 2.2 The Beneficiary shall be free at any time to give written notice to the Indemnifier that it is retaining or taking over (as the case may be) the conduct of any Claim, to which Paragraph 1.3 applies if, in the reasonable opinion of the Beneficiary, the Claim is, or has become, a Sensitive Claim.

## **3 RECOVERY OF SUMS**

- 3.1 If the Indemnifier pays to the Beneficiary an amount in respect of an indemnity and the Beneficiary subsequently recovers (whether by payment, discount, credit, saving, relief or other benefit or otherwise) a sum which is directly referable to the fact, matter, event or circumstances giving rise to the Claim, the Beneficiary shall forthwith repay to the Indemnifier whichever is the lesser of:
  - (a) an amount equal to the sum recovered (or the value of the discount, credit, saving, relief, other benefit or amount otherwise obtained) less any out-of-pocket costs and expenses properly incurred by the Beneficiary in recovering or obtaining the same; and
  - (b) the amount paid to the Beneficiary by the Indemnifier in respect of the Claim under the relevant indemnity.

## **4 MITIGATION**

- 4.1 Each of the Buyer and the Supplier shall at all times take all reasonable steps to minimise and mitigate any loss for which the relevant Party is entitled to bring a claim against the other Party pursuant to the indemnities in this Schedule.

**SCHEDULE 9.2  
KEY PERSONNEL**

[Template to be populated for contract execution]

Key Role	SFIA Level	Key Personnel Name	Contact Details
<b>Senior Leadership Team</b>			
Product Lead	6		
Content Lead	6		
Programme Lead	7		
Enterprise Architect Lead	7		
Delivery Lead	6		
Senior Business Analyst	5		
Customer and Design Lead	6		
Lead Service Transition Manager	6		
Head of Delivery Management	7		

Key Role	Key Personnel Name	Contact Details
<b>Operational Services Roles</b>		
██████████	██████████	██████████
██████████	██████████	██████████

Key Role	Key Personnel Name	Contact Details
<b>Support Services Roles</b>		
██████████	██████████	██████████
██████████	██████████	██████████
██████████	██████████	██████████



## Schedule 11 – Processing Personal Data

This Attachment 11 shall be completed by the Controller, who may take account of the view of the Processors, however the final decision as to the content of this Schedule shall be with the Buyer at its absolute discretion.

1.1.1.1 The contact details of the Buyer’s Data Protection Officer are: **[Insert Contact details]**

1.1.1.2 The contact details of the Supplier’s Data Protection Officer are: **[Insert Contact details]**

1.1.1.3 The Processor shall comply with any further written instructions with respect to processing by the Controller.

1.1.1.4 Any such further instructions shall be incorporated into this Attachment 11.

Description	Details
Identity of Controller for each Category of Personal Data	<p><b>The Buyer is Controller and the Supplier is Processor</b></p> <p>The Parties acknowledge that in accordance with Clause 23.2 to 23.15 and for the purposes of the Data Protection Legislation, the Buyer is the Controller and the Supplier is the Processor of the following Personal Data:</p> <p><b><i>The Supplier will process the following categories of personal data: names, work email addresses, job titles, images and department information. The Supplier will only process the personal data for the following purposes specified in this contract:</i></b></p> <ul style="list-style-type: none"> <li>● <b><i>Managing communication and collaboration regarding the contract, including project updates, meeting coordination, issue resolution, and technical support requests;</i></b></li> <li>● <b><i>Facilitating the delivery of services in the contract, including service delivery reports, access management, and troubleshooting;</i></b></li> <li>● <b><i>Processing invoices and payments related to the contract;</i></b></li> <li>● <b><i>Fulfilling reporting and record-keeping requirements as mandated by the contract or law.</i></b></li> </ul> <p><b><i>The Supplier will process the personal data in accordance with the instructions and procedures provided by the Controller, as documented in the NIHR's Privacy Notice, the data will be retained for no longer than necessary for the above purposes, considering legal and contractual obligations. Any data sharing with third parties will be conducted in accordance with data protection regulation and communicated in the Privacy Notice.</i></b></p>
Duration of the processing	<b>[Clearly set out the duration of the processing including dates]</b>



<p>Nature and purposes of the processing</p>	<p><b>Managing communication and collaboration;</b></p> <ul style="list-style-type: none"> <li>● <b>Nature: Collecting/retrieving business/work email addresses, names, job titles and images to send project updates, coordinate meetings, facilitate issue resolution and respond to technical support requests.</b></li> <li>● <b>Purpose: Ensure effective communication and collaboration between the Controller and Supplier for successful contract execution.</b></li> </ul> <p><b>Facilitating the delivery of services;</b></p> <ul style="list-style-type: none"> <li>● <b>Nature: Processing names, job titles and department information to retrieve access to relevant resources, generate delivery reports, and troubleshooting relevant issues. Also, processing personal data of members of the public and researchers.</b></li> <li>● <b>Purpose: Deliver the agreed-upon services efficiently and address any service-related concerns.</b></li> </ul> <p><b>Processing invoices and payments;</b></p> <ul style="list-style-type: none"> <li>● <b>Nature: Processing names, job titles and work email addresses for communication related to the invoices and payments.</b></li> <li>● <b>Purpose: Securely manage financial transactions associated with the contract.</b></li> </ul> <p><b>Fulfilling reporting and record-keeping requirements;</b></p> <ul style="list-style-type: none"> <li>● <b>Nature: Processing relevant personal data (e.g names, job titles) to generate contract-mandated reports and maintain accurate records.</b></li> <li>● <b>Purpose: Comply with contractual and legal obligations for reporting and record-keeping.</b></li> </ul>
<p>Type of Personal Data</p>	<p><b>Managing communication and collaboration;</b></p> <ul style="list-style-type: none"> <li>● <b>Project Updates: Names, work emails addresses of relevant individuals involved in the project, potentially also job titles.</b></li> <li>● <b>Meeting coordination: Names, work email addresses of participants, potentially job titles, images and department information for scheduling purposes.</b></li> <li>● <b>Issue resolution: Names, work email addresses of individuals reporting issues, possibly also job titles, images and department information for identifying the appropriate channels.</b></li> <li>● <b>Technical Support Requests: Names, work email addresses of individuals requesting support, possibly also job titles, images and department information for routing the information correctly.</b></li> </ul>



- **Study Information:** *Manage the engagement with individuals involved in research, such as chief investigators and research team members. Personal data types collected include:*
  - **Name:** *To identify and contact individuals.*
  - **Address and Postcode:** *For effective communication.*
  - **Mobile/Home Phone Number:** *To enable contact.*
  - **Email Address:** *For communication and Single Sign-On support.*
  - **IP Address:** *To analyse usage trends and administer web applications.*
  - **Employment Data:** *To assess experience levels and ensure appropriate role-based access control.*

**Facilitating the delivery of services;**

- **Service Delivery Reports:** *Names, job titles of individuals involved in service delivery, possibly also images and department information for reporting accuracy. As well as names, addresses, and personal data of members of the public which will be relevant to the interaction of NIHR services. Also, researchers' personal data, such as Name(s), Physical and Email Addresses, Contact Phone Number(s), IP Addresses, and Employment Data.*
- **Access Management:** *Names, work email addresses of individuals providing access to resources, potentially job title, images, department information for authorisation purposes.*
- **Troubleshooting:** *Names, work email addresses of individuals experiencing issues/requiring expert advice, potentially also job titles, images, department information for identifying the relevant group.*

**Processing invoices and payments;**

- **Invoices:** *Names of authorised personnel for invoice and approval, work email addresses for communication, potentially also job titles and department information for financial record keeping.*
- **Payments:** *Names of authorised personnel for payment processing, also potentially job titles, images and department information for financial recordkeeping.*

**Fulfilling reporting and record-keeping requirements;**

- **Contractual reports:** *Names, job titles of individuals involved in the reported activities, potentially also department information and images for accurate reporting.*



<p>Categories of Data Subject</p>	<p><b>Project Team Members: Individuals involved in a particular project, identified by names, work email addresses, job titles, images, and department information.</b></p> <p><b>Management personnel: Individuals overseeing the contract for the Controller, identified by names, work email addresses, and job titles.</b></p> <p><b>Technical Support Personnel: Individuals within the Controller's organisation needing technical support, identified by names, work email addresses and job titles.</b></p> <p><b>Financial personnel: Individuals responsible for invoicing and payments, identified by names, work email addresses, and job titles.</b></p> <p><b>External Consultants: Individuals providing expertise for a particular project, identified by names, work email addresses, and job titles.</b></p>
<p>Plan for return and destruction of the data once the processing is complete UNLESS requirement under union or member state law to preserve that type of data</p>	<p><b>Upon termination or expiry of this agreement, or upon the Controllers written request, the supplier shall:</b></p> <p><b>Return Personal Data:</b></p> <ul style="list-style-type: none"> <li>· <b>The Supplier shall return all copies of the personal data to the Buyer, in a commonly used and machine-readable format within 30 days of the termination of expiration of the agreement, or sooner if requested.</b></li> <li>· <b>The processor shall ensure that the transfer of the data back to the Buyer is secure and complies with all data protection laws.</b></li> </ul> <p><b>Destruction of personal data:</b></p> <ul style="list-style-type: none"> <li>· <b>If the Buyer requests the destruction of personal data, then the Supplier shall securely delete or destroy all personal data in its possession or control.</b></li> <li>· <b>Destruction shall be carried out in a manner that ensures the data cannot be recovered or reconstructed, by using guidelines and methods such as NIST SP800-88:</b> <ul style="list-style-type: none"> <li>○ <b>Clearing- digital wiping,</b></li> <li>○ <b>Purging- degaussing (strong magnetic field),</b></li> </ul> </li> </ul> <p><b>Destroy- can include physically destroying the data.</b></p>



Crown  
Commercial  
Service

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**RM6100 TECHNOLOGY SERVICES 3  
COLLABORATION AGREEMENT**

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**CONFIDENTIAL AND SUBJECT TO CONTRACT**

[insert date]

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**THIS AGREEMENT IS MADE ON**

**20[ ]**

**BETWEEN:**

- (1) [ ] [ ]  
(the “**Buyer**”);
- (2) **CDW Limited** a company incorporated in England and Wales under registration number 02465350, whose registered office is at One New Change, London, EC4M 9AF;
- (3) **PA Consulting Services Limited** a company incorporated in England and Wales under registration number 00414220, whose registered office is at 10 Bressenden Place, London SW1E 5DN;
- (4) [ ] a company incorporated in [ ] under registration number [ ], whose registered office is at [ ];
- (5) [ ] a company incorporated in [ ] under registration number [ ], whose registered office is at [ ];
- (6) [ ] a company incorporated in [ ] under registration number [ ], whose registered office is at [ ]0;

together (the “**Collaboration Suppliers**” and each of them a “**Collaboration Supplier**”).

**WHEREAS:**

- A) the Buyer and the Collaboration Suppliers have entered into the Call Off Contracts (defined below) for the provision of various IT and telecommunications (ICT) services; and
- B) the Collaboration Suppliers now wish to provide for the ongoing cooperation of the Collaboration Suppliers in the provision of services under their respective Call Off Contract to the Buyer.

In consideration of the mutual covenants contained in the Call Off Contracts and this Agreement and intending to be legally bound, the parties agree as follows:

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 As used in this Agreement, the capitalised expressions shall have the following meanings unless the context requires otherwise:

**“Agreement”** means this collaboration agreement, comprised of the Clauses and Schedules;

**“Call Off Contract”** means each contract that is let by the Buyer to one of the Collaboration Suppliers;

**“Confidential Information”** has the meaning set out in the relevant Call Off Contract;;

**“Collaboration Activities”** means the activities set out in this Agreement;

**“Default”** means any breach of the obligations of any Collaboration Supplier or any default, act, omission, negligence or statement of any Collaboration Supplier, its employees, servants, agents or sub-contractors in connection with or in relation to the subject matter of this Agreement and in respect of which such Collaboration Supplier is liable (by way of indemnity or otherwise) to the other parties;

**“Detailed Collaboration Plan”** has the meaning given to it in Clause 3.2;

**“Dispute Resolution Procedure”** means the procedure described in Clause 9;

**“Effective Date”** means [DATE];

**“Force Majeure Event”** has the meaning given to it in Clause 11.1.1;

**“Mediator”** has the meaning given to it in Clause 9.3.1;

**“Outline Collaboration Plan”** has the meaning given to it in Clause 3.1;

**“Term”** has the meaning given to it in Clause 2.1; and

**“Working Day”** means any day other than a Saturday, Sunday or public holiday in England and Wales.

## 1.2 General

1.2.1 As used in this Agreement:

1.2.1.1 the masculine includes the feminine and the neuter; and

1.2.1.2 the singular includes the plural and vice versa.

- 1.2.2 A reference to any statute, enactment, order, regulation or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation or instrument as amended by any subsequent statute, enactment, order, regulation or instrument or as contained in any subsequent re-enactment thereof.
- 1.2.3 Headings are included in this Agreement for ease of reference only and shall not affect the interpretation or construction of this Agreement.
- 1.2.4 References to Clauses and Schedules are, unless otherwise provided, references to clauses of and schedules to this Agreement.
- 1.2.5 Except as otherwise expressly provided in this Agreement, all remedies available to any party under this Agreement are cumulative and may be exercised concurrently or separately and the exercise of any one remedy shall not exclude the exercise of any other remedy.
- 1.2.6 The party receiving the benefit of an indemnity under this Agreement shall use its reasonable endeavours to mitigate its loss covered by the indemnity.

## **2. TERM OF THE AGREEMENT**

- 2.1 This Agreement shall come into force on the Effective Date and, unless earlier terminated in accordance with Clause 10, shall expire six (6) months after the expiry or termination (however arising) of the exit period of the last [contract] [Call Off Contract] (the “**Term**”).
- 2.2 A Collaboration Supplier’s duty to perform the Collaboration Activities shall continue until the end of the exit period of its last relevant [contract] [Call Off Contract].

## **3. PROVISION OF THE COLLABORATION PLAN**

- 3.1 [The Collaboration Suppliers shall, within two (2) weeks (or such longer period as notified by the Buyer in writing) of the Effective Date, provide to the Buyer detailed proposals for the Collaboration Activities they require from each other (the “**Outline Collaboration Plan**”).]
- 3.2 Within ten (10) Working Days (or such other period as agreed in writing by

the Buyer and the Collaboration Suppliers) of [receipt of the proposals] or [the Effective Date], the Buyer shall prepare a plan for the Collaboration Activities (the “**Detailed Collaboration Plan**”). The Detailed Collaboration Plan shall include full details of the activities and interfaces that involve all of the Collaboration Suppliers to ensure the receipt of the services under each Collaboration Supplier’s respective [contract] [Call Off Contract], by the Buyer. The Detailed Collaboration Plan shall be based on the Outline Collaboration Plan and shall be submitted to the Collaboration Suppliers for approval.

3.3 The Collaboration Suppliers shall provide such assistance as is required by the Buyer in the preparation of the Detailed Collaboration Plan.

3.4 The Collaboration Suppliers shall, within ten (10) Working Days of receipt of the Detailed Collaboration Plan, either:

3.4.1 approve the Detailed Collaboration Plan; or

3.4.2 reject the Detailed Collaboration Plan, giving reasons for such rejection.

3.5 The Collaboration Suppliers may reject the Detailed Collaboration Plan pursuant to Clause 3.4.2 only if it is not consistent with their Outline Collaboration Plan in that it imposes additional, more onerous, obligations on them.

3.6 If the parties fail to agree the Detailed Collaboration Plan in accordance with Clause 3.4, such dispute shall be resolved in accordance with the Dispute Resolution Procedure.

#### **4. COLLABORATION ACTIVITIES**

4.1 The Collaboration Suppliers shall perform the Collaboration Activities and all other obligations of this Agreement in accordance with the Detailed Collaboration Plan.

4.2 The Collaboration Suppliers shall provide all additional cooperation and assistance as is reasonably required by the Buyer to ensure the continuous delivery of the services under the [contract] [Call Off Contract].

4.3 The Collaboration Suppliers shall procure that their respective sub-

contractors provide all cooperation and assistance as set out in the Detailed Collaboration Plan.

**5. INVOICING**

5.1 In the event that any sums are due under this Agreement, the Collaboration Supplier responsible for paying such sum shall pay within thirty (30) Working Days of receipt of a valid invoice.

5.2 Interest shall be payable on any late payments under this Agreement in accordance with the Late Payment of Commercial Debts (Interest) Act 1998, as amended.

**6. CONFIDENTIALITY**

6.1 Without prejudice to the application of the Official Secrets Acts 1911 to 1989 to any Confidential Information, the Collaboration Suppliers acknowledge that any Confidential Information obtained from or relating to the Crown, its servants or agents is the property of the Crown.

6.2 Each Collaboration Supplier warrants that:

6.2.1 any person employed or engaged by it (in connection with this Agreement in the course of such employment or engagement) shall only use Confidential Information for the purposes of this Agreement;

6.2.2 any person employed or engaged by it (in connection with this Agreement in the course of such employment or engagement) shall not disclose any Confidential Information to any third party without the prior written consent of the other party;

6.2.3 it shall take all necessary precautions to ensure that all Confidential Information is treated as confidential and not disclosed (save as aforesaid) or used other than for the purposes of this Agreement by its employees, servants, agents or sub-contractors; and

6.2.4 neither it nor any person engaged by it, whether as a servant or a consultant or otherwise, shall use the Confidential Information for the solicitation of business from the other or from the other party's servants or consultants or otherwise.

6.3 The provisions of Clauses 6.1 and 6.2 shall not apply to any information

which:

- 6.3.1 is or becomes public knowledge other than by breach of this Clause 6; or
  - 6.3.2 is in the possession of the receiving party without restriction in relation to disclosure before the date of receipt from the disclosing party; or
  - 6.3.3 is received from a third party who lawfully acquired it and who is under no obligation restricting its disclosure; or
  - 6.3.4 is independently developed without access to the Confidential Information; or
  - 6.3.5 is required to be disclosed by law or by any judicial, arbitral, regulatory or other authority of competent jurisdiction.
- 6.4 The Buyer's right, obligations and liabilities in relation to using and disclosing any Collaboration Supplier's Confidential Information provided under this Agreement and the Collaboration Supplier's right, obligations and liabilities in relation to using and disclosing any of the Buyer's Confidential Information provided under this Agreement, shall be as set out in the [relevant contract] [Call Off Contract].

## **7. WARRANTIES**

- 7.1 Each Collaboration Supplier warrant and represent that:
- 7.1.1 it has full capacity and authority and all necessary consents (including but not limited to, where its procedures so require, the consent of its parent company) to enter into and to perform this Agreement and that this Agreement is executed by a duly authorised representative of the Collaboration Supplier; and
  - 7.1.2 its obligations hereunder shall be performed by appropriately experienced, qualified and trained personnel with all due skill, care and diligence including but not limited to good industry practice and (without limiting the generality of this Clause 7) in accordance with its own established internal procedures.

7.2 Except as expressly stated in this Agreement, all warranties and conditions, whether express or implied by statute, common law or otherwise (including but not limited to fitness for purpose) are hereby excluded to the extent permitted by law.

**8. LIMITATION OF LIABILITY**

8.1 None of the parties exclude or limit their liability for death or personal injury resulting from negligence, or for any breach of any obligations implied by Section 2 of the Supply of Goods and Services Act 1982.

8.2 Nothing in this Agreement shall exclude or limit the liability of any party in respect of fraud or fraudulent misrepresentation.

8.3 Subject always to Clauses 8.1 and 8.2, the liability of the Buyer to any Collaboration Suppliers for all claims (by way of indemnity or otherwise) arising whether in contract, tort (including negligence), misrepresentation (other than where made fraudulently), breach of statutory duty or otherwise under this Agreement (excluding Clause 6.4, which shall be subject to the limitations of liability set out in the [relevant contract] [Call Off Contract]) shall be limited to £10,000.

8.4 Subject always to Clauses 8.1 and 8.2, the liability of each Collaboration Supplier for all claims (by way of indemnity or otherwise) arising whether in contract, tort (including negligence), misrepresentation (other than where made fraudulently), breach of statutory duty or otherwise under this Agreement shall be limited to £10,000.

8.5 Subject always to Clauses 8.1, 8.2 and 8.6 and except in respect of liability under Clause 6 (excluding Clause 6.4, which shall be subject to the limitations of liability set out in the [relevant contract] [Call Off Contract]), in no event shall any party be liable to any other for:

8.5.1 indirect loss or damage;

8.5.2 special loss or damage;

8.5.3 consequential loss or damage;

8.5.4 loss of profits (whether direct or indirect);

- 8.5.5 loss of turnover (whether direct or indirect);
  - 8.5.6 loss of business opportunities (whether direct or indirect); and/or
  - 8.5.7 damage to goodwill (whether direct or indirect).
- 8.6 Subject always to Clauses 8.1 and 8.2, the provisions of Clause 8.5 shall not be taken as limiting the right of the Buyer to amongst other things, recover as a direct loss any:
- 8.6.1 additional operational and/or administrative costs and expenses arising from a Collaboration Supplier's Default; and/or
  - 8.6.2 wasted expenditure or charges rendered unnecessary and/or incurred by the Buyer arising from a Collaboration Supplier's Default.

**9. DISPUTE RESOLUTION PROCEDURE**

- 9.1 All disputes between any of the parties arising out of or relating to this Agreement shall be referred, by any party involved in the dispute, to the representatives of the parties specified in the Detailed Collaboration Plan.
- 9.2 If the dispute cannot be resolved by the parties' representatives nominated under Clause 9.1 within a maximum of five (5) Working Days (or such other time as otherwise agreed in writing by the parties) after it has been referred to them under Clause 9.1, then except where a party seeks urgent injunctive relief, the parties shall refer it to mediation pursuant to the procedure set out in Clause 9.3 unless the Buyer considers (acting reasonably and considering any objections to mediation raised by the other parties) that the dispute is not suitable for resolution by mediation.
- 9.3 The procedure for mediation and consequential provisions relating to mediation are as follows:
- 9.3.1 a neutral adviser or mediator (the "**Mediator**") shall be chosen by agreement between the parties or, if they are unable to agree upon a Mediator within ten (10) Working Days after a request by one party to the other parties to appoint a Mediator or if the Mediator agreed upon is unable or unwilling to act, any party shall within ten (10) Working Days from the date of the proposal to appoint a Mediator or within ten (10) Working Days of notice to the parties that he is unable

or unwilling to act, apply to the Chairman of the Law Society to appoint a Mediator;

9.3.2 the parties shall within ten (10) Working Days of the appointment of the Mediator meet with him in order to agree a programme for the exchange of all relevant information and the structure to be adopted for negotiations to be held;

9.3.3 unless otherwise agreed by the parties in writing, all negotiations connected with the dispute and any settlement agreement relating to it shall be conducted in confidence and without prejudice to the rights of the parties in any future proceedings;

9.3.4 if the parties reach agreement on the resolution of the dispute, the agreement shall be reduced to writing and shall be binding on the parties once it is signed by their duly authorised representatives;

9.3.5 failing agreement, any of the parties may invite the Mediator to provide a non-binding but informative opinion in writing. Such an opinion shall be provided on a without prejudice basis and shall not be used in evidence in any proceedings relating to this Agreement without the prior written consent of all the parties; and

9.3.6 if the parties fail to reach agreement in the structured negotiations within twenty (20) Working Days of the Mediator being appointed, or such longer period as may be agreed by the parties, then any dispute or difference between them may be referred to the courts.

9.4 The parties must continue to perform their respective obligations under this Agreement and under their respective [contract(s)] Call Off Contract(s) pending the resolution of a dispute.

## **10. TERMINATION AND CONSEQUENCES OF TERMINATION**

### **10.1 Termination**

10.1.1 The Buyer has the right to terminate this Agreement at any time by notice in writing to the Collaboration Suppliers whenever the Buyer has the right to terminate a Collaboration Supplier's [respective contract] [Call Off Contract].

10.1.2 Failure by any of the Collaboration Suppliers to comply with their obligations under this Agreement shall constitute a Default under their [relevant contract] [Call Off Contract]. In this case, the Buyer also has the right to terminate by notice in writing the participation of any Collaboration Supplier to this Agreement and sever its name from the list of Collaboration Suppliers, so that this Agreement will continue to operate between the Buyer and the remaining Collaboration Suppliers.

## 10.2 Consequences of Termination

10.2.1 Subject to any other right or remedy of the parties, the Collaboration Suppliers and the Buyer shall continue to comply with their respective obligations under the [contracts] [Call Off Contracts] following the termination (however arising) of this Agreement.

10.2.2 Except as expressly provided in this Agreement, termination of this Agreement shall be without prejudice to any accrued rights and obligations under this Agreement.

## 11. GENERAL PROVISIONS

### 11.1 Force Majeure

11.1.1 For the purposes of this Agreement, the expression “**Force Majeure Event**” shall mean any cause affecting the performance by a party of its obligations under this Agreement arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control, including acts of God, riots, war or armed conflict, acts of terrorism, acts of government, local government or Regulatory Bodies, fire, flood, storm or earthquake, or disaster but excluding any industrial dispute relating to any party, the party's personnel or any other failure of a sub-contractor.

11.1.2 Subject to the remaining provisions of this Clause 11.1, any party to this Agreement may claim relief from liability for non-performance of its obligations to the extent this is due to a Force Majeure Event.

11.1.3 A party cannot claim relief if the Force Majeure Event or its level of exposure to such event is attributable to its wilful act, neglect or

failure to take reasonable precautions against the relevant Force Majeure Event.

11.1.4 The affected party shall immediately give the other parties written notice of the Force Majeure Event. The notification shall include details of the Force Majeure Event together with evidence of its effect on the obligations of the affected party, and any action the affected party proposes to take to mitigate its effect.

11.1.5 The affected party shall notify the other parties in writing as soon as practicable after the Force Majeure Event ceases or no longer causes the affected party to be unable to comply with its obligations under this Agreement. Following such notification, this Agreement shall continue to be performed on the terms existing immediately before the occurrence of the Force Majeure Event unless agreed otherwise in writing by the parties.

## 11.2 Assignment and Subcontracting

11.2.1 Subject to Clause 11.2.2, the Collaboration Suppliers shall not assign, transfer, novate, sub-license or declare a trust in respect of its rights under all or a part of this Agreement or the benefit or advantage hereof without the consent of the Buyer first being obtained in writing.

11.2.2 Any sub-contractors identified in the Detailed Collaboration Plan are permitted to perform those elements identified in the Detailed Collaboration Plan to be performed by such sub-contractors.

## 11.3 Notices

11.3.1 Any notices given under or in relation to this Agreement shall be deemed to have been properly delivered if sent by recorded or registered post or by fax and shall be deemed for the purposes of this Agreement to have been given or made at the time the letter would, in the ordinary course of post, be delivered or at the time shown on the sender's fax transmission report.

11.3.2 For the purposes of Clause 11.3.1, the address of each of the parties shall be those specified in the Detailed Collaboration Plan.

#### 11.4 Entire Agreement

11.4.1 This Agreement, together with the documents and agreements referred to in it, constitutes the entire agreement and understanding between the parties in respect of the matters dealt with in it and supersedes any previous agreement between the parties in relation to such matters.

11.4.2 Each of the parties acknowledges and agrees that in entering into this Agreement and the documents and agreements referred to in it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking (whether negligently or innocently made) other than as expressly set out in this Agreement. The only remedy available to each party in respect of any such statements, representation, warranty or understanding shall be for breach of contract under the terms of this Agreement.

11.4.3 Nothing in this Clause 11.4 shall operate to exclude any liability for fraud.

#### 11.5 Rights of Third Parties

11.5.1 Nothing in this Agreement shall be deemed to grant any right or benefit to any person other than the parties or their respective successors in title or assignees, or entitle a third party to enforce any provision hereof and the parties do not intend that any term of this Agreement should be enforceable by a third party by virtue of the Contracts (Rights of Third Parties) Act 1999.

#### 11.6 Severability

11.6.1 If any provision of this Agreement is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed without effect to the remaining provisions. If a provision of this Agreement that is fundamental to the accomplishment of the purpose of this Agreement is held to any extent to be invalid, the parties shall immediately commence good faith negotiations to remedy that invalidity.

#### 11.7 Variations

11.7.1 No purported amendment or variation of this Agreement or any provision of this Agreement shall be effective unless it is made in writing by the parties.

11.8 No waiver

11.8.1 The failure to exercise, or delay in exercising, a right, power or remedy provided by this Agreement or by law shall not constitute a waiver of that right, power or remedy. If a party waives a breach of any provision of this Agreement this shall not operate as a waiver of a subsequent breach of that provision, or as a waiver of a breach of any other provision.

11.9 Governing Law and Jurisdiction

11.9.1 This Agreement shall be governed by and construed in accordance with English law and without prejudice to the Dispute Resolution Procedure, each party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

**EXECUTED AND DELIVERED** as an agreement by the parties or their duly authorised attorneys the day and year first above written.

**FOR AND ON BEHALF OF THE BUYER**

Signed by:

Full name (capitals): .....

Position: .....

Date: .....

FOR AND ON **BEHALF OF** [REDACTED]

Signed by: .....

Full name (capitals): .....

Position: .....

Date:

FOR AND ON **BEHALF** OF [REDACTED]

Signed by:

Full name (capitals):

.....  
.....

Position:

.....

Date:

FOR AND ON **BEHALF** OF [REDACTED]

Signed by:

Full name (capitals):

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.....

Position:

.....

Date:

FOR AND ON **BEHALF** OF [REDACTED]

Signed by:

Full name (capitals):

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Position:

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Date:

FOR AND ON **BEHALF** OF [REDACTED]

Signed by:

Full name (capitals):

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Position:

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Date:

FOR AND ON **BEHALF** OF [REDACTED]

Signed by:

Full name (capitals):

Position:

Date:

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.....  
.....

**SCHEDULE 1**

**LIST OF CONTRACTS**

<b>COLLABORATION SUPPLIER</b>	<b>NAME/REFERENCE OF CONTRACT</b>	<b>EFFECTIVE DATE OF CONTRACT</b>

**[SCHEDULE 2  
OUTLINE COLLABORATION PLAN]**