

2015

CALL OFF AGREEMENT

SECRETARY OF STATE FOR WORK AND
PENSIONS ⁽¹⁾ and
POST OFFICE LIMITED ⁽²⁾

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PROTECT – COMMERCIAL

This Call Off Agreement is dated March 2015 and is agreed between:

- (1) The **SECRETARY OF STATE FOR WORK AND PENSIONS** of Caxton House, Tothill Street, London, SW1H 9NA ("**Authority**");
- and
- (2) **POST OFFICE LIMITED** having its registered office at 148 Old Street, London, EC1V 9HQ ("**Contractor**") (each a "**Party**" and, together, the "**Parties**").

This is a Call Off Agreement under the Single Supplier Framework Agreement for the provision of Front Office Counter Services and other Related Services (the "**Framework Agreement**") and has been agreed pursuant to Clause 2.2 of the Framework Agreement and the Call Off Process.

1 Definitions

- 1.1 All words and expressions defined in the Framework Agreement shall have the same meaning and constructions when used in this Call Off Agreement unless expressly stated otherwise herein. In the event of any conflict between the definition of any word and/or expression as defined in the Framework Agreement and the definition of any word and/or expression as defined in this Call Off Agreement, then the definition of such word and/or expression as defined in this Call Off Agreement shall prevail. Any defined terms specific to this Call Off Agreement shall be set out in Clause 1.2 below.

- 1.2 In accordance with Clause 1.1, the following definitions shall apply to this Call Off Agreement:

Active Account	means at any date, a Payment Account which has received a Payment or been subject to a withdrawal within the 8 weeks immediately preceding the most recent 15th day of any month;
Account Terms and Conditions	means the Contractor's terms and conditions of use on which Payment Accounts will be provided to Customers;
Approval	means the written consent of the Authority's Representative;
ARUCS	means Automated Return of Unapplied Credits Service operated via BACS;
ATM	means Automated Teller Machine;
Authorised Applicants	means individuals nominated by the Government Departments via the Secure Electronic/Online Communications System to whom a Payment Account can be offered;
Authority	means the Secretary of State for Work and Pensions and shall cover the work of such Government Agencies, Departments or Non-Departmental Public Bodies that the Secretary of State from time to time may specify;
Authority's Representative	means the individual authorised to act on behalf of the Authority for the purposes of this Call Off Agreement;
AWACS	means Advice of Wrong Account for Automated Credits Service operated via BACS;
BACS	means electronic funds transfer provided by VocaLink;

Benefit	means social security benefits, pensions, allowances and tax credits delivered by the DWP, HMRC, DSD and MoD;
Benefit Fraud	means fraud or any dishonest or wrongful act by any person relating to the Services for the purpose of establishing or representing an entitlement of any person to a Benefit or in connection with the amount of any Benefit to any person;
Card	means the card associated with the Card Account;
CHIP/PIN	means Europay MasterCard Visa (EMV) Standard Chip enabled cards and PIN authorisation;
Closed Account	means a Payment Account which is no longer an Active Account or a Dormant Account;
Contractor ATM Network	means the network of Post Office ATMs in the United Kingdom to be provided by the Contractor in delivery of the Services and which bear the "Post Office" brand name;
Contractor System	means the information and communications technology system used by the Contractor in performing the Services, but excluding the Authority System;
Contractually Controlled Documents	means the documents identified in Appendix 1 to Annex 1 (Authority Requirements);
Customer	means an individual with a Payment Account;
Direct Credits	means automated credit transfer via BACS;
Dormant Account	means a Payment Account which has been opened and active but is not an Active Account or a Closed Account and has not had any activity take place within the account for a consecutive period of 8 weeks;
DSD	means the Department for Social Development acting for and on behalf of the Social Security Agency (Northern Ireland);
Duplicate Accounts	means at any point in time a Customer's Payment Account which exists in addition to a Payment Account held by the same Customer. A Duplicate Account shall not include a Payment Account in respect of which a Customer has given false or deliberately misleading information about his or her identity;
DWP	means the Department for Work and Pensions;
Effective Date	means 1 December 2014;
Equality Act	means the Equality Act 2010 and any secondary legislation made pursuant to it;

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Faster Payment System	means the service as developed in the banking industry and the central infrastructure for which is to be provided by Immediate Payments Limited to provide the ability to make near real time payments direct into Payment Accounts;
FCA	means Financial Conduct Authority;
Government Departments	means DWP, HMRC, DSD, MoD and such Government Agencies, Departments or Non-Departmental Government Bodies that the Secretary of State from time to time may specify;
HMRC	means Her Majesty's Revenue and Customs;
Immediate Payments Limited	means the VocaLink Company which has been created for the delivery and management of the UK's Faster Payments Service central infrastructure;
JMLSG guidelines	means Joint Money Laundering Steering Group;
MoD	means the Ministry of Defence and includes the Service Personnel and Veterans Agency (SPVA);
Nominated Third Party	means a third party who is authorised by the Customer to have access to such Customer's Payment Account, as set out in this Contract;
Outlet	means an outlet at which a personal teller service is provided by (or on behalf of) the Contractor in delivering the Services, including (without limitation): Outlets, Post Office mobile locations, and Post Office Outreach locations (whether hosted or partner locations);
Partner Branch	<p>means an Outlet which is designated as such, being an Outlet which:</p> <ul style="list-style-type: none">(a) is located in designated premises, and(b) is supported by (but operates independently from) another Outlet and its sub-postmaster; and(c) only undertakes transactional based Post Office services;
Payment Account	means a personal account which is identified as belonging to an individual and into which monies can be paid by Direct Credit, to be provided, maintained and operated by the Contractor under this Call Off Agreement;
Payments	means payments of Benefits by the Government Departments as authorised by the Social Security Acts and/or the Child Support Acts and/or the War Pensions Acts and any other benefit, pension or allowance payable by the Authority including (without limitation) employment training allowance;
PIN	means the Personal Identification Number;

Secretary of State Appointee Arrangements	means an individual authorised by the Secretary of State to act on behalf of a customer who is incapable of managing their own affairs under Regulation 33 of the Social Security (Claims and Payments Regulations) 1987 for social security purposes;
Security Policy	means the security management plan to be provided by POL within 20 Working Days of the date of signature of this Call Off Agreement, to be based upon the Contractor's existing security plan and the Security Management Plan agreed pursuant to the Framework Agreement, and as may be updated from time to time through the Change Control Procedure;
SEOCS	means the system outlined in paragraph 5.3 of Annex 1 (Authority Requirements) of this Call Off Agreement;
Service Levels	means the levels to which the service will be provided as set out in annex 2 of this Call Off Agreement;
Services	means the services to be provided by the Contractor under this Call-Off Agreement;
SPVA	means the Service Personnel and Veterans Agency;
SSA (NI) &	means the Social Security Agency, an Executive Agency of DSD;
Staff	means all employees, clerks, agents, consultants and contractors of the Contractor; and
VocaLink	means the organisation behind the UK's payment processing system, operating electronic funds transfer, direct credits, direct debits, standing orders and management of inter-bank network services.

2 Call Off Term

- 2.1 The Call Off Term will be deemed to have commenced with effect from the Effective Date and will continue for an initial term of seven (7) years or for such shorter period as may be agreed by both Parties.
- 2.2 The Authority may extend the Call Off Term following the initial term in three extensions of twelve (12) months, and if it does wish to extend shall give the Contractor prior written notice not less than three (3) months before the end of the initial term and each anniversary of the end of the initial term.

3 Terms of the Call Off Agreement

- 3.1 Subject to Clause 2.6 of the Framework Agreement, the terms of the Framework Agreement are expressly incorporated by reference into this Call Off Agreement, except as otherwise varied in this Call Off Agreement.
- 3.2 Subject to Clause 2.7 of the Framework Agreement, the Parties may agree to vary the terms of the Framework Agreement which are incorporated by reference into this Call Off Agreement, and all such variations shall be documented in Annex 11 (Other Variations) hereof.

- 3.3 The Contractor confirms that where it is aware that the implementation of this Call Off Agreement may affect other Services provided under the Framework Agreement it has, before the Effective Date of this Call Off Agreement, disclosed the same to the Authority, the Secretary of State for Transport, and to all other affected Service Recipients.

4 Authority Requirements

- 4.1 The detailed Authority Requirements applicable to this Call Off Agreement are as set out in Annex 1 hereof.

5 Service Levels and Service Credits

- 5.1 The Service Levels and Service Credits applicable to this Call Off Agreement, which have been agreed by the Contractor and the Authority pursuant to the Call Off Process are as set out in Annex 2 (Service Levels and Service Credits) hereof.

6 Contractor Solution

- 6.1 The detailed Contractor Solution applicable to this Call Off Agreement (based upon the outline Contractor Solution in Schedule 4.1 (Contractor Solution) of the Framework Agreement) is as set out in Annex 3 (Contractor Solution) hereof.
- 6.2 The Contractor shall be entitled to propose Changes to the Contractor Solution in relation to the method of cash handling and the Authority shall not unreasonably withhold its consent to such Change.

7 Authority Responsibilities

- 7.1 The detailed Authority Responsibilities applicable to this Call Off Agreement are as set out in Annex 4 (Authority Responsibilities) hereof.

8 Implementation

- 8.1 The provisions contained in Clause 4 (Implementation Plan) and Schedule 6.1 (Implementation Plan) of the Framework Agreement shall apply, as agreed by the Parties, in respect of any Changes that may be implemented during the Call Off Term.

9 Charges and Invoicing

- 9.1 The Charges applicable to this Call Off Agreement (based upon the Financial Model set out in Schedule 7.5 (Financial Model) of the Framework Agreement and agreed in accordance with Clause 2.12 of the Framework Agreement) are as set out in Annex 6 (Charges and Invoicing) hereof. These Charges shall be based upon and not inconsistent with the Charges in Annex 6 (Charges and Invoicing) of the Initial Call Off Agreement and the pricing methodology set out in Annex 7 (Financial Model) of the Initial Call Off Agreement. The invoicing procedures applicable to this Call Off Agreement are as set out in Clause 20 (Charges and Invoicing) of the Framework Agreement and, amended as appropriate from Schedule 7.1 (Charges and Invoicing) of the Framework Agreement, Annex 6 (Charges and Invoicing) hereof.

10 Financial Model

- 10.1 The detailed Financial Model applicable to this Call Off Agreement (based upon the Financial Model in Schedule 7.5 (Financial Model) of the Framework Agreement) is as set out in Annex 7 (Financial Model) hereof. This Financial Model shall be based upon and not be inconsistent with the costing methodology set out in Annex 7 (Financial Model) of the Initial Call Off Agreement.

11 Governance

- 11.1 The governance applicable to this Call Off Agreement is as set out in Schedule 8.1 (Governance) of the Framework Agreement. The Parties acknowledge that they are bound by the procedures in Schedule 8.1 (Governance) of the Framework Agreement where either Party requests a reference to the Framework Board in accordance with that Schedule 8.1 (Governance).

12 Key Personnel

- 12.1 The Key Personnel applicable to this Call Off Agreement are as set out in Annex 8 (Key Personnel) hereof. Any change to Annex 8 (Key Personnel) shall be subject to Clauses 31.6 to 31.12 of the Framework Agreement.

13 Pensions

- 13.1 The pensions provisions and obligations applicable to this Call Off Agreement are set out in Annex 9 (Pensions) hereof.

14 Insurance Requirements

- 14.1 The insurance requirements applicable to this Call Off Agreement (based upon the template insurance requirements set out in Schedule 2.6 (Insurance Requirements) of the Framework Agreement) are set out in Annex 10 (Insurance Requirements) hereof.

15 Other Variations

- 15.1 Any other variations to the terms of the Framework Agreement incorporated by reference herein shall be agreed in accordance with Paragraph 2.3 of this Call Off Agreement and shall be documented in Annex 11 (Other Variations) hereof.

16 Step-In Rights

- 16.1 The provisions of Clause 63 (Step In Rights) of the Framework Agreement shall only apply to any Services as may be agreed by the Authority and the Contractor from time to time pursuant to the Change Control Procedure.
- 16.2 For the avoidance of doubt, all Services to be provided by the Contractor under this Call Off Agreement shall not be subject to the right of step-in unless otherwise agreed via the Change Control Procedure.

17 Formation of Call Off Agreement

- 17.1 The execution of this Call Off Agreement by each of the Contractor and the Authority shall create a valid and legally binding contract comprising the Clauses of and Schedules to the Framework Agreement which are stated in Clause 2 (Contracting Capacity and Arrangements for Call Off Agreements) of the Framework Agreement to be incorporated into the Call Off Agreement as amended and supplemented by this Call Off Agreement.
- 17.2 On the execution of this Call Off Agreement by each of the Contractor and the Authority, the Agreement for the provision of Post Office Card Accounts entered into by the Authority and the Contractor on 5 March 2009 (as subsequently amended) (the "**POca Agreement**") shall be deemed to have terminated in its entirety as and from the Effective Date and, save as set out in Clauses 17.4 and 17.5 below, shall (including the provisions of Clause 51.1) be of no further effect from the Effective Date.
- 17.3 **[REDACTED]**.
- 17.4 **[REDACTED]**.

17.5 [REDACTED].

Executed as a Deed by the affixing)
of the COMMON SEAL of)
SECRETARY OF STATE FOR WORK AND)
PENSIONS)
in the presence of:)

.....

A person authorised by Secretary Of State for Work
And Pensions to act for that purpose

Executed as a Deed by the affixing)
of the COMMON SEAL of)
POST OFFICE LIMITED)
in the presence of:)

.....

A person authorised by Post Office Limited to act for
that purpose

ANNEX 1 – AUTHORITY REQUIREMENTS

1 Background

- 1.1 The Personal Account, also known as the 'Post Office Card Account' is a Contractor product through which state pensions, benefits, war pensions and tax credits can be paid. This Call Off Agreement will allow Customers to receive their cash at any Outlet. DWP, HMRC, SSA (NI) & SPVA are the Government Departments with access to the Payment Account as a method of payment.
- 1.2 In particular Payment Accounts promote financial inclusion by providing access to card accounts for vulnerable people unable to benefit from transactional accounts for various reasons including, for example, a poor credit history.
- 1.3 The Government has always highlighted the importance of Personal Accounts to pensioners who presently rely on the service and to whom continuity is vital. Some disabled people also benefit from the Payment Account's operation which allows a second card holder to collect money if they are unable to get to their local Outlet themselves.
- 1.4 The presence of Outlets in rural and deprived urban communities provides Customers with access to their money which they may not otherwise have.

2 Introduction

- 2.1 This Annex sets out the intended scope of the services to be provided by the Contractor and provides a high level description of the service (the "Services").
- 2.2 The Secretary of State for Work and Pensions arranges social security payments on behalf of other Government Departments and the contracted services will need to be provided in respect of these Government Departments.
- 2.3 The Secretary of State for Work and Pensions wishes to contract for a front office counter services and core counter payment service, which are to be provided by the Contractor via a national network of outlets located throughout the United Kingdom.
- 2.4 The Contractor shall develop and provide the Post Office card account social security payment and front office counter services to be operated by, or on behalf of, the Contractor for Customers.
- 2.5 The Payment Account will be a Customer owned product, which is capable of receiving Payments from the Government Departments as nominated by the Authority.
- 2.6 No interest shall be payable to the Customer or Government Departments.
- 2.7 The Contractor shall provide Customers with Account Terms and Conditions at the application stage. The Customer Account Terms and Conditions shall be agreed by the Authority and the Contractor
- 2.8 The Contractor shall offer a Payment Account to all Authorised Applicants.

3 General

- 3.1 [REDACTED].
- 3.2 [REDACTED].
- 3.3 [REDACTED].
- 3.4 [REDACTED].

3.5 [REDACTED].

3.6 [REDACTED].

3.7 [REDACTED].

3.8 [REDACTED].

3.9 [REDACTED].

3.10 The Contractor shall perform the Services in accordance with:

3.10.1 the Service Levels; and

3.10.2 the agreed processes set out in the Contractually Controlled Documents

3.11 [REDACTED].

3.12 The Contractor shall ensure that appropriate mechanisms are in place to communicate relevant Service updates and/or changes to the Contractually Controlled Documents to Contractor Personnel within short timeframes as specified by the Authority.

4 Specific Payment Account coverage requirements

4.1 [REDACTED].

4.2 [REDACTED].

4.3 [REDACTED].

5 Capture and Transmission of Data

5.1 [REDACTED].

5.2 [REDACTED].

5.3 [REDACTED].

5.4 Provision of the Service shall include, as agreed with the Authority:

5.4.1 One primary Secure Electronic System – secure e-mail;

5.4.2 One or more low level contingency options – namely removable media and paper or as otherwise agreed between the Parties from time to time.

5.5 [REDACTED].

5.6 [REDACTED].

5.7 [REDACTED].

5.8 [REDACTED].

5.9 [REDACTED].

5.10 [REDACTED].

5.11 [REDACTED].

5.12 [REDACTED].

5.13 The Contractor shall provide the Government Department that submitted the authorisation acted upon with the Customers details having obtained any necessary permissions, including permission for data processing, from the Customer.

5.14 [REDACTED].

5.15 [REDACTED].

5.16 [REDACTED].

5.17 [REDACTED].

5.18 Unless otherwise stated, all documentation shall be available in Welsh, Braile, and/or large print if requested.

5.19 [REDACTED].

5.20 [REDACTED].

6 Verification of Transaction Eligibility and Applicant Identity

6.1 The Contractor shall provide the facility to verify a Customer's identity and eligibility.

6.2 [REDACTED].

6.3 The Contractor shall have the ability to accommodate the validation of an Authorised Applicant's identity by manually checking accepted identity documentation produced by the Authorised Applicant as part of the application.

6.4 The Contractor shall have the ability to raise an alert via the Contractor System in the event that the Contractor deems an application to be suspicious.

6.5 [REDACTED].

6.6 Through the application process, the Contractor must obtain evidence of identity, including the following mandatory data:

6.6.1 Full name

6.6.2 Residential address

6.6.3 Date of birth.

6.7 The Authorised Applicant's details will be verified by checking the appropriate documentation, as listed below, against his/her completed application form. Documents that will be accepted as evidence of identity are:

6.7.1 Valid in date and uncanceled passport

6.7.2 Full Driving licence

6.7.3 Birth certificate

6.7.4 Marriage / civil partnership certificate

6.7.5 Firearm or shotgun certificate

- 6.7.6 Naturalisation / UK citizenship certificate
- 6.7.7 Decree absolute
- 6.7.8 UK Residence Permit
- 6.7.9 Photo-identity card which MUST bear a sealed photograph and signature
- 6.7.10 Identity card issued by the electoral office for Northern Ireland
- 6.7.11 Bank cheque guarantee card
- 6.7.12 Credit card/debit card
- 6.7.13 Personal cheque book
- 6.7.14 Current trade union or trade association membership card
- 6.7.15 Membership of a recognised national institution such as a political party, student ID card or utility company ID
- 6.7.16 Council tax demand or statement for the current year
- 6.7.17 Council rent document or Tenancy agreement, in which the last entry must be no more than 3 months old and must show the Customer's address as printed on the Payment Account Application Form
- 6.7.18 Current original bank statements or debit / credit card statements issued by a regulated financial sector firm in the UK, EU or comparable jurisdiction (not photocopies or printed from the internet)
- 6.7.19 Current utility bill (including mobile phone bills)
- 6.7.20 Notification / invitation to claim letter from a Government Department
- 6.7.21 Other recent evidence of entitlement to a state or local authority funded benefit including:
 - (a) Housing benefit
 - (b) Council tax benefit
 - (c) Tax credit
 - (d) Pension, educational or other grant
- 6.8 Outlet Staff must check the documents and the details recorded on the appropriate section of the application form. This form must be scanned and held as an electronic image associated with the account details.
- 6.9 **[REDACTED]**.
- 7 **Card Issue**
- 7.1 **[REDACTED]**.
- 7.2 **[REDACTED]**.

7.3 [REDACTED].

7.4 [REDACTED].

8 Pin Notification

8.1 [REDACTED].

8.2 [REDACTED].

8.3 [REDACTED].

8.4 [REDACTED].

8.5 [REDACTED].

8.6 [REDACTED].

8.7 [REDACTED].

9 Nominated Third Party Access

9.1 [REDACTED].

9.2 [REDACTED].

9.3 [REDACTED]

9.4 [REDACTED].

9.5 [REDACTED].

9.6 [REDACTED].

9.7 [REDACTED].

9.8 [REDACTED].

9.9 [REDACTED].

9.10 [REDACTED].

9.11 [REDACTED].

9.12 [REDACTED].

9.13 [REDACTED].

9.14 [REDACTED].

10 Notification by Customer of Creation, Updates and Creation Updates and Change to Details

10.1 The Contractor shall provide the facility for Customers to create new applications, update their personal details including name and address and other changes relevant to the Customer record(s).

10.2 The Contractor shall confirm and input new Customer details or any updates to Customer details previously held into the Contractor System.

- 10.3 Where applicable, the Contractor shall check and verify evidence provided by the Customer in support of the creation of new applications, update to personal details including name and address and other changes relevant to the Customer record(s).
- 10.4 Where a change to Customer details should not be processed via the Contractor System, the Contractor shall redirect the Customer to the Authority.
- 11 **Request by Customer for Replacement Documents**
 - 11.1 [REDACTED].
 - 11.2 [REDACTED].
- 12 **Customer Payments, Tokens of Payment and Receipt**
 - 12.1 [REDACTED].
 - 12.2 [REDACTED].
 - 12.3 [REDACTED].
- 13 **Stock Distribution and Storage**
 - 13.1 [REDACTED].
 - 13.2 [REDACTED].
 - 13.3 [REDACTED].
- 14 **Outlets**
 - 14.1 [REDACTED].
- 15 **Customer Change of Address/Personal Details**
 - 15.1 The Contractor shall ensure that Customers shall be able to notify the Contractor of changes of address and/or personal details.
 - 15.2 [REDACTED].
 - 15.3 [REDACTED].
 - 15.4 The Contractor shall ensure that the process undertaken on notification of any change has security features that minimises any risk to the Customer.
 - 15.5 The Contractor shall ensure that a confirmation of the changes made is issued by post to the Customers new and previous address.
 - 15.6 [REDACTED].
- 16 **Helplines**
 - 16.1 [REDACTED].
 - 16.2 [REDACTED].

16.3 [REDACTED].

16.4 [REDACTED].

16.5 [REDACTED].

16.6 Contractor branch and contact centre channels must be accessible to all Customers through the following examples of such support:

16.6.1 Hearing loops and lower counter positions in the Contractor's network of Outlets

16.6.2 Text phone support for Customers with hearing difficulties

16.6.3 Literature forms and statements produced in Welsh, large print and Braille format. (Post Office shall also provide other languages and formats (if any) as required by applicable Law).

17 Marketing, Signage and Communications

17.1 [REDACTED].

17.2 [REDACTED].

17.3 The Contractor shall provide a facility on its website to enable Customers to locate the nearest Outlet providing the Services from a Customer specified location.

17.4 The Contractor shall publicise the locations and availability of Outlets providing disability access.

17.5 The Contractor shall ensure that any messages carried on the printed receipt will have been previously agreed with the Authority.

17.6 [REDACTED].

18 Customer Service

18.1 [REDACTED].

19 Customer and Nominated Third Party Documentation

19.1 [REDACTED].

19.2 [REDACTED].

20 Court Order

20.1 [REDACTED].

21 Payment Account Administration

21.1 [REDACTED].

22 Complaints Process

22.1 The Contractor shall ensure there is a process in place to deal with complaints from Customers, Nominated Third Parties or any other individual.

22.2 [REDACTED].

22.3 [REDACTED].

22.4 The Contractor shall ensure that all complaints are investigated by a specialist team to determine the most appropriate resolution and response.

22.5 The Contractor shall use reasonable endeavours to ensure that within four weeks of receiving a complaint, the complainant will be sent either: a final response; or a holding response, which explains why the Contractor is not yet in a position to resolve the complaint and indicates when the Contractor will make further contact. If the complaint is unusually complex or other exceptional circumstances apply, the Contractor shall comply with its obligations under this Condition as soon as reasonably possible after the standard response time of four weeks has elapsed.

22.6 [REDACTED].

22.7 The Contractor shall ensure that full records of all complaints will be kept for a minimum of six years from the date of receipt. Records shall be available in hard copy format upon request.

23 Training

23.1 The Contractor shall ensure that its Staff, in accordance with Good Industry Practice, are trained to provide the Services to Customers and the Nominated Third Party insofar as such training is relevant to their particular function in relation to the Services.

23.2 Training activity to include as a minimum:

23.2.1 Outlet Staff:

23.2.2 Customer facing process training

23.2.3 Functional training

23.2.4 Specialist/uncommon transactional training.

23.2.5 Helpline Staff

23.2.6 Induction training for new Staff

23.2.7 Ongoing training to maintain Helpline quality of service.

23.2.8 Training in back office processes.

24 Performance Monitoring and Management Information

24.1 The Contractor shall monitor and report on the performance of all Services and requirements as specified by the Authority and in accordance with the Service Levels.

24.2 [REDACTED].

24.3 [REDACTED].

24.4 [REDACTED].

24.5 The Contractor shall ensure that all reports, issued to the Government Departments, will be fully encrypted and issued in a secure manner as agreed by all Parties. The Contractor shall use reasonable endeavours to produce any bespoke reports required and requested by the Authority.

- 24.6 The Contractor shall provide regular and ad hoc management information on all aspects of the Services and transactions performed that is accurate, complete and up-to-date as specified by the Authority and in accordance with the Service Levels.
- 24.7 The Contractor shall have the flexibility to produce and provide to the Authority tailored/non-standard management information reports as requested by the Authority from time to time.
- 24.8 [REDACTED].
- 24.9 [REDACTED].
- 25 **Deposits**
- 25.1 [REDACTED].
- 25.2 [REDACTED].
- 26 **Unapplied Direct Credits**
- 26.1 [REDACTED].
- [REDACTED].
- 27 **Recalls**
- 27.1 [REDACTED].
- 27.2 [REDACTED].
- 27.3 [REDACTED].
- 27.4 [REDACTED].
- 28 **Balances**
- 28.1 [REDACTED].
- 28.2 [REDACTED].
- 28.3 [REDACTED].
- 29 **Interest**
- 29.1 [REDACTED].
- 29.2 [REDACTED].
- 30 **Dormant Accounts**
- 30.1 [REDACTED].
- 30.2 [REDACTED].
- 30.3 [REDACTED].
- 30.4 [REDACTED].
- 30.5 [REDACTED].

30.6 [REDACTED].

31 Withdrawals

31.1 [REDACTED].

31.2 [REDACTED].

31.3 [REDACTED].

31.4 [REDACTED].

31.5 [REDACTED].

31.6 [REDACTED].

32 ATM Service

32.1 [REDACTED].

32.2 [REDACTED].

32.3 [REDACTED].

33 Card Usage

33.1 [REDACTED].

33.2 [REDACTED].

34 Faulty Cards

34.1 [REDACTED].

34.2 [REDACTED].

34.3 [REDACTED].

34.4 [REDACTED].

34.5 [REDACTED].

34.6 [REDACTED].

35 Standard of Cards

35.1 [REDACTED].

35.2 [REDACTED].

36 Provision of Payment Account Statements

36.1 [REDACTED].

36.2 [REDACTED].

36.3 [REDACTED].

37 Payment Account Closure (other than Customers)

37.1 [REDACTED].

37.2 [REDACTED].

37.3 [REDACTED].

37.4 [REDACTED].

37.5 [REDACTED].

38 Payment Account Closure (Customer Deceased)

38.1 [REDACTED].

38.2 [REDACTED].

38.3 [REDACTED].

38.4 [REDACTED].

38.5 [REDACTED].

38.6 [REDACTED].

38.7 [REDACTED].

38.8 [REDACTED].

38.9 [REDACTED].

38.10 [REDACTED].

39 Lost and Stolen Helpline

39.1 [REDACTED].

39.2 [REDACTED].

39.3 [REDACTED].

39.4 [REDACTED].

39.5 [REDACTED].

40 The Process for Reporting a Lost or Stolen Card and Issuing a Replacement

40.1 [REDACTED].

40.2 [REDACTED].

40.3 [REDACTED].

40.4 [REDACTED].

40.5 [REDACTED].

41 Security

41.1 [REDACTED].

41.2 [REDACTED].

41.3 [REDACTED]

41.4 [REDACTED].

41.5 [REDACTED].

41.6 [REDACTED].

42 Quality Standards

42.1 The Contractor shall ensure a quality service is maintained in accordance with Good Industry Practice.

42.2 The Contractor shall ensure that continuous improvement will be achieved.

42.3 The Contractor shall review, with the Authority, the quality standards and measurement systems on an annual basis with the aim of improving year on year the standards of the overall service provided to Authorised Applicants, Nominated Third Parties and Customers.

43 Sustainability

43.1 The Contractor shall support the Government Departments' commitment to purchase sustainable goods and services wherever possible.

43.2 The Contractor shall provide assistance to the Government Departments with any sustainability initiative introduced provided that if there will be any change to the Contractor's obligations or costs under this Contract as a result, the Parties shall agree a Change to the Call Off Agreement before the Contractor provides such assistance.

43.3 The Contractor shall maintain the provision of a sustainability policy, and shall provide assurance of the same on an annual basis, and inform the Authority of any changes to the policy that the Contractor may make from time to time.

44 Safety and Welfare

44.1 The Contractor shall ensure that all areas accessible to Customers and the Nominated Third Party are maintained in accordance with all applicable health and safety regulations and in a condition fit for carrying out the Services.

44.2 The Contractor shall ensure that easy access and adequate facilities are provided in accordance with service providers' responsibilities under the Equality Act and any subsequent amendments to that legislation.

45 Business Continuity Plans and Disaster Recovery Plans

45.1 The Contractor shall provide robust Business Continuity Plans and Disaster Recovery Plans for all Services.

45.2 [REDACTED].

- 45.3 The Contractor shall regularly test all contingency plans and arrangements in relation to the Services and shall provide the Authority with details of the testing programme and evidence that such tests have taken place and have been successful.
- 45.4 Details of the documentation and evidence to be provided by Contractor to the Authority shall be agreed between the Parties within 6 months of the Commencement Date.
- 45.5 In the event of a significant Disaster or Business Continuity incident, the Contractor shall notify the Government Departments immediately.
- 45.6 The Contractor shall ensure that all Sub- Contractors have sufficient Business Continuity and Disaster Recovery plans and processes in place. The Authority reserves the right to have sight of such plans and the results of any testing of those processes on request.
- 45.7 [REDACTED].
- 45.8 [REDACTED].
- 45.9 [REDACTED].
- 46 **Grounds on which the Contractor may Refuse or Cease to Provide a Payment Account**
- 46.1 [REDACTED].
- 47 **Staff Vetting Procedures**
- 47.1 The Contractor shall (and shall procure that any relevant Sub- Contractor shall) carry out the Staff Vetting Procedures in accordance with the Framework Agreement.
- 48 **Administration and Governance**
- 48.1 [REDACTED].
- 48.2 The Contractor shall ensure that it has an effective complaints handling procedure in place.
- 48.3 The Contractor shall issue an acknowledgement of complaints received by the Contractor.
- 48.4 The Contractor shall provide a response to complaints received by the Contractor.
- 48.5 The Contractor shall provide a formal response or contribution to written complaints received by the Authority in accordance with the requirements specified by the Authority.
- 48.6 The Contractor shall provide a formal response or contribution to all official correspondence (Ministerial, MP, PQ, and Press Office) whether received by the Contractor or by the Authority in accordance with the requirements specified by the Authority.
- 48.7 The Contractor shall respond to all Authority queries in accordance with the requirements specified by the Authority.
- 48.8 The Contractor shall comply with any requirements specified by the Authority in relation to responding to media enquiries.
- 48.9 The Contractor shall ensure that preventative measures and controls are in place to minimise the risk of fraud, misconduct, corruption, collusion, theft or any other irregular activity by any Contractor Personnel in the course of provision of the Services and shall investigate any suspected cases.

- 48.10 Without prejudice to any other provision of this Agreement, the Contactor shall comply with any additional requirements specified by the Authority in relation to role and duty separation for business processes within sensitive areas, additional vetting for sensitive posts and audit and analysis tools for monitoring Contractor System access and user activity.
- 48.11 The Contractor shall ensure that any inappropriate activities and/or risks associated with inappropriate conduct of Contractor Personnel occurring during the course of provision of the Services, are reported immediately to the person nominated by the Authority as notified to the Contractor from time to time.
- 48.12 The Contractor shall immediately notify such person nominated by the Authority where there is, or is any suggestion of, fraud, misconduct or any other irregularity occurring during the course of provision of the Services.
- 48.13 The Contractor shall audit the Outlets at the frequency specified by the Authority (not more than once per annum and to be co-ordinated with the Lead Authority through the Framework Board). An independent person (other than the manager and/or owner of the Outlet) shall conduct the audit.
- 48.14 **[REDACTED]**.
- 48.15 During the Term the Contractor will:
- 48.15.1 maintain the Contractually Controlled Documents to a format and level of detail specified by the Authority;
 - 48.15.2 maintain a document detailing the technical infrastructure through which the Contractor provides the Services. This document should be of sufficient detail to permit the Authority and/or Replacement Contractor to understand how the Contractor provides the Services and to enable the smooth transition of the Services with the minimum of disruption. The Contractor shall maintain the Registers in such format as is agreed between the parties and shall update the Registers from time to time and in particular in the event that Assets, Sub-contracts or other relevant agreements are added to or removed from the Services.
- 48.16 **[REDACTED]**.

49 Requirements Relating to Staff

- 49.1 The Contractor shall provide to the Government Departments a dedicated contract management team to work with the Government Departments on a day-to-day basis,

50 ICT - Systems

- 50.1 The Contractor shall transmit and receive data from the Authority and other data sources as specified by the Authority via electronic interfaces, within the timescales specified by the Authority.
- 50.2 The Contractor shall ensure that all data transmitted via the Contractor System is auditable, secure and where appropriate encrypted as specified by the Authority.
- 50.3 The Contractor shall ensure that all data stored on the Contractor System and the Contractor's IT databases complies with the applicable Authority policy and security requirements and standards as specified by the Authority.
- 50.4 The Contractor shall be responsible for its own hardware and software in support of any transactions, including support and maintenance.
- 50.5 The Contractor shall ensure that the Contractor System is fully tested and compliant with the Authority System and any other IT interfaces, specifications, standards and/or requirements

PROTECT – COMMERCIAL

specified by the Authority and any updates to such IT interfaces, specifications, standards and/or requirements.

- 50.6 The Contractor shall ensure that the Contractor System is only accessible by designated Contractor Personnel.
- 50.7 **[REDACTED]**.
- 50.8 The Contractor shall comply with any connection standards as may be reasonably required by the Authority.

APPENDIX 1 TO ANNEX 1 – CONTRACTUALLY CONTROLLED DOCUMENTS

The Contractually Controlled Documents shall be agreed by the Parties following signature of this Call Off Agreement through the Change Control Procedure.

ANNEX 2 - SERVICE LEVELS AND SERVICE CREDITS

1 Service Credits

[REDACTED]

2 Critical Service Failure

[REDACTED]

3 **Service Levels**

[REDACTED]

ANNEX 3 – CONTRACTOR SOLUTION

[REDACTED]

ANNEX 4 – AUTHORITY RESPONSIBILITIES

1 Introduction

- 1.1 The responsibilities of the Authority set out in this Annex 4 shall constitute the Authority Responsibilities under this Agreement. Any obligations of the Authority specified in the Authority Requirements and Annex 3 (Contractor Solution) shall not be Authority Responsibilities and the Authority shall have no obligation to perform any such obligations unless they are specifically highlighted as "Authority Responsibilities" and cross referenced in the table in Paragraph 3 of this Schedule.
- 1.2 The responsibilities specified within this Schedule shall be provided to the Contractor free of charge, unless otherwise agreed between the Parties.

2 General Obligations

- 2.1 For the avoidance of doubt, the Authority Responsibilities set out in this Annex 4 (Authority Responsibilities) shall not limit the Contractor's obligations as set out in the Authority Requirements in any way. The Authority shall:
- 2.1.1 perform those obligations which are set out in the Clauses of this Agreement and the Paragraphs of the Annexes (except Annex 1 (Authority Requirements) and Annex 3 (Contractor Solution) and/or where these are set out under Authority Requirements);
 - 2.1.2 use its reasonable endeavours to provide the Contractor with access to appropriate members of the Authority's staff, as such access is reasonably requested by the Contractor in order for the Contractor to discharge its obligations throughout the Term;
 - 2.1.3 provide sufficient and suitably qualified staff to fulfil the Authority's roles and duties under this Agreement as defined in the agreed implementation plan;
 - 2.1.4 use its reasonable endeavours to provide such documentation, data and/or other information that the Contractor reasonably requests that is necessary to perform its obligations under the terms of this Agreement provided that such documentation, data and/or information is available to the Authority and is authorised for release by the Authority; and
 - 2.1.5 procure for the Contractor such agreed access and use of the Authority's premises, facilities, including relevant ICT systems as is reasonably required for the Contractor to comply with its obligations under this Agreement, such access to be provided during the Authority's normal working hours on each Working Day or otherwise as agreed by the Authority (such agreement not to be unreasonably withheld or delayed).

1 General

Document	Location (Paragraph)
General	
GE01	The Authority shall provide information to Customers on the method of payments available to them.
GE03	The Authority shall send any requests for Customer account information to the Contractor via Pretty Good Privacy (PGP) encryption.
GE04	The Authority shall upon a request from the Contractor on behalf of the authorised applicant provide confirmation that a national insurance number is valid.
GE05	The Authority shall provide to the Contractor “advance payment dates” at least six weeks in advance of these dates.

1.1 Account Opening

AO01	The Authority shall create an electronic record via the SEOCS interface for each authorised applicant.
AO02	The Authority shall transmit Government Authorisation Data records (GADs) to the Contractor for each authorised applicant.
AO03	The Authority shall create GAD records in XML format.
AO04	The Authority shall digitally sign the set of Detail Records sent in Batch Files and attach the signature to each Batch File.
AO05	The Authority shall put the signed data records into a file, encrypt the file, and attach it to an email message addressed to the Contractor.
AO06	The Authority shall in the event of SEOCS failure provide a DVD disc. Note: HMRC will send paper to the Contractor for the transmission of GAD records.
AO007	The Authority shall ensure that each GAD record contains sufficient information for the Contractor to open an account.

2 Payment Services

2.1 Payment Services

Document	Location (Paragraph)
Payment Services	
BS01	[REDACTED]

BS02 [REDACTED].

BS03 [REDACTED].

BS04 [REDACTED].

BS05 [REDACTED].

BS06 [REDACTED].

BS08 [REDACTED].

BS09 [REDACTED].

BS10 [REDACTED].

3 Customer Support Services

3.1 Customer Support Services

Document	Location (Paragraph)
Schedule 4.1 Contractor Solution	Customer Support Services
CS01	The Authority shall provide information to Customers that is required to undertake a Post Office Card Account opening process.
CS02	The Authority shall provide details of any Customer complaints received by the Authority relating to the Contractor service to the Contractor for investigation and resolution.

4 Contract Management

4.1 Management Information

Document	Location (Paragraph)
	Management Information
MI01	The Authority is to specify the Management Information that is to be supplied by the Contractor.
MI02	The Authority is to provide contact details of named people to which the Management Information is to be sent.

4.2 Administration & Governance

Document	Location (Paragraph)
Schedule 4.1 Contractor Solution	Administration & Governance
AG01	The Authority shall provide a named representative that is authorised to act on behalf of the Secretary of State for Work and Pensions.
AG02	The Authority shall provide contact telephone number and address where the

named representative can be contacted.

- AG03 The Authority shall provide an address where all invoices for the services provided by the Contractor will be issued to.
- AG04 The Authority shall send all correspondence relating to the services provided by the Contractor to a named representative of the Contractor at an address to be provided.
- AG05 The Authority shall Chair all meetings between the Authority and the Contractor
- AG06 The Authority will host all joint meetings at the Authority premises, unless otherwise agreed between both parties.
- AG07 The Authority shall give to the Contractor at least ten working days' notice in advance setting out the time and place of such meetings.
- AG08 The Authority shall keep a written record of all meetings.
- AG09 The Authority shall issue the records of each meeting to the Contractor in draft for comment prior to their formal consideration and agreement at the following meeting.
- AG11 Operating Phase – During the Operating Phase the Authority shall be available to meet each month as part of “Service Review and performance Meeting”.
- AG12 Operating Phase - The Authority shall be available at least once each year to review performance of the Services in the preceding year and to develop the relationship between the Parties under this Contract.
- AG13 Operating Phase – The Authority shall make senior representative available to meet Contractor Representatives at least annually to develop a senior relationship.
- AG14 Reports – The Authority shall provide named and contact details for the Authority representatives for receipt of management information reports, for Department of Work & Pensions, Her Majesty's Revenue and Customs and Department For Social Development.
- AG15 The Authority shall provide access to the supporting teams required for liaison regarding Business Continuity, testing, service level management, information security, service implementation and strategy & architecture to support the service.
- AG16 The Authority shall provide assistance to the Contractor security investigators in cases where the Contractor leads a security investigation that may involve Authority transactions undertaken by Contractor personnel.

4.3 Article 1 - Marketing, Signage and Communications

Document

Location (Paragraph)

Marketing, Signage and Communications

MS03 The Authority shall review and approve all Contractor marketing materials for the Services (to ensure such materials meet the specifications agreed between the Parties).

MS04 The Authority shall review and sign off all Services related marketing terms & conditions (where these have been agreed with the Authority in advance).

4.4 Welsh Language Scheme

Document

Location (Paragraph)

Welsh Language Scheme

WL01 The Authority is to advise the Contractor of any changes to the Welsh Language Scheme that will affect the Authority services and shall require changes to be made by the Contractor.

4.5 ICT Systems

Document

Location (Paragraph)

Schedule 4.1 Contractor Solution

ICT Systems

IC01 The Authority shall notify the Contractor of changes to the ICT estate of the Authority that may affect interfaces for the following Interface Specifications:

i) SEOCS for account opening process

IC02 The Authority shall ensure that the Authority System is as defined in the Application Interface Specification, document ref. ACO –SOL-AIS-355

IC03 The Authority shall use the SEOCS interface to inform the Contractor of any new accounts to be opened.

ANNEX 5 – NOT USED

ANNEX 2 – CHARGING AND INVOICING

1 General

- 1.1 These are the Charges for all the Services to be provided by the Contractor under the Call Off Agreement.
- 1.2 The Charges contained within this Annex 6 commence from the Effective Date.
- 1.3 For the performance of the Services, the Contractor shall be paid the Charges calculated in accordance with the Standard Banding Charges Table set out in Section 2 below (and subject to the notes below that table).
- 1.4 The Charges and calculations relating to the Charges (and any apportionment of the monthly amount payable between Government Departments) shall be calculated to five decimal places. For the last decimal place, a 5-4 rounding by reference to the sixth decimal place (i.e. 5-9 rounds up, and 0-4 rounds down) will be used.
- 1.5 The Charges exclude Value Added Tax.
- 1.6 In relation to Active Accounts and Dormant Accounts the amount payable each month shall be calculated on a point in time basis (day of the month and time of day to be agreed). If that day is not a Working Day the preceding Working Day shall be used.
- 1.7 Where a Charge is expressed on an annual basis it shall be paid monthly at 1/12 (one twelfth) of the annual rate.
- 1.8 **[REDACTED]**
- 1.9 **[REDACTED]**
- 1.10 No Charges shall be payable in respect of any Duplicate Account.
- 1.11 A final withdrawal from a Payment Account to close such Payment Account shall be ignored for the purposes of determining whether such Payment Account is an Active Account or a Dormant Account.

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2 **Standard Banding Charges Table**

2.1 **[REDACTED]**

Notes:

[REDACTED]

3 Other Costs

Where there is a request for the Contractor ATM Network to include the LINK ATM Network, then:

- if the total number of all cash transactions per Active Account (averaged over the entire portfolio of Active Accounts) exceeds 54 in any calendar year, a charge to the Authority of £ [REDACTED] for every additional ATM cash transaction above this threshold for that calendar year will apply; and
- if the number of free ATM balance enquiries per Active Account (averaged over the entire portfolio of Active Accounts) exceeds 7 in any calendar year, a charge to the Authority of £ [REDACTED] for every additional balance enquiry above this threshold for that calendar year will apply.

4 Charges to Customers

		CHARGE
The Services shall be free to Customers with the exception of the following:		
Following three or more replacement Cards in any 12 month period*	Charge per replacement Card	£ 0.00
Additional statement*	Charge per additional statement	£ 0.00

5 Charges Changes

5.1 The Charges shall be subject to indexation and shall be adjusted to reflect the effects of inflation after the Effective Date in accordance with the provisions of this paragraph. The adjustment shall be measured by [REDACTED] as calculated in accordance with the following formula (and shall take effect from the start of the next Contract Year):

[REDACTED]

Where:

[REDACTED]

[REDACTED]

[REDACTED]

5.2 If any other amount or sum is expressed to be "subject to indexation" at a point in time, it shall be adjusted by [REDACTED].

5.3 If the fee charged by VocaLink for an ATM transaction (i.e. cash withdrawals, balance enquiries and denials) increases by more than [REDACTED], the Contractor reserves the right [REDACTED]. This would apply to all the Charges which contain an ATM transaction cost component.

5.4 Subject to the prior written consent of the Contractor's ATM Service Provider in accordance with the terms of its current arrangements, where the Authority determines there is a requirement for increasing the ATM Service, set out in Annex 1 Section 34, in any area in the UK that has insufficient coverage of Contractor Outlets, the Authority may direct the Contractor to provide additional Post Office ATMs in the locality affected, subject to the provision of such ATMs being technically feasible and an Outlet (not already containing a Post Office ATM) in the relevant locality being present, and save that the cost to the Contractor of providing and operating such ATMs shall be limited to £ [REDACTED] throughout the Call Off Agreement term. The cost of providing any additional Post Office ATMs required should the aforementioned limit be exceeded shall be borne by the Authority.

6 VAT

7 Charges or changes to Charges for Payments via the Faster Payments Service.

There shall be no charge to the Authority for Faster Payment Services (FPS) up to a maximum of 20,000 transactions per calendar month (unused FPS transactions do not carry over from month to month).

For every Faster Payment Service Deposit thereafter in addition to 20,000 per calendar month, a charge of £[REDACTED] per FPS transaction will apply.

8 Provision to Customers of Immediate Access to Monies in an Emergency Situation

8.1 There shall be no charge to the Authority or customer where the Customer has a faulty/lost/stolen card and requires funds urgently (e.g. immediate issue of a replacement card).

8.2 There shall be no charge to the Authority or customer where the Customer requires urgent access to funds via a small emergency payment in cash at Outlets, in situations where the Outlets withdrawal facility is unavailable.

9 Invoicing Procedure

9.1 In consideration of the provision of the Services by the Contractor in accordance with the terms of this Call-Off Agreement, the Government Departments shall pay the Charges, calculated in accordance with this Annex 6. In the event of any Government Departments other than DWP failing to pay any validly due invoices within thirty (30) days of their due date, the Contractor shall notify DWP of such non-payment and if such invoices remain unpaid for a further period of ten (10) days, DWP shall discharge such unpaid invoices within a further ten (10) days.

9.2 The monthly Charges shall be apportioned between the Government Departments in percentages equivalent to the proportions of the total number of Direct Credits paid in the relevant month by each Government Department or in such other proportions as the Authority's Representative may notify to the Contractor in writing. Service Credits in respect of the same month shall be apportioned between Government Departments in the same manner. In any event the sum total of the monthly Charges less Service Credits so

apportioned to each Government Department shall be the same as the sum total due to the Contractor.

- 9.3 The Contractor shall submit an original and a copy invoice monthly in arrears to each Government Department for their apportioned amount of the Services provided by the Contractor, with the exception of MoD who shall be included on the DWP invoice. The invoice for each Month will cover the period from the first day to the last day of the month.
- 9.4 Each invoice shall contain all appropriate references, a detailed breakdown of the Services, the volumes for each category of Service, the appropriate Charges, the total volume of Direct Credits, the number of Direct Credits submitted by each Government Department and shall be supported by any other documentation required by the Government Departments to substantiate the invoice.
- 9.5 Payment shall be made to the Contractor within 30 days of receipt by the Government Departments, to their nominated contact and at their nominated addresses for invoices, as advised from time to time, of the Contractor's valid original invoice. Such payment to be made in pounds sterling.
- 9.6 All payments made by the Government Departments shall be by Direct Credit via BACS.
- 9.7 The Authority may dispute and withhold payment in respect of any of the Services that the Contractor has either failed to provide or has partially failed to provide, without prejudice to any other rights or remedies of the Authority provided that it gives the Contractor not less than 21 (twenty one) days' notice of its intention to do so and details of the failure or partial failure. In such circumstances, the Authority shall not be required to pay the amount that is in dispute unless and until such dispute has been resolved in accordance with the Dispute Resolution Procedure in the Contractor's favour. The Authority shall act reasonably (taking into account the nature of the relevant failure or partial failure and any steps taken by the Contractor in response to it) in exercising its rights under this paragraph 9.8.
- 9.8 The Authority may request that the Contractor submits an original and a copy invoice by electronic means and/or an additional hard copy invoice to a contact at an alternative address under paragraph 9.3 above.

10 Invoice Validation

- 10.1 The Authority and the Contractor have agreed in principle that the Authority shall be permitted to undertake invoice validation exercises on a quarterly basis in order to satisfy itself that the invoiced Charges are accurate.
- 10.2 The aim of the invoice validation exercise shall be to identify any material errors in the invoices, such as Payment Accounts being charged as Active Accounts when they are Dormant Accounts, or as Dormant Accounts when they should be Closed Accounts, and vice versa. The invoice validation exercise shall also enable the Authority and Contractor to identify any chargeable events that have not been invoiced and any general accounting errors.
- 10.3 The invoice validation exercise shall take the form of a random sample of National Insurance numbers of recorded Authorised Applicants and Customers so that these can be matched against the applicable Payment Accounts. The size of the sample, which shall be a number that is statistically valid enough to enable the Contractor and Authority to extrapolate the number of total errors with a sufficiently high degree of confidence as to the accuracy of that extrapolation, is to be agreed between the Parties.
- 10.4 Following the completion of each such exercise the Authority and Contractor shall agree (acting reasonably) how the results shall be implemented (including any invoice adjustments in respect of the errors identified) and whether any process changes may be required.

- 10.5 The processes and required timelines for implementation of the invoice validation exercise shall be agreed by the parties through the Change Control Procedure, acting reasonably, provided that the first such exercise may not be undertaken earlier than 3 months following signature of the Call Off Agreement (or such other period as the parties may agree).

11 Gainshare

- 11.1 The Contractor and Authority agree that the first date for assessment of the gainshare mechanism in the Framework Agreement will be **[REDACTED]**, covering the period dating back to the Effective Date.

ANNEX 7 – FINANCIAL MODEL

[REDACTED]

This Financial Model has also been supplied on a read-only CD, signed by the Parties and attached to this Call Off Agreement.

ANNEX 8 – KEY PERSONNEL

Name	Title	Address
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

ANNEX 9 – PENSIONS

No additional provisions applicable.

ANNEX 10 – INSURANCE REQUIREMENTS

Cover	Amount	Insurer
Public/Products Liability	<p>£[REDACTED] any one occurrence in respect of Public Liability</p> <p>£[REDACTED] any one occurrence and in the annual aggregate in respect of Products Liability</p>	[REDACTED]
Professional Indemnity	£[REDACTED] each and every claim	[REDACTED]
Employers Liability	£[REDACTED] any one occurrence	[REDACTED]

ANNEX 11– OTHER VARIATIONS

In accordance with the provisions of paragraph 2.3 of the Call Off Agreement, the Parties have agreed the following changes to the terms of the Framework Agreement which are incorporated by reference into this Framework Agreement.

- 1 [REDACTED]
- 2 The provisions of Clause 19 (*Interest on Late Payments*) of the Framework Agreement shall be deleted.
- 3 The following amendments shall be made to the provisions of Clause 22 of the Framework Agreement:
 - 3.1 The first paragraph of Clause 22 of the Framework Agreement shall be renumbered as Clause 22.1.
 - 3.2 [REDACTED]
- 4 The provisions of Clauses 26.7.4 to 26.7.8 inclusive, 26.7.10 and 26.7.11 of the Framework Agreement shall each be amended by the inclusion of the words "use its reasonable endeavours to" at the start of each clause.
- 5 The following provision shall be added as a new Clause 31.4.5 of the Framework Agreement:

31.4.5 The Contractor shall be responsible for ensuring that its Staff are not claiming any Benefit, where payment of that Benefit is precluded due to earnings. The Contractor shall further use all reasonable endeavours to ensure that its Staff who are not EU nationals are legally entitled to be resident in the United Kingdom and have a work permit, where applicable. The Contractor shall promptly take all reasonable steps to ensure compliance with this Clause 31.4.5. In the event of a breach of this Clause 31.4.5, the Authority shall act reasonably (taking into account the nature of the breach and any steps taken by the Contractor in response to the breach) in exercising any of its rights and/or remedies in respect of such breach.
- 6 The following provision shall be added as a new Clause 37.1.1(f) of the Framework Agreement:

37.1.1(f) any Intellectual Property Rights which may subsist in the Account Terms and Conditions, and any information or data collected from or provided by Customers, Authorised Applicants or Nominated Third Parties.
- 7 The following amendments shall be made:
 - 7.1 The following provision shall be added as a new Clause 46.8 of the Framework Agreement:

46.8 The Contractor shall at all times comply with the Taxes Acts (as defined in Schedule 1 of the Interpretation Act 1978) and any taxes under the care and management of the IR, HMRC the Social Security Contributions and Benefits Act 1992 and the Value Added Tax Act 1994 and any amendment modification or extension thereof and all other statutes relating directly to direct or indirect taxes.
 - 7.2 The following provision shall be added as a new Clause 58.3.5(e)(vi) of the Framework Agreement:

58.3.5(e)(vi) Clause 46.8 (Contractor's Obligations)

- 8 The following provision shall be added as a new Clause 46.9 of the Framework Agreement:
- 46.9 The Contractor shall work with the Authority to ensure that, in relation to the Services, all reasonable steps are taken to comply with the Proceeds of Crime Act 2002 including but not limited to having security measures in place to prevent the concealing, disguising, converting, transferring or removing of criminal property from England and Wales, from Scotland or from Northern Ireland, and ensuring as far as possible that no person(s) is concerned in any arrangement which that person(s) knows or suspects facilitates the acquisition, retention, use or control of criminal property.
- 9 The following provision shall be added as a new Clause 46.10 of the Framework Agreement:
- 46.10 The Contractor shall not vary the Account Terms and Conditions without the consent of the Authority, not to be unreasonably withheld or delayed.
- 10 The following provisions shall be added following Clause 50.6.2 of the Framework Agreement:
- 50.7 The Contractor shall use best endeavours to safeguard the Authority's funding of the Services and Customers' monies against fraud generally and, in particular, fraud on the part of the Contractor Personnel. The Contractor shall notify the Authority immediately if it has reason to suspect that any fraud has occurred or is occurring and will use its best endeavours to ensure the immediate cessation of the fraud.
- 50.8 The Contractor shall not be liable for any loss or damage suffered by the Authority in connection with Benefit Fraud save to the extent that such loss or damage arises as a result of fraud or dishonest or wrongful acts committed by the Contractor or its Staff (either alone or in collusion with a third party).
- 11 The following amendments shall be made to the provisions of Clause 66 of the Framework Agreement:
- 11.1 The first paragraph of Clause 66 of the Framework Agreement shall be renumbered as Clause 66.1.
- 11.2 The following provision shall be added as a new Clause 66.2 of the Framework Agreement:
- "66.2 The Contractor shall not say or do anything that may lead any other person to believe that the Contractor is acting as the agent of the Authority. Neither the Contractor nor the Contractor's Staff shall at any time hold itself or themselves out to be representatives or employees of the Authority."
- 11.3 The following provision shall be added as a new Clause 10.19 (headed 'General') of the Framework Agreement:
- "The Contractor shall:
- 1.1.1. provide best value to the Authority in the provision of the Services, in accordance with Schedule 7.3 of the Framework Agreement;
- 1.1.2. ensure that its Staff shall act in such a way that the name and good reputation of the Authority is not brought into disrepute or otherwise become adversely affected;
- 1.1.3. provide to the Authority such co-operation, information, advice and assistance in connection with the Services as the Authority may reasonably require;

1.1.4. not do or permit or suffer to be done anything which might be or become a danger or inconvenience to any Authorised Applicant, Customer or Nominated Third Party or cause damage to any property belonging to any Authorised Applicant, Customer or Nominated Third Party when performing the Services; and

1.1.5. obtain all necessary permissions, consents and approvals required to enable it to provide the Services."

12 The following definitions shall be deleted from Schedule 1 of the Framework Agreement:

Accreditor has the meaning set out in Paragraph 3.7.13 of Schedule 2.1 (Authority Requirements).

[Annual Onsite Security Assessment Validation Documentation] [the documentation to be produced by the Contractor in order to demonstrate Covered Parties compliance with PCI Standards in accordance with Paragraph 6.4 of Schedule 2.3 (Standards).]

[Application Specification] Interface [means the document defining the data being exchanged in the Contractor System, for example the field names, sizes, validation and business rules.]

[CESG] [the UK Government's National Technical Authority for Information Assurance.]

[CESG IS1] [means Infosec Standard No 1.]

[CESG IS2] [means Infosec Standard No 2.]

Payover Fees has the meaning set out in Clause 18.1.

[PCI DSS] [Payment Card Industry Data Security Standard.]

Vehicle Excise Duty a duty of excise charged in respect of every Vehicle which is used, or kept, on a public road in the United Kingdom to be paid on a licence to be taken out by the person keeping the Vehicle in accordance with the Vehicle Excise and Registration Act 1994;

[Volume] [means the quantity of Services provided by the Contractor to the Service Recipients which shall be calculated for each Service by reference to the relevant Volume Metric;]

[Volume Charges] [means those Charges set out in Appendix 1 to Schedule 7.1 (Charges and Invoicing) (and calculated in accordance with the mechanism set out in Paragraph 3.5 of Schedule 7.1 (Charges and Invoicing)) which shall apply to those Services set out in Appendix 1 to Schedule 7.1 (Charges and Invoicing) and which shall remain fixed throughout the Term.]

[Volume Metrics] [means the unit of measure for each Service set out in Appendix

1 to Schedule 7.1 (Charges and Invoicing).]

13 Schedule 2.3 of the Framework Agreement shall be amended as follows:

1.2. paragraph 1.2 shall be deleted, and replaced with the words:

"The relevant code of connection agreed by the Parties under this Call Off Agreement is SEOCS."

14 **[REDACTED]**

15 Part B and Appendix 4 of Schedule 8.2 of the Framework Agreement shall be deleted.

16 Schedule 8.7 of the Framework Agreement shall be deleted.

ANNEX 12 - SUBCONTRACTORS

In accordance with Schedule 4.3 (Notified Sub-contractors) of the Framework Agreement, the Authority has consented to the engagement of the following Sub-contractors:

[REDACTED]