



Term Service Contract

OPTION A: PRICED CONTRACT WITH ACTIVITY SCHEDULE

Contract Data Forms

June 2017

(with amendments January 2023)

Template version history

V1	Go live template

Contract Execution

This agreement is made between the *Client*, the *Contractor* and the Named Suppliers.

The terms in this agreement have the meanings given to them in the contract between the Environment Agency and Ground Control Ltd for Routine maintenance in KSL (the *services*).

The *Contractor* offers to Provide the Service in accordance with these conditions of contract for an amount to be determined in accordance with these conditions of contract.

The *Contractor* was appointed to Asset Operation, Maintenance, Response framework and executed the framework agreement.

Executed under hand

by



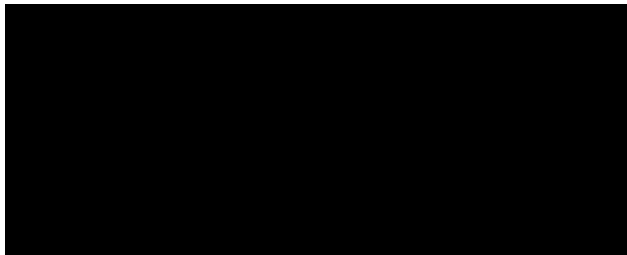
FCRM Area Operations Manager – East Kent

on behalf of:

Environment Agency (*Client*)

16 April 2025

and



Senior Operations Manager

on behalf of:

Ground Control . . . (*Contractor*)

Contract Data

PART ONE – DATA PROVIDED BY THE *CLIENT*

Completion of the data in full, according to the Options chosen, is essential to create a complete contract.

1 General

The *conditions of contract* are the core clauses and the clauses for the following main Option, the Option for resolving and avoiding disputes and secondary Options of the NEC4 Term Service Contract June 2017 (with amendments January 2023)

Main Options

A

Option for resolving and avoiding disputes

W2

Secondary Options

X2 – Changes in law

X11- Termination by the *Client*

X17 – Low Service Damages

X18 – Limitation of Liability

X23 – Extending the Service Period

X24 – The Accounting Periods

~~Y(UK)1 Project Bank Account~~

Y(UK)2 - The Housing Grants, Construction and Regeneration Act 1996

Y(UK)3 The Contracts (Rights of Third Parties) Act 1999

Z Additional Client Clauses

The *service* is

The operation of works regarding the Asset Recovery and Maintenance of assets in Kent, South London and East Sussex as defined in the Scope. The parties can agree to extend the *service* through a single extension or multiple extensions for an additional period of up to 6 months, subject to the provisions of the Asset Operation, Maintenance, Response framework at that time

The *Client* is

Name

Environment Agency

Address for communications

Horizon House
Deanery Road
Bristol
BS1 5AH

Address for electronic communications

Emily.pye@environment-agency.gov.uk

The *Service Manager* is

Name

Emily Pye

Address for communications

Scotts Float
Military Road
Rye
TN31 7PH

Address for electronic communications

Emily.pye@environment-agency.gov.uk

The Affected Property is

Assets set out in Appendix 1 - Ground Control Schedule of Work 25_26 and those assets set out in future Task orders/scopes/work schedules for Kent, South London and East Sussex catchment.

The Scope is in

AOMR-Lot 3-TSC-Scope-Routine Maintenance-Ground Control

The *shared services* which may be carried out outside the Service Areas are

-

The *language of the contract* is

English

The *law of the contract* is the law of

the law of England and Wales, subject to the jurisdiction of the courts of England and Wales

The *period for reply* is

2 weeks

except that

The following matters will be included in the Early Warning Register

Delayed start due to staffing, safety concerns, environmental/ecological issues.
Programme changes/amendments
End-date extensions where work streams are likely to not be completed within the allocated time frame.

Early warning meetings are to be held at intervals no longer than

4 weeks

2 The *Contractor's* main responsibilities

If Option C or E is used

The *Contractor* prepares forecasts of the total Defined Cost for the whole of the *service* at intervals no longer than

-

3 Time

	The <i>starting date</i> is	14 April 2025
	The <i>service period</i> is	12 months
	The <i>Contractor</i> submits revised plans at intervals no longer than	4 weeks
	The period within which the <i>Contractor</i> is to submit a Task Order programme for acceptance is	4 weeks
If no plan is identified in part two of the Contract Data	The period after the Contract Date within which the <i>Contractor</i> is to submit a first plan for acceptance is	2 weeks

4 Quality management

The period after the Contract Date within which the <i>Contractor</i> is to submit a quality policy statement and quality plan is	2 weeks
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5 Payment

	The <i>currency of the contract</i> is the	GBP Sterling
	The <i>assessment interval</i> is	1 month
	The <i>interest rate</i> is	2 (two) % per annum (not less than 2) above the
	Base	rate of the Bank of England bank
If the period in which payments are made is not three weeks and Y(UK)2 is not used	The period within which is payments are made is	-

6 Compensation events

If Option A is used	The <i>value engineering percentage</i> is 50%, unless another percentage is stated here, in which case it is	%
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If there are additional compensation events
These are additional compensation events

AOMR Framework Pricing:
This contract is priced and awarded in Year 2, based on the Year 1 Framework Pricing Workbook. After the Year 2 Framework Pricing Workbook is issued, a single compensation event is permitted to change the total of the Prices according to the Year 2 Framework Pricing Workbook.

8 Liabilities and insurance

If there are additional *Client's* liabilities These are additional *Client's* liabilities

(1) Not used

(2) Not used

(3) Not used

The minimum amount of cover for insurance against loss of or damage to property (except Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) arising from or in connection with the *Contractor* Providing the Service for any one event is £5,000,000

The minimum amount of cover for insurance against death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with the contract for any one event is £5,000,000 or the minimum amount required by law if that is greater

If the *Client* is to provide
Plant and Materials

The insurance against loss of or damage to Plant and Materials and Equipment is to include cover for Plant and Materials provided by the *Client* for an amount of

Nil

The *Contractor* provides these additional insurances

(1) Insurance against Contractors All Risk Insurance

Minimum amount of cover is 120% of the value of this contract

The deductibles are The excess up to a maximum of £25,000

(2) Insurance against Professional Indemnity

Minimum amount of cover is £2,000,000

The deductibles are The excess up to a maximum of £25,000

(3) Insurance against

Minimum amount of cover is

The deductibles are

9 Resolving and avoiding disputes

The *tribunal* is

Litigation in the courts

If the *tribunal* is arbitration

The *arbitration procedure* is

TBC

The place where arbitration
s to be held is

TBC

The person or organisation who will choose an arbitrator if the Parties cannot
agree a choice or if the *arbitration procedure* does not state who selects an
arbitrator is

Simon Robinson

The *Senior Representatives* of the *Client* are

Name (1)

Address for communications

Address for electronic communication

Name (2)

Address for communications

Address for electronic communications

The *Adjudicator* is

Name

To be confirmed

Address for communications

To be confirmed

Address for electronic communications

To be confirmed

The *Adjudicator nominating body* is

Institution of Civil Engineers

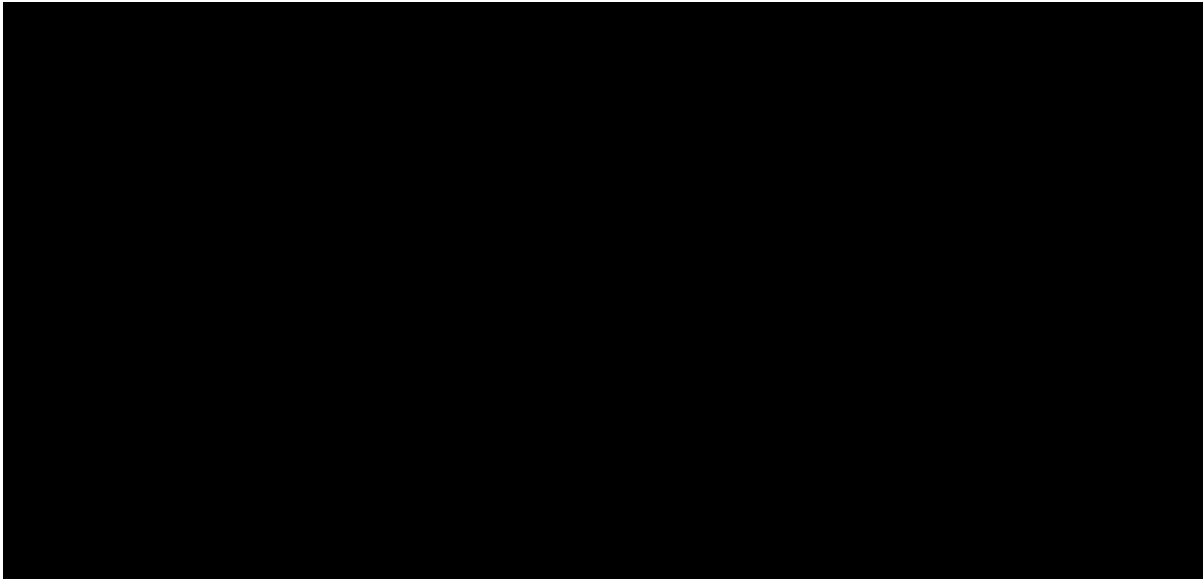
X17: Low service damages

If Option X17 is used

Service Credits will be used to maintain service delivery through the contract, based on the Key Performance Indicators set out below (monitored and recorded on a quarterly basis).

The Service Credits approach is set out below:

- Contractors are required to score **at least 80%** per quarter. If they achieve a score below this, they are required to submit a Performance Improvement Plan to the Service Manager to set out how they will improve their performance to the required levels.
- If a Contractor **scores below 70%**, service credits would apply on a sliding scale basis as seen below (the below numbers have been used as an example and will be calculated based on a quarterly price from the returned pricing schedule):



- If in the **following quarter** the *Contractor* then scores **above 80**, any retained credits from the previous quarter would be repaid (this relates to the previous quarter only and not any previous quarters).
- Alternatively, if in the **following quarter** the *Contractor* **scores between 70 and 80**, half of the retained credits from the previous quarter only would be repaid. The other half of the retained credits are permanently lost.
- OR if the *Contractor* does not reach a score of 80 in the following quarter, all previous retained credits are permanently lost.

X18: Limitation of liability

If Option X18 is used

The *Contractor's* liability to the *Client* for indirect or consequential loss is limited to

£1,000,000

For any one event, the *Contractor's* liability to the *Client* for loss of or damage to the *Client's* property is limited to

£5,000,000

The *Contractor's* liability for Defects due to its design of an item of Equipment is limited to

£1,000,000

The *Contractor's* total liability to the *Client* for all matters arising under or in connection with the contract, other than excluded matters, is limited to

The greater of £5m or the total of the Prices plus 20%

The *end of liability date* is

6

years after the end of the Service Period

X 23 Extending the Service Period

If Option X23 is used

The maximum service period is

1.5

Years after the starting date

The *periods* for extension are

Order

Period for extension (months)

notice date

First

6 months

01/02/26

Second

Third

Fourth

If there are *criteria for extension*

The *criteria for extension* are

(1) *Client and Contractor discretion*

(2)

(3)

X24: The accounting periods

If Option X24 is used and Option C is not used

The *accounting periods* are

1st April 2025 to 31st March 2026

Y(UK)2: The Housing Grants, Construction and Regeneration Act 1996

If Y(UK)2 is used
and the date on
which a payment is
due is not fourteen
weeks after the end
of the *accounting
period* or Service
Period

The period is weeks

If Y(UK)2 is used
and the final date for
payment is not
fourteen days after
the date on which
payment becomes
due

The period for payment is days after the date on which payment becomes due

Z: Additional conditions of contract

If Option Z is used

The *additional conditions of contract* are

Z Clauses

Clause No.	Clause
Z1	<p>Z1 Environment Agency as regulatory authority</p> <p>Z1.1 The Environment Agency's role as a regulatory authority and as <i>Client</i> under the contract is separate and distinct. Actions taken in one capacity are deemed not to be taken in the other.</p> <p>Z1.2 Where statutory consents must be obtained from the Environment Agency in its capacity as a regulatory authority, the <i>Contractor</i> is responsible for obtaining these and paying fees. The <i>Client's</i> acceptance of a tender and the <i>Client's</i> instruction or variation of the <i>service</i> does not constitute statutory approval or consent.</p> <p>Z1.3 An action by the Environment Agency as regulatory authority is the action of Other.</p>
Z2	<p>Z2 Framework Agreement</p> <p>Z2.1 The <i>Contractor</i> shall ensure at all times during this contract it complies with all the obligations and conditions of the Asset Operations Operation, Maintenance, Response Framework Agreement made with the <i>Client</i>.</p>
Z3	<p>Z3 Data Protection</p> <p>Z3.1 The requirements of the Data Protection Schedule shall be incorporated into this contract</p>
Z4	<p>Z4 Liabilities and insurance</p> <p>Z4.1 Civil data protection claims and regulatory fines for breaches of Data Protection Legislation are excluded from any limit of liability stated.</p>
Z5	<p>Z5 Risks and insurance</p> <p>Z5.1 Replace clause 84.1 with the following Insurance certificates are to be submitted to the <i>Service Manager</i> on an annual basis.</p>
Z6	<p>Z6 Resolving Disputes</p> <p>Z6.1 Delete clause W2.1</p>
Z31	<p>Z31 Price Adjustment for Inflation TSC</p> <p>The <i>Client</i> recognises the ongoing pricing uncertainty with regards to inflation. The <i>Client</i> will mitigate this uncertainty through this clause.</p> <p>Z31.1 Defined terms:</p> <ol style="list-style-type: none"> The index is Office for National Statistics (ONS) CPI (UK, 2015=100). The Base Date Index (B) is the latest available index published by ONS prior to the Contract Date. The Latest Index (L) is the latest available index published by ONS before the date of assessment of an amount due. The Price Adjustment Factor (PAF) at each date of assessment of an amount due is $0.9((L-B)/B)$. <p>Z31.2 Application rules. The provisions of this clause [Z31] shall apply provided that:</p> <ol style="list-style-type: none"> The Price for Service Provided to Date is less than or equal to the total of the Prices and Inflation remains positive ie L is greater than B. <p>Z31.3 Price Adjustment Factor. If an index is changed after it has been used in calculating a PAF, the calculation is not changed. The PAF calculated at the last assessment date before the Completion Date for the whole of the <i>service</i> is used for calculating an amount for price adjustment after that date.</p> <p>Z31.4 Price adjustment Options A and B. Each amount due includes an amount for price adjustment which is the sum of</p> <ul style="list-style-type: none"> The change in the Price for Service Provided to Date since the last assessment of the amount due multiplied by the PAF and The amount for price adjustment included in the previous amount due

PART TWO – DATA PROVIDED BY THE *CONTRACTOR*

Completion of the data in full, according to the Options chosen, is essential to create a complete contract.

1 General

The *Contractor* is

Name

Ground Control

Address for communications

Address for electronic communications

The *fee percentage* is

The *service areas* are

Set out in Appendix 1 - Ground Control Schedule of Work 25_26 and those assets set out in future Task orders/scopes/work schedules for Kent, South London and East Sussex catchment.

The *key persons* are

Name (1)

Job

Responsibilities

Qualifications

Experience

Name (2)

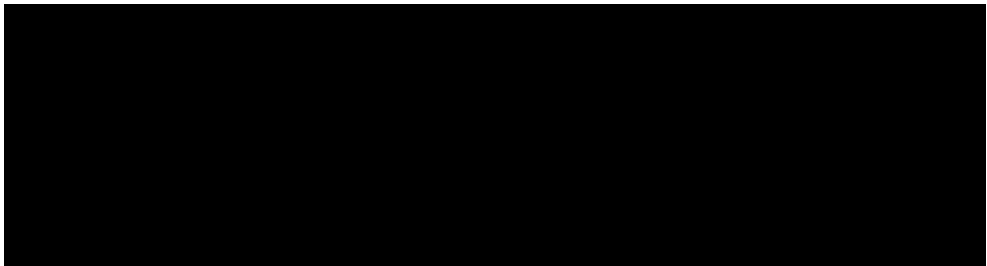
Job

Responsibilities

Qualifications

Experience

The following matters will be included in the Early Warning Register



2 The Contractor's main responsibilities

If the Contractor is to provide Scope for its plan
The Scope provided by the Contractor for its plan is in

AOMR-Lot 3-TSC-
Scope-Routine
Maintenance-Ground
Control v2

3 Time

If a plan is to be identified in the Contract Data
The plan identified in the Contract Data is

5 Payment

If Option A, C or E is used The price list is

Framework rates

If Option A or C is used The tendered total of the Prices is

£61,279.57

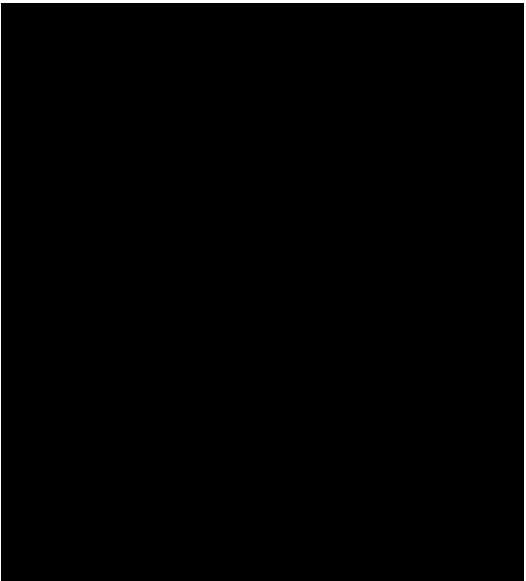
9 Resolving and avoiding disputes

The Senior Representatives of the Contractor are

Name(1)
Address for communications

Address for electronic communications
Name(2)
Address for communications

Address for electronic communications



X10: Information modelling

If Option X10 is used

If an *information execution plan* is to be identified in the Contract Data

The *information execution plan* identified in the Contract Data is

Data for the Short Schedule of Cost Components (used only with Option A)

The *people rates* are

category of person	unit	rate
As per framework		

The published list of Equipment is the edition current at the Contract Date of the list published by

The percentage for adjustment for Equipment in the published list is

% (state plus or minus)

The rates for other Equipment are

Equipment	rate
As per framework	As per framework

The rates for Defined Cost of manufacture and fabrication outside the Service Areas by the Contractor are

Item	rate
As per framework	As per framework