

- 7.19 The Contractor will ensure that information relating to child development, the benefits of breast feeding, immunisation and other child health issues will be published within the Mother and Baby Unit.
- 7.20 The Contractor will ensure that the Mother and Baby Unit has a written policy on child nutrition to ensure that the dietary requirements for all babies can be met.
- 7.21 The Contractor will ensure that equipment to allow for the safe preparation of a range of baby foods and formula milk is freely available. The Contractor will provide mothers with a range of alternatives to allow them to make choices about their child's nutrition.
- 7.22 In respect of healthcare provision for babies who are with their mothers on the Mother and Baby Unit, the Contractor will ensure that the services provided are commensurate with those that exist in the local area.

6 Library

- 7.23 The Contractor will ensure that the Mother and Baby Unit possesses a substantial in-situ library of popular and relevant titles held for the specific use of Mother and Baby Unit Prisoners and themed to that effect. The Resource Co-ordinator will liaise closely with Mother and Baby Unit Staff to ensure resources, including childcare, healthcare, external agency support/guidance, and mandatory publications are available. Resources for children will also be provided, in a range of formats, as part of the Resource Co-ordinator's remit under direction of the Mother and Baby Unit Staff.

7 Staff

- 7.24 The Contractor will ensure that the Mother and Baby Unit liaison officer will be a member of the management team.
- 7.25 The Contractor will ensure that Prisoner Custody Officers working on the Mother and Baby Unit will be responsible for no more than three (3) mothers in their role as Personal Officer.
- 7.26 The Contractor will maintain a gender balance in the Staff visiting or seconded to the Mother and Baby Unit so as to allow children to have constructive experience of both men and women, whilst bearing in mind the necessity for mothers to have a high degree of privacy.
- 7.27 The Contractor will ensure that all Prisoner Custody Officers working on the Mother and Baby Unit will receive the appropriate training.
- 7.28 The Contractor will ensure that all Staff receive information relating to the Mother and Baby Unit as a part of their initial Prisoner Custody Officer training or as a part of induction training for non-Prisoner Custody Officer Staff. This will include any sub-contracted Staff or visiting specialist.

8. HELP AND DIRECTION UNIT

General

- 8.1 The Contractor will develop and maintain an operational policy to provide a Help and Direction Unit (which will be hereafter known as the HDU) for Prisoners who have been assessed by the Contractor as currently unsuitable for a normal residential unit and are deemed by the Contractor to require additional support before moving to the residential unit.
- 8.2 The Contractor will ensure the operational policy and procedures of the HDU will meet the needs of Prisoners requiring additional support that is not provided in the residential unit. The Contractor shall develop and maintain Operational strategies to ensure that Prisoners who are causing concern can be managed safely, consistently and effectively.
- 8.3 The Contractor will ensure that full procedures for the operational management of the HDU will be in place and maintained including appropriate domestic arrangements:
 - (a) Prisoners in the HDU will have equitable access to shopping and private cash/wage accounts, and will be assisted by Staff in ordering items should they require help.
- 8.4 The Contractor will develop, maintain and use operational policies and procedures to ensure that the HDU operates to the required Prison Service standard.

The policies will be reviewed annually to ensure that they are appropriate to the needs of the HDU. The policies may include:

- (a) Clear operating procedures for managing all elements of the HDU on a daily basis;
 - (b) Guidance for responding to incidents of self harm and challenging behaviour;
 - (c) Job descriptions for all members of staff working within the HDU;
 - (d) Supervision strategies/ Care Plans
 - (e) Activity provision; and
 - (f) The role of visiting professionals.
- 8.5 The Contractor will ensure that the operational policies and procedures are reviewed on an annual basis.
 - 8.6 The Contractor will ensure that a senior manager (i.e. Head of Healthcare) is responsible for the operational management of the HDU. He or she will (a) be accountable for the running of the HDU (b) will ensure that all systems for admission and discharge operate effectively and (c) will also ensure that Staff, including the Personal Officers on the HDU, are properly supervised and supported.

- 8.7 The Contractor will ensure that links are established with appropriate statutory and voluntary community agencies. The links will include, but are not restricted to:
- (a) Arrangements with the Samaritans to ensure that regular contact is available for all Patients and that confidential freephone access is available on the HDU during hours of unlock;
 - (b) Local crisis intervention voluntary agencies – who support women in crisis, through self-help and counselling e.g. rape crisis, domestic violence support groups, bereavement etc;
 - (c) Hibiscus, to assist in meeting the needs of foreign national Prisoners admitted to the HDU;
 - (d) Mental Health Services who may be able to provide support for those Prisoners released into the community;
 - (e) Voluntary groups who can provide additional support in terms of recreational support, e.g. aromatherapy etc.

Admission/Discharge

- 8.8 The Contractor will ensure that admission protocols will be in place so that Prisoners can be taken onto the HDU from Healthcare. The HDU will also cater for the needs of those Prisoners who can in general be managed within a custodial environment but may require 'time-out' from the general Prison Population or are in need of a stabilisation period as a result of a crisis or change in medication.
- 8.9 The Contractor will establish a suitable system and weekly care planning meetings to ensure that Prisoners care is delivered effectively and responsively, whilst ensuring future placement and resettlement issues remain prominent.
- 8.10 The Contractor will ensure that a process for nursing assessment of prisoners causing concern is in place.
- 8.11 The Contractor will ensure that a referral of a Prisoner, to a psychiatric hospital/unit, MSU or special hospital will be a medical referral, as the result of recommendations by psychiatric specialists.
- 8.12 The Contractor will ensure that procedures are in place to ensure that all elements of admission, transfer and release of Prisoners who have been resident in the HDU are dealt with effectively.

Staff

- 8.13 The High Dependency Unit will be managed by Operational Staff.
- 8.14 The Contractor will institute a Key Worker scheme that will focus on Patient care. This will drive the daily management of individuals and ensure that those Prisoners who need them access appropriate facilities and services. The Head of Healthcare will ensure that Staff are supported in this role. The Contractor will appoint an operational member of Staff as the Senior Prison Custody Officer with responsibility for Healthcare and the HDU, and will ensure that there is consistency in the service provided, and

recognise the HDU's dual role as a place of in-patient care and custody. Prisoners will be allocated a Personal Officer following admission to the HDU to support them. Key elements of the role of the Key Worker will be:

- (a) Providing HDU induction information, including any behaviour compacts that are instigated;
 - (b) Acting as the pivotal point in the support systems offered to Prisoners and undertaking counselling roles where appropriate/required, depending upon the need of the Prisoner and the particular skills of the Key Workers involved;
 - (c) Provision of written information and verbal contributions at Care Plan meetings;
 - (e) Liaising with community mental health workers or other support agencies involved in the ongoing care of the Prisoner;
 - (f) Participating in the preparation of risk assessment processes;
 - (g) Providing visiting specialists with relevant information regarding the Prisoner;
 - (h) Liaising with Commissioners of services in hospitals, Medium Secure Units and High Secure hospitals as a part of the referral/admission process for Prisoners who may be transferred;
 - (I) Preparing pre-release plans, in consultation with other departments (particularly probation) and community resources;
 - (j) Acting as advocates for Prisoners, who may have difficulties in accessing resources and services, including purchasing items from the canteen, using communication facilities, completing Prisoner applications etc.;
 - (k) Assisting with family links where appropriate; and
- 8.15 The Contractor will ensure that during Night State sufficient staff will be on duty.
- 8.16 The Contractor will ensure that appropriately experienced, professional and qualified Staff will supply the services provided to the Help and Direction Unit whether employed directly by the Contractor or a Sub-contractor, or on a per session basis. The Head of Healthcare will retain a record of all information relating to medical and nursing staff qualifications
- 8.17 The Contractor will ensure that an appropriate gender balance within the health care staff is achieved to meet the needs of women.
- 8.18 The Contractor will ensure that the HDU Senior Prison Custody Officer, who will be a member of the residential operational management team, will receive additional training to ensure that he or she is aware of the demands of caring for Prisoners on the HDU and is able to assist healthcare professionals in carrying out their clinical duties.

Assessment

- 8.19 The Contractor will ensure that the induction and assessment process will be driven by the Key Worker system. Key Workers will ensure that all aspects of induction and assessment are completed for each Prisoner. These will be check listed so management process checks can be completed to form an audit trail. The Contractor will ensure that the following tasks will be included in the process:
- (a) Each Prisoner will be assigned a Key Worker, immediately following admission, which will have responsibility for the delivery of induction information and ensure that all assessment processes are completed;
 - (b) Opportunities to meet other Prisoners, if appropriate, members of staff and visiting specialists;
 - (d) Initial and full risk assessments;
 - (e) Full assessment by on-site and visiting healthcare teams;
 - (f) Review by the multi-disciplinary team following assessment; and
 - (g) Provision of an initial care plan, including a programme of activity.
- 8.20 The Contractor will ensure that, following a multi-disciplinary case conference, each Prisoner, will have a full care plan that will detail:
- (a) The Prisoner's individual daily programme, including the frequency of sessions with relevant specialists and attendance at group sessions;
 - (b) Specific management guidance arising from the risk assessment, including contingency plans to cover unexpected staff absences, including Key Workers; and
 - (c) Key issues for weekly review.

Visits

- 8.21 The Contractor will ensure that the policies and procedures in place in the Prison maximise the opportunities for Prisoners on the HDU to maintain meaningful relationships with their families and friends through the visiting system, whilst maintaining an appropriate balance with security and medical requirements.
- 8.22 Entitlement to domestic visits will operate under the Incentives and Earned Privileges scheme in the same manner as for other Prisoners (who are not within the Help and Direction Unit).

Training/Recreation

- 8.23 The daily programme of the HDU will provide Prisoners with access to a routine and an activity programme that meets their needs in an holistic manner and which accounts for individual requirements. The Core Day and Core Weekend Day will be identical to the rest of the Prison, with the ability to used staggered unlock where required, on medical grounds.

- 8.24 The Contractor will ensure that Prisoners will be able to access physical education. Prisoners who are due to leave the HDU and re-enter the mainstream Prison system will be risk assessed in terms of their suitability to participate in employment, education and training activities away from the HDU and such participation will be facilitated and encouraged wherever possible and safe.

Part 2

Standard Requirements

The Standard Requirements will be satisfied if:

- (a) All Prison Rules and Legislation relating to that Prisoner Place or to a Prisoner occupying that Prisoner Place are complied with in full;
- (b) Any Prisoner occupying that Prisoner Place has available to him three meals daily (one hot) served at breakfast, lunch and evening meal times and, to the extent such Prisoner is physically present at the Prison at such meal times, such meals are delivered;
- (c) Any Prisoner occupying that Prisoner Place has available to him clothes to wear which are of a reasonable standard and has facilities available to ensure that such clothes remain clean;
- (d) Any Prisoner occupying that Prisoner Place has access to potable and freely available drinking water;
- (e) Any Prisoner occupying that Prisoner Place has a bed with a clean mattress and clean and adequate bedding;
- (f) The Prison is heated to a level within the minimum and maximum levels (in each case plus or minus 2 degrees Celsius) as specified in Schedule A and the Prisoner Place has adequate lighting delivered to a minimum of 200 lux at 0.85 metres;
- (g) Any Prisoner occupying that Prisoner Place has had the opportunity for one hour's exercise on that Day, normally in open air, weather permitting;
- (h) Any Prisoner occupying that Prisoner Place has access to one bath/shower every seven Days with access to hot water on that Day for washing purposes and access to adequate sanitation facilities throughout the entire Day;
- (i) Any Prisoner occupying that Prisoner Place was seen by a qualified healthcare worker within thirty (30) minutes in the event of emergency medical assistance being required or otherwise within twenty four (24) hours of making a request on that Day;
- (j) Any Prisoner occupying that Prisoner Place receives any letters which arrived for her or him on that Day within eight (8) hours of its receipt in the Prison, and there has been a posting available for all outgoing letters for all Prisoners twice each Monday to Friday, excluding Bank Holidays and once on all other posting Days;
- (k) In so far as that particular Prisoner required facilities, there were adequate facilities and procedures for discharge of Prisoners to court and those procedures have been followed in respect of such Prisoner;
- (l) In so far as that particular Prisoner required facilities, there were adequate facilities and procedures for the correct discharge of all Prisoners who are at the end of a sentence, have been granted early release on licence or are granted bail;

- (m) The Prisoner Place has a cell call system which is in good working order;
- (n) No Prisoner (other than in the healthcare centre of the Prison) is required to share a Prison Cell with any other Prisoner, except as permitted under **Clause 29.4 (Available Prisoner Places)** of the Contract or with the approval of the Authority;
- (o) The levels of security and safety in the Prison and control of Prisoners are as required under the Operating Procedures;
- (p) Any Prisoner occupying that Prisoner Place has had the opportunity to receive a domestic visit;

Provided that if a Prisoner Place is not occupied, these requirements shall be deemed satisfied if the Contractor is in a position to satisfy such requirements in respect of the relevant Prisoner Place forthwith on it becoming occupied.

Part 3

Prisoner Escort Services

The Contractor will supply Staff, vehicles and other resources to carry out Prisoner escorts as detailed below:

- (a) The escorting of Prisoners to visit dying close relatives or attending their close relatives' funerals (close relative shall have the meaning given to it in Standard Order 5);
- (b) The escorting of Prisoners attending their weddings where permission has been given to marry whilst in custody;
- (c) The escorting of Prisoners attending treatment at outside hospitals and clinics excluding those who have been temporarily transferred to other prisons for medical reasons;
- (d) The supervision of Prisoners who are in-patients in outside hospitals, excluding those who have been temporarily transferred to other prisons for any reason;
- (e) Other escorts authorised by the Director excepting escorts to court.

Prisoners who require escorting away from the Prison will be subject to the full range of requirements laid down in the National Security Framework and summarised in the Prison Service Escort Hand Book.

APPENDIX 1

Definitions

Bail and Legal Aid Officer means a PCO who has received Prison Service training and is competent to advise Prisoners with respect to bail and legal aid;

Bank Holidays means those Days (other than Saturday and Sunday) on which banks are not open for business in the City of London;

CARAT Initiative means counselling, assessment, referral, advice and throughcare as an integral part of the Drug Strategy;

Communications Control Room means the room by that name identified in the architects drawings to Schedule A (*Design and Construction Specification*);

Communications Officer Aux means a PCO grade person who, for the time being, is undertaking duties in connection with a Communications Control Room;

Drug and Alcohol Resource Team means a group of people appointed by the Contractor to monitor the delivery of support to Prisoners with drug and/or alcohol misuse problems;

Drug Strategy means the strategy agreed between the Contractor and ROM, describing how Prison Staff will (a) work to ensure a continuing reduction in the availability of drugs through a range of supply reduction measures and (b) identify Prisoners who are drug misusers and provide them with the opportunity for treatment and support to help them avoid drugs, and reduce the risk of their committing drug related crimes after their release;

Drug Strategy Team means a group of people appointed by the Contractor to monitor the delivery of support to Prisoners with drug and/or alcohol misuse problems.

Duty Officer means a rostered manager responsible for the management of the Prison on a Day-to-Day basis;

Fire Prevention System means the system put in place by the Contractor to ensure that all aspects of the Prison comply fully with all relevant, current and future fire regulations and Legislation;

Fire Safety Manager means the person appointed by the Contractor responsible for ensuring that all aspects of the Fire Prevention System are complied with;

Gate Officer means a member of the Prisoner Custody Staff appointed by the Contractor to manage and supervise the security, and related duties, of the entrance area to the Prison;

General Practice means a type of organisation in which a single General Practitioner, otherwise than in partnership, or two or more General Practitioners practice in partnership;

General Practitioner means a type of health care practitioner qualified for General Practice providing healthcare for a particular organisation ; a general practitioner may act as either a general medical practitioner or a general dental practitioner;

Health Delivery Plan means the agreed and resourced plan to deliver the identified health needs of the prisoner population

Health Needs Assessment means the assessment of physical and mental health needs of the prisoner population

Health Visitor means a nurse from a local health authority who visits the Prison to monitor and advise mothers and babies;

Incident Management means the Contractor's plans describing his arrangements relating to an analysis of local risks and consistent with Prison Service policy to ensure the effective management of incidents, as contained within PSO1400 "Incident Management Manual";

Independent Adjudicator means a person appointed by the Lord Chancellor for the purposes of hearing adjudications in accordance with Prison Rules and the Young Offender Institution Rules;

Induction means the process to assist and support Prisoners integration into the Prison and to begin the assessment process to enable the Prisoner to make best use of time in custody and prepare for a law abiding life after release;

Interventions means structured activities in prison which are undertaken as part of reducing re-offending, including accredited or certified activities

Key Audit Baselines has the meaning set out in the Performance Standards Manual;

Local Inmate Database System (LIDS) means the electronic system for recording selected information of each Prisoner;

Local Security Strategy(LSS) means a strategy, written by the Contractor, containing security instructions and advice to staff that relates specifically to the Prison.

Long-term Prisoners means Prisoners held in custody at the Prison who have been sentenced to a term of imprisonment of four (4) Years and over;

Mother and Baby Unit Officer means a PCO grade person who, for the time being, is undertaking duties in connection with a Mother and Baby Unit;

Night State means the period of time in the Prison between the designated night staff commencing duty each night and Day staff commencing duty each morning;

NHS means the National Health Service

NOMS means the National Offender Management Service

NSF means the National Security Framework, from which the LSS is derived

OASys means Offender Assessment System;

OCA Unit means the Observation, Categorisation and Allocation Unit that places the Prisoners in conditions of security commensurate with the risk they pose to the public and Prison Service, and the likelihood of their trying to escape, as described in the Performance Standards Manual;

Offender Management means the integrated process of assessing, managing and co-ordinating a sentence

Offender Manager means the Personnel with allocated responsibility for assessing what each offender requires

Operating Sub Contractor means Sodexo Limited, or the company appointed by the Special Purchase Vehicle to run the Prison for the duration of the Contract

Patient means a Prisoner being cared for by any member of the Prison healthcare staff or residing in the healthcare centre for full-time care;

Performance Measurement System means the system set out in Schedule F;

Performance Measures means those measures set out in Schedule F

Performance Standards means those standards contained in the Performance Standards Manual;

Performance Standards Manual or **PSO 0200** means the Prison Service Order 0200;

Personal Officer means an officer of the Prison, usually a Prisoner Custody Officer, who is designated as the first point of reference for advice or assistance to a Prisoner or group of Prisoners;

Personal Officer Scheme means the national framework under which Personal Officers operate;

Price Check Guides means retail figures (ISSN 0960-3301) published by William Reed Publishing or such figures in such other journal as shall replace these guides;

Prisoner's Handbook means a handbook given to all Prisoners upon first admission to the Prison or during Induction that explains in brief terms all that is expected of each Prisoner and what facilities are available to each Prisoner;

Prison Rules means those statutory instruments that have come into force as described in PSOs 0100, 0101 and 0105;

Prison Service means HM Prison Service;

Prison Service Instruction (PSI) means those mandatory instructions issued by the instructions unit within the Prison Service secretariat;

Prison Service Order (PSO) means HM Prison Service Order which are written orders that form part of the Prison Service Instruction system;

Prison Service Sentence Planning Manual (PSO 2200) means the Prison Service Order 2200 entitled "Sentence Management and Planning";

Prison Shop means the facility from which Prisoners may access a shopping service to purchase a range of goods;

Probation Officer or **Probation Service Officer** means a person employed by the local probation agency and who, for the time being, is seconded to work in the Prison;

Probation Service means the National Probation Service for England and Wales being the national directorate and forty two (42) local probation boards, one of the latter having responsibility for the provision of probation services to the Prison;

Public Protection Procedures means those procedures used to identify potentially dangerous offenders and reduce the risk of harm posed by such individuals in accordance with PSO 0200;

Public Protection Strategy Team means the team established to ensure that the Prison meets the requirements of PSO 0200;

QRM means Quarterly Review Meeting

Reducing Re-offending Delivery Plan means the plan put in place by the ROM to deliver the target of re-offending within the Region

Reducing Re-Offending Strategy means the strategy agreed between the Contractor and the ROM for reducing the rates of re-offending by prisoners within the custodial element of their sentence, working with a range of providers.

Relevant Language means in relation to any Prisoner a language that the Prisoner is substantially capable of understanding;

Required Actions will have the meaning set out in the Performance Standards Manual;

Residential Manager means a person appointed by the Contractor to ensure that proper and appropriate care is given to Prisoners in any residential area of the Prison;

ROM means the Regional Offender Manager, the person responsible for the reduction of re-offending within the region.

Safer Custody Co-ordinator means a person responsible for overseeing the Suicide & Self-Harm Strategy, the Violence Reduction Strategy; and the Anti-Bullying Strategy.

Security Manager means that person responsible for the Day-to-Day management of the security department;

Security Officer means a PCO grade person who works in the security department and reports to the Security Manager;

Sentence Plan means the various documents produced and used as part of the sentence planning process as described in Prison Service Order 2200 "Sentence Management and Planning";

Service Delivery Target means the national standards of performance set by the Prison Service used to establish the local standards of performance for the Prison

Shift Manager means that person at any time designated by the Contractor to be responsible for the Day-to-Day operational management of the Prison and be the first point of reference in the event of a problem. This person will also oversee daily deployment of Staff;

Staff means the Operational Staff, unless otherwise specified

Value Added Tax means value added tax as referred to in Section 1 of the Value Added Tax Act 1994 or any similar tax replacing or substituting the same

Violence Reduction Strategy means that strategy used to reduce violence within the Prison. It will include but not be limited to those relevant elements of Prison Service Order 0200 "Safer Prisons";

Visitor means any person who visits a Prisoner, visits the Prison or visits any member of Staff at the Prison whether in private or official capacity;

Young Offender Institution Rules means those rules set out in the Young Offender Rules 1988 (as amended);

APPENDIX 2

Volume and nature of searching (to be agreed with the Controller on an annual basis)

- The Head of Security and Safeguarding will personally monitor the systems governing the full searching of Prisoners to ensure that this level of searching is justified on all occasions.
- Patrolling officers [REDACTED]
[REDACTED]
- The Prison will operate procedures that allow both the pro-active and passive drug dogs appropriate access to all areas of the Prison in order to assist in the searching of Staff, Prisoners and Visitors.
- A system will be in place to quickly and effectively involve the HM Prison Service National Dog Support Team if a specialist search is required.
- The security department will organise proactive, [REDACTED]
[REDACTED].
- In the light of information or intelligence about the likelihood of escape or the concealment of weapons or contraband, the Director may order that a full-scale search of the Prison or part of the Prison be undertaken.
- Wherever possible, and where to do so does not compromise security, information about searching will be published to Staff, Prisoners and Visitors to the Prison.

APPENDIX 3

The Contractor's Audit Proposals

The Contractor will ensure continual compliance with mandatory requirements in Performance Standards Manual (PSO 0200), Prison Service Orders, the Contract and other rules and regulations applying to regulations applicable to the Prison. This will be achieved by using a tiered approach, which connects the Contractor's philosophy with service descriptions, standards and delivery through policies and procedures.

Audit procedures will ensure that the Contractor is:

compliant in delivering the Services pursuant to the Contract

provides training, instructions to staff and operating procedures that are relevant, and facilitate compliance.

The Contractor's corporate policies will express the Contractor's values and ethos; reflecting the Contractor's mission statement and strategic planning initiatives. These will be qualitative statements and will set out to the Contractor's staff, visiting professionals, Prisoners and Visitors the philosophy behind the Contractor's delivery of the Services.

To demonstrate how the Services will be delivered, a policies and procedures manual will provide direction to all staff to ensure that working practices reflect mandatory requirements and can be audited both internally and externally. Local procedures will be grouped under the appropriate corporate policy, forming a joint policy and procedure manual. This will be available to all staff on duty and located in all work locations. They will describe how policy will be delivered and directly reflect contractual requirements, Prison Service Standards, Prison Service Orders, Prison Service Instructions and any other applicable HMPS direction/requirement.

Three levels of audit will be in operation: -

Corporate Policy Audit

The Contractor will have an annual audit programme that will evaluate the degree to which corporate policies are being delivered. This will take a qualitative look at the experience that Prisoners, Visitors and Staff have at the Prison and will determine whether or not the procedures in place are effectively conveying the Contractor's approach to managing the Prison. They will be achieved using a number of methods including:

Following total processes that take place as a part of the procedures within each policy to ensure that every aspect of Services delivery is underpinned by the Contractor's ethos.

Re-visiting requests and complaints, Prisoner's applications, etc to check both process and outcome in terms of customer satisfaction.

Use of Staff and Prisoner focus groups to gain feedback on policy and procedure content, and to assess how well policy is understood by those whom it affects and the degree to which it has been absorbed into the operation of the Prison.

Local Procedure Review

Local procedures will describe delivery, including contractual, requirements. Each procedure within the policies and procedures manual will have a responsible manager who will review these procedures on an annual basis. This will ensure that all operating instructions dovetail with the process for assigning responsibility for the delivery of Prison Service Standards and Orders, and that directions remain up-to-date and facilitate continual compliance. The reviewing manager will use all relevant documentation to carry out this review and then set out an action plan to achieve amendments in both written policy and practical delivery. This will include any staff-training requirement that will be fed into the annual training plan.

Local Self-Audit

A robust system of self-audit will be in place to enable an internal audit programme to operate effectively under the Prison Service Standards and Key Audit Baselines system. When non-compliance is identified in any area a system will be in place to address and resolve identified issues.

This tiered system of combined audit has been developed by the Contractor using additional qualitative analysis, though corporate policy audit provides a 'health check' on not only procedures and quantity of work, but on the value systems underpinning delivery. This will also stimulate the process of continuous improvement and trigger corporate strategic planning development.

An audit and compliance manager will be appointed at the Prison. The compliance element of this position will include the provision of all Prison Service Orders and Instructions and other mandatory requirements being made available to the Director and senior managers as they are received by the Prison Service.

The audit and compliance manager will also ensure that the senior manager with lead responsibility for implementing new procedures has assessed resource implications and will assist in writing new policies and procedures or varying existing ones to ensure compliance.

The Contractor's policies and procedures will include a comprehensive range of documents, which address the following aspects of prison management: -

Legislation

Standing Orders

Prison Service Standards, including all elements of PSO 0200

Current standards audit unit modules

Prison Service Orders and Instructions

Contractual arrangements between the Prison Service and the Contractor

The Contractor's good practice requirements.

The Contractor's policies and procedures will cover all requirements listed in Schedule D. The self-audit programme in place will ensure that all policies and procedures and Schedule D requirements are audited during a period agreed with the Controller .

Every requirement within the documents to be included in the Contractor's policies and procedures will be subject to an agreed programme of monitoring and review by the appropriate and accountable functional head. The internal audit team will examine and test the attainment and quality of performance required within the Contractor's policies and procedures whilst conducting planned audits.

Information that is required for **Schedule F (Performance Measures)** will be collated by the responsible manager and passed in report form to the functional head on a weekly basis for analysis. This will provide a safety net that ensures the Contractor maintains a high level of performance. Functional heads will be fully aware of their responsibilities in ensuring that performance at the Prison meets the Performance Measure criteria set by the Prison Service.

The Contractor's self-audit process will comply fully with the Prison Service Standard on self-audit, and the audit and compliance manager will co-ordinate all self-audits to ensure that the Contractor delivers all aspects of PSO 0200. Staff participating in all aspects of self-audit will be instilled with the positive outcomes that solid evaluation and monitoring systems bring.

All self-audit documentation will be kept for a minimum period of three (3) Years and will be accessible for the S.A.U. to refer to when carrying out their audit.

The audit and compliance unit, led by the audit and compliance manager, as audit co-ordinator, will be the driving force in delivering these requirements and ensuring that the annual self-audit programme accounts for every module/new Standard. The unit will establish the scope of the audit with the staff responsible for delivering each Standard and with those who rely upon its delivery. Follow up audits for any baselines that are found to be non-compliant and any temporary non-compliance will be recorded on the worksheets supplied by the S.A.U.

Staff completing the self-audit will receive training from the audit and compliance manager to ensure that they are able to effectively use the worksheets, know exactly what is to be audited, are aware of the times scale for completion, are methodical, and present their findings in a manner which is easily understood. Auditors and those required to provide information for audit purposes will be aware of the importance of looking for or supplying appropriate evidence which will clearly demonstrate levels of compliance/non-compliance. This will include:

Using audit trails

Sampling of documents

Checking whether time parameters are being achieved.

Following the completion of a module of self-audit, the responsible manager will be presented with the findings of the audit, and time scales for rectifying non-compliance will be agreed using action plans as a basis for bringing areas in line with requirements.

Access to audit trails will be facilitated by the audit and compliance manager who will collate all requests for information/documentation from the Controller and/or will direct the Controller to the appropriate site where documentation is held or systems are taking place.

The audit and compliance manager will also maintain a list of all available audit trails to assist the Controller in such requests.

The audit process ensures that serious non-compliances are brought to the attention of the responsible functional head immediately.

To ensure that internal auditors carry out their duties in an efficient and effective manner, the Contractor will ensure that they act with the authority of the Director when carrying out audit duties.

The Contractor will ensure that all visits by the Standards Audit Unit are fully facilitated. Suitable office accommodation for auditors and support staff will be provided. Access will also be provided to photocopying, facsimile, telephone and internet facilities. The Contractor will also facilitate access to appropriate information whether that be hard copy or database on an IT system and provide access to staff and Prisoners if required. Daily management routines will be adapted to facilitate daily close-off meetings.

The audit and compliance manager will act as the liaison officer for all audits by Prison Service auditors.

The Shift Manager will provide information on a daily basis to the Controller regarding the Standard Requirements for Available Prisoner Places.

The Controller will also be included on the distribution list for the daily reports compiled, including measures of overcrowding, to allow the Shift Manager to ensure that the Controller is fully informed of lockup/unlock and movements figures.

Information relating to Performance Measures will be collated from all areas affected on a weekly basis by the audit and compliance manager. The Contractor will ensure that this information is provided to the Controller on standardised forms on a monthly basis or at an alternative frequency agreed with the Authority.

SCHEDULE E

Payment Mechanism

For the purpose of this **Schedule E (Payment Mechanism)**:

- A is the total number of Available Prisoner Places recorded in the Daily Report, except that during the Phase-in Period, such number shall be calculated in accordance with paragraph 2A of this Schedule E;
- C₁ in the case of Available Prisoner Places, is equal to the sum of the prevailing $F + I + I_2 + U$ for an Available Prisoner Place;
- C₂ in the case of Utilised Available Prisoner Places, is equal to the sum of the prevailing $F + I + I_2 + U$ for a Utilised Available Prisoner Place;
- D is the number of Prisoners sharing Prison Cells in excess of the Permitted Level pursuant to **Clause 29.4 (Available Prisoner Places)**;
- F is the Fixed Fee payable per Available Prisoner Place per Day or Utilised Available Prisoner Place per Day, as applicable;
- I is the Indexed Fee payable per Available Prisoner Place per Day or Utilised Available Prisoner Place per Day, as applicable;
- I₂ is the Indexed Costs Fee payable per Available Prisoner Place per Day or Utilised Available Prisoner Place per Day, as applicable;
- R is the Aggregate APP Fee, as determined in accordance with paragraph 7(b) of this Schedule E;
- S₁ will equal 0.985 prior to the Actual Houseblock Opening Date, at any time when Additional Prisoner Places are available and occupied after the Relevant Date and 1.00 at all other times;
- S₂ will equal 0.98632 after the Actual Houseblock Opening Date, at any time when Additional Prisoner Places are available and occupied after the Relevant Date and 1.00 at all other times;
- T will equal 20 at all times prior to the Relevant Date. On and after the Relevant Date, T will equal the number of Utilised Available Prisoner Places at all times when an APP Notice is not Maintained (as defined in paragraph 7 of this Schedule E) and T will equal 20 at all times when an APP Notice is Maintained (as defined in paragraph 7 of this Schedule E); and
- U is the Indexed Utility Fee payable per Available Prisoner Place per Day or Utilised Available Prisoner Place per Day, where applicable.

Aggregate APP Fee has the meaning assigned to it in paragraph 7(b);

Aggregate Quarterly Deduction has the meaning assigned to it in paragraph 9(c);

Annual Deduction has the meaning assigned to it in paragraph 9(c);

APP Fee has the meaning assigned to it in paragraph 7;

APP Notice has the meaning assigned to it in paragraph 7(b);

Daily Payment has the meaning assigned to it in paragraph 9;

Indexed Cost Fee Factor has the meaning assigned to it in paragraph 6(b);

Indexed Fee Factor has the meaning assigned to it in paragraph 6(a);

Indexed Utility Fee has the meaning assigned to it in paragraph 5A;

Inspection Date has the meaning assigned to it in paragraph 10(d);

Insurance Costs Fee (ICF) has the meaning assigned to it in paragraph 5B;

Maintained has the meaning assigned to it in paragraph 7(b);

Quarterly Deduction has the meaning assigned to it in paragraph 9(b);

1. Liquidated Damages

Liquidated damages payable in accordance with **Clause 25 (Liquidated Damages)**, in respect of any Day between the Contractual Opening Date and the Actual Full Operation Date (inclusive) are an amount calculated as follows:

$$[\text{ } - C_1] \times (W - N) \times 0.5 \times \frac{1}{2}$$

Where:

W = is the number of Available Prisoner Places the Contractor is obliged to provide on that Day pursuant to **Clauses 21 (Contractual Opening Date), 22 (Phase-in Period) and 23 (Full Operation Date)**.

N = the number of Available Prisoner Places on that Day.

1A. Liquidated Damages - Houseblock

1A.1 Liquidated damages payable under Clause 25A (**Liquidated Damages - Increased Capacity**) in respect of any Day during the Increased Capacity Phase-in Period (including the Contractual Houseblock Opening Date) are an amount calculated as follows:

$$[\text{ } - C_1] \times n \times 0.5$$

Where:

C₁ = the sum of I, I₂ and U as at the Contractual Houseblock Opening Date

n = the number of Prisoner Places in the Houseblock which the Contractor is obliged to provide on any particular date pursuant to Clause 22A (***Increase Capacity Phase-in Period***) but which are not Available Prisoner Places on that Day

Liquidated Damages in respect of the Increased Capacity cannot exceed the figure stated in Clause 25A.3 (***Liquidated Damages - Increased Capacity***) of this Contract.

2. Phase-In Period

Date	Minimum number of Available Prisoner Places to be provided by the Contractor on and from such date	Number of Available Prisoner Places for which the Authority may be liable to pay on and from such date
COD	50 ¹	50 ¹
COD + 7 Days	100	100
COD + 14 Days	150	150
COD + 21 Days	150	150
COD + 28 Days	200	200
COD + 35 Days	250	250
COD + 42 Days	250	250
COD + 49 Days	300	300
COD + 56 Days	350 ²	350 ²
COD + 63 Days	350	350
COD + 70 Days	400	400
COD + 77 Days	450	450
(Full Operation Date)	450	450

On the Full Operation Date:

- (i) up to four hundred and fifty (450) Available Prisoner Places shall be available to the Authority in accordance with **Clause 23.1 (Full Operation Date)**; and
- (ii) up to forty five (45) Additional Prisoner Places (in addition to those specified in (i) above) shall be available to the Authority following written notice in accordance with **Clause 40A.1 (Additional Prisoner Places)**.

¹ Includes 6 no. Prisoner Places available in the Mother and Baby Unit.

² Additional 6 no. Prisoner Places available in the Mother and Baby Unit (total = 12no.).

2A. Available Prisoner Places

The number of Available Prisoner Places, for the purposes of calculating in accordance with this Schedule E the daily amount payable to the Contractor during the Phase-In Period, shall, subject to **Clauses 22.1 (Phase-in Period), 22.2 (Phase-in Period), 22A.1 (Increased Capacity Phase-in Period), 22A.2 (Increased Capacity Phase-in Period), 38.2 (Price) and 40.2 (Available Prisoner Places)** of the Contract, be the sum of (i) those Available Prisoner Places which the Contractor is obliged to provide on the Day in question pursuant to **Clause 22 (Phase-in Period)** or **Clause 22A (Increased Capacity Phase-in Period)** (as the case may be) and (ii) the number of Further Prisoner Places occupied on such Day.

2B. Increased Capacity Phase-In Period Timetable

Date	Minimum number of Available Prisoner Places to be provided by the Contractor on and from such date	Number of Available Prisoner Places for which the Authority may be liable to pay on and from such date
Contractual Houseblock Opening Date (CHOD)	25	25
CHOD + 7 Days	50	50
CHOD + 28 Days	77	77

3. Fixed Fee

Subject to **Clauses 9 (Changes to Services Required), 39 (Variation of Price) and 39A (Benchmarking)**, the Fixed Fee shall be a fixed amount per Available Prisoner Place per Day, such amount during the Year commencing on the Actual Opening Date and each Year commencing on each anniversary of such date being as set out in the following table:

NB: definition of Review Date needs to be 1 April in each Year after COD

Year commencing on the Actual Opening Date in Year 1 and for each subsequent Year commencing 1 April of that Year	Relevant Daily Fixed Availability Fee Per Available Prisoner Place and Utilised Available Prisoner Place prior to the Actual Houseblock Opening Date	[REDACTED]	Relevant Daily Fixed Availability Fee Per Utilised Available Prisoner Place from the Actual Houseblock Opening Date
1	[REDACTED]	[REDACTED]	[REDACTED]
2	[REDACTED]	[REDACTED]	[REDACTED]
3	[REDACTED]	[REDACTED]	[REDACTED]
4	[REDACTED]	[REDACTED]	[REDACTED]
5	[REDACTED]	[REDACTED]	[REDACTED]
6	[REDACTED]	[REDACTED]	[REDACTED]
7	[REDACTED]	[REDACTED]	[REDACTED]
8	[REDACTED]	[REDACTED]	[REDACTED]
9	[REDACTED]	[REDACTED]	[REDACTED]
10	[REDACTED]	[REDACTED]	[REDACTED]
11	[REDACTED]	[REDACTED]	[REDACTED]
12	[REDACTED]	[REDACTED]	[REDACTED]
13	[REDACTED]	[REDACTED]	[REDACTED]
14	[REDACTED]	[REDACTED]	[REDACTED]
15	[REDACTED]	[REDACTED]	[REDACTED]
16	[REDACTED]	[REDACTED]	[REDACTED]
17	[REDACTED]	[REDACTED]	[REDACTED]
18	[REDACTED]	[REDACTED]	[REDACTED]
19	[REDACTED]	[REDACTED]	[REDACTED]
20	[REDACTED]	[REDACTED]	[REDACTED]
21	[REDACTED]	[REDACTED]	[REDACTED]
22	[REDACTED]	[REDACTED]	[REDACTED]
23	[REDACTED]	[REDACTED]	[REDACTED]
24	[REDACTED]	[REDACTED]	[REDACTED]
25	[REDACTED]	[REDACTED]	[REDACTED]
26	[REDACTED]	[REDACTED]	[REDACTED]

4. Indexed Fee

Subject to **Clauses 9 (Changes to Services Required), 39 (Variation of Price)** and **39A (Benchmarking)**, the Indexed Fee shall be as set out in the table in paragraph 6(a) and adjusted on each Review Date in accordance with paragraph 6(a).

5. Indexed Costs Fee

Subject to **Clauses 9 (Changes to Services Required), 39 (Variation of Price)** and **39A (Benchmarking)**, the Indexed Costs Fee shall be as set out in the table in paragraph 6(b) and adjusted on each Review Date in accordance with paragraph 6(b).

5A. Indexed Utility Fee

5A.1 Subject to **Clause 9 (Changes to Services Required), 39 (Variation of Price)** and **39A (Benchmarking)**, prior to the Actual Houseblock Opening Date the Indexed Utility Fee shall be:

- (a) [REDACTED] per Available Prisoner Place per Day in the first Year after the Contractual Opening Date;
- (b) [REDACTED] per Available Prisoner Place per Day in the second to fourth Years after the Contractual Opening Date; and
- (c) [REDACTED] per Available Prisoner Place per Day until the earlier of the expiry of the Contract Term and the Actual Houseblock Opening Date.

5A.2 Subject to **Clause 9 (Changes to Services Required), 39 (Variation of Price)** and **39A (Benchmarking)**, from the Actual Houseblock Opening Date the Indexed Utility Fee shall be:

- (a) [REDACTED] per Available Prisoner Place per Day in the sixth Performance Year (the first Performance Year after the Actual Houseblock Opening Date); and
- (b) [REDACTED] per Available Prisoner Place per Day in the seventh Performance Year until the expiry of the Contract Term.

5A.3 Subject to **Clause 9 (Changes to Services Required), 39 (Variation of Price)** and **39A (Benchmarking)**, the Indexed Utility Fee in respect of the Utilised Available Prisoner Places shall be [REDACTED] per Utilised Available Prisoner Place per Day from the Actual Houseblock Opening Date until the expiry of the Contract Term.

5B Insurance Costs Fee

Subject to **Clauses 9 (Changes to Services Required), 39 (Variation of Price)** and **39A (Benchmarking)**, the Insurance Costs Fee shall be determined as follows:

A/B

Where:

A = Total amount determined pursuant to **Clause 5.13 (Insurance)**.

B = 365 (save in respect of a leap Year in which B shall be 366).

For the avoidance of doubt, A and ICF may be less than zero (0). The Insurance Costs Fee is not subject to indexation.

6. Application of Retail Prices Index for the Indexed Fee, the Indexed Costs Fee and the Indexed Utility Fee

Subject to **Clauses 9 (Changes to Services Required), 39 (Variation of Price)** and **39A (Benchmarking)** as at each Review Date:

(a) Indexed Fee

the Indexed Fee shall be an amount per Available Prisoner Place per Day as adjusted in accordance with the following formula:

$$I = I_n \times \text{Indexed Fee Factor}_n$$

Where:

I is the amount of the Indexed Fee payable per Available Prisoner Place per Day.

I_n is determined during any Year commencing on the Actual Opening Date and each Year commencing on each Review Date in each subsequent Year in accordance with the following table:

Year commencing on the Actual Opening Date in Year 1 and for each subsequent Year commencing 1 April of that Year	Relevant Daily Indexed Fee per Available Prisoner Place and Utilised Available Prisoner Place prior to the Actual Houseblock Opening Date	Relevant Daily Indexed Fee Per Available Prisoner Place from the Actual Houseblock Opening Date	Relevant Daily Indexed Fee Per Utilised Available Prisoner Place from the Actual Houseblock Opening Date
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			

Indexed Fee Factor_n is the factor with which price inflation is applied to the Indexed Fee, and is calculated in accordance with the following formula:

$$\text{Indexed Fee Factor}_n = \text{Indexed Fee Factor}_{n-1} \times \left(1 + \frac{\text{RPI}_A - \text{RPI}_B}{\text{RPI}_B}\right)$$

Indexed Fee Factor_{n-1} is the Indexed Fee Factor_n as at the previous Review Date.

RPI_A is the level of RPI for the month preceding the relevant Review Date by 3 months

RPI_B at the first Review Date is the level of RPI published for the month of July 2001 and at each subsequent Review Date is the level of RPI_A as at the last Review Date.

(b) Indexed Costs Fee

the Indexed Costs Fee shall be an amount per Available Prisoner Place per Day adjusted in accordance with the following formula:

$$I_2 = I_{2n} \times \text{Indexed Costs Fee Factor}_n$$

Where:

I_2 is the Indexed Costs Fee per Available Prisoner Place per Day.

I_{2n} is determined during any Year commencing on the Actual Opening Date in Year 1 and on the Review Date in each subsequent Year in accordance with the following table:

Year commencing on the Actual Opening Date in Year 1 and for each subsequent Year commencing 1 April of that Year	Relevant Daily Indexed Costs Fee per Available Prisoner Place and Utilised Available Prisoner Place prior to the Actual Houseblock Opening Date	Relevant Daily Indexed Costs Fee Per Available Prisoner Place from the Actual Houseblock Opening Date	Relevant Daily Indexed Costs Fee Per Utilised Available Prisoner Place from the Actual Houseblock Opening Date
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			

Indexed Costs Fee Factor_n is the factor by means of which price inflation is applied to the Indexed Costs Fee, and is calculated in accordance with the following formula at the first Review Date (Actual Opening Date):

$$\text{Indexed Costs Fee Factor}_n = \left(\left\{ 1 + \frac{\text{RPI}_C - \text{RPI}_D}{\text{RPI}_D} \right\} + \{ (\{1.008\}^{1/12})^m - 1 \} \right)$$

and at each subsequent Review Date is:

$$\text{Indexed Costs Fee Factor}_n = \text{Indexed Costs Fee Factor}_{n-1} \times \left(\left\{ 1 + \frac{\text{RPI}_C - \text{RPI}_D}{\text{RPI}_D} \right\} + 0.008 \right)$$

Indexed Costs Fee Factor_{n-1} is Indexed Costs Fee Factor_n as at the previous Review Date.

RPI_C is the level of RPI for the month preceding the relevant Review Date by 3 months.

RPI_D at the first Review date is the level of RPI published for the month of July 2001 and at each subsequent Review Date is the level of RPI_C as at the last Review Date.

m is at the first Review Date the number of complete months that have passed since October 2001 and the Actual Opening Date.

With effect from each Review Date, the amount of the Indexed Fee and the Indexed Costs Fee shall be the amount calculated under this paragraph 6 up to and including the Day before the next succeeding Review Date.

(c) Indexed Utility Fee

The Indexed Utility Fee shall be an amount per Available Prisoner Place per Day as adjusted in accordance with the following formula:

$$U = U_o \times \left\{ \frac{Index_n}{Index_o} \right\}$$

Where:

U is the amount of the Indexed Utility Fee payable per Available Prisoner Place per Day;

U_o is the amount of the Indexed Utility Fee payable per Available Prisoner Place per Day as set out in paragraph 5A, subject to the five-Yearly adjustments described below;

Index_n is the fuel and power component of the RPI published three months prior to the last Review Date of the Indexed Utility Fee;

Index_o is the fuel and power component of the RPI published in July 2001;

Following each anniversary of the Actual Opening Date, the Contractor shall provide the Authority within three months with a certificate of the actual cost of utilities in the preceding Year (**W**) before capital investment. The certificate shall also show the cost of any incremental investments made in energy efficient devices procured solely for the purposes of improving energy efficiency and which are in addition to those contemplated at the date hereof. The cost of such investments shall be amortised over five (5) Years and the annual amount of such amortisation (**X**) shall also be shown on the relevant certificate. If so requested by the Authority the Contractor shall provide such supporting information to the Authority as it may reasonably require.

The aggregate of W and X shall be Y.

In any Year should the total amount of Indexed Utility Fees paid to the Contractor in that Year exceed Y then any difference shall be divided as follows:

■ of any such excess will be retained by the Contractor; and

50% of any such excess shall be transferred to a fund, which will be applied to benefits of prisoners for rehabilitative purposes not covered by this Contract after agreement with the Controller.

Each fifth anniversary of the Actual Full Operation Date U_0 will be recalculated to be the lesser of U_0 and Z_0 where:

$$Z_0 = (Y_{n-5} \left\{ \frac{Index_0}{Index_{n-5}} \right\} + Y_{n-4} \times \left\{ \frac{Index_0}{Index_{n-4}} \right\} + Y_{n-3} \times \left\{ \frac{Index_0}{Index_{n-3}} \right\} + Y_{n-2} \times \left\{ \frac{Index_0}{Index_{n-2}} \right\} + Y_{n-1} \times \left\{ \frac{Index_0}{Index_{n-1}} \right\})$$

5x365 x the number of Available Prisoner Places required to be provided under the Contract

7. Payment for Additional Prisoner Places

The mechanism for calculating the price payable by the Authority for the provision of Additional Prisoner Places in accordance with **Clause 40A (Additional Prisoner Places)** shall be the mechanism described below.

- (a) Subject to Clause 9 (Changes to Services Required), **Clause 39 (Variation of Price)** and **39A (Benchmarking)**, the amount payable per Additional Prisoner Place per Day for Additional Prisoner Places in an APP Band shall be the APP Fee corresponding to such APP Band, such amount being set out in the following table:

APP Band	Number of Additional Prisoner Places	APP Fee	Minimum Additional Contracted Capacity
A	1 to 15		0
B	16 to 30		15
C	31 to 45		30

The APP Fee in the above table shall be increased on each Review Date in accordance with paragraph 8 below.

- (b) If the Authority has served notice under **Clause 40A.2 (APP Notice)** (and whether or not **Clause 40A.6** applies) and while such notice is Maintained, (i) the Additional Prisoner Places comprising the Minimum Additional Contracted Capacity applicable to each of the APP Band or Bands in respect of which such notice was served, other than the highest such APP Band, shall be paid for on an Availability Basis at the APP Fee applicable to that APP Band or Bands; and (ii) the Additional Prisoner Places in the highest APP Band in respect of which such notice was served shall be paid for on a Utilised Basis at the APP Fee applicable to that APP Band. A notice is **Maintained** for the purpose of this paragraph 7(b) from the date the relevant notice has been served under **Clause 40A.2** and has not been revoked, in accordance with **Clauses 40A.3** and **40A.4**, whether or not the Contractor is relieved of any obligations pursuant to **Clause 40A.5**. The **Aggregate APP Fee** shall be the sum of the APP Fees payable per Additional Prisoner Place per Day as determined in accordance with sub-paragraphs (i) and (ii) above.

8. Indexation of the APP Fee

Subject to **Clauses 9 (Changes to Services Required) 39 (Variation of Price)** and **39A (Benchmarking)**, as at each Review Date, the APP Fee shall be varied as follows:

For the purposes of indexing the APP Fee, the APP Fee shall be divided into:

- (a) V1, which shall be an amount equal to 50% of the APP Fee payable per Additional Prisoner Place as set out in paragraph 7 above (as increased pursuant to this paragraph 8); and
- (b) V2, which shall be an amount equal to 50% of the APP Fee payable per Additional Prisoner Place as set out in paragraph 7 above (as increased pursuant to this paragraph 8).

V1 shall be varied by the percentage equal to the percentage change in the level of the Indexed Fee occurring on the relevant Review Date pursuant to paragraph 6 of this Schedule.

V2 shall be varied by the percentage equal to the percentage change in the level of the Indexed Costs Fee occurring on the relevant Review Date pursuant to paragraph 6 of this Schedule.

With effect from each Review Date, the amount of the APP Fee shall be the amount calculated under the provisions of this paragraph 8 up to and including the Day before the next succeeding Review Date.

9. Formula for Daily Payment

The Contract Price payable daily (**Daily Payment**) prior to the Actual Houseblock Opening Date to the Contractor shall be calculated according to the following formula:

$$S_1 \times (((430 \times C_1) + (T \times C_2 \times 0.5)) \times (A/450)) + R + ICF$$

The Contract Price payable daily (**Daily Payment**) after the Actual Houseblock Opening Date to the Contractor shall be calculated according to the following formula:

$$S_2 \times (((507 \times C_1) + (T \times C_2 \times 0.5)) \times (A/527)) + R + ICF$$

Where:

This amount shall be subject to the following adjustments:

- (a) In respect of each invoice delivered in respect of each month, the daily amount payable shall be reduced by:

$$(0.35 \times D) \times C_1; \text{ and}$$

- (b) The amount of the invoice for the last month of each Performance Quarter prior to the Actual Houseblock Opening Date will be reduced to reflect Performance Points incurred (if any) above the aggregate monthly Baseline Totals for that Performance Quarter. The amount of the reduction (the **Quarterly Deduction**) will be the lesser of:

(i) $(P-B) \times Q_1/3 \times 0.0001$; and

(ii) $0.05 \times Q_1$

The amount of the invoice for the last month of each Performance Quarter after the Actual Houseblock Opening Date will be reduced to reflect Performance Points incurred (if any) above the aggregate monthly Baseline Totals for that Performance Quarter. The amount of the reduction (the **Quarterly Deduction**) will be the lesser of:

(i) $(P-B) \times Q_2/3 \times 0.0001$; and

(ii) $0.05 \times Q_2$

Where:

P is the cumulative number of Performance Points incurred during the Performance Quarter, up to and including the last Day of the Performance Quarter;

B is the Baseline Total for the entire Performance Quarter as set out in Schedule F; and

Q₁ is the aggregate of $(430 \times C_1) + (20 \times C_2 \times 0.5) + R + ICF$, for the period starting on the first Day of the Performance Quarter and ending on the last Day of the last month of the relevant Performance Quarter.

Q_2 is the aggregate of $(507 \times C_1) + (20 \times C_2 \times 0.5) + R + ICF$, for the period starting on the first Day of the Performance Quarter and ending on the last Day of the last month of the relevant Performance Quarter.

(c) The **Aggregate Quarterly Deduction** prior to the Actual Houseblock Opening Date is the sum of the Quarterly Deductions paid during the current Review Year. In addition to the Aggregate Quarterly Deduction, the invoice amount for the last month of each Performance Year will be reduced by the Annual Deduction. The Annual Deduction will be not less than zero and shall be the lesser of:

(i) $\{(PA - CA - BA) \times QA_1/12\} \times 0.0001$; and

(ii) $0.05 \times QA_1$ - the Aggregate Quarterly Deduction

The **Aggregate Quarterly Deduction** after the Actual Houseblock Opening Date is the sum of the Quarterly Deductions paid during the current Review Year. In addition to the Aggregate Quarterly Deduction, the invoice amount for the last month of each Performance Year will be reduced by the Annual Deduction. The Annual Deduction will be not less than zero and shall be the lesser of:

(i) $\{(PA - CA - BA) \times QA_2/12\} \times 0.0001$; and

(ii) $0.05 \times QA_2$ - the Aggregate Quarterly Deduction

Where:

PA is the cumulative number of Annual Performance Points incurred during the Performance Year up to and including the last Day of the Performance Year;

CA is the credit points earned as set out in Schedule F;

BA is the Baseline total for the Performance Year as set out in Schedule F;

QA_1 is the aggregate of $(430 \times C_1) + (20 \times C_2 \times 0.5) + R + ICF$ for the period starting on the first Day of the Performance Year and ending on the last Day of the Performance Year; and

QA_2 is the aggregate of $(507 \times C_1) + (20 \times C_2 \times 0.5) + R + ICF$ for the period starting on the first Day of the Performance Year and ending on the last Day of the Performance Year.

10. Mechanism for Checking/Rectifying Daily Report

(a) If any of the information contained in any Daily Report is found to be incorrect pursuant to **Clause 35.4 (Monitoring and Inspection)** and, consequently, the Contractor receives an overpayment, then:

(i) the Authority may require a refund of any amounts overpaid. Subject to (b) below, such refund shall be calculated in accordance with the following formula:

$$X - ((Y/Z) \times X)$$

Where:

- X is the actual amount paid by the Authority since (but not including) the Inspection Date;
- Y is the amount which would have been payable in respect of the single Day for which the Daily Report was produced if the correct figures had been given;
- Z is the amount which would be payable in respect of the single Day for which the Daily Report was produced if the figures given in the Daily Report were used; and

(ii) subject to (b) below, the Authority shall be entitled to assume that the figures in all the Daily Reports for Days in respect of which the Authority has not yet made payment since (but not including) the Inspection Date are incorrect to the same degree so that the amount payable in respect of such Days shall be multiplied by a factor of (Y/Z) , (where Y and Z have the meanings given above).

(b) If any of the information contained in any Daily Report is found to be incorrect pursuant to **Clause 35.4 (Monitoring and Inspection)** and, consequently, the Contractor receives an overpayment, and if the Contractor demonstrates to the reasonable satisfaction of the Authority that the error in the Daily Report occurred solely as a result of an administrative error or oversight and that such error was not repeated on any other previous Day, or for only a definite number of previous Days, then the provisions of (a) above shall not apply and:

- (i) the Authority will be entitled to a payment equal to the amount by which the Contractor was overpaid by the Authority as a result of such error in respect of such Day or Days in respect of which the error was made plus interest on such amount at the rate of LIBOR plus 1% calculated from the date on which such amount should otherwise have been paid until the date of payment thereof; and
- (ii) the Daily Reports relating to Days in respect of which no payment has yet been made by the Authority will be altered to the extent required to correct all errors and any invoice already issued relating to them and not yet paid by the Authority will be deemed amended to reflect such alteration.

(c) If any of the information in the Daily Report is found to be incorrect pursuant to **Clause 35.4 (Monitoring and Inspection)** solely as a result of an error or omission by the Authority and the Contractor demonstrates to the reasonable satisfaction of the Authority that such error or omission resulted in the Contractor receiving an underpayment in respect of that Day then:

- (i) the Contractor will be entitled to a payment equal to the amount by which the Contractor was underpaid by the Authority as a result of such error or omission in respect of such Day or Days in respect of which the error or omission was made; and
 - (ii) the Daily Reports relating to Days in respect of which no payment has yet been made by the Authority will be altered to the extent required to correct all such errors or omissions and any invoice already issued relating to such Days and not yet paid by the Authority will be deemed amended to reflect such alteration;
- (d) for the purposes of this paragraph 10, **Inspection Date** means the later of:
 - (i) the most recent Day in respect of which the contents of the Daily Report were previously checked pursuant to **Clause 35.4 (Monitoring and Inspection)**; and
 - (ii) the Day falling ninety (90) Days prior to the Day in respect of which the Daily Report is found to be incorrect.

11. Escort Fee

The annual fee for the provision of the Prisoner Escort Service referred to in **Clause 36.1 (Escort Arrangements)** for any Year commencing on the Actual Opening Date or any Year commencing on the anniversary of such date shall be [REDACTED] per annum payable monthly in arrears at the same time as payment of the Contract Price in accordance with **Clauses 38.3 (Price)** and **38.4 (Price)**. That annual fee shall be varied at each anniversary of the Actual Opening Date by the sum of 87.5% of the percentage change in the level of the Indexed Costs Fee Factor from the level of the Indexed Costs Fee Factor at the previous Review Date plus 12.50% of the percentage change in the level of the Indexed Fee Factor from the level of the Indexed Fee Factor at the previous Review Date.

12. Yearly Investment Programme

- 12.1 The Contractor shall make re-investment, from the annual profit margin on existing baseline payments by the Authority, into certain services (to be identified by the Contractor and agreed by the Authority and reported upon at the quarterly contract review meeting "QCRM") of the current Performance Year 2007/08 (such services to be in addition to those Services already required to be provided by the Contractor under this Contract), with a market value of at least [REDACTED].
- 12.2 In respect of future Performance Years, at least three (3) months prior to the start of each Performance Year (unless otherwise agreed by the Authority), the Contractor shall submit an investment programme to the Authority, pursuant to agreement and consultation of the ROM at the start of the Performance Year, against which the Contractor shall agree to provide certain services (such services to be in addition to those Services already required to be provided by the Contractor under this Contract) during that Performance Year, with a market value of at least [REDACTED] (indexed) (the "Yearly Investment Programme") ("Additional Services").
- 12.3 The Yearly Investment Programme shall provide the following information to the Authority:
- (a) a summary of the Additional Services provided or procured by the Contractor in the immediately preceding Performance Year, if any, together with a calculation of the Contractor's considered market value of such Additional Services;
 - (b) in respect of the following Performance Year, a method statement for the carrying out of any Additional Services. The following details shall be included within the method statement:
 - (i) dates upon which the Additional Services are expected to be commenced and/or completed, where appropriate;
 - (ii) the market value of the Additional Services to be provided;
 - (iii) a spending profile for the Additional Services, provided a breakdown of start-up and operating costs;
 - (c) any further information as may reasonably be required by the Authority, which may include (but is not limited to) the provision of open book accounting.
- 12.4 Without prejudice to any other provisions of this Contract, the Additional Services to be provided or procured by the Contractor shall be carried out in accordance with this Contract.
- 12.5 If:
- (a) at the end of a Performance Year the parties cannot agree the market value of the Additional Services provided in the immediately preceding Performance Year;
 - (b) by thirty (30) Days before the start of a new Performance Year, the parties cannot agree the market value of the Additional Services to be offered; or

- (c) by thirty (30) Days before the start of a new Performance Year, the parties cannot agree the method statement and programme for the carrying out of any Additional Services (including where appropriate the date(s) upon which any such Additional Services are expected to be commenced and/or completed, if any),

the matter shall be referred in the first instance to a Named Representative of the Authority and a Named Representative of the Contractor. If the Named Representative of the Authority and the Named Representative of the Contractor fail to reach agreement within thirty (30) Days from the date the matter is first referred to them, then the provisions set out in Clause 72 (Dispute Resolution) shall apply.

12.6 The Contractor shall provide a quarterly report at the QCRM, detailing progress against the method statement, including timescales for commencement/completion where appropriate, for the preceding quarter. This quarterly report will include as a minimum:

- (a) details of the actual spend against the Additional Services compared to the spending profile defined in the method statement; and
- (b) level/volume of Additional Services provided during the quarter and Performance Year to date compared to those defined in the method statement.

12.7 If the performance in the reporting quarter is below that defined in the method statement either:

- (a) the Contractor shall provide a plan detailing how the Additional Services will be re-profiled across the remaining quarters of the Performance Year. This plan will be subject to agreement by the Authority; or
- (b) the Authority may agree extra time for the Contractor to undertake the outstanding Additional Services.

12.8 The following scenarios may occur at the end of the Performance Year:

- (a) the Contractor has completed the Additional Services defined in the method statement in full - no further action required;
- (b) both parties agree that the Contractor has not completed the Additional Services defined in the method statement in full - the Contractor will work with the Authority to agree a remedy which may involve without limitation providing different services or an increased level of re-investment in the following Performance Year. For the avoidance of doubt, any under-spend in any given Performance Year will be available for carry-over into the following Performance Year; or
- (c) there is no agreement between the Authority and the Contractor on whether the Additional Services defined in the method statement have been completed - the issue shall be resolved following the process set out in paragraph 12.5 above.

SCHEDULE F

PERFORMANCE MEASURES

For the purposes of this Schedule, the following expressions shall have the meanings set out below or **Clause 1.1 (Definitions)** of the Contract, unless expressly stated otherwise:

Annual System means the measurement system for monitoring the performance of the Contractor calculated on an annual basis in accordance with paragraph 2B;

Category A security means the level of security required;

Category B establishment means the type and level of security required in relation to such building;

Contractor of Prisoner Escort Services means

Contracts and Competitions Unit (CCU) means the unit responsible for the management or, and policy issues relating to, the Contract;

Credit Measures means those measures contained in paragraph 3;

Credit Points means those points calculated in accordance with paragraph 3;

Director of Commissioning and Partnerships means the NOMS Director responsible for the national and regional commissioning of services to Offenders and for establishing and sustaining partnerships

HM Chief Inspector of Prisons means the head of the independent function who is tasked with inspecting prisons in England and Wales and reports to the Home Secretary;

Prison Service Instruction has the meaning assigned to this term in Appendix 1 to **Schedule D (Operational Requirements)**;

Prison Service Order (PSO) has the meaning assigned to this term in Appendix 1 to **Schedule D (Operational Requirements)**;

Mandatory Drug Tests has the meaning assigned to it in PSO 3601 (Mandatory Drug Testing)

National Security Framework has the meaning assigned to this term in Appendix 1 to **Schedule D (Operational Requirements)**;

Ombudsman means the individual for the time being appointed by the Home Secretary to investigate complaints from Offenders

Quarterly System means the measurement system for monitoring the performance of the Contractor calculated on a quarterly basis in accordance with paragraph 2A;

Reportable Incidents has the meaning assigned to it in QB4 to paragraph 2A;

ROM means the Regional Offender Manager, the person responsible for the reduction of re-offending within the region

Security Audit means an audit of security management and procedures;

Senior Manager D means an individual who has appointed to this grade within the Prison Service;

Sentence Plan has the meaning assigned to this term in Appendix 1 to **Schedule D (Operational Requirements)**;

Service Delivery Target (SDT) means the national standards of performance set by the Prison Service used to establish the local standards of performance for the Prison;

Standards Audit Unit means the section of the Public Sector Prison Service responsible for auditing compliance against HMPS performance standards in Public and Private Prisons

1. OPERATION OF THE SYSTEM

- (a) Other than in respect of escapes by Prisoners, in respect of which **Clause 41.8 (Plans and Performance Measures)** applies, and the mixing of male and female Prisoners, in respect of which **Clause 41.9 (Plans and Performance Measures)** applies, the events or circumstances which are Performance Measures for the purposes of **Clause 41.7 (Plans and Performance Measures)** are listed below.
- (b) The performance measurement system detailed within this Schedule F contains two parts; an Annual System (as detailed in paragraph 2B) and a Quarterly System (as detailed in paragraph 2A). These systems are used to monitor the performance of the Contractor and both operate independently of each other, save that the amount of deductions that can be made pursuant to these systems is subject to the overall financial limits set out in paragraphs 9 and 17 of **Schedule E (Payment Mechanism)**. The methodology for calculating these financial deductions is set out in paragraphs 9 and 17 of Schedule E.
- (c) Any Performance Points incurred under the Quarterly System will be compared against the Performance Quarter Baseline Total set out in the table to paragraph 5.2.1 every three months. Any financial deductions incurred by the Contractor pursuant to paragraph 2A of this Schedule F and calculated in accordance with Schedule E will be deducted from the amount otherwise payable in respect of the relevant Performance Quarter, save that all financial deductions shall be made by the end of the Contract Term.
- (d) Any Performance Points incurred under the Annual System less any Credit Points will be compared against the Performance Year Baseline Total set out in the table to paragraph 5.3.1 every twelve months. Any financial deductions incurred by the Contractor pursuant to paragraph 2B of this Schedule F and calculated in accordance with Schedule E will be deducted from the amount otherwise payable in respect of the relevant Performance Year, save that all financial deductions shall be made by the end of the Contract Term.
- (e) On each single occurrence of any Performance Measure the relevant number of Performance Points shown in paragraph 2 below, opposite that particular Performance Measure, shall automatically accrue.

- (f) Where an incident can be applied to one or more Performance Measures, only one Performance Measure will apply and the higher number of Performance Points shall accrue.
- (g) The Annual System allows the Contractor the opportunity to earn Credit Points against the Credit Measures, shown in paragraph 3 below, where the Contractor's performance is in excess of the contractual Performance Measure/SDT target. For the avoidance of doubt the maximum number of Credit Points which the Contractor can earn during any Performance Year is 515 Credit Points. Any Credit Points earned can only be offset against Performance Points incurred against the annual Performance Measures, shown in paragraph 4 below. For the avoidance of doubt, any surplus Credit Points following the deduction of the Performance Points incurred against the Performance Measures shown in paragraph 4 below, cannot be offset against any other annual Performance Points incurred. Nor can they be offset against any quarterly Performance Points incurred. The effect of the Credit Points on any financial deduction is shown at paragraphs 9 and 17 of **Schedule E (Payment Mechanism)**.
- (h) On each single occurrence of any Credit Measure the relevant number of Credit Points shown in paragraph 3 below, opposite that particular Credit Measure, shall automatically accrue.
- (i) Where an incident can be applied to one or more Credit Measures, only one Credit Measure will apply and the higher number of Credit Points shall accrue.
- (j) Where a Performance Measure or Credit Measure contained within paragraphs 2 and 3 respectively refers to a Service Delivery Target (SDT), this target will be set by the ROM, in consultation with the Director of the Prison. In the event that agreement between the ROM and the Director cannot be reached, the Authority will notify the Contractor in writing of the disputed areas. The matter shall then be referred to the Head of Commissioning and Partnerships at NOMS and Head of CCU (or its successor) and a Named Representative of the Contractor. If the Head of Commissioning and Partnerships at NOMS, the Head of CCU (or its successor) and a Named Representative of the Contractor fail to reach agreement within thirty (30) Days from the date this matter is first referred to them, then the provisions set out in **Clause 72 (Dispute Resolution)** shall apply.
- (k) Where any Service Delivery Target, forming part of the performance measurement system, is revised and becomes substantially different from the obligations stated in **Schedule D (Operational Requirements)**, then the Authority shall have the right to apply **Clause 9 (Changes to Service Required)**.
- (l) The Contractor must send monthly performance returns for the Quarterly System, in the agreed format to reach the Controller no later than seven (7) Days after the end of each month in each Performance Quarter.
- (m) The Contractor must send monthly performance returns for the Annual System, in the agreed format to reach the Controller no later than fourteen (14) Days after the end of each month in each Performance Year.
- (n) If the Controller does not agree any Performance Measure(s) and/or Credit Measure(s), the Contractor will be notified in writing stating the reason(s).

The Contractor must deal with any such queries within seven (7) Days of receipt of the notification, and will respond, providing supporting evidence. In the event that agreement with the Controller cannot be reached, the matter shall be referred in the first instance to a Named Representative of the Authority (who shall be classified as a Senior Manager D (or equivalent) or a more senior grade (or in the event that such grading changes, would have been so classified prior to such change)) and a Named Representative of the Contractor. If the Named Representative of the Authority and the Named Representative of the Contractor fail to reach agreement within thirty (30) Days from the date this matter is first referred to them, then the provisions set out in **Clause 72 (Dispute Resolution)** shall apply.

- (o) If there is a discrepancy between the title of any Performance Measure or Credit Measure and its definition, the definition of the Performance Measure or Credit Measure, as applicable, will take precedence.
- (p) The purpose of the Performance Measures in this schedule is to encourage good performance. The Authority will not seek to impose performance points where the Contractor can clearly demonstrate that the failure in question resulted from circumstances other than an act or omission on the part of the Contractor or its Staff.

2. PERFORMANCE MEASURES: DEFINITIONS AND POINTS

2A QUARTERLY SYSTEM

OBJECTIVE ONE

TO PROTECT THE PUBLIC BY HOLDING THOSE COMMITTED BY THE COURTS IN A SAFE, DECENT AND HEALTHY ENVIRONMENT

QA. Security - A secure Prison

QA1 Failure to achieve searching targets 50 points

Failure to achieve the percentage of planned number of non targeted searches (with wing/block/category and other areas of the Prison expressed separately) each quarter. For the avoidance of doubt, the specified number of Performance Points shall be incurred for failure to achieve all searching targets each quarter rather than failure to achieve each separate searching target each quarter.

QA2 Serious items smuggled in 50 points

Discovery of firearms or parts thereof, ammunition or explosives which are neither available in, nor able to be made from material in the Prison except where:

- (i) items found in the possession of a Prisoner during the process of admission of that Prisoner to the Prison;
- (ii) items found in the possession of a Prisoner who is leaving visits; and
- (iii) items found in the possession of Staff and Visitors in the entry building or during a visit.

QA3 Failure of Category A security procedures 20 points

Failure to follow the local operating procedures as set out in the LSS for the management of Category A Prisoners in the context of a Category B establishment. Performance Points to accrue for each failure or reoccurrence of the failure after twenty four (24) hours of the first failure first being observed. For the avoidance of doubt, the Performance Measure shall only apply when Category A Prisoners, including Restricted Status Prisoners on escort, are about to be held or are being held at the Prison (which shall, for the avoidance of doubt, include the provision by the Contractor of Prisoner Escort Services in accordance with Part 3 of Schedule D).

QA4 Failure of other (Non-Category A) security procedures 5 points

Failure to follow procedures for Prisoners, other than those for Category A Prisoners, laid down in the National Security Framework (NSF) and LSS. Points to accrue for each failure or recurrence of the failure after 24 hours of the failure first being observed.

QA5 Failure to observe key/lock security procedures

Failure to observe procedures for key and lock security set out in the NSF and LSS. Points to accrue for each compromise, failure or reoccurrence of the failure after twenty four (24) hours of the failure first being observed.

- Class 1 or 2 door unlocked **10 points**
- Occupied cell door unlocked during patrol stat **20 points**
- Class 1, 2 or cell keys taken out of the establishment **50 points**

QB. Safety - A safe Prison

QB1 Incident of concerted indiscipline 10 points

Any single incident of concerted indiscipline in the relevant Performance Quarter. Performance Points to accrue for each single incident. An act of concerted indiscipline occurs when two (2) or more Prisoners act together with the intention of disrupting the order and discipline of the Prison and/or refuse to desist any action or to comply with any lawful order.

QB2 Incident of hostage taking 20 points

Any single incident of hostage taking in the relevant Performance Quarter. Hostage taking is defined as detaining any person or persons against their will, by use of threats (implied or otherwise) or physical force, and the incident must be deemed an incident of hostage taking by the Authority.

QB3 Incident at height 5 points

Any single incident at height in the relevant Performance Quarter. An incident at height is defined as an incident that takes place at a height above two (2) metres

QB4 Failure to comply with agreed reporting procedures 5 points

Failure to report a reportable incident to the Authority. Reportable Incidents are as defined in Prison Service Order 1500 (Incident Reporting Systems) (a Prison Service Order as defined in Appendix 1 to Schedule D).

QB5 Failure to ensure staffing levels

Failure to ensure that the number of staff in post is at least the number of agreed staff in post. The following points will apply each month should the average staffing numbers fall below agreed number by the following percentages for each quarter. The agreed staff in post figure is to be agreed between the ROM's Representative and Director.

- **95% to 90% inclusive 5 points**
- **Less than 90% to 80% inclusive 20 points**
- **Less than 85% 50 points**

QB6 Failure to ensure staffing levels during night state period 10 points

Failure to ensure that the number of designated Staff on duty in designated areas of the Prison at any time during night state period on any Day, including weekends, is at least the number of designated Staff stated for night state duty in the Contract.

QC1 Failure to report any Performance Measure 50 points

Failure to report to the Authority any Quarterly Performance Measure in the Performance Quarter as required by **Clause 41.9 (Plans and Performance Measures)** and any failure under **Clause 29.8 (Available Prisoner Places)**, including any failure to report accurately or at the appropriate time. Performance Points shall accrue for each measure.

QC2 Failure to provide required information 5 points

Failure to present to the Authority any required documentation in the Performance Quarter as required by Schedule D, including any failure to report such information accurately.

2B ANNUAL SYSTEM

Note: Those annual Performance Measure titles which are followed by # indicate that Credit Points can be offset against Performance Points incurred against these Performance Measures. The Performance Measure titles are summarised in paragraph 4 below.

OBJECTIVE ONE

TO PROTECT THE PUBLIC BY HOLDING THOSE COMMITTED BY THE COURTS IN A SAFE, DECENT AND HEALTHY ENVIRONMENT

AA. Security - A secure Prison

AA1 Security Audit

**(i) Audit marking of 79% or below
25 points**

(ii) Audit marking of 65% or below 50 points

Failure to achieve a rating of 80% or better in the Security Audit undertaken by SAU, during the relevant Performance Year. For the avoidance of doubt where a self-audit is required and not undertaken Performance Points will accrue under Performance Measure AF1.

AA2 Non-Compliance with local planned preventative maintenance programme 10 points

Failure to achieve the agreed KPT percentage compliance with local planned preventative maintenance (PPM) with respect to all equipment as defined in Prison Service Order (PSO 5900). The Authority and Contractor will agree targets of work to be conducted each month. Performance Points shall accrue for each one percent below the target.

[number of jobs completed during the Year ÷ number of jobs that should have been completed x 100 = %]

AB. Safety - A safe Prison

AB1 Serious Assault(s) against Staff, Prisoners and others# 20 points

Failure to achieve fewer than the agreed SDT percentage of serious assaults on Staff, Prisoners and others as defined in PSO 1400. Only incidents which took place at the Prison, while the Prisoners were within the custody of the Contractor or its Sub-contractor, will be included. Where one Prisoner has assaulted more than one person in the same incident, each assault will be counted.

AB2 Failure to complete Incident Management exercises 5 points

Failure to run the agreed contractual SDT target of Incident Management exercises in the Year, where at least one full exercise is a hostage exercises. Performance Points shall accrue for each exercise below the target or for each failure to run the full exercise.

AB3 Failure to complete Fire Evacuation exercises 5 points

Failure to run the required number of fire evacuation exercises in the Performance Year. Performance Points shall accrue for each exercise below the target.

AC. Decency and Health - Decent Conditions and fair treatment

AC2 Response to Prisoners requests and complaints# 0.5 points

Failure to ensure that the agreed SDT percentage of local complaints are dealt with within PSO2510 timescales. A completed reply shall be the final reply. A substantive reply which is not the final reply shall not count as a completed reply. Performance Points shall accrue for each one percent below the target.

**AC3 Incidents of self harm resulting in injury
0.5 point**

Performance Points will accrue for each known incident of deliberate self-harm, as described in the definition agreed between the Controller and the Director, which results in physical injury, however minor, during the relevant Performance Year.

AC4 Repair Failure# 5 points

Any failure to complete repairs which the Contractor is obliged to carry out under **Clause 17 (Maintenance of Prison)** or which are notified to the Contractor under **Clause 19.2 (Dilapidation Survey)** within forty eight (48) hours will incur points. Repairs not completed within forty eight (48) hours as a consequence of matters outside the direct control of the Contractor shall not be regarded as a failure under this definition.

AD. Organisational Efficiency and Effectiveness

**AD1 Discharge of Prisoners for court appearances#
1 point**

Failure to ensure that the agreed SDT percentage of Prisoners are ready for discharge for court appearance in compliance with the escort contract. Performance Points shall accrue for each one percent below the target.

OBJECTIVE TWO

TO REDUCE CRIME BY PROVIDING CONSTRUCTIVE REGIMES WHICH ADDRESS OFFENDING BEHAVIOUR, IMPROVE EDUCATIONAL AND WORK SKILLS, AND PROMOTE LAW ABIDING BEHAVIOUR IN CUSTODY AND AFTER RELEASE.

AE. Regimes - A reduction in re-offending for ex-Prisoners

**AE1 Failure to undertake required number of Mandatory Drug Tests
5points**

Failure to complete 90% of the required percentage of random mandatory drugs tests in the relevant Performance Year as required by the Authority. Performance Points shall accrue for each test that the Contractor fails to complete below the required percentage of drugs tests.

**AE2 Incidents of positive random drugs tests
20 points**

Failure to achieve fewer than the agreed SDT percentage of positive random drugs tests (having undertaken the required percentage of random Mandatory Drug Tests). Performance Points shall accrue for each one percent in excess of the target.

AE3 Voluntary drug testing programme# 10 points

Failure to achieve the agreed contractual SDT number of Prisoners with a signed voluntary drug-testing compact., with figures reported as an end of month snapshot total Performance Points shall accrue for each Prisoner below the target.

AE4 CARATS assessment# 10 points

Failure to achieve the agreed SDT number of full CARATS assessments completions. A CARATS assessment completion shall be where the CARATS casework record is opened and the relevant information has been obtained to allow an assessment of need to take place. Performance Points shall accrue for each CARATS assessment completion below the target.

AE6 Drug detoxification programme# 5 points

Failure to achieve the agreed SDT number of Prisoners who are identified as needing detoxification and for whom PSO 3550 (Clinical Service for Substance Misusers) is appropriate, and who enter a detoxification programme in line with PSO 3550. Performance Points shall accrue for each Prisoner below the target.

AE7 Failure to provide childcare plans# 2.5 points

Failure to provide a childcare plan within four (4) weeks of admission to the Mother and Baby Unit. Performance Points to accrue per plan.

AE8 Delivery of Purposeful Activity hours per week#

less than 95%	5 points
less than 75%	10 points
less than 50%	20 points

Failure to ensure that Prisoners spend an average of at least the agreed SDT number of hours per week engaged in Purposeful Activity. Performance Points shall accrue for hours below the target for each week.

AE9 Completions of offending behaviour programmes# 5 points

Failure to ensure that there are the agreed SDT number of completions of offending behaviour programmes (all programmes). Performance Points shall accrue for each completion below the target.

AE10 Out of cell hours for Prisoners on enhanced and standard week#

less than 95%	2 points
less than 75%	5 points
less than 50%	10 points

Failure to ensure that Prisoners on standard or enhanced regimes are unlocked for at least the agreed number of hours per weekday. Performance Points shall accrue for hours below the target for each week.

AE11 Forwarding parole dossiers to Headquarters# 1 point

Failure to ensure at least the agreed SDT percentage of parole dossiers reach Prison Service headquarters within the specified number of weeks of parole eligibility date. Performance Points shall accrue for each one percent below the target. For the avoidance of doubt, any failure that can be proved to be beyond the control of the Contractor shall not count towards this Performance Measure.

AE12 Prisoners with skills for life# 5 points

Failure to achieve the agreed number of skills for life awards. Performance Points shall accrue for each award below the target.

AE13 Prisoners with key work skills# 5 points

Failure to achieve the agreed SDT number of Key Work Skills awards. Performance Points shall accrue for each award below the target.

AE14 Release on Temporary Licence# 5 points

Failure to ensure that the agreed SDT number of Prisoners released on temporary licence successfully return to the Prison, where the unsuccessful temporary release can be attributed to the provision to the Controller by the Contractor of an either inadequate or incomplete or factually inaccurate risk assessment (in accordance with the Prisoner Service Instruction 36/95) on any Prisoner considered for temporary release. Performance Points shall accrue for each incident below the target.

AE15 Home Detention Curfew scheme 5 points

Provision to the Controller by the Contractor of an either inadequate or incomplete or factually inaccurate risk assessment (in accordance with current Prison Service Instructions) on any Prisoner considered for temporary release.

AE16 Failure to release on correct date 20 points

The release of a Prisoner in error, or her detention beyond the correct date for release, due solely to the fault of the Contractor. Performance Points to accrue per Prisoner.

AE17 Failure to complete OASys assessments# 2.5 points

Failure to achieve the agreed SDT of OASys assessment. Performance Points to accrue per assessment below the target

AF. Auditing procedures

AF1 Failure to complete self-audit in within the agreed timescale 10 points

Failure to complete self-audit to the agreed standards. This shall include a failure to complete self-audit within the agreed timescales. For the purposes of this exercise, failure to complete each self-audit shall attract the specified number of Performance Points.

AF2 Standards Audit#

(i) Audit marking of 65% or below 25 points

(ii) Audit marking of 55% or below 50 points

Failure to achieve a rating of 66% in the Standards Audit, during the relevant Performance Year. For the avoidance of doubt where a self-audit is required and not undertaken Performance Points will accrue under Performance Measure AF1.

AF3 Failure to implement audit report recommendations 10 points

Failure to comply with timescales in action plans arising from audits or reviews of the Custodial Service conducted by HM Prison Service, HM Chief Inspector of Prisons or Schedule D audits as carried out by the Controller. Such action plans will have been agreed with the Authority by the Contractor. For the purpose of this exercise, failure to implement each individual recommendation within the action plan shall attract the specified number of Performance Points.

AG Failure to report any Performance Measure 50 points

Failure to report to the Authority any Performance Measure in the Performance Year as required by **Clause 41.10 (Plans and Performance Measures)** and any failure under **Clause 29.8 (Available Prisoner Places)**, including any failure to report accurately or at the appropriate time. Performance Points shall accrue for each measure.

AG1 Failure to provide required information 5 points

Failure to present to the Authority any required documentation in the Performance Year as required by Schedule D, including any failure to report such information accurately.

3. CREDIT MEASURES: DEFINITIONS AND POINTS

Note: Credit Points can be accrued against the following measures.

PERFORMANCE YEAR SYSTEM

OBJECTIVE ONE

TO PROTECT THE PUBLIC BY HOLDING THOSE COMMITTED BY THE COURTS IN A SAFE, DECENT AND HEALTHY ENVIRONMENT

CA. Security - A secure Prison

CA1 Security Audit

(i) 80% 25 points

To achieve a rating better than 80% in the Security Audit undertaken by Standards Audit Unit, during the relevant Performance Year.

CA2 Standards Audit

(i) 80% 15 points

To achieve a rating better than 80% in the Standards Audit undertaken by Standards Audit Unit, during the relevant Performance Year.

OBJECTIVE TWO

TO REDUCE CRIME BY PROVIDING CONSTRUCTIVE REGIMES WHICH ADDRESS OFFENDING BEHAVIOUR, IMPROVE EDUCATIONAL AND WORK SKILLS, AND PROMOTE LAW ABIDING BEHAVIOUR IN CUSTODY AND AFTER RELEASE.

CB. Regimes - A reduction in re-offending for ex-Prisoners

CB1 Delivery of Purposeful Activity hours per week

delivery of more than 105% 5 points

To deliver in excess of the agreed SDT number of hours per Prisoner per week engaged in Purposeful Activity. Credit Points shall accrue for hours above the target.

CB2 Completions of offending behaviour programmes

5 points, up to a maximum of 50 points

To deliver in excess of the agreed SDT number of completions of offending behaviour programmes (all programmes). Credit Points shall accrue for each completion above the target, up to a maximum of 50 points.

CB3 Prisoners with skills for life 75 points

To deliver in excess of 110% of the agreed SDT number of Skills for Life awards. The Credit Points shall only accrue if the Contractor delivers in excess of 110% of the target.

CB4 Prisoners with key work skills 75 points

To deliver in excess of 110% of the agreed SDT number of Key Work Skills awards. The Credit Points shall only accrue if the Contractor delivers in excess of 110% of the target.

CB7 Self Harm Audit

(i) 80% 15 points

To achieve a rating better than 80% in the self harm Audit undertaken by Authority, during the relevant Performance Year.

NB: THIS CREDIT MEASURE CAN ONLY OFFSET PERFORMANCE MEASURES AGAINST AC4

For the avoidance of doubt, the maximum number of Credit Points which the Contractor can earn during any Performance Year is 515 Credit Points, discounting CB7

4 OFFSETTING CREDIT POINTS AGAINST PERFORMANCE POINTS

Note: *Any Credit Points earned can only be offset against Performance Points incurred against the annual Performance Measures, shown below. For the avoidance of doubt, any surplus Credit Points following the deduction of the Performance Points incurred against the Performance Measures shown below, cannot be offset against any other annual Performance Points incurred. Nor can they be offset against any quarterly Performance Points incurred.*

ANNUAL SYSTEM

OBJECTIVE ONE

TO PROTECT THE PUBLIC BY HOLDING THOSE COMMITTED BY THE COURTS IN A SAFE, DECENT AND HEALTHY ENVIRONMENT

AC. Decency and Health - Decent Conditions and fair treatment

AB1 Serious Assaults against Staff, Prisoners and others

AC2 Response to Prisoners requests and complaints

AC5 Repair Failure

AD. Organisational Efficiency and Effectiveness

AD1 Discharge of Prisoners for court appearance

OBJECTIVE TWO

TO REDUCE CRIME BY PROVIDING CONSTRUCTIVE REGIMES WHICH ADDRESS OFFENDING BEHAVIOUR, IMPROVE EDUCATIONAL AND WORK SKILLS, AND PROMOTE LAW ABIDING BEHAVIOUR IN CUSTODY AND AFTER RELEASE.

AE. Regimes - A reduction in re-offending for ex-Prisoners

AE3 Voluntary drug testing programme

AE4 CARATS assessments

AE6 Drug detoxification programme

AE7 Childcare plans

AE8 Delivery of Purposeful Activity hours per week

less than 95%

less than 75%

less than 50%

AE9 Completions of offending behaviour programmes

AE10 Out of cell hours for Prisoners on enhanced and standard per week

(i) provision of less than 95%

(ii) provision of less than 75%

(iii) provision of less than 50%

AE11 Forwarding parole dossiers to headquarters

AE12 Prisoners with skills for life

AE13 Prisoners with key work skills

AE14 Release on Temporary Licence

AE17 Failure to provide OASys assessments

5. CALCULATION OF BASELINE TOTALS

- 5.1 Performance Years will commence on first Day of the April following Full Operation Date and each Year commencing on each anniversary of such Day. The first Performance Quarter will commence on the first Day of April following Full Operation Date. In the period between Full Operation Date and the last Day of the following March, the Contractor will operate the performance measurement system contained within this Schedule F and provide monthly information to the Authority. However, no financial penalties shall be incurred during this period under the performance measurement system. For the avoidance of doubt the financial penalties for the escape of a Prisoner from the Prison or escort, **Clauses 41.8(a) (Plans and Performance Measures), 41.8(b) (Plans and Performance Measures) and 41.8(c) (Plans and Performance Measures)**, and the mixing of male and female Prisoners, **Clauses 41.9(a) (Plans and Performance Measures) and 41.9(b) (Plans and Performance Measures)** shall apply during this period.
- 5.2.1 The Performance Quarter Baseline Total in respect of each Performance Quarter shall, subject to the provisions of this paragraph, be as set out in the table below:

Performance Year	Performance Quarter Baseline Total
1st	90
2 nd	85
3 rd	80
4 th	75
5 th	70
Years 6 - Actual Houseblock Opening Date	65
Actual Houseblock Opening Date - expiry of the Contract Term	76

If the average daily number of Available Prisoner Places is less than four hundred and fifty (450) Available Prisoner Places during the relevant Performance Quarter before the Actual Houseblock Opening Date (or five hundred and twenty seven (527) Available Prisoner Places after the Actual Houseblock Opening Date), the Baseline Total shall be reduced proportionately.

Similarly, the Baseline Total shall be increased proportionately for the average daily number of Additional Prisoner Places in addition to four hundred and fifty (450) Available Prisoner Places before the Actual Houseblock Opening Date (or five hundred and twenty seven (527)

Available Prisoner Places after the Actual Houseblock Opening Date), in each case over the relevant Performance Quarter.

5.2.2 For the Performance Quarter which includes the Actual Houseblock Opening Date, the Performance Quarter Baseline Total will be adjusted pro-rata to reflect:

- (a) the prevailing Performance Quarter Baseline Total and the number of Days in that Performance Quarter prior to the Actual Houseblock Opening Date; and
- (b) the number of Days in that Performance Quarter from the Actual Houseblock Opening Date.

5.2.3 During the final Performance Quarter, the Performance Quarter Baseline Total will be adjusted pro-rata to reflect the number of Days in the Performance Quarter.

5.3.1 The Performance Year Baseline Total in respect of each Performance Year shall, subject to the provisions of this paragraph, be as set out in the table below:

Performance Year	Performance Year Baseline Total
1st	175
2nd	165
3rd	155
4th	145
5th	140
Years 6 - Actual Houseblock Opening Date	135
Actual Houseblock Opening Date - expiry of the Contract Term	158

If the average daily number of Available Prisoner Places is less than four hundred and fifty (450) Available Prisoner Places during the relevant Performance Year before the Actual Houseblock Opening Date (or five hundred and twenty seven (527) Available Prisoner Places after the Actual Houseblock Opening Date), the Baseline Total shall be reduced proportionately.

Similarly, the Baseline Total shall be increased proportionately for the average daily number of Additional Prisoner Places in addition to four hundred and fifty (450) Available Prisoner Places before the Actual Houseblock Opening Date (or five hundred and twenty seven (527) Available Prisoner Places after the Actual Houseblock Opening Date), in each case over the relevant Performance Year.

5.3.2 For the Performance Year which includes the Actual Houseblock Opening Date, the Performance Year Baseline Total will be adjusted pro-rata to reflect:

- (a) the prevailing Performance Year Baseline Total and the number of Days in that Performance Year prior to the Actual Houseblock Opening Date; and
- (b) the number of Days in that Performance Year from the Actual Houseblock Opening Date.

5.3.3 During the final Performance Year, the Performance Year Baseline Total will be adjusted pro-rata to reflect the number of Days in the Performance Year.

6. AGGREGATE OF PERFORMANCE POINTS

6.1 The aggregate of Performance Points which accrue in any one Performance Quarter shall be calculated as the aggregate of all Performance Points accruing in respect of all Performance Measures occurring during the Performance Quarter.

6.2 The aggregate of Performance Points which accrue in any one Performance Year shall be calculated as the aggregate of all Performance Points accruing in respect of all Performance Measures occurring during the Performance Year.

7. PERFORMANCE MEASURES REVIEW

7.1 The Performance Measures, Performance Points and Baseline Total which relate to SDTs will be reviewed by consultation between the Authority and Contractor prior to the commencement of the first Performance Year.

7.2 The review will aim to ensure that where the Performance Measures are based on SDTs, they are still the most relevant and up-to-date for the first Performance Year.

7.3 All Performance Measures, Performance Points and Baseline Totals will be reviewed by consultation between the Authority and Contractor prior to the end of the first Performance Year and annually thereafter, except prior to the end of the final Performance Year.

7.4 The review will aim to set challenging targets for the operation of the Prison for the following Performance Year using Performance Measures which reflect NOMS Vision, Goals, Values and Service Delivery Targets and the ability of the Authority to properly establish that a high standard of Custodial Service is provided.

SCHEDULE G

Payments on Termination for Default

Part 1

For the purposes of this **Schedule G (Payments on Termination for Default)**, the following expressions shall have the meanings set out below:

Additional Costs has the meaning assigned to it in paragraph 1(ii);

Costs Expert means one of three persons nominated by the Agent and acceptable to the Authority (acting reasonably) provided that (i) the Authority shall inform the Agent whether or not any such person is acceptable within thirty (30) Days of receiving a request from the Agent, and (ii) if none of the nominated persons is acceptable to the Authority (acting reasonably), the Costs Expert shall be chosen by the President of the Chartered Institute of Arbitrators within thirty (30) Days of any application for selection by either party;

Excess Amounts has the meaning assigned to it in paragraph 1(c);

Notice Date means the date upon which the Authority serves a Termination Notice;

Qualifying Entities means private sector entities performing services substantially similar in nature to the Custodial Service;

Rectification Costs has the meaning assigned to it in paragraph 1(ii);

Replacement Operator has the meaning assigned to it in paragraph 1(c)(A)(ii);

Replacement Operator Costs has the meaning assigned to it in paragraph 1(c)(A)(ii);

Sub-Contractor Costs means the amounts that would have been payable to the Contractor by way of Indexed Fee, Indexed Costs Fee and Indexed Utility Fee (in each case as defined in **Schedule E (Payment Mechanism)**) had the Contractor performed until the Expiry Date its obligations (as to provision of Available Prisoner Places and Performance Measures) to the level of such obligations are required to be performed hereunder

Replacement Houseblock Construction Sub-contractor Costs means the amounts determined in accordance with paragraph (A) Part 2 of this **Schedule G (Payments for Termination on Default)**;

Sub-Contractor Houseblock Costs means the amounts that would have been payable to the Contractor in respect of the Houseblock Works Fee had the Contractor performed obligations in respect of the Houseblock Works to the level such obligations are required to be performed hereunder.

1. The amount payable by the Authority to the Contractor following termination of the Contract pursuant to **Clause 45 (Rectification and Termination for**

Default) following the date of the Engineer's Declaration shall be calculated as follows:

- (i) the Lender Liabilities as at the Extended Termination Date (but disregarding for these purposes any legal costs or expenses incurred by the Banks in connection with such termination, including for the avoidance of doubt any costs or expenses incurred in respect of procuring a Substitute Entity or an Alternative Operator); **less**
- (ii) the aggregate of:
 - (x) additional costs (if any) required to operate the Prison in full conformity with the Contract from the Extended Termination Date to the Expiry Date (**Additional Costs**) (calculated as the aggregate of:
 - (A) Replacement Operator Costs; less
 - (B) Sub-Contractor Costs), **and**
 - (y) rectification costs incurred by the Authority as defined below (the **Rectification Costs**).

The Rectification Costs shall be comprised of the following items (the sum of which shall be calculated without any double counting of any amounts that are duplicative (whether in the following or otherwise)):

- (a) the amount of any Capital Expenditure (and incidental construction costs) reasonably required for private sector operators of prisons generally to place the Prison in the condition required under the Contract as at the Extended Termination Date and such further Capital Expenditure (and incidental construction costs) as would be required by any such private sector operator to perform the Custodial Services (less the aggregate of (i) insurance proceeds which are (aa) received pursuant to policies maintained in accordance with Clause 5.1 and (bb) may be freely applied by the Authority against such expenditure; (ii) the amount standing to the credit of the bank account established pursuant to **Clause 52.3 (Termination Survey)**, to the extent that such amount may be freely applied by the Authority against such expenditure; (iii) the amount (if any) paid to the Authority pursuant to any collateral warranties provided by the Construction Sub-contractor to the Authority in accordance with **Clause 7.3 (Sub-Contracting)** in connection with such expenditure; and (iv) all amounts payable but unpaid by the Authority in respect of such Capital Expenditure under the Contract, to the extent the work in respect of which such amounts are payable has been duly completed);
- (b) any reasonable amounts payable or incurred by the Authority since the Notice Date to the date of payment under **Clause 49 (Payment for Termination)** as a result of the exercise of powers under Section 88 of the Criminal Justice Act 1991 which have not already been recovered by the Authority (including by way of set-off) from the Contractor pursuant to Clause 55.3;
- (c) any amounts reasonably and directly payable or incurred by the Authority to third parties in respect of the termination of the Contract (other than any payment calculated pursuant to this Schedule G) and the taking over of the Prison by the Authority, including without limitation any amounts payable by the Authority consequent upon the application of the provisions

of the Transfer of Undertakings (Protection of Employment) Regulations 1981 (but excluding, for the avoidance of doubt, any amounts payable by the Authority to the Contractor pursuant to **Schedule E (Payment Mechanism)**), and any amounts incurred or to be incurred by the Authority (to the extent that such amounts are in excess of the amounts that the Authority would have been paying in respect of such Prisoners under this Contract had it continued (**Excess Amounts**)) to provide secure accommodation for Prisoners previously held in the Prison (whether or not payable or incurred to third parties, but taking into account the availability of suitable accommodation at other prisons or alternative secure locations at the time) for such period as is required (i) to place the Prison (or such part thereof as may be damaged) in the condition required under the Contract and (ii) to render it capable of being used to provide the Custodial Service. For the avoidance of doubt, the Authority is under no obligation to mitigate Excess Amounts incurred in respect of the ten (10) week period from the Notice Date, but shall to the extent reasonably practicable endeavour to mitigate any Excess Amounts incurred in respect of any period following such ten (10) week period;

For the purposes of calculating the amount payable under this **Schedule G (Payments on Termination for Default)**:

- (A) the Rectification Costs and Additional Costs shall be calculated by the Costs Expert who shall be instructed as follows:
 - (i) the nominal amounts of the Rectification Costs and Additional Costs will be discounted to their present value as at the Extended Termination Date at a discount rate equal to the sum of (i) the prevailing rate of inflation as evidenced by the RPI as at such date and (ii) the prevailing HM Treasury discount rate used in evaluation and appraisal in central government as at that date;
 - (ii) the **Replacement Operator Costs** shall be the costs of procuring a third party (the **Replacement Operator**) in the private sector to provide the Custodial Service from the Extended Termination Date to the Expiry Date to the level of performance required by this Contract. In determining the Replacement Operator Costs, the Costs Expert shall consult with Qualifying Entities and have regard to the relevant costs of such other private sector entities;
 - (iii) if there are no Qualifying Entities or the Costs Expert is unable to obtain the relevant information referred to at paragraph (ii) above within a practicable time period, the Costs Expert shall determine Replacement Operator Costs on the assumption that such an entity exists and has the appropriate qualifications, technical competence and experience; and
 - (iv) if paragraph (ii) above applies and the Costs Expert believes that he is unable properly to determine Replacement Operator Costs on the basis of paragraph (iii) above, the Costs Expert shall consult with the Authority to ascertain the cost of performing the Custodial Service by HM Prison Service and determine Replacement Operator costs on the assumption that HM Prison performs the Custodial Service on commercial principles with a view to profit.

(B) **Clause 72.4 (Dispute Resolution)** shall apply to the Costs
Expert mutatis mutandis.

Part 2

1. The amount payable by the Authority to the Contractor (or, subject to paragraph 5 below, if the amount calculated pursuant to this Part 2 of **Schedule G (Payments on Termination for Default)** is a negative number, the amount which the Contractor shall pay to the Authority) pursuant to **Clause 49.1 (Payment for Termination)**, **49.1A (Payment for Termination)** or **51.4 (Corrupt Gifts and Payments)** following termination of the Contract pursuant to **Clause 45 (Rectification and Termination for Default)** or **51 (Corrupt Gifts and Fraud)** the Houseblock Works pursuant to **Clause 45A (Houseblock Works Termination)** shall be calculated as follows:
 - (a) all amounts payable but unpaid by the Authority in respect of the Houseblock Works Fee under the Contract, to the extent the work in respect of which such amounts are payable has been duly completed; less
 - (b) rectification and additional costs incurred by the Authority as defined below (the "**Houseblock Rectification and Additional Costs**").
2. For the avoidance of doubt, any amount payable by the Contractor to the Authority pursuant to this Part 2 of **Schedule G (Payments on Termination for Default)** shall be treated as a qualifying uninsured Loss for the purposes of **Clause 4.4a (Indemnities)**.
3. The Houseblock Rectification and Additional Costs shall be comprised of the following items:
 - (a) any amounts (if any) reasonably and directly payable in respect of the appointment of a Costs Expert;
 - (b) additional costs (if any) required to perform the Houseblock Works in full conformity with the Contract (calculated as the aggregate of:
 - (i) Replacement Houseblock Construction Sub-contractor Costs; less
 - (ii) Sub-Contractor Houseblock Costs).
4. For the purposes of calculating the amount payable under this **Schedule G (Payments on Termination for Default)**:
 - (a) the Houseblock Rectification and Additional Costs shall be calculated by the Costs Expert who shall be instructed as follows:
 - (i) the Replacement Houseblock Construction Sub-contractor Costs shall be the costs of procuring a third party in the private sector to perform the Houseblock Works to the level of performance required by this Contract. In determining the Replacement Houseblock Construction Sub-contractor Costs, the Costs Expert shall consult with construction companies of a suitable size and experience to be able to complete the Houseblock Works in accordance with the terms of this Contract and have regard to the relevant costs of such other private sector entities;

- (ii) if there are no construction companies of a suitable size and experience to be able to complete the Houseblock Works in accordance with the terms of this Contract or the Costs Expert is unable to obtain the relevant information referred to at paragraph (i) above within a practicable time period, the Costs Expert shall determine the Replacement Houseblock Construction Sub-contractor Costs on the assumption that such an entity exists and has the appropriate qualifications, technical competence and experience.
- (b) **Clause 72.4 (Dispute Resolution)** shall apply to the Costs Expert mutatis mutandis.
- 5. If the amount calculated pursuant to this Part 2 of **Schedule G (Payments on Termination for Default)** is a negative number, the Contractor shall pay to the Authority a sum equivalent to such negative value to the Authority within five (5) Business Days of such negative sum being agreed or determined pursuant to this Contract. Any such amount due to the Authority shall not be taken into account and shall not reduce the amounts payable by the Authority to the Contractor pursuant to **Clause 49.1 (Payment for Termination)** or **Clause 51.4 (Corruption Gifts and Payments)**.

SCHEDULE H

Part 1

Payments on Voluntary Termination

The amount payable by the Authority to the Contractor at any time following termination of the Contract pursuant to **Clause 46 (Voluntary Termination)** shall be the aggregate of:

- (a) the Lender Liabilities as at the Termination Date;
- (b) the Equity Value of the Contract as at the Termination Date;
- (c) reasonable redundancy payments to be made by the Operating Sub-contractor not to exceed [REDACTED] as at May 2002, values (to be indexed to the Termination Date at RPI inflation plus 0.8% per annum in accordance with increases in the Indexed Costs Fee detailed in Schedule E) incurred by reason of the termination,

where:

Assumptions are as follows:

- (i) that RPI inflation will at all times following the Termination Date be equal to the average of:
 - (a) RPI inflation for the twelve month period preceding the Termination Date; and
 - (b) HM Treasury's published forecast for RPI inflation for the twelve-month period after the Termination Date;
- (ii) that cost inflation in respect of wage and salary costs will be RPI inflation plus 0.8% per annum;
- (iii) that cost inflation in respect of non-wage and non-salary costs will be RPI inflation;
- (iv) that the number of Available Prisoner Places, Additional Prisoner Places and Performance Measures in respect of each period following the Termination Date will be the same as the average number of Available Prisoner Places, Additional Prisoner Places or Performance Measures (as the case may be) for the twelve month period preceding the Termination Date;
- (v) that the tax rates and tax regime in effect on the Termination Date will continue in effect until the Expiry Date (regardless of any proposals to change such rates or regime as at the Termination Date);
- (vi) that the debt pursuant to the Financing Agreements and any debt of the Contractor due to the Direct Shareholders will be serviced and repaid in accordance with the terms relating thereto and that (to the extent funds are forecast as being available) the Contractor will comply with all other terms relating to such debt;

- (vii) that (to the extent funds are forecast as being available) distributions are made to the Direct Shareholders such that all available cash is distributed subject to the terms of the Financing Agreements and the provisions of the Companies Acts (as in force on the Termination Date);
- (viii) that interest rates after the Termination Date will at all times remain at the levels in effect under the terms of the Hedging Agreements (as such term is defined in the Credit Agreement) as at the Termination Date or, in respect of amounts outstanding under the Financing Agreements which are unhedged, at the six month LIBOR as at the Termination Date;
- (ix) that the Contractor carries on no business other than that of operating the Prison;
- (x) that no variation of the Contract Price occurs after the Termination Date (except as would have occurred pursuant to Schedule E, but for the termination occurring);
- (xi) that the Contract, and the Operating Sub-contract (or any replacement thereof in effect prior to the giving of the relevant Termination Notice), continues on the terms that are in effect immediately prior to the Notice Date without any subsequent amendment or variation thereto;
- (xii) that the Operating Sub-contractor is operating the Prison; and
- (xiii) that the Contract ends on the Expiry Date;

Equity Value is the lesser of:

- (i) the Maximum Equity Value as at the relevant Termination Date; and
- (ii) the present value of the Extracted Cash Flows forecast to arise from the Termination Date to the Expiry Date calculated by discounting each amount from the middle of the period to which it relates to the Termination Date at the IRR;

Extracted Cash Flows means the periodic cash flows from the date of signature of the Contract to the Expiry Date extracted from the Project Cash Flows showing (as net per period sums) amounts invested by the Direct Shareholders in the Contractor and amounts received or forecast as being received by the Direct Shareholders from the Contractor which will comprise the following:

- (i) the share capital of the Contractor that is paid up;
- (ii) subordinated debt advanced to the Contractor;
- (iii) dividends paid or to be paid by the Contractor after any deduction required to be made by the Contractor; and
- (iv) interest and repayments paid by the Contractor in respect of subordinated debt after any deduction required to be made by the Contractor;

IRR means the internal rate of return of the Extracted Cash Flows;

Maximum Equity Value is (for the purposes of this Schedule H only):

	In respect of the period		Maximum Equity Value (£'000)
	From the start of	To	
1.	the 6 th Year after Contractual Opening Date ("COD")	the end of that Year	██████
2.	the 7 th Year after COD	the end of that Year	██████
3.	the 8 th Year after COD	the end of that Year	██████
4.	the 9 th Year after COD	the end of that Year	██████
5.	the 10 th Year after COD	the end of that Year	██████
6.	the 11 th Year after COD	the end of that Year	██████
7.	the 12 th Year after COD	the end of that Year	██████
8.	the 13 th Year after COD	the end of that Year	██████
9.	the 14 th Year after COD	the end of that Year	██████
10.	the 15 th Year after COD	the end of that Year	██████
11.	the 16 th Year after COD	the end of that Year	██████
12.	the 17 th Year after COD	the end of that Year	██████
13.	the 18 th Year after COD	the end of that Year	██████
14.	the 19 th Year after COD	the end of that Year	██████
15.	the 20 th Year after COD	the end of that Year	██████
16.	the 21 st Year after COD	the end of that Year	██████
17.	the 22 nd Year after COD	the end of that Year	██████
18.	the 23 rd Year after COD	the end of that Year	██████
19.	the 24 th Year after COD	the end of that Year	██████
20.	the 25 th Year after COD	the end of that Year	██████

Project Cash Flows means cash flows (prepared on the basis specified in **Clause 49.6 (Payment for Termination)**) showing the actual periodic cash flows of the Contractor and the Operating Sub-contractor from the date of signature of the Contract to the Termination Date, and the forecast periodic cash flows of the Contractor from the Termination Date to the Expiry Date, in each case taking into account all receipts and expenditure and taxes payable or forecast as payable by the Contractor in respect of the financing, operation and

maintenance of the Prison and all dividends and other amounts paid or forecast as to be paid by the Contractor to the Contractor's Direct Shareholders during each period and determined (in the case of forecast periodic cash flows) in accordance with the Assumptions.

Part 2

Payments in respect of Houseblock Works on Termination of the Contract for Force Majeure

The amount payable by the Authority to the Contractor pursuant to **Clause 49 (Payment for Termination)**, shall be the aggregate of:

- (a) all amounts payable but unpaid by the Authority in respect of the Houseblock Works Fee under the Contract, to the extent the work in respect of which such amounts are payable has been duly completed;
- (b) losses that have been or will be reasonably and properly incurred by the Contractor in respect of the Houseblock Works as a direct result of the termination of this Contract, but only to the extent that:
 - (i) the Losses are incurred in connection with the Houseblock Works or the completion of works, including:
 - any materials or goods ordered or sub-contracts placed that cannot be cancelled without such losses being incurred;
 - any expenditure incurred in anticipation of the completion of the Houseblock Works in the future;
 - the cost of demobilisation including the cost of any relocation of equipment used in connection with the Houseblock Works;
 - redundancy payments for employees of the Houseblock Construction Sub-contractor that have been or will be reasonably incurred by the Houseblock Construction Sub-contractor as a direct result of the termination of the Contract; and
 - (ii) the losses are incurred under arrangements and/or agreements that are consistent with terms that have been entered into in the ordinary course of business and on reasonable commercial terms; and
 - (iii) the Contractor and the Houseblock Construction Sub-contractor has each used its reasonable endeavours to mitigate the losses.

SCHEDULE I

Daily Report – Ashford

This Schedule sets out the form in which the Contractor will notify the Authority daily of the number of Available Prisoner Places on previous Day

AVAILABILITY				Exceeding Permitted Level		
Location (HB Unit)	A Roll	B Available Prisoner Places (Clause 29.1)	C Additional Prisoner Places (Clause 40A)	D Total Prisoner Cells Doubled (Clause 29.3)	E Permitted Level (Clause 1.1)	F Available Places exceeding Permitted Level (Clause 29.4)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
Mother & Baby						

High Dependency						
Totals						
Comment:						
Signed (Director):				Name:		Date:
Signed (Controller):				Name:		Date:

SCHEDULE J

Named Representatives

PART I

NAMED REPRESENTATIVES OF THE AUTHORITY

For the purposes of **Clause 62.1 (Authority to commit and variation)** of the Contract the following representatives of the Authority have authority to vary the terms and conditions of the Contract, or to commit the Authority to additional expenditure:

Contract signatory : [REDACTED] nominated officer

Head of Contracts : [REDACTED] [REDACTED] [REDACTED] [REDACTED] nominated officer
and Procurement Unit

PART II

NAMED REPRESENTATIVES OF THE CONTRACTOR

The Contractor's named representative authorised to accept communication is:

Herb Nahapiet or his nominated officer

Address: UKDS
Capital House
25 Chapel Street
London
NW1 5DS

SCHEDULE K

Finance Plan

The document that comprises this **Schedule K (Finance Plan)** is the document entitled 'Finance Plan' initialled by the parties for the purpose of identification.

SCHEDULE L

Letter to Health and Safety Executive

[ON LETTERHEAD OF CONTRACTOR]

Health and Safety Executive
No 1 Long Lane
London
SE1 4PG

[Date]

Dear Sirs

CONSTRUCTION (DESIGN & MANAGEMENT) REGULATIONS 1994

PROPOSED NEW PRISON AT ASHFORD

We, Ashford Prison Services Limited, declare that we agree to act as the client for the purposes of the Regulations referred to above in connection with the construction of the prison at Ashford (including any changes and/or additions to such construction), the address of which is as follows:

[Set out full address of construction site]

Documents may be served on Ashford Prison Services Limited at the following address:

UKDS
Capital House
25 Chapel Street
London NW1 5DS

Attention: [REDACTED]

Yours faithfully

Signed by [Name][Position]
for and on behalf of Ashford Prison Services Limited

SCHEDULE M

Part 1

Compliance Monitoring

For the purposes of this Schedule, the following expressions shall have the meaning set out below:

CDM Regulations means the Construction (Design and Management) Regulations 1994;

Local Planning Authority or "LPA" means the local planning for the area being, Spelthorne Borough Council;

Design Development has the meaning assigned to it in paragraph 1 of Parts 2 and 2A of this **Schedule M (Compliance Monitoring)**;

Contractor's Change has the meaning assigned to it in paragraph 2 of Part 3 and 3A of this **Schedule M (Compliance Monitoring)**;

1. The following is a summary of the range of duties which the Independent Engineer and his representatives will carry out on behalf of the Authority:
 - (a) To provide project compliance monitoring and to provide the Engineer's Declaration. This is to be achieved by:
 - (i) observing and monitoring a sufficient sample of mock-ups, fabrications, construction and installation works as to satisfy the Independent Engineer that works comply with both **Schedule A (Specifications)** and any subsequent (compliant) design development;
 - (ii) monitoring the progress of the Contractor's design development and auditing the compliance of his designs and specification against **Schedule A (Specifications)** providing progress reports to the Authority;
 - (iii) carrying out procedural audits as required;
 - (iv) overseeing and auditing a sufficient sample of the Contractor's own quality assurance and project control systems and procedures to satisfy himself that the Works comply with **Schedule A (Specifications)**;
 - (v) issuing non-compliance notices and overseeing the resolution of these as set out in this Schedule;
 - (vi) monitoring (but not conducting) the commissioning of components of the Works. (The Independent Engineer will achieve this by monitoring the Works and auditing the records of the parties commissioning and witnessing the testing of such works);
 - (vii) during the commissioning stage, receiving the results of all tests on a daily basis and monitoring the records in order to ascertain the

commissioning is in accordance with parameters established in **Schedule A (Specifications)**.

For the avoidance of doubt, references to **Schedule A (Specifications)** in this Schedule include references to **Schedule A (Specifications)** as amended by the Authority or with the Authority's approval pursuant to the Contract and/or this Schedule Parts 3 and 4.

- (b) The Independent Engineer has no authority to vary **Schedule A (Specifications)**. The Named Representatives of the Authority alone may authorise such variations in accordance with **Clause 62 (Authority to Commit and Variation)**. The Independent Engineer will facilitate the Authority's review of changes under the change of control procedures as set out in Part 3 of this **Schedule M (Compliance Monitoring)**.
 - (c) The Independent Engineer will facilitate the Authority's review of the Contractor/Construction Sub-contractor's requests for changes under **Clause 62 (Authority to Commit and Variation)** of the Contract, in accordance with the procedures contained within this Schedule.
 - (d) To monitor the progress of the Project with respect to the Contractor's programme and advise the Authority whether the Actual Opening Date is likely to be different from the Contractual Opening Date.
 - (e) To monitor the efforts of the Contractor in seeking Planning Approval from the Local Planning Authority (LPA) including attendance; as individually requested by the Authority; at all key meetings held with the LPA. If the circumstances arise, to advise on whether the Contractor has exercised its best endeavours in obtaining Planning Approval.
2. The Contractor is required to provide information and documentation to the Independent Engineer to enable him to discharge his responsibilities and duties. This information includes but is not limited to the following:
- (a) copy of the master programme for the Works;
 - (b) copy of the weekly or similar detailed programmes showing when the Construction Sub-contractor intends to carry out key activities whether off or on site;
 - (c) a list of relevant meetings taking place and copies of minutes as required;
 - (d) copies of working drawings, schedules and specifications prepared for the Works as requested by the Independent Engineer and sufficient to demonstrate compliance against **Schedule A (Specifications)**;
 - (e) unhindered access to non commercial correspondence, designs, drawings, documents register, technical and audit reports, consents, certificates and specifications to a level necessary to allow the Independent Engineer to assess compliance;
 - (f) copies of all correspondence relating to planning matters;
 - (g) unhindered access to non-commercial documents concerning procurement schedules and orders placed; lists of main suppliers, main and specialist subcontractors working for the Construction Sub-contractor;

- (h) unhindered access to all quality control and quality (assurance) records including procedures and method statements for the Works. The Independent Engineer may request extracts of Construction Sub-contractor's method statements from these files;
- (i) copies of all non-compliance reports generated by the Contractor and by the Construction Sub-contractor under the Construction Sub-Contract and clearance of the same;
- (j) copies of commissioning reports;
- (k) copies of as-built drawings, operating and maintenance manuals and the other documentation as set out in Part 3 of **Schedule N (Management and Control of Documentation)** together with any other documentation which the Construction Sub-contractor performing design and building works for the Contractor will produce to the Contractor when handing over the Prison and the Site to the Contractor;
- (l) copy of the Health and Safety Plan (as defined in the CDM Regulations) and access to safety reports;
- (m) copy of the project plan (which details how the Works shall be carried out) except the commercial section;
- (n) copy of the building snagging list prior to handover of the Prison to the Contractor;
- (o) copies of the minutes of monthly meetings between the Construction Sub-contractor and its principal sub-contractors; and
- (p) copies of monthly progress reports prepared by or on behalf of the Contractor concerned with the Contract.

Documents to which unhindered access will be provided by the Construction Sub-contractor and its principal sub-contractors will be located at the prison site offices.

3. The Independent Engineer will hold regular meetings at which he will discuss compliance matters with the Contractor and/or Construction Sub-contractor. He may wish to attend meetings between the Contractor and the Construction Sub-contractor if appropriate (and this will be by agreement with the Contractor).
4. The Independent Engineer's representative will be the first channel of communications with the Construction Sub-contractor on matters concerning design and construction and compliance monitoring. However, in accordance with **Clause 26.3 (Engineer's Declaration)** of the Contract, the Engineer's Declaration will be signed by a senior manager in the firm appointed as Independent Engineer.
5. The Contractor is responsible for delivering the Works, and the Authority does not give approval to his work. The Independent Engineer will promptly bring matters to the attention of the Authority, the Contractor and the Construction Sub-contractor which may adversely affect the issue of the Engineer's Declaration. The non-compliance note appended with this Schedule shall be used by the Independent Engineer for this purpose.

The Contractor will act on these comments in sufficient and reasonable time to allow the timely issue of the Engineer's Declaration.

Part 1A

Compliance Monitoring - Houseblock Works

For the purposes of this Schedule, the following expressions shall have the meaning set out below:

CDM Regulations means the Construction (Design and Management) Regulations 2007;

Local Planning Authority or "LPA" means the local planning for the area being, Spelthorne Borough Council;

Design Development has the meaning assigned to it in paragraph 1 of Part 2;

Contractor's Change has the meaning assigned to it in paragraph 2 of Part 3;

1. The following is a summary of the range of duties which the Independent Engineer and his representatives will carry out on behalf of the Authority:

(a) To provide project compliance monitoring and to provide the Engineer's Houseblock Declaration. This is to be achieved by:

- (i) observing and monitoring a sufficient sample of mock-ups, fabrications, construction and installation works as to satisfy the Independent Engineer that works comply with both Part 2 of **Schedule A (Specifications)** and any subsequent (compliant) design development;
- (ii) monitoring the progress of the Contractor's design development and auditing the compliance of his designs and specification against Part 2 of **Schedule A (Specifications)** providing progress reports to the Authority;
- (iii) carrying out procedural audits as required;
- (iv) overseeing and auditing a sufficient sample of the Contractor's own quality assurance and project control systems and procedures to satisfy himself that the Works comply with Part 2 of **Schedule A (Specifications)**;
- (v) issuing non-compliance notices and overseeing the resolution of these as set out in this Schedule;
- (vi) monitoring (but not conducting) the commissioning of components of the Houseblock Works. (The Independent Engineer will achieve this by monitoring the Houseblock Works and auditing the records of the parties commissioning and witnessing the testing of such works);
- (vii) during the commissioning stage, receiving the results of all tests on a daily basis and monitoring the records in order to ascertain the commissioning is in accordance with parameters established in Part 2 of **Schedule A (Specifications)**.

For the avoidance of doubt, references to Part 2 of **Schedule A (Specifications)** in this Schedule include references to Part 2 of

Schedule A (Specifications) as amended by the Authority or with the Authority's approval pursuant to the Contract and/or this Schedule Parts 3A and 4A.

- (b) The Independent Engineer has no authority to vary Part 2 of **Schedule A (Specifications)**. The Named Representatives of the Authority alone may authorise such variations in accordance with **Clause 62 (Authority to Commit and Variation)**. The Independent Engineer will facilitate the Authority's review of changes under the change of control procedures as set out in Part 3A of this **Schedule M (Compliance Monitoring)**.
 - (c) The Independent Engineer will facilitate the Authority's review of the Contractor/Construction Sub-contractor's requests for changes under **Clause 62 (Authority to Commit and Variation)** of the Contract, in accordance with the procedures contained within this Schedule.
 - (d) To monitor the progress of the Project with respect to the Contractor's programme and advise the Authority whether the Actual Houseblock Opening Date is likely to be different from the Contractual Houseblock Opening Date.
 - (e) To monitor the efforts of the Contractor in seeking Planning Approval from the Local Planning Authority (LPA) including attendance; as individually requested by the Authority; at all key meetings held with the LPA. If the circumstances arise, to advise on whether the Contractor has exercised its best endeavours in obtaining Planning Approval.
2. The Contractor is required to provide information and documentation to the Independent Engineer to enable him to discharge his responsibilities and duties. This information includes but is not limited to the following:
- (a) copy of the master programme for the Houseblock Works;
 - (b) copy of the weekly or similar detailed programmes showing when the Houseblock Construction Sub-contractor intends to carry out key activities whether off or on site;
 - (c) a list of relevant meetings taking place and copies of minutes as required;
 - (d) copies of working drawings, schedules and specifications prepared for the Works as requested by the Independent Engineer and sufficient to demonstrate compliance against Part 2 of **Schedule A (Specifications)**;
 - (e) unhindered access to non commercial correspondence, designs, drawings, documents register, technical and audit reports, consents, certificates and specifications to a level necessary to allow the Independent Engineer to assess compliance;
 - (f) copies of all correspondence relating to planning matters;
 - (g) unhindered access to non-commercial documents concerning procurement schedules and orders placed; lists of main suppliers, main and specialist subcontractors working for the Houseblock Construction Sub-contractor;
 - (h) unhindered access to all quality control and quality (assurance) records including procedures and method statements for the Houseblock Works.

The Independent Engineer may request extracts of the Houseblock Construction Sub-contractor's method statements from these files;

- (i) copies of all non-compliance reports generated by the Contractor and by the Houseblock Construction Sub-contractor under the Houseblock Construction Sub-Contract and clearance of the same;
- (j) copies of commissioning reports;
- (k) copies of as-built drawings, operating and maintenance manuals and the other documentation as set out in Part 3A of **Schedule N (Management and Control of Documentation)** together with any other documentation which the Houseblock Construction Sub-contractor performing design and building works for the Contractor will produce to the Contractor when handing over the Houseblock and the Houseblock Works Area to the Contractor;
- (l) copy of the Health and Safety Plan (as defined in the CDM Regulations) and access to safety reports;
- (m) copy of the project plan (which details how the Houseblock Works shall be carried out) except the commercial section;
- (n) copy of the building snagging list prior to handover of the Prison to the Contractor;
- (o) copies of the minutes of monthly meetings between the Houseblock Construction Sub-contractor and its principal sub-contractors; and
- (p) copies of monthly progress reports prepared by or on behalf of the Contractor concerned with the Contract.

Documents to which unhindered access will be provided by the Houseblock Construction Sub-contractor and its principal sub-contractors will be located at the prison site offices.

3. The Independent Engineer will hold regular meetings at which he will discuss compliance matters with the Contractor and/or Houseblock Construction Sub-contractor. He may wish to attend meetings between the Contractor and the Houseblock Construction Sub-contractor if appropriate (and this will be by agreement with the Contractor).
4. The Independent Engineer's representative will be the first channel of communications with the Houseblock Construction Sub-contractor on matters concerning design and construction and compliance monitoring. However, in accordance with **Clause 26A.3 (Engineer's Houseblock Declaration)** of the Contract, the Engineer's Houseblock Declaration will be signed by a director in the firm appointed as Independent Engineer.
5. The Contractor is responsible for delivering the Houseblock Works, and the Authority does not give approval to his work. The Independent Engineer will promptly bring matters to the attention of the Authority, the Contractor and the Houseblock Construction Sub-contractor which may adversely affect the issue of the Engineer's Houseblock Declaration. The non-compliance note appended with this Schedule shall be used by the Independent Engineer for this purpose. The Contractor will act on these

comments in sufficient and reasonable time to allow the timely issue of the Engineer's Houseblock Declaration.

Part 2

Demonstration of Compliance During Design Development and Construction

Compliant Design Development

1. Design Development is the development by the Construction Sub-contractor of the design of the Works within the scope and intent of the documents contained within **Schedule A (Specifications)** and including any necessity to meet planning, building control, fire, health and safety or other statutory requirements or approvals to ensure the works can be built as designed in order to finalise the design. It will also include development of the design to allow subsequent construction of the Works to be safely and practically executed.

Non-Compliant Design Development

2. Any change to **Schedule A (Specifications)** which does not constitute Design Development will be considered to be a Contractor's Change (a "**Contractor's Change**") and shall be dealt with in accordance with the Contract and Part 3 of this **Schedule M (Compliance Monitoring)**.

Means of Demonstrating Compliance

3. Drawing revisions will be marked up to show changes or otherwise noted as they are issued. The Contractor shall forward to the Independent Engineer:
 - (a) any significant changes within Design Development (but not minor changes to the drawings made to work-up the design to greater detail);
 - (b) written applications for changes to Part 2 of **Schedule A (Specifications)** which require the Authority's approval to proceed. These shall be dealt with in accordance with Part 3 of this **Schedule M (Compliance Monitoring)**.

In each case the Contractor will prepare a report for the Independent Engineer describing the nature of the change, explaining why it is thus proposed and if appropriate requesting the Authority's approval to proceed in accordance with Part 3 of this **Schedule M (Compliance Monitoring)**. The notice of change proforma (Q28) appended to this **Schedule M (Compliance Monitoring)** shall be used by the Contractor for this purpose.

In the event that the Independent Engineer does not accept the classification of the design change made by the Contractor and the Construction Sub-contractor he shall inform the Contractor and the Construction Sub-contractor within a period of seven (7) Days and shall treat the submission made by the Contractor and the Construction Sub-contractor as one within Design Development or as a change to **Schedule A (Specifications)** to be dealt with in accordance with Part 3 of this **Schedule M (Compliance Monitoring)** as he considers appropriate. In the event that the Independent Engineer considers that any aspect of a design change submitted to him by the Contractor and the Construction Sub-contractor in accordance with this paragraph 3 or which comes to his attention during any audit of the Contractor and the Construction Sub-contractor's design documentation is not within Design Development, then the Independent Engineer will notify the Authority, Contractor and the Construction Sub-contractor within

seven (7) Days accordingly. This may include the issue of a non-compliance report. The Contractor (and in turn the Construction Sub-contractor) will respond and clear all reports with the Authority in accordance with Part 3 of this **Schedule M (Compliance Monitoring)**.

The Contractor, the Independent Engineer and the Construction Sub-Contractor will meet each month or more frequently if agreed, to review the status of project compliance as shown in the schedule kept for this purpose, with a view to resolving any outstanding compliance matters to prevent delay or future interpretation problems. The Independent Engineer will respond to the Contractor within fourteen (14) Days, or sooner, if reasonably possible, on all matters submitted as Design Development and subsequently classified as Design Development.

Audit Trail

4. As part of this procedure the Contractor will, and shall procure that the Construction Sub-contractor will set up a formal audit trail keeping records of all compliance requests together with the accompanying documentation (including the highlighted drawings), which will clearly demonstrate that the working drawings comply with **Schedule A (Specifications)**.

Test of Reasonableness

5. If there is a disagreement between the Contractor and the Independent Engineer in relation to the issue of a non-compliance notice, the Independent Engineer will test the proposed change against the joint criteria of equivalent or improved level of custodial service, and also the specified operational performance and durability of the Prison and the Site. Should the disagreement persist, the Independent Engineer will provide detailed reasons for his concerns. This may require further information to be supplied by the Contractor and the Construction Sub-contractor.
6. The procedure set out in Parts 2 and 3 of this Schedule M (**Compliance Monitoring**) will be extended to cover all subsequent stages of the Works up to the Independent Engineer's Declaration. This will include Design Development at any time including that presented by sub-contractors once the Construction Sub-contractor has put the Works out to tender.

Nothing done by the Independent Engineer in accordance with **Clause 26 (Engineer's Declaration)** of the Contract or this **Schedule M (Compliance Monitoring)** shall in any respect relieve or absolve the Contractor from its responsibility for the Works under or in accordance with the Contract.

Part 2A

Demonstration of Compliance During Design Development and Construction - Houseblock Works

Compliant Design Development

1. Design Development is the development by the Houseblock Construction Sub-contractor of the design of the Houseblock Works within the scope and intent of the documents contained within Part 2 of **Schedule A (Specifications)** and including any necessity to meet planning, building control, fire, health and safety or other statutory requirements or approvals to ensure the works can be built as designed in order to finalise the design. It will also include development of the design to allow subsequent construction of the Works to be safely and practically executed.

Non-Compliant Design Development

2. Any change to Part 2 of **Schedule A (Specifications)** which does not constitute Design Development will be considered to be a Contractor's Change and shall be dealt with in accordance with the Contract and Part 3A of this **Schedule M (Compliance Monitoring)**.

Means of Demonstrating Compliance

3. Drawing revisions will be marked up to show changes or otherwise noted as they are issued. The Contractor shall forward to the Independent Engineer:
 - (a) any significant changes within Design Development (but not minor changes to the drawings made to work-up the design to greater detail);
 - (b) written applications for changes to Part 2 of **Schedule A (Specifications)** which require the Authority's approval to proceed. These shall be dealt with in accordance with Part 3 of this **Schedule M (Compliance Monitoring)**.

In each case the Contractor will prepare a report for the Independent Engineer describing the nature of the change, explaining why it has been proposed and, if appropriate, requesting the Authority's approval to proceed in accordance with Part 3 of this **Schedule M (Compliance Monitoring)**. The notice of change proforma (Q28) appended to this **Schedule M (Compliance Monitoring)** shall be used by the Contractor for this purpose.

In the event that the Independent Engineer does not accept the classification of the design change made by the Contractor and the Houseblock Construction Sub-contractor he shall inform the Contractor and the Houseblock Construction Sub-contractor within a period of seven (7) Days and shall treat the submission made by the Contractor and the Houseblock Construction Sub-contractor as one within Design Development or as a change to **Schedule A (Specifications)** to be dealt with in accordance with Part 3A of this **Schedule M (Compliance Monitoring)** as he considers appropriate. In the event that the Independent Engineer considers that any aspect of a design change submitted to him by the Contractor and the Houseblock Construction Sub-contractor in accordance with this paragraph 3 or which comes to his attention during any audit of the Contractor and the Houseblock Construction Sub-contractor's design documentation is not

within Design Development, then the Independent Engineer will notify the Authority, Contractor and the Houseblock Construction Sub-contractor within seven (7) Days accordingly. This may include the issue of a non-compliance report. The Contractor (and in turn the Houseblock Construction Sub-contractor) will respond and clear all reports with the Authority in accordance with Part 3A of this **Schedule M (Compliance Monitoring)**.

The Contractor, the Independent Engineer and the Houseblock Construction Sub-Contractor will meet each month or more frequently, if agreed, to review the status of project compliance as shown in the schedule kept for this purpose, with a view to resolving any outstanding compliance matters to prevent delay or future interpretation problems. The Independent Engineer will respond to the Contractor within fourteen (14) Days, or sooner, if reasonably possible, on all matters submitted as Design Development and subsequently classified as Design Development.

Audit Trail

4. As part of this procedure the Contractor will, and shall procure that the Houseblock Construction Sub-contractor will set up a formal audit trail keeping records of all compliance requests together with the accompanying documentation (including the highlighted drawings), which will clearly demonstrate that the working drawings comply with **Schedule A (Specifications)**.

Test of Reasonableness

5. If there is a disagreement between the Contractor and the Independent Engineer in relation to the issue of a non-compliance notice, the Independent Engineer will test the proposed change against the joint criteria of equivalent or improved level of custodial service, and also the specified operational performance and durability of the Prison and the Site. Should the disagreement persist, the Independent Engineer will provide detailed reasons for his concerns. This may require further information to be supplied by the Contractor and the Houseblock Construction Sub-contractor.
6. The procedure set out in Parts 2 and 3 of this **Schedule M (Compliance Monitoring)** will be extended to cover all subsequent stages of the Houseblock Works up to the Independent Engineer's Houseblock Declaration. This will include Design Development at any time including that presented by sub-contractors once the Houseblock Construction Sub-contractor has put the Houseblock Works out to tender.

Nothing done by the Independent Engineer in accordance with **Clause 26A (Engineer's Declaration)** of the Contract or this **Schedule M (Compliance Monitoring)** shall in any respect relieve or absolve the Contractor from its responsibility for the Houseblock Works under or in accordance with the Contract.

Part 3

Change Control Procedure

Introduction

1. Part 3 of this **Schedule M (Compliance Monitoring)** sets out the procedure for changes to **Schedule A (Specifications)** proposed by the Contractor or Construction Sub-contractor for the purpose of ensuring that the Independent Engineer has an up-to-date **Schedule A (Specifications)** against which he can monitor compliance on an ongoing basis and issue the Engineer's Declaration in accordance with **Clause 26 (Engineer's Declaration)** of the Contract.
2. A change to Schedule A proposed by the Contractor or Construction Sub-contractor shall be referred to in Part 3 of this **Schedule M (Compliance Monitoring)** as a Contractor's Change. For the avoidance of doubt, a Contractor's Change shall include:
 - (a) any proposed amendment to any of the documents in **Schedule A (Specifications)** which do not otherwise come under Part 2 of this Schedule; and
 - (b) a change to the location or composition of a secure line for any room, compartment of a building, or area (including the overall prison perimeter), or a change to the communications systems (including cell call and other alarms, fire alarms and smoke detectors, CCTV and movement sensors).

All references to Schedule A are to Schedule A as amended from time to time whether by the Authority or with the Authority's approval pursuant to **Clause 62 (Authority to Commit and Variation)**.

Procedure

3. Where the Contractor wishes to propose a Contractor's Change, the Contractor shall make a written application to the Authority using the notice of change proforma, Form A, appended to this **Schedule M (Compliance Monitoring)**. The written application shall contain the following information relating to the Contractor's Change:
 - (a) the reason why the Contractor considers that the Contractor's Change is necessary or desirable;
 - (b) where the Contractor's Change will give rise to an adjustment in the Contract Price because it arises out of a change to Prison Legislation, the information required pursuant to **Clause 39.2 (Variation of Price)** (or the Contractor's best estimate thereof at the time of submitting the application);
 - (c) where the Contractor's Change will delay completion of the Works the Contractor's reasonable estimate of the likely length of the delay;
 - (d) such other information as is reasonably required by the Independent Engineer or the Authority for a sufficient understanding of the Contractor's Change proposed; and

- (e) notwithstanding that the written application referred to in this paragraph is a written application to the Authority, the Contractor shall direct the written application to the Independent Engineer for his attention. Receipt of the written application by the Independent Engineer shall constitute receipt of the written application by the Authority.
- 4. The Authority shall within fourteen (14) Days, or in the case of multiple applications within a reasonable period of receiving the Contractor's written application provide a written response to the Contractor which shall either:
 - (a) approve the Contractor's Change;
 - (b) request more information regarding the Change; or
 - (c) reject the proposed Contractor's Change and provide reasons for its rejection.
- 5. Where the Authority accepts the Contractor's Change, **Schedule A (Specifications)** shall be amended accordingly and the Contractor shall implement the Contractor's Change within the Works.
- 6. Where the Authority requires more information regarding the Contractor's Change, the Authority's request for further information shall always be limited to what is reasonable to enable it to understand the design and intent of the Contractor's Change or where paragraph 3(b) or 3(c), above applies, the cost or time consequences of the Contractor's Change. Upon receipt of the further information the Authority shall respond to the Contractor's Change in accordance with paragraph 4 above.
- 7. The Contractor shall not incorporate any proposed Contractor's Change into the Works unless and until it receives the approval of the Authority in accordance with paragraph 4 above. If the Contractor does incorporate the Contractor's Change into the Works without the said approval, it shall be done at the Contractor's own risk and on the understanding that, if approval is not subsequently given, the Independent Engineer may be unable to issue the Engineer's Declaration in accordance with **Clause 26 (Engineer's Declaration)** of the Contract.

Part 3A

Change Control Procedure - Houseblock Works

Introduction

1. Part 3A of this **Schedule M (Compliance Monitoring)** sets out the procedure for changes to Part 2 of **Schedule A (Specifications)** proposed by the Contractor or Houseblock Construction Sub-contractor for the purpose of ensuring that the Independent Engineer has an up-to-date Part 2 of **Schedule A (Specifications)** against which he can monitor compliance on an ongoing basis and issue the Engineer's Houseblock Declaration in accordance with **Clause 26A (Engineer's Houseblock Declaration)** of the Contract.
2. A change to Part 2 of **Schedule A (Specifications)** proposed by the Contractor or Houseblock Construction Sub-contractor shall be referred to in Part 3A of this **Schedule M (Compliance Monitoring)** as a Contractor's Change. For the avoidance of doubt, a Contractor's Change shall include:
 - (a) any proposed amendment to any of the documents in Part 2 of **Schedule A (Specifications)** which do not otherwise come under Part 2A of this Schedule; and
 - (b) a change to the location or composition of a secure line for any room, compartment of a building, or area (including the overall prison perimeter), or a change to the communications systems (including cell call and other alarms, fire alarms and smoke detectors, CCTV and movement sensors).

All references to Part 2 of **Schedule A (Specifications)** are to Part 2 of **Schedule A (Specifications)** as amended from time to time whether by the Authority or with the Authority's approval pursuant to **Clause 62 (Authority to Commit and Variation)**.

Procedure

3. Where the Contractor wishes to propose a Contractor's Change, the Contractor shall make a written application to the Authority using the notice of change proforma, Form A, appended to this **Schedule M (Compliance Monitoring)**. The written application shall contain the following information relating to the Contractor's Change:
 - (a) the reason why the Contractor considers that the Contractor's Change is necessary or desirable;
 - (b) where the Contractor's Change will give rise to an adjustment in the Contract Price because it arises out of a change to Prison Legislation, the information required pursuant to **Clause 39.2 (Variation of Price)** (or the Contractor's best estimate thereof at the time of submitting the application);
 - (c) where the Contractor's Change will delay completion of the Houseblock Works the Contractor's reasonable estimate of the likely length of the delay;

- (d) such other information as is reasonably required by the Independent Engineer or the Authority for a sufficient understanding of the Contractor's Change proposed; and
 - (e) notwithstanding that the written application referred to in this paragraph is a written application to the Authority, the Contractor shall direct the written application to the Independent Engineer for his attention. Receipt of the written application by the Independent Engineer shall constitute receipt of the written application by the Authority.
4. The Authority shall within fourteen (14) Days, or in the case of multiple applications within a reasonable period of receiving the Contractor's written application provide a written response to the Contractor which shall either:
- (a) approve the Contractor's Change;
 - (b) request more information regarding the Change; or
 - (c) reject the proposed Contractor's Change and provide reasons for its rejection.
5. Where the Authority accepts the Contractor's Change, Part 2 of **Schedule A (Specifications)** shall be amended accordingly and the Contractor shall implement the Contractor's Change within the Houseblock Works.
6. Where the Authority requires more information regarding the Contractor's Change, the Authority's request for further information shall always be limited to what is reasonable to enable it to understand the design and intent of the Contractor's Change or where paragraph 3(b) or 3(c), above applies, the cost or time consequences of the Contractor's Change. Upon receipt of the further information the Authority shall respond to the Contractor's Change in accordance with paragraph 4 above.
7. The Contractor shall not incorporate any proposed Contractor's Change into the Houseblock Works unless and until it receives the approval of the Authority in accordance with paragraph 4 above. If the Contractor does incorporate the Contractor's Change into the Houseblock Works without the said approval, it shall be done at the Contractor's own risk and on the understanding that, if approval is not subsequently given, the Independent Engineer may be unable to issue the Engineer's Houseblock Declaration in accordance with **Clause 26A (Engineer's Houseblock Declaration)** of the Contract.

Part 4

Change Control Procedure Post Engineer's Declaration

Introduction

- 1 Part 4 of this **Schedule M (Compliance Monitoring)** sets out the procedure for agreeing and implementing changes to **Schedule A (Specifications)** proposed by the Contractor after issue of the Engineer's Declaration.
- 2 A change to **Schedule A (Specifications)** proposed by the Contractor shall be referred to in Part 4 of this **Schedule M (Compliance Monitoring)** as a Contractor's Change. For the avoidance of doubt, a Contractor's Change shall include:
 - (a) any proposed amendment to any of the documents in **Schedule A (Specifications)**; and
 - (b) a change to the location or construction fabric on a secure line for any room, compartment of a building, building, or area (including the overall prison perimeter), or a change to the security and communications systems (including cell call and other alarms, smoke detectors, CCTV, locking, access control, movement sensors and associated control equipment).

All references to **Schedule A (Specifications)** are to **Schedule A (Specifications)** as amended from time to time either by the Authority or with the Authority's approval pursuant to **Clause 9 (Change to Services Required)** of the Contract.

Procedure

- 3 Where the Contractor wishes to propose a Contractor's Change, the Contractor shall make a written application to the Authority using the notice of change proforma, Form C, appended to this **Schedule M (Compliance Monitoring)**. The written application shall contain the following information relating to the Contractor's Change:
 - (a) the reason why the Contractor considers the Contractor's Change is necessary or desirable;
 - (b) where the Contractor's Change will give rise to an adjustment in the Contract Price because it arises out of a change to Prison Legislation, the information required pursuant to **Clause 39.2 (Variation of Price)** (or the Contractor's best estimate thereof at the time of submitting the application);
 - (c) where the Contractor's Change will affect the availability of any prisoner places the Contractor's reasonable estimate of the likely length of this period and number of places; and
 - (d) such other information as is reasonably required by the Controller or the Authority for a sufficient understanding of the Contractor's Change proposed.

- 4 Notwithstanding that the written application referred to in this paragraph is a written application to the Authority, the Contractor shall direct the written application to the Controller for his attention. Receipt of the written application by the Controller shall constitute receipt of the written application by the Authority.
- 5 The Authority shall within fourteen (14) Days, or in the case of multiple applications within a reasonable period of receiving the Contractor's written application, provide a written response to the Contractor which shall either:
 - (a) approve the Contractor's Change;
 - (b) request more information regarding the Change; or
 - (c) reject the proposed Change and provide reasons for its rejection.
- 6 Where the Authority accepts the Contractor's Change, **Schedule A (Specifications)** shall be amended accordingly and the Contractor shall implement the Contractor's Change within the Works.
- 7 Where the Authority requires more information regarding the Contractor's Change, the Authority's request for further information shall always be limited to what is reasonable to enable it to understand the design and intent of the Contractor's Change or where paragraph 3(b) or 3(c) above applies, the cost or availability consequences of the Contractor's Change. Upon receipt of the further information the Authority shall respond to the Contractor's Change in accordance with paragraph 5 above.
- 8 The Contractor shall not incorporate any proposed Contractor's Change into the Works unless it receives the approval of the Authority in accordance with paragraph 6 above. If the Contractor does incorporate the Contractor's Change into the Works without the said approval, it shall be done at the Contractor's own risk and on the understanding that, if approval is not subsequently given, the Contractor will reinstate the Works to its prior condition at its own cost within such period as is reasonably set by the Authority. Where the Contractor fails to effect the reinstatement, to the reasonable satisfaction of the Authority, within the reasonable time specified, the Authority shall be entitled to carry out such reinstatement itself, or to procure the same at the contractor's cost and shall be entitled to set off its costs against any amounts payable to the Contractor under this contract.
- 9 On completion of the works required for the Contractor's Change, the Contractor shall notify the Authority accordingly, and present such works as might be reasonably required to demonstrate compliance with the Contract. In addition to physical demonstration and/or inspection, this shall include but not necessarily be limited to testing and pre-commissioning documentation, and changes to relevant operational and maintenance procedures as might be affected.
- 10 On acceptance by the Authority of completion of each Contractor's Change (which shall not be unreasonably withheld) any changes to the Payment Mechanism which may arise will come into effect thereafter, or from such time as may be otherwise agreed by the Authority and Contractor in accordance with the Contract.

6. DCMF ASHFORD
CONTRACT COMPLIANCE Contract No.
Notice of Change (Form A)

1 Notice No.		2. Date	
3 DRAWINGS / SPECIFICATION REFERENCES :			
4 TYPE OF CHANGE	Tick one box only	5. DOCUMENTS APPENDED	
This change is either :-			
i) A Design Development as defined in Part 2 of Schedule M, which is compliant with Schedule A; or			
ii) A Change to Schedule A, as defined in Part 3 of Schedule M			
6. REASONS FOR CHANGE	Tick as appropriate	7. DESCRIPTION OF CHANGE	
Practicality			
Operational Need			
Maintenance			
Statutory Need			
Security			
Health and Safety		8. DETAILED REASON FOR CHANGE	
Exceptional Legislation			
Prison Legislation*			
Authority Instruction*			
Security Technology*			
* Complete supplementary "FORM B"			
9. (To be completed at Contractor's discretion)			
Signed.....		For	Date.....
.....	
Signed.....		For	Date.....
.....	
10. (To be completed by Contractor)			
Signed.....		For Ashford Prison Services Limited	Date.....
.....			
For Authority use only			
Design Development - No objection / Objection (delete as applicable)			
Signed.....		For [JG]	Date.....
.....			

6. DCMF ASHFORD
CONTRACT COMPLIANCE Contract No.
Notice of Change (Form A)

Change to Schedule A - Approved / Not approved (delete as applicable)

Signed..... For HMPS
.....

Date.....

7. DCMF ASHFORD
CONTRACT COMPLIANCE Contract No.
Notice of Change (Form B)

1 Notice No.		2. Date	
3 DRAWINGS / SPECIFICATION REFERENCES :			
4. REASONS FOR CHANGE		Tick as appropriate	5. DOCUMENTS APPENDED
<input type="checkbox"/>	Exceptional Legislation	<input type="checkbox"/>	
<input type="checkbox"/>	Prison Legislation	<input type="checkbox"/>	
<input type="checkbox"/>	Authority Instruction	<input type="checkbox"/>	
<input type="checkbox"/>	Security Technology	<input type="checkbox"/>	
6. DETAILS OF CHANGE (including details of relevant legislation)			
7. COST IMPACT :			
8 OTHER IMPACT (including estimate of any changes to the programme) :			
9. (To be completed by Contractor)			
Signed.....		For Ashford Prison Services Date..... Limited	
For Authority use only			
Received by		For	Date.....
Received by		For HMPS	Date.....

8. DCMF ASHFORD
CONTRACT COMPLIANCE
Notice of Change (Form C)

1 Notice No.	2. Date	
3 DRAWINGS / SPECIFICATION REFERENCES :		
4 DOCUMENTS APPENDED		
5. REASONS FOR CHANGE	Tick as appropriate	6. DESCRIPTION OF CHANGE
<input type="checkbox"/> Practicality	<input type="checkbox"/>	7. DETAILED REASON FOR CHANGE
<input type="checkbox"/> Operational Need	<input type="checkbox"/>	
<input type="checkbox"/> Maintenance	<input type="checkbox"/>	
<input type="checkbox"/> Statutory Need	<input type="checkbox"/>	
<input type="checkbox"/> Security	<input type="checkbox"/>	
<input type="checkbox"/> Health and Safety	<input type="checkbox"/>	
<input type="checkbox"/> Exceptional Legislation	<input type="checkbox"/>	
<input type="checkbox"/> Prison Legislation*	<input type="checkbox"/>	
<input type="checkbox"/> Authority Instruction*	<input type="checkbox"/>	
<input type="checkbox"/> Security Technology*	<input type="checkbox"/>	
* Complete supplementary "FORM D"		
9. (To be completed at Contractor's discretion)		
Signed.....	For Operating Sub- contractor	Date.....
10. (To be completed by Contractor)		
Signed.....	For Ashford Prison Services Limited	Date.....
For Authority use only		
Proposed change to Schedule A approved / not approved		
Signed.....	For HMPS	Date.....
Approved change to Schedule A satisfactorily completed		
Signed.....	For HMPS	Date.....

1 Notice No. (As Form C)		2. Date
3 DRAWINGS / SPECIFICATION REFERENCES :		
4. REASONS FOR CHANGE	Tick as appropriate	5. DOCUMENTS APPENDED
<input type="checkbox"/> Exceptional Legislation	<input type="checkbox"/>	
<input type="checkbox"/> Prison Legislation	<input type="checkbox"/>	
<input type="checkbox"/> Authority Instruction	<input type="checkbox"/>	
<input type="checkbox"/> Security Technology	<input type="checkbox"/>	
6. DETAILS OF CHANGE (including details of relevant legislation)		
7. COST IMPACT :		
8 OTHER IMPACT (including estimate of any changes to the programme) :		
9. (To be completed by Contractor)		
Signed..... For Ashford Prison Services Date..... Limited		
For Authority use only		
Received by	Controller	Date.....
Received by	For HMPS	Date.....

Project : DCMF []	Project No.	Note No.
CUSTODIAL SERVICE	Date :	

PART A : IDENTIFICATION - What has gone wrong? (Completed by Compliance Monitor)	
Description of problem :	Date Reported :
Issued by :	Accepted by :
Signature :	Signature :
Date :	Date :

PART B : RESPONSE - What do we do about it? (Completed by DCMF Contractor)	
Underlying cause : Why did it happen?	
Proposed Action : How do we correct the problem, and prevent it from happening again?	
Signature :	Date :

PART C : FOLLOW UP - How has the problem been resolved? (Completed by Compliance Monitor)		
Date :	Name :	Comments :
Nothing done by the Independent Engineer in accordance with Clause 26 of the Contract or Schedule M shall in any respect relieve or absolve the Contractor from its responsibility for the works under or in accordance with the Contract.		
Signature :	Date :	

Part 4A

Change Control Procedure Post Engineer's Houseblock Declaration

Introduction

- 1 Part 4A of this **Schedule M (Compliance Monitoring)** sets out the procedure for agreeing and implementing changes to Part 2 of **Schedule A (Specifications)** proposed by the Contractor after issue of the Engineer's Houseblock Declaration.
- 2 A change to Part 2 of **Schedule A (Specifications)** proposed by the Contractor shall be referred to in Part 4A of this **Schedule M (Compliance Monitoring)** as a Contractor's Change. For the avoidance of doubt, a Contractor's Change shall include:
 - (a) any proposed amendment to any of the documents in Part 2 of **Schedule A (Specifications)**; and
 - (b) a change to the location or construction fabric on a secure line for any room, compartment of a building, building, or area (including the overall prison perimeter), or a change to the security and communications systems (including cell call and other alarms, smoke detectors, CCTV, locking, access control, movement sensors and associated control equipment).

All references to Part 2 of **Schedule A (Specifications)** are to Part 2 of **Schedule A (Specifications)** as amended from time to time either by the Authority or with the Authority's approval pursuant to **Clause 9 (Change to Services Required)** of the Contract.

Procedure

- 3 Where the Contractor wishes to propose a Contractor's Change, the Contractor shall make a written application to the Authority using the notice of change proforma, Form C, appended to this **Schedule M (Compliance Monitoring)**. The written application shall contain the following information relating to the Contractor's Change:
 - (a) the reason why the Contractor considers the Contractor's Change is necessary or desirable;
 - (b) where the Contractor's Change will give rise to an adjustment in the Contract Price because it arises out of a change to Prison Legislation, the information required pursuant to **Clause 39.2 (Variation of Price)** (or the Contractor's best estimate thereof at the time of submitting the application);
 - (c) where the Contractor's Change will affect the availability of any prisoner places the Contractor's reasonable estimate of the likely length of this period and number of places; and
 - (d) such other information as is reasonably required by the Controller or the Authority for a sufficient understanding of the Contractor's Change proposed.

- 4 Notwithstanding that the written application referred to in this paragraph is a written application to the Authority, the Contractor shall direct the written application to the Controller for his attention. Receipt of the written application by the Controller shall constitute receipt of the written application by the Authority.
- 5 The Authority shall within fourteen (14) Days, or in the case of multiple applications within a reasonable period of receiving the Contractor's written application, provide a written response to the Contractor which shall either:
 - (a) approve the Contractor's Change;
 - (b) request more information regarding the Change; or
 - (c) reject the proposed Change and provide reasons for its rejection.
- 6 Where the Authority accepts the Contractor's Change, **Part 2 of Schedule A (Specifications)** shall be amended accordingly and the Contractor shall implement the Contractor's Change within the Houseblock Works.
- 7 Where the Authority requires more information regarding the Contractor's Change, the Authority's request for further information shall always be limited to what is reasonable to enable it to understand the design and intent of the Contractor's Change or where paragraph 3(b) or 3(c) above applies, the cost or availability consequences of the Contractor's Change. Upon receipt of the further information the Authority shall respond to the Contractor's Change in accordance with paragraph 5 above.
- 8 The Contractor shall not incorporate any proposed Contractor's Change into the Houseblock Works unless it receives the approval of the Authority in accordance with paragraph 6 above. If the Contractor does incorporate the Contractor's Change into the Works without the said approval, it shall be done at the Contractor's own risk and on the understanding that, if approval is not subsequently given, the Contractor will reinstate the Houseblock Works to its prior condition at its own cost within such period as is reasonably set by the Authority. Where the Contractor fails to effect the reinstatement, to the reasonable satisfaction of the Authority, within the reasonable time specified, the Authority shall be entitled to carry out such reinstatement itself, or to procure the same at the contractor's cost and shall be entitled to set off its costs against any amounts payable to the Contractor under this contract.
- 9 On completion of the works required for the Contractor's Change, the Contractor shall notify the Authority accordingly, and present such works as might be reasonably required to demonstrate compliance with the Contract. In addition to physical demonstration and/or inspection, this shall include but not necessarily be limited to testing and pre-commissioning documentation, and changes to relevant operational and maintenance procedures as might be affected.
- 10 On acceptance by the Authority of completion of each Contractor's Change (which shall not be unreasonably withheld) any changes to the Payment Mechanism which may arise will come into effect thereafter, or from such time as may be otherwise agreed by the Authority and Contractor in accordance with the Contract.

9. DCMF ASHFORD
CONTRACT COMPLIANCE Contract No.
Notice of Change (Form A)

1 Notice No.		2. Date	
3 DRAWINGS / SPECIFICATION REFERENCES :			
4 TYPE OF CHANGE	Tick one box only	5. DOCUMENTS APPENDED	
This change is either :-			
i) A Design Development as defined in Part 2 of Schedule M, which is compliant with Schedule A; or			
ii) A Change to Schedule A, as defined in Part 3 of Schedule M			
6. REASONS FOR CHANGE	Tick as appropriate	7. DESCRIPTION OF CHANGE	
<input type="checkbox"/> Practicality	<input type="checkbox"/>	8. DETAILED REASON FOR CHANGE	
<input type="checkbox"/> Operational Need	<input type="checkbox"/>		
<input type="checkbox"/> Maintenance	<input type="checkbox"/>		
<input type="checkbox"/> Statutory Need	<input type="checkbox"/>		
<input type="checkbox"/> Security	<input type="checkbox"/>		
<input type="checkbox"/> Health and Safety	<input type="checkbox"/>		
<input type="checkbox"/> Exceptional Legislation	<input type="checkbox"/>		
<input type="checkbox"/> Prison Legislation*	<input type="checkbox"/>		
<input type="checkbox"/> Authority Instruction*	<input type="checkbox"/>		
<input type="checkbox"/> Security Technology*	<input type="checkbox"/>		
* Complete supplementary "FORM B"			
9. (To be completed at Contractor's discretion)			
Signed.....		For	Date.....
.....	
Signed.....		For	Date.....
.....	
10. (To be completed by Contractor)			
Signed.....		For Ashford Prison Services Limited	Date.....
.....			
For Authority use only			
Design Development - No objection / Objection (delete as applicable)			
Signed.....		For [JG]	Date.....
.....			

9. DCMF ASHFORD
CONTRACT COMPLIANCE Contract No.
Notice of Change (Form A)

Change to Schedule A - Approved / Not approved (delete as applicable)

Signed..... For HMPS
.....

Date.....

10. DCMF ASHFORD
 CONTRACT COMPLIANCE Contract No.
 Notice of Change (Form B)

1 Notice No.		2. Date	
3 DRAWINGS / SPECIFICATION REFERENCES :			
4. REASONS FOR CHANGE		Tick as appropriate	5. DOCUMENTS APPENDED
<input type="checkbox"/>	Exceptional Legislation	<input type="checkbox"/>	
<input type="checkbox"/>	Prison Legislation	<input type="checkbox"/>	
<input type="checkbox"/>	Authority Instruction	<input type="checkbox"/>	
<input type="checkbox"/>	Security Technology	<input type="checkbox"/>	
6. DETAILS OF CHANGE (including details of relevant legislation)			
7. COST IMPACT :			
8 OTHER IMPACT (including estimate of any changes to the programme) :			
9. (To be completed by Contractor)			
Signed.....		For Ashford Prison Services Date..... Limited	
For Authority use only			
Received by		For	Date.....
Received by		For HMPS	Date.....

11. DCMF ASHFORD
CONTRACT COMPLIANCE
Notice of Change (Form C)

1 Notice No.	2. Date	
3 DRAWINGS / SPECIFICATION REFERENCES :		
4 DOCUMENTS APPENDED		
5. REASONS FOR CHANGE	Tick as appropriate	6. DESCRIPTION OF CHANGE
<input type="checkbox"/> Practicality	<input type="checkbox"/>	
<input type="checkbox"/> Operational Need	<input type="checkbox"/>	
<input type="checkbox"/> Maintenance	<input type="checkbox"/>	
<input type="checkbox"/> Statutory Need	<input type="checkbox"/>	
<input type="checkbox"/> Security	<input type="checkbox"/>	
<input type="checkbox"/> Health and Safety	<input type="checkbox"/>	7. DETAILED REASON FOR CHANGE
<input type="checkbox"/> Exceptional Legislation	<input type="checkbox"/>	
<input type="checkbox"/> Prison Legislation*	<input type="checkbox"/>	
<input type="checkbox"/> Authority Instruction*	<input type="checkbox"/>	
<input type="checkbox"/> Security Technology*	<input type="checkbox"/>	
* Complete supplementary "FORM D"		
9. (To be completed at Contractor's discretion)		
Signed..... For Operating Sub- Date..... contractor		
10. (To be completed by Contractor)		
Signed..... For Ashford Prison Services Date..... Limited		
For Authority use only		
Proposed change to Schedule A approved / not approved		
Signed..... For HMPS Date.....		
Approved change to Schedule A satisfactorily completed		
Signed..... For HMPS Date.....		

1 Notice No. (As Form C)		2. Date
3 DRAWINGS / SPECIFICATION REFERENCES :		
4. REASONS FOR CHANGE	Tick as appropriate	5. DOCUMENTS APPENDED
<input type="checkbox"/> Exceptional Legislation	<input type="checkbox"/>	
<input type="checkbox"/> Prison Legislation	<input type="checkbox"/>	
<input type="checkbox"/> Authority Instruction	<input type="checkbox"/>	
<input type="checkbox"/> Security Technology	<input type="checkbox"/>	
6. DETAILS OF CHANGE (including details of relevant legislation)		
7. COST IMPACT :		
8 OTHER IMPACT (including estimate of any changes to the programme) :		
9. (To be completed by Contractor)		
Signed..... For Ashford Prison Services Date..... Limited		
For Authority use only		
Received by	Controller	Date.....
Received by	For HMPS	Date.....

Project : DCMF []	Project No.	Note No.
CUSTODIAL SERVICE	Date :	

PART A : IDENTIFICATION - What has gone wrong? (Completed by Compliance Monitor)	
Description of problem :	Date Reported :
Issued by :	Accepted by :
Signature :	Signature :
Date :	Date :

PART B : RESPONSE - What do we do about it? (Completed by DCMF Contractor)	
Underlying cause : Why did it happen?	
Proposed Action : How do we correct the problem, and prevent it from happening again?	
Signature :	Date :

PART C : FOLLOW UP - How has the problem been resolved? (Completed by Compliance Monitor)		
Date :	Name :	Comments :
Nothing done by the Independent Engineer in accordance with Clause 26A of the Contract or Schedule M shall in any respect relieve or absolve the Contractor from its responsibility for the works under or in accordance with the Contract.		
Signature :	Date :	

SCHEDULE N

Management and Control of Documentation

For the purposes of this Schedule, the following expressions shall have the meaning set out below:

Building Control Approval means the certification procedure conducted by the City of Salford (Development Services) in conjunction with the appropriate fire brigade and Her Majesty's Prison Service fire officer as necessary to ensure compliance with the Building Regulations;

Building Control Approval Room has the meaning assigned to it in paragraph 5.2(b) of Part 1;

Building Regulations means any regulations made under the Building Act 1984 and any act for the time being in force of a similar nature with respect to the design and construction of buildings and the provision of services, fittings and equipment in or connected with buildings;

CDM Regulations means the Construction (Design and Management) Regulations 1994;

Confidentiality Agreement has the meaning assigned to it in paragraph 6.2(a) of Part 1;

Documentation has the meaning assigned to it in paragraph 1.1 of Part 1;

Documents has the meaning assigned to it in paragraph 2.4 of Part 2;

Documentation Security Officer has the meaning assigned to it in paragraph 3.1 of Part 1;

Roads Authority has the meaning local highway authority (for the purposes of the Highways Act 1980 (as amended)) for the applicable area;

Security Manager has the meaning assigned to it in paragraph 3.1 of Part 2;

Part 1

Control of Documentation During Design and Construction of The Prison

1. THE DOCUMENTATION

- 1.1 During the design and construction of the Prison, certain documentation shall be produced by or for the Construction Sub-contractor. For the purpose of Part 1 of this Schedule, documentation shall be defined as any item or document which relates to the Prison (the **Documentation**) and shall, without limitation, include all such information and documents which relate to the design and commissioning of the Prison, including:

Drawings (including CAD discs);

- (a) Any work produced, stored or transmitted by electronic means, including tapes, disks, CD-Roms or other recorded matter (including, but not limited to, any soundtracks or other audio recording);
- (b) Plans, maps, graphs and diagrams;
- (c) Specifications;
- (d) Bill of quantities;
- (e) Schedules;
- (f) Presentation brochures;
- (g) Photographs;
- (h) Film or video or any other device on which one or more visual images are embodied so as to be capable (with or without the aid of some other equipment) of being reproduced therefrom;
- (i) Models;
- (j) Data sheets;
- (k) Samples; and
- (l) The Health and Safety File (as defined in the CDM Regulations).

2. SECURITY AND CONFIDENTIALITY OF DOCUMENTATION

- 2.1 The Documentation constitutes a security risk. The following procedures are designed to control and monitor the issue, use and return of the Documentation issued by the Construction Sub-contractor and any Sub-contractor and/or suppliers to third parties both on and off Site and the security of Documentation both on and off Site.
- 2.2 The Contractor shall procure that the Documentation is managed and controlled by the Construction Sub-contractor and his Sub-contractors and suppliers in the manner set out in this Schedule.

- 2.3 The Contractor shall use all reasonable endeavours to ensure that Documentation shall only be issued for off-site review where it is absolutely necessary.

3. DOCUMENTATION SECURITY OFFICER

- 3.1 The Construction Sub-contractor shall appoint a named person as Documentation Security Officer (the **Documentation Security Officer**) who shall be located on Site. The Documentation Security Officer will be responsible for the security of all Documentation. He will be the focal point for all matters relating to Documentation security and will ensure the awareness of obligations imposed by the Confidentiality Agreement (See paragraph 6.2 below) on all parties issued with Documentation.

4. CONTROL OF DOCUMENTATION OFF SITE

Introduction

- 4.1 Documentation shall be issued to third parties off Site by the Construction Sub-contractor for, inter alia, the following purposes:
- (a) Building Control Approval by City of Salford (Development Services) or its successor;
 - (b) Discharge consents by the Environment Agency;
 - (c) Road adoption by the relevant Roads Authority;
 - (d) Supplier / Sub-contractor procurement by the Construction Sub-contractor;
 - (e) Development of design and design co-ordination by his consultants, Sub-contractors and suppliers; and
 - (f) Co-ordination with the Independent Engineer and the Banks' technical representative.

Documentation shall also be produced off Site by the Construction Sub-contractor's consultants and suppliers who have a responsibility for design.

5. BUILDING CONTROL APPROVAL

- 5.1 The Construction Sub-contractor shall be dealing directly with City of Salford (Development Services) for building control, fire and environmental health approvals.

The following procedures will be adopted, subject to obtaining the consent of the relevant local authority:

- 5.2 Plan vetting stage:
- (a) Only named officers of City of Salford (Development Services) will deal with the application;
 - (b) Documentation relating to Building Control Approval shall be kept in a lockable room either at the City of Salford (Development Services) offices or on Site (the **"Building Control Approval Room"**). This room will be suitable for the inspection of plans by named City of Salford (Development Services) staff and other named consultees;

- (c) While the Building Control Approval Room is located at the City of Salford (Development Services) offices, the delivery and collection of Documentation to City of Salford (Development Services) shall be made by hand and signed for by an approved signatory;
- (d) Once Building Control Approval has been given, if the Building Control Approval Room continues to be located at the City of Salford (Development Services) offices, the Documentation will be returned by City of Salford (Development Services) to the Construction Sub-contractor. Access to the plans will be made available to named local authority staff for any further scrutiny arising out of the construction of the Prison on Site;
- (e) The key to the Building Control Approval Room will be kept with registered holders and a log maintained for authorised access;
- (f) The Contractor will endeavour to obtain approval for similar arrangements to those set out in the paragraph 5 for Building Control Approval for other third parties, including the relevant authority, should the need arise.

5.3 Site Inspections:

- (a) Facilities on Site will be allowed to the named officers of City of Salford (Development Services) when carrying out inspections.
- (b) All approved Documentation will be stored on Site in a lockable cabinet within a dedicated room. Keys will be kept with registered holders and a log maintained for authorised access.

6. SUB-CONTRACTOR / SUPPLIER PROCUREMENT

- 6.1 The Construction Sub-contractor will issue Documentation to tenderers for tendering purposes. Each tenderer's scope of works will be fully assessed before tendering by the Construction Sub-contractor and only Documentation required for tender pricing will be released to that tenderer.

6.2 Security and confidentiality procedures:

- (a) The Contractor and its principal Sub-contractors will ensure that when an original document is reproduced, Sub-contractors and supply tenderers will be briefed on the importance of all issues relating to confidentiality and security of Documentation prior to tendering. Each tenderer shall enter into a confidentiality agreement in the form set out in Appendix A to this Schedule (the "Confidentiality Agreement") with the principle Sub-contractors prior to release by them of any Documentation to that tenderer.
- (b) Tenderers will be required to brief their own consultants, Sub-contractors and suppliers regarding confidentiality and security who in turn will also be required to enter into a confidentiality agreement in a similar form to the Confidentiality Agreement with the tenderer concerned.
- (c) All Documentation will be issued by the Construction Sub-contractor under cover of a transmittal note, which shall identify the Documentation and its unique identification reference in the form set out in Appendix B (see paragraph 6.2(d) below).
- (d) All Documentation issued will be stamped and given a unique identification reference as below: