

## **SCHEDULE 29**

### **Service Continuity**

#### **Part A**

### **Service Continuity**

#### **1 DEFINITIONS**

- 1.1 In this Schedule, capitalised terms shall have the meaning given to them in Schedule 1 (Definitions).

#### **2 REVIEW AND AMENDMENT OF THE SERVICE CONTINUITY PLAN**

- 2.1 The Contractor shall review and update the Service Continuity Plan (and the risk analysis on which it is based):
- (a) on a regular basis in accordance with Clause 28.5 (Change);
  - (b) within three calendar months of the Service Continuity Plan (or any part) having been invoked pursuant to paragraph 4;
  - (c) within five Business Days (or such other time period as agreed in writing between the Parties) of a Financial Distress Event;
  - (d) within 30 days of a Corporate Change Event (unless the Relevant Authority (acting reasonably) agrees to a Corporate Change Event Grace Period, as set out in paragraph 2.8(b) of Part B, in which case that Corporate Change Event Grace Period will apply); and
  - (e) where the Authority requests any additional reviews (over and above those provided for in paragraphs 2.1(a) to 2.1(d)) by notifying the Contractor to such effect in writing, whereupon the Contractor shall conduct such reviews in accordance with the Authority's written requirements. Prior to starting its review, the Contractor shall provide an accurate written estimate of the total costs payable by the Authority for the Authority's approval. The costs of both Parties of any such additional reviews shall be met by the Authority except that the Contractor shall not be entitled to charge the Authority for any costs that it may incur above any estimate without the Authority's prior written approval.
- 2.2 Each review of the Service Continuity Plan pursuant to paragraph 2.1 shall be a review of the procedures and methodologies set out in the Service Continuity Plan and shall assess their suitability having regard to any change to the Services or any underlying business processes and operations facilitated by or supported by the Services which have taken place since the later of the original approval of the Service Continuity Plan or the last review of the Service Continuity Plan and shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the Service Continuity Plan. The review shall be completed by the Contractor within the period required by the Service Continuity Plan or, if no such period is

required, within such period as the Authority shall reasonably require. The Contractor shall, within five Business Days of the conclusion of each such review of the Service Continuity Plan, provide to the Authority a report (a "**Review Report**") setting out:

- (a) the findings of the review;
- (b) any changes in the risk profile associated with the Services; and
- (c) the Contractor's proposals (the "**Contractor's Proposals**") for addressing any changes in the risk profile and its proposals for amendments to the Service Continuity Plan following the review detailing the impact (if any and to the extent that the Contractor can reasonably be expected to be aware of the same) that the implementation of such proposals may have on any services or systems provided by a third party.

2.3 Following receipt of the Review Report and the Contractor's Proposals, the Authority shall:

- (a) review and comment on the Review Report and the Contractor's Proposals as soon as reasonably practicable; and
- (b) notify the Contractor in writing that it approves or rejects the Review Report and the Contractor's Proposals no later than ten Business Days (or such other time period as agreed in writing between the Parties) after the date on which they are first delivered to the Authority.

2.4 If the Authority rejects the Review Report and/or the Contractor's Proposals:

- (a) the Authority shall inform the Contractor in writing of its reasons for its rejection; and
- (b) the Contractor shall then revise the Review Report and/or the Contractor's Proposals as the case may be (taking reasonable account of the Authority's comments and carrying out any necessary actions in connection with the revision) and shall re-submit a revised Review Report and/or revised Contractor's Proposals to the Authority for approval within ten Business Days (or such other time period as agreed in writing between the Parties) of the date of the Authority's notice of rejection. The provisions of paragraph 2.3 and this paragraph 2.4 of this Part A shall apply again to any resubmitted Review Report and/or Contractor's Proposals provided that:
  - (i) in circumstances where the Contractor has taken reasonable account of the Authority's comments and carried out any necessary actions in connection with the revision, the Authority may only reject such resubmitted Review Report and/or Contractor's Proposals if the Authority:
    - (A) reasonably considers that the Contractor has not adequately addressed its reasons for its rejection; or
    - (B) has identified a different reason for rejecting the resubmitted Review Report and Contractor's Proposals; and

- (ii) either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

- 2.5 The Contractor shall, as soon as is reasonably practicable, after receiving the Authority's approval of the Contractor's Proposals (having regard to the significance of any risks highlighted in the Review Report) effect any change in its practices or procedures necessary so as to give effect to the Contractor's Proposals. Any such change shall be at the Contractor's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Services.

### **3 TESTING OF THE SERVICE CONTINUITY PLAN**

- 3.1 The Contractor shall test the Service Continuity Plan on a regular basis (and in any event not less than once in every Contract Year). The Authority may require the Contractor to conduct additional tests of some or all aspects of the Service Continuity Plan at any time where the Authority (acting reasonably) considers it necessary, including where there has been any change to the Services or any underlying business processes, or on the occurrence of any event which may increase the likelihood of the need to implement the Service Continuity Plan.
- 3.2 If the Authority requires an additional test of the Service Continuity Plan, it shall give the Contractor written notice and the Contractor shall conduct the test in accordance with the Authority's requirements and the relevant provisions of the Service Continuity Plan. The Contractor's costs of the additional test shall be borne by the Authority unless the Service Continuity Plan fails the additional test in which case the Contractor's costs of that failed test shall be borne by the Contractor.
- 3.3 The Contractor shall undertake and manage testing of the Service Continuity Plan in full consultation with the Authority and shall liaise with the Authority in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Authority in this regard. Each test shall be carried out under the supervision of the Authority or its nominee.
- 3.4 The Contractor shall ensure that any use by it or any Sub-Contractor of "live" data in such testing is first approved with the Authority. Copies of live test data used in any such testing shall be (if so required by the Authority) destroyed or returned to the Authority on completion of the test.
- 3.5 The Contractor shall, within ten Business Days (or such other time period as agreed in writing between the Parties) of the conclusion of each test, provide to the Authority a report setting out:
  - (a) the outcome of the test;
  - (b) any failures in the Service Continuity Plan (including the Service Continuity Plan's procedures) revealed by the test; and
  - (c) the Contractor's proposals for remedying any such failures.
- 3.6 Following each test, the Contractor shall take all measures requested by the Authority, (including requests for the re-testing of the Service Continuity Plan) to remedy any failures in the Service Continuity Plan and such remedial activity and re-testing shall be completed by the Contractor,

at no additional cost to the Authority, by the date reasonably required by the Authority and set out in such notice.

- 3.7 For the avoidance of doubt, the carrying out of a test of the Service Continuity Plan (including a test of the Service Continuity Plan's procedures) shall not relieve the Contractor of any of its obligations under this Schedule.
- 3.8 The Contractor shall also perform a test of the Service Continuity Plan in the event of any major reconfiguration of the Services or as otherwise reasonably requested by the Authority.

#### **4 INVOCATION OF THE SERVICE CONTINUITY PLAN**

- 4.1 In the event of a loss of any critical part of the Service or a Disaster, the Contractor shall immediately invoke the business continuity and disaster recovery provisions in the Service Continuity Plan, including any linked elements in other parts of the Service Continuity Plan, and shall inform the Authority promptly of such invocation. In all other instances the Contractor shall invoke the business continuity and disaster recovery plan elements only with the prior consent of the Authority.
- 4.2 The Insolvency Continuity Plan element of the Service Continuity Plans, including any linked elements in other parts of the Service Continuity Plan, shall be invoked by the Contractor:
  - (a) where an Insolvency Event of a Key Sub-Contractor (other than the Contractor) could reasonably be expected to adversely affect delivery of the Services; and/or
  - (b) where there is an Insolvency Event of the Contractor and the insolvency arrangements enable the Contractor to invoke the plan.

## **Part B**

### **Corporate Resolution Planning**

#### **1 SERVICE STATUS AND CONTRACTOR STATUS**

- 1.1 This Contract is a Critical Service Contract.
- 1.2 The Contractor shall notify the Authority and the Cabinet Office Markets and Suppliers Team (Resolution.planning@cabinetoffice.gov.uk) in writing within five Business Days of the Effective Date and throughout the Contract Term within 120 days after each Accounting Reference Date as to whether or not it is a Public Sector Dependent Contractor.

#### **2 PROVISION OF CORPORATE RESOLUTION PLANNING INFORMATION (CRP INFORMATION)**

- 2.1 Paragraphs 2 to 4 of this Part B shall apply if this Contract has been specified as a Critical Service Contract under paragraph 1.1 of this Part B or the Contractor is or becomes a Public Sector Dependent Contractor.
- 2.2 Subject to paragraphs 2.6, 2.10 and 2.11 of this Part B:
- (a) where this Contract is a Critical Service Contract, the Contractor shall provide the Relevant Authority or Relevant Authorities with CRP Information within 60 days of the Effective Date; and
  - (b) except where it has already been provided in accordance with paragraph 2.2(a) of this Part B, where the Contractor is a Public Sector Dependent Contractor, it shall provide the Relevant Authority or Relevant Authorities with the CRP Information within 60 days of the date of the Relevant Authority's or Relevant Authorities' request.
- 2.3 The Contractor shall ensure that the CRP Information provided pursuant to paragraphs 2.2, 2.8 and 2.9 of this Part B:
- (a) is full, comprehensive, accurate and up to date;
  - (b) is split into three parts:
    - (i) Exposure Information (Contracts List);
    - (ii) Corporate Resolvability Assessment (Structural Review);
    - (iii) Financial Information and Commentary

and is structured and presented in accordance with the requirements and explanatory notes set out at the relevant annex of the latest published versions of the Resolution Planning Guidance Notes published by the Cabinet Office Government Commercial Function and available at <https://www.gov.uk/government/publications/the-sourcing-and-consultancy-playbooks> and contains the level of detail required (adapted as necessary to the Contractor's circumstances);

- (c) incorporates any additional commentary, supporting documents and evidence which would reasonably be required by the Relevant Authority or Relevant Authorities to understand and consider the information for approval;
- (d) provides a clear description and explanation of the Contractor Group members that have agreements for goods, services or works provision in respect of UK Public Sector Business and/or CNI and the nature of those agreements; and
- (e) complies with the requirements set out at annex 1 (Exposure Information (Contracts List)), annex 2 (Corporate Resolvability Assessment (Structural Review)) and annex 3 (Financial Information and Commentary) respectively.

2.4 Following receipt by the Relevant Authority or Relevant Authorities of the CRP Information pursuant to paragraphs 2.2, 2.8 and 2.9 of this Part B, the Authority shall procure that the Relevant Authority or Relevant Authorities discuss in good faith the contents of the CRP Information with the Contractor and no later than 60 days after the date on which the CRP Information was delivered by the Contractor either provide an Assurance to the Contractor that Relevant Authority or Relevant Authorities approve the CRP Information or that Relevant Authority or Relevant Authorities reject the CRP Information.

2.5 If the Relevant Authority or Relevant Authorities reject the CRP Information:

- (a) the Authority shall (and shall procure that the Cabinet Office Markets and Suppliers Team shall) inform the Contractor in writing of its reasons for its rejection; and
- (b) the Contractor shall revise the CRP Information, taking reasonable account of the Relevant Authority's or Relevant Authorities' comments, and shall re-submit the CRP Information to the Relevant Authority or Relevant Authorities for approval within 30 days of the date of the Relevant Authority's or Relevant Authorities' rejection. The provisions of paragraph 2.3 to 2.5 of this Part B shall apply again to any resubmitted CRP Information provided that:
  - (i) in circumstances where the Contractor has taken reasonable account of the Relevant Authority's or Relevant Authorities' comments, the Relevant Authority or Relevant Authorities may only reject such resubmitted CRP Information if the Relevant Authority or Relevant Authorities:
    - (A) reasonably considers that the Contractor has not adequately addressed its reasons for its rejection; or
    - (B) has identified a different reason for rejecting the resubmitted CRP Information; and
  - (ii) either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

2.6 Where the Contractor has already provided CRP Information to a Central Government Body or the Cabinet Office Markets and Suppliers Team and has received an Assurance of its CRP Information from that Central Government Body and the Cabinet Office Markets and Suppliers

Team, then provided that the Assurance remains Valid on the date by which the CRP Information would otherwise be required, the Contractor shall not be required to provide the CRP Information under paragraph 2.2 if it provides a copy of the Valid Assurance to the Relevant Authority or Relevant Authorities on or before the date on which the CRP Information would otherwise have been required.

2.7 An Assurance shall be deemed Valid for the purposes of paragraph 2.6 of this Part B if:

- (a) the Assurance is within the validity period stated in the Assurance (or, if no validity period is stated, no more than 12 months has elapsed since it was issued and no more than 18 months has elapsed since the Accounting Reference Date on which the CRP Information was based); and
- (b) no Corporate Change Events or Financial Distress Events (or events which would be deemed to be Corporate Change Events or Financial Distress Events if this Contract had then been in force) have occurred since the date of issue of the Assurance.

2.8 If this Contract is a Critical Service Contract, the Contractor shall provide an updated version of the CRP Information (or, in the case of paragraph 2.8(c) of this Part B its initial CRP Information) to the Relevant Authority or Relevant Authorities:

- (a) within 14 days of the occurrence of a Financial Distress Event (along with any additional highly confidential information no longer exempted from disclosure under paragraph 2.11 of this Part B) unless the Contractor is relieved of the consequences of the Financial Distress Event under paragraph 7.1 of Schedule 25 (Financial Distress)
- (b) within 30 days of a Corporate Change Event unless:
  - (i) the Contractor requests and the Relevant Authority (acting reasonably) agrees to a Corporate Change Event Grace Period, in the event of which the time period for the Contractor to comply with this paragraph shall be extended as determined by the Relevant Authority (acting reasonably) but shall in any case be no longer than six months after the Corporate Change Event. During a Corporate Change Event Grace Period the Contractor shall regularly and fully engage with the Relevant Authority to enable it to understand the nature of the Corporate Change Event and the Relevant Authority shall reserve the right to terminate a Corporate Change Event Grace Period at any time if the Contractor fails to comply with this paragraph; or
  - (ii) not required pursuant to paragraph 2.10;
- (c) within 30 days of the date that:
  - (i) the credit rating(s) of each of the Contractor and its Parent Undertakings fail to meet any of the criteria specified in paragraph 2.10; or
  - (ii) none of the credit rating agencies specified at paragraph 2.10 hold a public credit rating for the Contractor or any of its Parent Undertakings; and

(d) in any event, within six months after each Accounting Reference Date or within 15 months of the date of the previous Assurance received from the Relevant Authority (whichever is the earlier), unless:

- (i) updated CRP Information has been provided under any of paragraphs 2.8(a) 2.8(b) or 2.8(c) since the most recent Accounting Reference Date (being no more than 12 months previously) within the timescales that would ordinarily be required for the provision of that information under this paragraph 2.8(d); or
- (ii) unless not required pursuant to paragraph 2.10.

2.9 Where the Contractor is a Public Sector Dependent Contractor and this Contract is not a Critical Service Contract, then on the occurrence of any of the events specified in paragraphs 2.8(a) to 2.8(d) of this Part B, the Contractor shall provide at the request of the Relevant Authority or Relevant Authorities and within the applicable timescales for each event as set out in paragraph 2.8 (or such longer timescales as may be notified to the Contractor by the Authority), the CRP Information to the Relevant Authority or Relevant Authorities.

2.10 Where the Contractor or a Parent Undertaking of the Contractor has a credit rating of either:

- (a) Aa3 or better from Moody's; or
- (b) AA- or better from Standard and Poor's; or
- (c) AA- or better from Fitch;

the Contractor will not be required to provide any CRP Information unless or until either (i) a Financial Distress Event occurs (unless the Contractor is relieved of the consequences of the Financial Distress Event under paragraph 7.1 of Schedule 25 (Financial Distress)) or (ii) the Contractor and its Parent Undertakings cease to fulfil the criteria set out in this paragraph 2.10, in which cases the Contractor shall provide the updated version of the CRP Information in accordance with paragraph 2.8.

2.11 Subject to paragraph 4, where the Contractor demonstrates to the reasonable satisfaction of the Relevant Authority or Relevant Authorities that a particular item of CRP Information is highly confidential, the Contractor may, having orally disclosed and discussed that information with the Relevant Authority or Relevant Authorities, redact or omit that information from the CRP Information provided that if a Financial Distress Event occurs, this exemption shall no longer apply and the Contractor shall promptly provide the relevant information to the Relevant Authority or Relevant Authorities to the extent required under paragraph 2.8



### **3        TERMINATION RIGHTS**

3.1        The Authority shall be entitled to terminate this Contract under Clause 56 (Termination for Contractor Default) if the Contractor is required to provide CRP Information under paragraph 2 of this Part B and either:

- (a)        the Contractor fails to provide the CRP Information within four months of the Effective Date if this is a Critical Service Contract or otherwise within four months of the Relevant Authority's or Relevant Authorities' request; or
- (b)        the Contractor fails to obtain an Assurance from the Relevant Authority or Relevant Authorities within four months of the date that it was first required to provide the CRP Information under this Contract.

### **4        CONFIDENTIALITY AND USAGE OF CRP INFORMATION**

4.1        The Authority agrees to keep the CRP Information confidential and use it only to understand the implications of an Insolvency Event of the Contractor and/or Contractor Group members on its UK Public Sector Business and/or services in respect of CNI and to enable contingency planning to maintain service continuity for end users and protect CNI in such eventuality.

4.2        Where the Relevant Authority is the Cabinet Office Markets and Suppliers Team, at the Contractor's request, the Authority shall use reasonable endeavours to procure that the Cabinet Office enters into a confidentiality and usage agreement with the Contractor containing terms no less stringent than those placed on the Authority under paragraph 4.1 of this Part B and Clause 41 (Confidentiality).

4.3        The Contractor shall use reasonable endeavours to obtain consent from any third party which has restricted the disclosure of the CRP Information to enable disclosure of that information to the Relevant Authority or Relevant Authorities pursuant to paragraph 2 of this Part B subject, where necessary, to the Relevant Authority or Relevant Authorities entering into an appropriate confidentiality agreement in the form required by the third party.

4.4        Where the Contractor is unable to procure consent pursuant to paragraph 4.3 of this Part B, the Contractor shall use all reasonable endeavours to disclose the CRP Information to the fullest extent possible by limiting the amount of information it withholds including by:

- (a)        redacting only those parts of the information which are subject to such obligations of confidentiality
- (b)        providing the information in a form that does not breach its obligations of confidentiality including (where possible) by:
  - (i)        summarising the information;
  - (ii)        grouping the information;
  - (iii)        anonymising the information; and

(iv) presenting the information in general terms

- 4.5 The Contractor shall provide the Relevant Authority or Relevant Authorities with contact details of any third party which has not provided consent to disclose CRP Information where that third party is also a public sector body and where the Contractor is legally permitted to do so.

## **ANNEX 1**

### **Exposure Information (Contracts List)**

- 1 The Contractor shall:
  - 1.1 provide details of all agreements held by members of the Contractor Group where those agreements are for goods, services or works provision and:
    - (a) are with any UK public sector bodies including: Central Government Bodies and their arms-length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police fire and rescue, education bodies and the devolved administrations;
    - (b) are with any private sector entities where the end recipient of the service, goods or works provision is any of the bodies set out in paragraph 1.1(a) of this annex 1 and where the member of the Contractor Group is acting as a Key Sub-Contractor under the agreement with the end recipient; or
    - (c) involve or could reasonably be considered to involve CNI; and
  - 1.2 provide the Relevant Authority with a copy of the latest version of each underlying contract worth more than £5m per contract year and their related Key Sub-Contracts, which shall be included as embedded documents within the CRP Information or via a directly accessible link.

## **ANNEX 2**

### **Corporate Resolvability Assessment (Structural Review)**

- 1 The Contractor shall:
  - 1.1 provide sufficient information to allow the Relevant Authority to understand the implications on the Contractor Group's UK Public Sector Business and CNI contracts listed pursuant to annex 1 (Exposure Information (Contracts List)) if the Contractor or another member of the Contractor Group is subject to an Insolvency Event;
  - 1.2 ensure that the information is presented so as to provide a simple, effective and easily understood overview of the Contractor Group; and
  - 1.3 provide full details of the importance of each member of the Contractor Group to the Contractor Group's UK Public Sector Business and CNI contracts listed pursuant to annex 1 (Exposure Information (Contracts List)) and the dependencies between each.

## **ANNEX 3**

### **Financial Information and Commentary**

- 1 The Contractor shall:
  - 1.1 provide sufficient financial information for the Contractor Group level, contracting operating entities level, and shared services entities' level to allow the Relevant Authority to understand the current financial interconnectedness of the Contractor Group and the current performance of the Contractor as a standalone entity; and
  - 1.2 ensure that the information is presented in a simple, effective and easily understood manner.
- 2 For the avoidance of doubt the financial information to be provided pursuant to paragraph 1 of this annex 3 should be based on the most recent audited accounts for the relevant entities (or interim accounts where available) updated for any material changes since the Accounting Reference Date provided that such accounts are available in a reasonable timeframe to allow the Contractor to comply with its obligations under this Schedule 29 (Service Continuity). If such accounts are not available in that timeframe, financial information should be based on unpublished unaudited accounts or management accounts (disclosure of which to the Cabinet Office Markets and Suppliers Team remains protected by confidentiality).