

Crown Commercial Service

Call Off Order Form for Management Consultancy Services

SECTION A

This Call Off Order Form is issued in accordance with the provisions of the Framework Agreement for the provision of Complex and transformation consultancy services (Lot 3) dated **04 September 2018**.

The Supplier agrees to supply the Services specified below on and subject to the terms of this Call Off Contract.

For the avoidance of doubt this Call Off Contract consists of the terms set out in this Template Call Off Order Form and the Call Off Terms.

Order Number	TBC .
From	HM Revenue & Customs (HMRC) ("CUSTOMER")
To	Ernst & Young (EY) ("SUPPLIER")
Date	31/07/2020 ("DATE")

SECTION B

1. CALL OFF CONTRACT PERIOD

1.1.	Commencement Date: 31/07/2020
1.2.	Expiry Date: End date of Initial Period: 30/07/2021 (12 months) End date of Extension Period: Not Applicable

2. SERVICES

2.1	<p>Services required:</p> <p>In Call Off Schedule 2 (Services)</p> <p>The services required are to provide complex and transformation consultancy services to support the Transformation Directorate (TD) whilst the TD transitions to a more mature model.</p> <p>This will include key activities across two key strands.</p> <ol style="list-style-type: none"> 1. Strategic and central support to the Transformation Directorate 2. Project Management and Change support to selected initiatives within the Transformation Directorate Scope <p>The services required are as per the Invitation to Tender document published in the tender documentation. As embedded in section 10.12 and as provided in Appendix A at the end of this order form in the signed DocuSign version of this contract.</p> <p>Services to be delivered based on milestones dates submitted in supplier milestone table (found in HMRC Charging Schedule EY as embedded in 10.12). Any changes or updates to this milestone table are to be agreed between the Supplier and the Customer within 14 days of Call Off Commencement Date.</p> <p>Currently, due to Covid-19, services will be delivered remotely. HMRC will comply with government guidance and when it is possible to return to office working HMRC will revisit how the work will be best performed.</p> <p>Where co-location of the Supplier's team and the Customer's team is required for the delivery of the Service, the Customer will provide all office accommodation at the following primary location:</p> <div style="background-color: black; width: 100px; height: 40px; margin: 5px 0;"></div> <p>The Customer will also provide any equipment needed, such as personal computer (Microsoft Surface Pro), to any member of the Supplier's team as required for the duration period agreed in any Statement of Works package. Upon completion of the Statement of Works package the Supplier must ensure that all the Supplier's team members return any equipment provided by the Customer in full working order. Where any such equipment is not returned then the Supplier will be responsible for any replacement costs.</p>
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3. PROJECT PLAN

3.1.	Project Plan: [In Call Off Schedule 4 (Project Plan)]
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	The Supplier shall provide the Customer with a draft Project Plan for approval within 14 working days from the Call Off Commencement Date.
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4. CONTRACT PERFORMANCE

4.1. Standards:	Applicable standards for this contract are per Section 11, Standards and Quality, detailed in the Call Off terms for RM6008 which can be accessed via the CCS website.
4.2 Service Levels/Service Credits:	Not applied
4.3 Critical Service Level Failure:	Not applied
4.4 Performance Monitoring:	Not applied
4.5 Period for providing Rectification Plan:	Applicable period for providing Rectification Plan can be viewed in 39.2.1(a) of the Call Off terms for RM6008 which can be accessed via the CCS website.

5. PERSONNEL

5.1 Key Personnel:	As per Section 27, Key Personnel, detailed in the Call Off terms for RM6008 which can be accessed via the CCS website. The Key Personnel for this requirement are as provided by the Supplier in their Call Off Tender 'EY Team Member CV's' as embedded in section 10.12. Any changes or additions to key personnel throughout the contract duration must be agreed in writing between the Supplier and the Customer.
5.2 Relevant Convictions (Clause 28.2 of the Call Off Terms):	As per Clause 28.2 of the Call Off terms for RM6008 which can be accessed via the CCS website.

6. PAYMENT

6.1 Call Off Contract Charges (including any applicable discount(s), but excluding VAT):	In Annex 1 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing) The charging principles for this Call Off Contract can be found in the charging schedule, titled '3.4.1HMRC Charging Schedule EY' as embedded in 10.12 below.
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	The fixed contract value is £1,456,550 .
6.2	<p>Payment terms/profile (including method of payment e.g. Government Procurement Card (GPC) or BACS):</p> <p>In Annex 2 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)</p> <p>The payment method for this Call-Off Contract is by BACS transfer through the HMRC Ariba network The Supplier will issue an electronic invoice. The Customer will pay the Supplier within 30 days of receipt of a valid invoice.</p> <p>The payment terms/profile for any services commissioned as part of this Call Off Order Form will be for payments to be made upon:</p> <ul style="list-style-type: none"> • the completion by the Supplier of the milestone deliverables/outcomes stated in the Supplier's charging schedule '3.4.1HMRC Charging Schedule EY' found in 10.12; and • acceptance by the Customer that the deliverables/outcomes have been completed to the Customer's satisfaction. The milestone billing is detailed in the charging schedule referred to in 6.1.
6.3	<p>Reimbursable Expenses:</p> <p>Reimbursable Expenses are not permitted within primary location area unless expressly permitted by the HMRC Work Manager. Reimbursable Expenses incurred for activity outside of the primary location area will be permitted with the prior agreement of the HMRC Work Manager, but any expenses incurred must be in accordance with HMRC T&S Policy as provided at Appendix B.</p>
6.4	<p>Customer billing address (paragraph 7.6 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)):</p> <p>The supplier will issue electronic invoices via the Ariba Network.</p>
6.5	<p>Call Off Contract Charges fixed for (paragraph 8.2 of Schedule 3 (Call Off Contract Charges, Payment and Invoicing)</p> <p>Call Off Contract Charges are fixed for the contract duration from the contract commencement date to the contract expiry date.</p>
6.6	<p>Supplier periodic assessment of Call Off Contract Charges (paragraph 9.2 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)) will be carried out on:</p> <p>Not Applicable</p>
6.7	<p>Supplier request for increase in the Call Off Contract Charges (paragraph 10 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)):</p> <p>Not Permitted</p>

7. LIABILITY AND INSURANCE

7.1	<p>Estimated Year 1 Call Off Contract Charges:</p> <p>As detailed in Section 6.1</p>
7.2	<p>Supplier's limitation of Liability (Clause 37.2.1 of the Call Off Terms);</p> <p>Applicable Supplier's total aggregated liability are available in Clause 37.2.1 of the Call Off terms for RM6008 which can be accessed via the CCS website.</p>
7.3	<p>Insurance (Clause 38.3 of the Call Off Terms):</p> <p>Applicable insurance terms are available in Clause 38.3 of the Call Off terms for RM6008 which can be accessed via the CCS website.</p>

8. TERMINATION AND EXIT

8.1	<p>Termination on material Default (Clause 42.2 of the Call Off Terms):</p> <p>In Clause 42.2.1(c) of the Call Off Terms</p>
8.2	<p>Termination without cause notice period (Clause 42.7 of the Call Off Terms):</p> <p>In Clause 42.7 of the Call Off Terms</p>
8.3	<p>Undisputed Sums Limit:</p> <p>In Clause 43.1.1 of the Call Off Terms</p>
8.4	<p>Exit Management:</p> <p>In Call Off Schedule 9 (Exit Management)</p> <p>Under the terms of the Contract, the Supplier must commit to co-operating with the customer to ensure efficient Exit Management as the contract is completed. The Supplier must ensure that knowledge transfer to the Customer's team is a fundamental part of the Exit Management process.</p> <p>Four weeks prior to the planned end date of the completion of the work, at the Customer's request, the Supplier must provide an Exit Management Plan. The Exit Management Plan must describe:</p> <ul style="list-style-type: none"> • what further activities are needed by the Customer to continue to deliver the Programme effectively; • how any knowledge retained by the Supplier's team needed to complete such activities efficiently will be transferred to the Customer team (on the understanding that the Customer's team may include contractors and third parties) and

	<ul style="list-style-type: none"> the content format and location for any formal knowledge transfer sessions where required.
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9. SUPPLIER INFORMATION

9.1	<p>Supplier's inspection of Sites, Customer Property and Customer Assets:</p> <p>Not Applicable</p>
9.2	<p>Commercially Sensitive Information:</p> <p>The Supplier charging model document presented to the Customer and all of its content is considered to be Commercially Sensitive Information.</p> <p>The names and contact details of key personell included in Supplier CVs are considered to be Commercially Sensitive Information.</p>

10. OTHER CALL OFF REQUIREMENTS

10.1	<p>Recitals</p> <p>Refer to the preamble of the Call Off terms for RM6008 which can be accessed via the CCS website.</p> <p>Recitals B to E</p> <p>Recital C - date of issue of the Statement of Requirements: 09/06/2020</p> <p>Recital D - date of receipt of Call Off Tender: 22/06/2020</p>
10.2	<p>Call Off Guarantee (Clause 4 of the Call Off Terms):</p> <p>Not required</p>
10.3	<p>Security:</p> <p>Short form security requirements (paragraphs 1 to 5 of Schedule 7) Security contained in the Call Off terms for RM6008 and Security Management Plan.</p> <p>Security Management Plan as embedded below and as provided as Appendix C at the end of this Order Form in the signed DocuSign version of this contract.</p> <p>██████████</p> <p>██████████</p>

10.4	<p>ICT Policy:</p> <p>The Supplier's team must ensure that when they are using equipment provided by the Customer they must comply with the Customer's ICT/Security policies.</p> <p>When the Supplier's team members are accessing the Customer's systems using the Customer's equipment the ICT/Security policies can be located at the following URL:</p> <p>https://intranet.prod.dop.corp.hmrc.gov.uk/section/how-do-i/get-help-security/security-information-zone</p> <p>The Supplier must ensure that all team members are made aware of the need to comply with ICT/Security policies and that team members are directed to where the security policies are located.</p>
10.6	<p>Business Continuity & Disaster Recovery:</p> <p>Not applied</p>
10.7	<p>NOT USED</p>
10.8	<p>Protection of Customer Data (Clause 35.2.3 of the Call Off Terms):</p> <p>It is not envisaged that this contract will involve the processing of Customer Data but should this arise then Clause 35.2 of the Call Off Terms for RM6008 which can be accessed via the CCS website will apply.</p>
10.9	<p>Notices (Clause 56.6 of the Call Off Terms):</p> <p>Customer's postal address and email address:</p> <p>██████████ ██████████ ██████████ ██████████</p> <p>Supplier's postal address and email address:</p> <p>██████████ ██████████ ██████████ ██████████</p>
10.10	<p>Transparency Reports</p> <p>Not applied</p>
10.11	<p>Alternative and/or Additional Clauses from Call Off Schedule 14 and if required, any Customer alternative pricing mechanism:</p> <p>Customer's additional Clauses will apply as provided in Appendix D.</p>
10.12	<p>Call Off Tender:</p>

	<p>In Schedule 16 (Call Off Tender)</p> <p>Call Off Tender response:</p> <ul style="list-style-type: none"> - Invitation to Tender - EY Team CV's - HMRC Charging Schedule Model EY - Ariba Extract – Ernst & Young Full Tender Response (as extracted from the Customer's e-sourcing portal) <p>As embedded below.</p> <div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> <div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> <div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> <div style="background-color: black; width: 100px; height: 15px;"></div>
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10.13	<p>Publicity and Branding (Clause 36.3.2 of the Call Off Terms)</p> <p>As per Clause 36.3 of the Call Off Terms for RM6008 which can be accessed via the CCS website.</p>
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10.14	<p>Staff Transfer</p> <p>Call Off Terms for RM6008 which can be accessed via the CCS website, Schedule 10, Staff Transfer Parts A and B Not Applied.</p>
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10.15	<p>Processing Data - Call Off Schedule 17</p> <p>Not Applicable due to no processing of data</p> <p>If the processing of data changes in any way throughout the contract duration, the below table should be completed.</p>
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Contract Reference:	SR399824884	
Date:		
Description Of Authorised Processing	Details	
Identity of the Controller and Processor		
Use of Personal Data		
Duration of the processing		
Nature and purposes of the processing		
Type of Personal Data		
Categories of Data Subject		

FORMATION OF CALL OFF CONTRACT

BY SIGNING AND RETURNING THIS CALL OFF ORDER FORM (which may be done by electronic means) the Supplier agrees to enter a Call Off Contract with the Customer to provide the Services in accordance with the terms Call Off Order Form and the Call Off Terms.

The Parties hereby acknowledge and agree that they have read the Call Off Order Form and the Call Off Terms and by signing below agree to be bound by this Call Off Contract.

In accordance with paragraph 7 of Framework Schedule 5 (Call Off Procedure), the Parties hereby acknowledge and agree that this Call Off Contract shall be formed when the Customer acknowledges (which may be done by electronic means) the receipt of the signed copy of the Call Off Order Form from the Supplier within two (2) Working Days from such receipt.

For and on behalf of the Supplier:

Name and Title	██████████
Signature	██████████
Date	██████████

For and on behalf of the Customer:

Name and Title	██████████
Signature	██████████
Date	██████████

**APPENDIX A
INVITATION TO TENDER**

HM REVENUE & CUSTOMS INVITATION TO TENDER
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Title: Name of project / requirement	Strategic and Operational Support for Development of Transformation Directorate in CCG.
HMRC Reference: To be quoted in all correspondence	SR399824884
Date issued:	09/06/2020
Deadline for Responses:	22/06/2020 12pm.

1. Contact Details			
Issued to:	MCF2 Lot 3 Service Providers suppliers who responded to EOI.	From:	HM Revenue and Customs Commercial Directorate
Address:	Lot 3	Address:	[REDACTED]
Contact name:	[REDACTED]	Contact name:	[REDACTED]
Email:	[REDACTED]	Email:	[REDACTED]
Telephone:	[REDACTED]	Telephone:	[REDACTED]

2. Background
<p>2.1. Purpose</p> <p>2.1.1. HMRC Customer Compliance Group (CCG) are seeking support from a Service Provider with proven expertise in the field of transformation portfolio design and implementation to embed and help run the Transformation Directorate (TD) over the next 9-12 months whilst the TD transitions to a more mature model.</p> <p>2.2. Background to the Authority</p>

2.2.1. HM Revenue and Customs (HMRC) is the chief tax authority for the UK. HMRC is responsible for the collection, administration and management of revenue from Direct and Indirect Taxes.

2.2.2. HMRC have a Customer Compliance Group (CCG) consisting of approximately 26,000 people, including compliance officers, analysts and fraud investigators, with the responsibility for making sure individuals and companies get their tax right to pay for vital public services.

2.3. Background to the Requirement/Overview.

2.3.1. CCG has a requirement to build a portfolio management and change delivery function which can design and develop an appropriate central portfolio and change delivery team within the CCG. There are a number of significant change programmes impacting CCG with more required to deliver both CCG's and HMRC's wider strategy.

2.3.2. There are 3 key strands that CCG Transformation Directorate needs to be able to deliver effectively and which contribute to HMRC/CCG strategic objectives:

- a) Current CCG initiatives: including Protect Connect, Modernising Fraud, Customer Experience & Professionalism Programme and Tax Professionalism Programme, all of which are on the prioritised HMRC master list to progress;
- b) HMRC initiatives (including SR20): MTD, EU Exit, Covid 19 Response, BOFL, SOTF, R@W, Policy Driven Change, Case Management Transformation; and
- c) Future CCG change programmes: flowing from a strategic review and shaping of CCG to ensure that the organisation is the optimal design to continue to maintain and reduce the Tax Gap (including support to design of the Compliance Risking model).

2.3.3. CCG does not currently have sufficient programme/change management expertise or capacity in place to manage this effectively, either at portfolio or programme level, to understand, influence, prioritise and land successfully all the change that is affecting our 26k people, nor to successfully land change that programmes external to CCG are delivering into our business.

2.3.4. There are constraints of capacity and capability across HMRC due to current high demands from large scale HMRC initiatives outlined in 3.2.b above, which has been further exacerbated by the Covid-19 response. Whilst there are plans to implement a central resourcing hub model this is not yet established.

- 2.3.5. A Delivery Partner will enable the CCG TD to be adequately resourced to ensure that the above can be delivered successfully, whilst also supporting the development of the TD as it transitions to a more stable HMRC resourced model by the end of the contract.
- 2.3.6. A new Transformation Director was appointed in November 2019 with the specific remit to build and lead a portfolio management and change function capable of driving benefits-focused, transformational change delivering CCG/HMRC objectives and improving frontline experience of change delivery.
- 2.3.7. Since November 2019, progress has been made in setting up the new TD including the design of future structure, governance and programme/project collateral plus some support to strengthen ongoing programmes. The team has been further supplemented by the recruitment of interim professionals into key roles.

2.4. Definitions and Acronyms

Expression or Acronym	Meaning
HMRC	Her Majesty's Revenue & Customs
CCG	Customer Compliance Group
TD	Transformation Directorate
SR20	Spending Review 2020
MTD	Making Tax Digital
BOFL	Building Our Future Locations
SOTF	Securing Our Technical Future
R@W	Respect at Work
EPO	Enterprise Portfolio Office
PPM	Project and Programme Management
CIDC	Change and Investment Delivery Committee
IB	Investment Board
CAI	Change Assurance & Investment

BAU	Business As Usual
3. Specific Requirements	
<p>3.1. THE REQUIREMENT</p> <p>3.1.1. Expected Timeframe: 9-12 months from July 2020.</p> <p>3.1.2. This phase of the work will be divided into two key strands as follows:</p> <p>3.2. Strategic and central support to the Transformation Directorate:</p> <ul style="list-style-type: none"> a. Providing strategic and tactical support to the Transformation Director, as required; b. Supporting the implementation of the programme structure, portfolio office framework and PPM collateral; c. Designing and implementing a resource management framework; d. Reviewing and refreshing the CCG Target Operating Model; e. Developing a transformation roadmap to ensure a prioritised, achievable and affordable transformation portfolio to deliver the CCG objectives; f. Supporting the setting up and running the Directorate EPO; g. Creation and delivery of Centres of Excellence including risk, assurance PPM, Change Management, Business Case Creation, Benefits articulation and management to assist with professionalising these areas across CCG; and h. Designing an effective approach to knowledge management <p>3.3. Project Management and Change support to selected initiatives within the Transformation Directorate Scope with the following capabilities:</p> <ul style="list-style-type: none"> a. Project Managers; b. Change Management; c. Training; d. Business Case creation; e. Benefits articulation and delivery; and f. Skills transfer. <p>3.3.1 The Potential Provider will be expected to work as part of a single, integrated Transformation Directorate team.</p>	

3.4. Key milestones

3.4.1. The Potential Provider should note the following project milestones, subject to further discussion with the successful bidder, that the Authority will measure the quality of delivery against:

Milestone	Description	Timeframe
1	Kick-Off meeting and commencement of work	Within week 1 of Contract Award
2	Project delivery plan for first 3 months agreed	Within week 2 of Contract Award
3	Resource onboarding approach agreed and allocated to Strategic /Programme Support work strands as appropriate	within week 2 of Contract Award
4	Document and share overall Portfolio Governance Structure including linkages between e.g. EPO, PPM, Change, Design Authorities, CIDC, IB, CAI, Internal Audit	Aug 20
5	Project/Programme commissioning governance established	Aug 20
6	CCG Senior Management briefed and trained as required on Portfolio Management, Change Management and Project Commissioning Governance	Aug 20
7	Knowledge/ skills transfer plan developed	Sept 20
8	EPO running as BAU	Sept 20
9	Benefits framework and management established	Oct 20
10	CCG Operating model (High level) approved	Sept 20
11	CCG Transformation Road Map established	Oct 20
12	Resource management framework created	Oct 20
13	Enterprise Design Authority Stood - up	Nov 20
14	Strategy Alignment map developed to show alignment of change initiatives, benefits and CCG/ HMRC strategic objectives	Nov 20
15	Centres of Excellence initial operating capability established	Dec 20
16	Resource management framework implemented	Jan 21
17	Handover plan agreed	Feb 21
18	Handover plan initiated	Mar 21
19	Knowledge/skills transfer complete and documented	April 21

Please use this 'Key Milestone' table as a guide for your Milestone Charging Table in the HMRC Charging Schedule (event attachment 1.7).

3.5. REPORTING

- 3.5.1. The Supplier will be expected to provide progress reports as agreed within the first two weeks of contract commencement (Milestone 2 above), which will have a minimum monthly frequency.
- 3.5.2. Monthly contract review meetings will be held between the Supplier Lead Partner and the Director of Transformation.

3.6. CONTINUOUS IMPROVEMENT

- 3.6.1. In order to extract the greatest benefit for HMRC and ensure no duplication of work, there will be clear terms within the contract for the delivery partner to:
- a) Utilise/align with existing HMRC standards/frameworks where fit-for-purpose;
 - b) If not, working with CCG TD and HMRC teams, develop artefacts that can then be incorporated within HMRC Central Change repository; and
 - c) Ensure there is a transference of skills throughout and prior to close of contract
- 3.6.2. The Supplier will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.
- 3.6.3. The Supplier should present new ways of working to the Authority during monthly Contract review meetings.
- 3.6.4. Changes to the way in which the Services are to be delivered must be brought to the Authority's attention and agreed prior to any changes being implemented.

3.7. STAFF AND CUSTOMER SERVICE

- 3.7.1. Potential Provider's staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract.
- 3.7.2. It is expected staff working on projects/programmes are to be Prince2/MSP qualified and staff leading any Portfolio Governance to also be MoP (Management of Portfolios) qualified. Recognised benefits management and change management training is also desired.
- 3.7.3. The qualifications and experience should be clearly identified within the CV's of the proposed staff.

3.8. Security

- 3.8.1. In the delivery of the service, the Service Provider must ensure that the standards, best practice guidelines and approaches that are required to protect

UK government assets contained in the [Security Policy Framework](#) are adhered to.

3.8.2. All resources provided by the Supplier need, as a minimum, Baseline Personnel Security Standard Clearance (BPSS).

3.9. Base Location

3.9.1. The base location of where the Services will be carried out at mainly in London, but travel could be required to any HMRC office location.

3.9.2. If Covid-19 lockdown is still in force, all potential Provider's staff assigned to the Contract shall be fully equipped to ensure that they can effectively work from home.

4 Charging Schedule

4.1 Pricing Structure

4.1.1 The pricing structure will consist of the following elements contained in the Excel spreadsheet Charging Schedule provided at Annex A:

- a. An implementation plan with costed milestones to arrive at the fixed price;
- b. A resource plan, which will enable HMRC to monitor that the resource detailed in the resource plan has generally been used for the delivery of the milestones; and
- c. The rate card, which will be used to:
 - i. Provide a comparison on the rates arrived at through the tender process for this work package compared against the standard MCF 2 rates;
 - ii. Readily demonstrate how Value for Money (VfM) is being achieved through the use of the framework/framework discounted rate card; and
 - iii. Provide the pricing basis for determining the potential costs of future work packages commissioned through this contract, where VfM can clearly be demonstrated.

4.1.2 The fixed price charges shown in the implementation plan for delivering the milestones take precedent and act as the pricing mechanism for invoicing purposes.

4.2 Invoicing

4.2.1 Invoices must only be submitted upon completion of the milestones and at the amount to be charged for each milestone as detailed in the Implementation Plan.

- 4.2.2 Prior to invoicing acceptance approval must be sought from the HMRC work manager that the milestone has been completed.
- 4.2.3 Under no circumstances should the aggregated amount of invoices, including the proposed value of your final invoice, exceed the amount stated in the signed contract, unless additional work has subsequently been agreed in writing as a formal contract variation.
- 4.3 Expenses**
- 4.3.1 Expenses will not be payable if a supplier is invited to make a presentation for clarification purposes as part of the tender process.
- 4.3.2 Given that the majority of the work should be able to be completed at HMRC's primary locations, additional Travel and Subsistence expenses will not be paid and must be accounted for as part of the base charge proposal.
- 4.3.3 Should excessive requests be made of the Service Provider to travel to other HMRC sites then Travel and Subsistence expenses will only be paid with the prior agreement of the HMRC Work Manager.
- 4.3.4 Any expenses agreed to by the HMRC Works Manager must be in compliance with HMRC travel & subsistence policy, which will be provided at the time of the request.
- 4.3.5 All other expenses/disbursements will be payable at the discretion of HMRC Work Manager. The Service Provider shall not incur any such expenses without the prior approval of the HMRC Work Manager. Any expense incurred by the Service Provider without prior approval shall not be reimbursed.

5 Commercial Terms

5.1 Terms & Conditions.

- 5.1.1 Any contract entered into as a result of this Invitation to Tender process will be under the CCS Management Consultancy Framework Two (MCF2), Contract ID RM6008, Terms & Conditions.
- 5.1.2 The "RM6008 MCF2 Call Off Order Form v2" template will be used to formalise and execute the contract and will include the framework Terms & Conditions.

5.2 Additional HMRC specific terms & conditions.

- 5.2.1 The following additional HMRC specific terms & conditions shall also apply:
- a. The Service Provider shall at all times comply with the Value Added Tax Act 1994 and all other statutes relating to direct or indirect taxes.

- b. Failure to comply may constitute a material breach of this Contract and HMRC may exercise the rights and provisions conferred by the Condition of Termination in the relevant contract.
- c. The Service Provider shall furnish to HMRC the name, and if applicable, the Value Added Tax registration number, PAYE collection number and either the Corporation Tax or Self-Assessment reference of any agent, supplier or sub-contractor of the Service Provider prior to the commencement of any work under this Contract by that agent, supplier or sub-contractor. Upon a request by the HMRC, the Service Provider shall not employ or will cease to employ any agent, supplier or sub-contractor.

5.2.2 The Service Provider shall ensure that all personnel (employees, sub-contractors, associates etc) providing services have been checked in accordance with the [HMG Baseline Personnel Security Standards \(BPSS\)](#). The successful Service Provider will be asked to provide further assurance at the 'point of supply' via the contract documentation.

5.2.3 Where additional personnel are provided, or personnel are replaced during the contract the Service Provider will assure that the relevant checks are in place for the additional/replacement personnel.

5.2.4 By submitting a response to this Invitation to Tender, HMRC will deem that you accept the above HMRC minimum requirements.

6 Tender Responses

6.1 **Tender Format** – All tender responses must be submitted by 12pm on 22/06/2020 in the SAP Ariba eProcurement system and in line with the Tendering instructions attached to this event.

6.2 **Procurement Timeline**

6.2.1 The outline planned procurement timeline, which may be subject to change is:

- a. Event Opened in SAP Ariba eProcurement system – 09/06/2020 12pm.
- b. Deadline for Supplier Clarification Questions – 15/06/2020 10am.
- c. Deadline for Supplier Tender Responses/Event Closes – 22/06/2020 12pm.
- d. Complete evaluation of tender responses – 25/06/2020
- e. Clarification Meeting (if required) – 26/06/2020
- f. Sign Off – 08/07/2020
- g. Contract Start Date – TBC

6.3 **Clarification Meeting(s)**

6.3.1 As referred to in the Tendering Instructions, HMRC reserves the right to request clarification meetings with those applicants where further clarification of their tender response is needed to ensure that all aspects of the contract requirements will be met.

6.3.2 Should any clarification meetings be required these will take place on: 26/06/2020.

6.4 **Weighting Requirements**

6.4.1 The award criteria that will be used for this procurement are as follows:

- Technical/Quality – 60%
- Cost – 40%

6.5 **Scoring**

Scoring will be kept within bands of the scoring criteria contained in the following table.

Score	'Open' Question Criteria
100	<p>The response is excellent and completely relevant. The response is comprehensive, unambiguous and demonstrates an excellent understanding of, and meets, the requirements in all aspects, with no clarification required. The response is well thought out and/or provides</p> <ul style="list-style-type: none"> • highly credible examples; • benefits; or • innovation.

80	The response is good and highly relevant. The response indicates a good understanding of the requirements and provides sufficient detail across all areas. The response demonstrates how the requirements will be met in the main, which may require minor clarification only.
60	The response is satisfactory and relevant. The response indicates a satisfactory understanding of the requirements in most aspects, although may lack detail in certain areas. The response suggests that the outline requirements would be met satisfactorily but may some clarification may be required.
40	The response is limited and partially relevant. The response indicates partial understanding of the requirement. The response contains ambiguities or deficiencies, which suggests that the requirements could be met, but clarification would be required.
20	The response is poor and only partially relevant. The response addresses some aspects of the requirements but contains insufficient/limited detail or explanation. The response demonstrates only limited understanding of the requirement. The response contains ambiguities or deficiencies which suggest the requirements would not be met.
0	The response is not considered relevant. The response is unconvincing, flawed or otherwise unacceptable. Response fails to demonstrate an understanding of the requirement.

7 Invitation to Tender Response

7.1 Response format

- 7.1.1 Tender responses should be submitted electronically using HMRC's eSourcing Portal.
- 7.1.2 Accessibility needs, which cover a range of disabilities, should be highlighted to HMRC at the earliest opportunity if it is felt that they may hinder the Tenders' ability to provide a response.
- 7.1.3 As part of the e-Sourcing event suppliers are required to answer all of the questions contained within the questionnaires.

7.2 Selection Questionnaire

- 7.2.1 In response to the Selection Questionnaire, the applicant must provide:
- a. general organisation information, and
 - b. financial information to allow revenue compliance checks to be made.

7.3 Quality Questionnaire 60%

Technical Questions – 50%

Security – 5%

Social, environmental and innovative characteristics – 5%

7.4 Cost Effectiveness – 40%

- 7.4.1 The Charging Schedule spreadsheet provided at Annex A, must be completed and attached to the cost question 3.4.1.
- 7.4.2 In the Cost Effectiveness questionnaire, all questions must be answered, and all information provided to ensure final total pricing transferred into the contract.
- 7.4.3 There will be no opportunity to directly negotiate prices so it is important that competitive pricing is used at the outset.
- 7.4.4 HMRC does reserve the right to clarify pricing as may be necessary.
- 7.4.5 HMRC would not expect this work to exceed £2 million.

8 Further information

8.1 Questions and Clarifications

- 8.1.1 Please send any clarification questions you have on this Invitation to Tender via the eSourcing Portal using the 'Compose Message' field. In order to provide you with a comprehensive answer to your questions, HMRC request that all clarification questions are received by 10am on 15/06/2020.
- 8.1.2 If for any reason the messaging system be unavailable, then all queries in relation to this Invitation to Tender should be directed to the HMRC contact detailed in section 1.
- 8.1.3 Commercial Directorate co-ordinate all queries in order to ensure equity of treatment of all potential Contractors. Therefore, the business areas must not be contacted directly.

8.2 General Information

- 8.2.1 Documents, together with any requested attachments, should be submitted in a single WinZip-compatible file (identified with the potential provider's name). If the WinZip-compatible file exceeds 20MB the enclosed documents should be divided across a number of files such that each file is less than 20MB.
- 8.2.2 Instructions and guidance for completion of the on-line element are available from the help menus within the supplier's area of the portal.
- 8.2.3 If any part of your submission is incomplete, it may not be evaluated resulting in you being excluded from the process.
- 8.2.4 In your response to the requirements, please do not:

Management Consultancy Framework Two (MCF2) - RM6008
Framework Schedule 4 – Template Call Off Order Form
Attachment 5a
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- a. reference your answers from one response to another, even where there is commonality;
- b. submit additional documentation with your response except where specifically requested;
- c. include publicity material of any kind, e.g. brochures and web references; or
- d. contain any inserted, pasted or embedded: pictures or documents (e.g. image files, Adobe Acrobat documents or other Word documents).

8.2.5 Any additional items where requested should be provided as separate files using the format specified e.g. MS Word, MS Excel, MS PowerPoint, Adobe Acrobat or jpeg formats; no other formats should be used.

8.2.6 Where a supplier exceeds the permitted number of attachments and/or any maximum page limits, HMRC may disregard any information provided which is over and above the permitted limit.

8.2.7 These instructions are designed to ensure that all suppliers are given equal treatment. It is important therefore that you provide all the information asked for in the format and order specified.

Annex A - Charging Schedule

The embedded Charging Schedule below must be completed and provided as part of your response. This can also be found in the Event Attachments as '1.7 HMRC Charging Schedule'.



All three tabs in the Charging Schedule must be completed

- Milestone Charging Table;
- Rate Card; and
- Resource Plan

Annex B – HMRC Security Questionnaire



The embedded Security questionnaire must be fully completed and provided as part of your tender response in 'Award Criteria – Security Management', question 3.2.1. This can also be found in the Event Attachments under '1.8 HMRC Security Plan Questionnaire (Medium)'.

APPENDIX B

HMRC T&S Policy

Travel may be expected between the other Delivery Group and Client sites. Expenses will be paid as per agreed HMRC expenses policy.

1. Travel to and from the Primary Location will be met from the day rate.
2. Expenses are payable where travel to other locations is required as part of the assignment forming part of this agreement. Where an overnight stay is required HMRC will pay for actual bed and breakfast costs within the current maximum limits detailed below. Any other subsistence or incidental expenses are not payable. Receipts must be provided.
3. All other expenses will be payable at the discretion of HMRC. The Contractor shall not incur such expenses without the prior approval of the HMRC Work Manager. Any expense incurred by the Contractor without prior approval shall not be reimbursed.

Short-term Night Subsistence Allowances Bed and Breakfast Capped Rates Effective from 01/04/2017	
Location	Maximum nightly rate
London / within M25 (excluding Heathrow Airport)	██████████
Bristol; Heathrow Airport	██████████
Oxford; Portsmouth	██████████
Elsewhere	██████████

Short-term Night Subsistence Allowances
Bed and Breakfast Capped Rates
Effective from 01/04/2017

Travel	
Mileage allowance	██████████
Rail Travel	██████████
Air Travel	██████████

APPENDIX C

SECURITY MANAGEMENT PLAN

Schedule 2.4 Security Plan

[Redacted content]

APPENDIX D

Authoritary's Mandatory Terms

- A. For the avoidance of doubt, references to 'the Agreement' mean the attached Call-Off Contract between the Supplier and the Authority. References to 'the Authority' mean 'the Buyer' (the Commissioners for Her Majesty's Revenue and Customs).
- B. The Agreement incorporates the Authority's mandatory terms set out in this Schedule 12
- C. In case of any ambiguity or conflict, the Authority's mandatory terms in this Schedule 12 will supersede any other terms in the Agreement.

1. Definitions

"Affiliate"	in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, that body corporate from time to time;
"Authority Data"	(a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are: (i) supplied to the Supplier by or on behalf of the Authority; and/or (ii) which the Supplier is required to generate, process, store or transmit pursuant to this Agreement; or (b) any Personal Data for which the Authority is the Controller, or any data derived from such Personal Data which has had any designatory data identifiers removed so that an individual cannot be identified;
"Charges"	the charges for the Services as specified in "Call-Off Contract Charges and Payment".
"Connected Company"	means, in relation to a company, entity or other person, the Affiliates of that company, entity or other person or any other person associated with such company, entity or other person;
"Control"	the possession by a person, directly or indirectly, of the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or otherwise) and "Controls" and "Controlled" shall be interpreted accordingly;
"Controller", "Processor", "Data Subject",	take the meaning given in the GDPR;
"Data Protection Legislation"	(a) the GDPR, the Law Enforcement Directive (Directive EU 2016/680) and any applicable national implementing Laws as amended from time to time;

	(b) the Data Protection Act 2018 to the extent that it relates to processing of personal data and privacy;
	(c) all applicable Law about the processing of personal data and privacy;
“GDPR”	the General Data Protection Regulation (Regulation (EU) 2016/679);
“Key Subcontractor”	any Subcontractor: <ul style="list-style-type: none"> (a) which, in the opinion of the Authority, performs (or would perform if appointed) a critical role in the provision of all or any part of the Services; and/or (b) with a Subcontract with a contract value which at the time of appointment exceeds (or would exceed if appointed) ten per cent (10%) of the aggregate Charges forecast to be payable under this Call-Off Contract;
“Law”	any applicable Act of Parliament, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, exercise of the royal prerogative, enforceable community right within the meaning of section 2 of the European Communities Act 1972, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Supplier is bound to comply;
“Personal Data”	has the meaning given in the GDPR;
“Purchase Order Number”	the Authority’s unique number relating to the supply of the Services;
“Services”	the services to be supplied by the Supplier to the Authority under the Agreement, including the provision of any Goods;
“Subcontract”	any contract or agreement (or proposed contract or agreement) between the Supplier (or a Subcontractor) and any third party whereby that third party agrees to provide to the Supplier (or the Subcontractor) all or any part of the Services, or facilities or services which are material for the provision of the Services, or any part thereof or necessary for the management, direction or control of the Services or any part thereof;
“Subcontractor”	any third party with whom: <ul style="list-style-type: none"> (a) the Supplier enters into a Subcontract; or (b) a third party under (a) above enters into a Subcontract, or the servants or agents of that third party;
“Supplier Personnel”	all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Subcontractor of the Supplier engaged in the performance of the Supplier’s obligations under the Agreement;

“Supporting Documentation”	sufficient information in writing to enable the Authority to reasonably verify the accuracy of any invoice;
“Tax”	<ul style="list-style-type: none"> (a) all forms of tax whether direct or indirect; (b) national insurance contributions in the United Kingdom and similar contributions or obligations in any other jurisdiction; (c) all statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imports, contributions, levies or liabilities (other than in return for goods or services supplied or performed or to be performed) and withholdings; and (d) any penalty, fine, surcharge, interest, charges or costs relating to any of the above, <p>in each case wherever chargeable and whether of the United Kingdom and any other jurisdiction;</p>
“Tax Non-Compliance”	<p>where an entity or person under consideration meets all 3 conditions contained in the relevant excerpt from HMRC’s “Test for Tax Non-Compliance”, as set out in Annex 1, where:</p> <ul style="list-style-type: none"> (a) the “Economic Operator” means the Supplier or any agent, supplier or Subcontractor of the Supplier requested to be replaced pursuant to Clause 4.3; and (b) any “Essential Subcontractor” means any Key Subcontractor;
“VAT”	value added tax as provided for in the Value Added Tax Act 1994.

2. Payment and Recovery of Sums Due

- 2.1** The Supplier shall invoice the Authority as specified in “Call-Off Contract Charges and Payment” section of the Agreement. Without prejudice to the generality of the invoicing procedure specified in the Agreement, the Supplier shall procure a Purchase Order Number from the Authority prior to the commencement of any Services and the Supplier acknowledges and agrees that should it commence Services without a Purchase Order Number:
- 2.2** the Supplier does so at its own risk; and
- 2.3** the Authority shall not be obliged to pay any invoice without a valid Purchase Order Number having been provided to the Supplier.
- 2.4** Each invoice and any Supporting Documentation required to be submitted in accordance with the invoicing procedure specified in the Agreement shall be submitted by the Supplier, as directed by the Authority from time to time via the Authority’s electronic transaction system.
- 2.5** If any sum of money is recoverable from or payable by the Supplier under the Agreement (including any sum which the Supplier is liable to pay to the Authority in respect of any breach of the Agreement), that sum may be deducted unilaterally by the Authority from any sum then due, or which may come due, to the Supplier under the Agreement or under any other agreement or contract with the Authority. The Supplier shall not be entitled to assert any

credit, set-off or counterclaim against the Authority in order to justify withholding payment of any such amount in whole or in part.

3. Warranties

3.1 The Supplier represents and warrants that:

- 3.1.1** in the three years prior to the Effective Date, it has been in full compliance with all applicable securities and Laws related to Tax in the United Kingdom and in the jurisdiction in which it is established;
- 3.1.2** it has notified the Authority in writing of any Tax Non-Compliance it is involved in; and
- 3.1.3** no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Supplier's assets or revenue and the Supplier has notified the Authority of any profit warnings issued in respect of the Supplier in the three years prior to the Effective Date.

3.2 If at any time the Supplier becomes aware that a representation or warranty given by it under Clause 3.1.1, 3.1.2 and/or 3.1.3 has been breached, is untrue, or is misleading, it shall immediately notify the Authority of the relevant occurrence in sufficient detail to enable the Authority to make an accurate assessment of the situation.

3.3 In the event that the warranty given by the Supplier pursuant to Clause 3.1.2 is materially untrue, the Authority shall be entitled to terminate the Agreement pursuant to the Call-Off clause which provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

4. Promoting Tax Compliance

4.1 All amounts stated are stated exclusive of VAT, which shall be added at the prevailing rate as applicable and paid by the Authority following delivery of a valid VAT invoice.

4.2 To the extent applicable to the Supplier, the Supplier shall at all times comply with all Laws relating to Tax and with the equivalent legal provisions of the country in which the Supplier is established.

4.3 The Supplier shall provide to the Authority the name and, as applicable, the Value Added Tax registration number, PAYE collection number and either the Corporation Tax or self-assessment reference of any agent, supplier or Subcontractor of the Supplier prior to the provision of any material Services under the Agreement by that agent, supplier or Subcontractor. Upon a request by the Authority, the Supplier shall not contract, or will cease to contract, with any agent, supplier or Subcontractor supplying Services under the Agreement.

4.4 If, at any point during the Term, there is Tax Non-Compliance, the Supplier shall:

- 4.4.1** notify the Authority in writing of such fact within five (5) Working Days of its occurrence; and
- 4.4.2** promptly provide to the Authority:
 - (a)** details of the steps which the Supplier is taking to resolve the Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors that it considers relevant; and

(b) such other information in relation to the Tax Non-Compliance as the Authority may reasonably require.

- 4.5** The Supplier shall indemnify the Authority on a continuing basis against any liability, including any interest, penalties or costs incurred, that is levied, demanded or assessed on the Authority at any time in respect of the Supplier's failure to account for or to pay any Tax relating to payments made to the Supplier under this Agreement. Any amounts due under this Clause 4.5 shall be paid in cleared funds by the Supplier to the Authority not less than five (5) Working Days before the date upon which the Tax or other liability is payable by the Authority.
- 4.6** Upon the Authority's request, the Supplier shall provide (promptly or within such other period notified by the Authority) information which demonstrates how the Supplier complies with its Tax obligations.
- 4.7** If the Supplier:
- 4.7.1** fails to comply (or if the Authority receives information which demonstrates to it that the Supplier has failed to comply) with Clauses 4.2, 4.4.1 and/or 4.6 this may be a material breach of the Agreement;
 - 4.7.2** fails to comply (or if the Authority receives information which demonstrates to it that the Supplier has failed to comply) with a reasonable request by the Authority that it must not contract, or must cease to contract, with any agent, supplier or Subcontractor of the Supplier as required by Clause 4.3 on the grounds that the agent, supplier or Subcontractor of the Supplier is involved in Tax Non-Compliance this shall be a material breach of the Agreement; and/or
 - 4.7.3** fails to provide details of steps being taken and mitigating factors pursuant to Clause 4.4.2 which in the reasonable opinion of the Authority are acceptable this shall be a material breach of the Agreement;

and any such material breach shall allow the Authority to terminate the Agreement pursuant to the Call-Off Clause which provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

- 4.8** The Authority may internally share any information which it receives under Clauses 4.3 to 4.4 (inclusive) and 4.6, for the purpose of the collection and management of revenue for which the Authority is responsible.

5. Use of Off-shore Tax Structures

- 5.1** Subject to the principles of non-discrimination against undertakings based either in member countries of the European Union or in signatory countries of the World Trade Organisation Agreement on Government Procurement, the Supplier shall not, and shall ensure that its Connected Companies, Key Subcontractors (and their respective Connected Companies) shall not, have or put in place (unless otherwise agreed with the Authority) any arrangements involving the use of off-shore companies or other off-shore entities the main purpose, or one of the main purposes, of which is to achieve a reduction in United Kingdom Tax of any description which would otherwise be payable by it or them on or in connection with the payments made by or on behalf of the Authority under or pursuant to this Agreement or (in the case of any Key Subcontractor and its Connected Companies) United Kingdom Tax which would be payable by it or them on or in connection with payments made by or on behalf of the Supplier under or

pursuant to the applicable Key Subcontract (“**Prohibited Transactions**”). Prohibited Transactions shall not include transactions made between the Supplier and its Connected Companies or a Key Subcontractor and its Connected Companies on terms which are at arms-length and are entered into in the ordinary course of the transacting parties’ business.

- 5.2** The Supplier shall notify the Authority in writing (with reasonable supporting detail) of any proposal for the Supplier or any of its Connected Companies, or for a Key Subcontractor (or any of its Connected Companies), to enter into any Prohibited Transaction. The Supplier shall notify the Authority within a reasonable time to allow the Authority to consider the proposed Prohibited Transaction before it is due to be put in place.
- 5.3** In the event of a Prohibited Transaction being entered into in breach of Clause 5.1 above, or in the event that circumstances arise which may result in such a breach, the Supplier and/or the Key Subcontractor (as applicable) shall discuss the situation with the Authority and, in order to ensure future compliance with the requirements of Clauses 5.1 and 5.2, the Parties (and the Supplier shall procure that the Key Subcontractor, where applicable) shall agree (at no cost to the Authority) timely and appropriate changes to any such arrangements by the undertakings concerned, resolving the matter (if required) through the escalation process in the Agreement.
- 5.4** Failure by the Supplier (or a Key Subcontractor) to comply with the obligations set out in Clauses 5.2 and 5.3 shall allow the Authority to terminate the Agreement pursuant to the Clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause).

6 Data Protection and off-shoring

- 6.1** The Processor shall, in relation to any Personal Data processed in connection with its obligations under the Agreement:
- 6.1.1** not transfer Personal Data outside of the United Kingdom unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:
- (a)** the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with GDPR Article 46 or LED Article 37) as determined by the Controller;
 - (b)** the Data Subject has enforceable rights and effective legal remedies;
 - (c)** the Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Controller in meeting its obligations); and
 - (d)** the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the processing of the Personal Data;
- 6.2** Failure by the Processor to comply with the obligations set out in Clause 6.1 shall allow the Authority to terminate the Agreement pursuant to the Clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

7 Commissioners for Revenue and Customs Act 2005 and related Legislation

- 7.1** The Supplier shall comply with, and shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data comply with the obligations set out in Section 18 of the Commissioners for Revenue and Customs Act 2005 (‘CRCA’) to maintain the confidentiality of

Authority Data. Further, the Supplier acknowledges that (without prejudice to any other rights and remedies of the Authority) a breach of the aforesaid obligations may lead to a prosecution under Section 19 of CRCA.

- 7.2** The Supplier shall comply with, and shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data comply with the obligations set out in Section 123 of the Social Security Administration Act 1992, which may apply to the fulfilment of some or all of the Services. The Supplier acknowledges that (without prejudice to any other rights and remedies of the Authority) a breach of the Supplier's obligations under Section 123 of the Social Security Administration Act 1992 may lead to a prosecution under that Act.
- 7.3** The Supplier shall regularly (not less than once every six (6) months) remind all Supplier Personnel who will have access to, or are provided with, Authority Data in writing of the obligations upon Supplier Personnel set out in Clause 7.1 above. The Supplier shall monitor the compliance by Supplier Personnel with such obligations.
- 7.4** The Supplier shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data sign (or have previously signed) a Confidentiality Declaration, in the form provided at Annex 2. The Supplier shall provide a copy of each such signed declaration to the Authority upon demand.
- 7.5** In the event that the Supplier or the Supplier Personnel fail to comply with this Clause 7, the Authority reserves the right to terminate the Agreement with immediate effect pursuant to the clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause).

Annex 1

Excerpt from HMRC's "Test for Tax Non-Compliance"

Condition one (An in-scope entity or person)

1. There is a person or entity which is either: ("X")
 - 1) The Economic Operator or Essential Subcontractor (EOS)
 - 2) Part of the same Group of companies of EOS. An entity will be treated as within the same Group of EOS where that entities' financial statements would be required to be consolidated with those of EOS if prepared in accordance with *IFRS 10 Consolidated Financial Accounts*¹;
 - 3) Any director, shareholder or other person (P) which exercises control over EOS. 'Control' means P can secure, through holding of shares or powers under articles of association or other document that EOS's affairs are conducted in accordance with P's wishes.

Condition two (Arrangements involving evasion, abuse or tax avoidance)

2. X has been engaged in one or more of the following:
 - a. Fraudulent evasion²;
 - b. Conduct caught by the General Anti-Abuse Rule³;
 - c. Conduct caught by the Halifax Abuse principle⁴;

¹ <https://www.iasplus.com/en/standards/ifrs/ifrs10>

² 'Fraudulent evasion' means any 'UK tax evasion offence' or 'UK tax evasion facilitation offence' as defined by section 52 of the Criminal Finances Act 2017 or a failure to prevent facilitation of tax evasion under section 45 of the same Act.

³ "General Anti-Abuse Rule" means (a) the legislation in Part 5 of the Finance Act 2013; and (b) any

future legislation introduced into Parliament to counteract tax advantages arising from abusive

arrangements to avoid national insurance contributions

⁴ "Halifax Abuse Principle" means the principle explained in the CJEU Case C-255/02 Halifax and others

- d. Entered into arrangements caught by a DOTAS or VADR scheme⁵;
- e. Conduct caught by a recognised ‘anti-avoidance rule’⁶ being a statutory provision which targets arrangements where either a main purpose, or an expected benefit, is to obtain a tax advantage or where the arrangement is not effected for commercial purposes. ‘Targeted Anti-Avoidance Rules’ (TAARs). It may be useful to confirm that the Diverted Profits Tax is a TAAR for these purposes;
- f. Entered into an avoidance scheme identified by HMRC’s published Spotlights list⁷;
- g. Engaged in conduct which falls under rules in other jurisdictions which are equivalent or similar to (a) to (f) above.

Condition three (Arrangements are admitted, or subject to litigation/prosecution or identified in a published list (Spotlights))

3. X’s activity in *Condition 2* is, where applicable, subject to dispute and/or litigation as follows:

i. In respect of (a), either X:

- 1. Has accepted the terms of an offer made under a Contractual Disclosure Facility (CDF) pursuant to the Code of Practice 9 (COP9) procedure⁸; or,
- 2. Has been charged with an offence of fraudulent evasion.

ii. In respect of (b) to (e), once X has commenced the statutory appeal process by filing a Notice of Appeal and the appeal process is ongoing including where the appeal is stayed or listed behind a lead case (either formally or informally). NB Judicial reviews are not part of the statutory appeal process

⁵ A Disclosure of Tax Avoidance Scheme (DOTAS) or VAT Disclosure Regime (VADR) scheme caught by rules which require a promoter of tax schemes to tell HM Revenue & Customs of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Section 19 and Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Section 19 and Part 7 of the Finance Act 2004 and as extended to National Insurance Contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868 made under s.132A Social Security Administration Act 1992.

⁶ The full definition of ‘Anti-avoidance rule’ can be found at Paragraph 25(1) of Schedule 18 to the Finance Act 2016 and Condition 2 (a) above shall be construed accordingly.

⁷ Targeted list of tax avoidance schemes that HMRC believes are being used to avoid paying tax due and which are listed on the Spotlight website: <https://www.gov.uk/government/collections/tax-avoidance-schemes-currently-in-the-spotlight>

⁸ The Code of Practice 9 (COP9) is an investigation of fraud procedure, where X agrees to make a complete and accurate disclosure of all their deliberate and non-deliberate conduct that has led to irregularities in their tax affairs following which HMRC will not pursue a criminal investigation into the conduct disclosed.

and no supplier would be excluded merely because they are applying for judicial review of an HMRC or HMT decision relating to tax or national insurance.

iii. In respect of (b) to (e), during an HMRC enquiry, if it has been agreed between HMRC and X that there is a pause with the enquiry in order to await the outcome of related litigation.

iv. In respect of (f) this condition is satisfied without any further steps being taken.

v. In respect of (g) the foreign equivalent to each of the corresponding steps set out above in (i) to (iii).

For the avoidance of doubt, any reference in this Annex 1 to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time including any implementing or successor legislation.

Annex 2 Form

CONFIDENTIALITY DECLARATION

CONTRACT REFERENCE: [for Supplier to insert Contract reference number and contract date] ('the Agreement')

DECLARATION:

I solemnly declare that:

1. I am aware that the duty of confidentiality imposed by section 18 of the Commissioners for Revenue and Customs Act 2005 applies to Authority Data (as defined in the Agreement) that has been or will be provided to me in accordance with the Agreement.
2. I understand and acknowledge that under Section 19 of the Commissioners for Revenue and Customs Act 2005 it may be a criminal offence to disclose any Authority Data provided to me.

SIGNED:
FULL NAME:
POSITION:
COMPANY:
DATE OF SIGNATURE: