

**Order Form under Framework no. F10749 - Portsmouth Hospitals NHS Trust**

**NHS FRAMEWORK AGREEMENT FOR THE PROVISION OF SERVICES FOR BACK OFFICE FUNCTIONS**

**Framework Agreement Commencement Date 01/02/2018**

**From**

<b>Authority</b>	Health Education England		
<b>Service Address</b>	Blenheim House, Duncombe Street, Leeds, West Yorkshire, LS1 4PL		
<b>Invoice Address</b>	T73 Payables F485, Phoenix House, Topcliffe Lane, Tingley, WF3 1WE		
<b>Contact details</b>	Director of Finance: [REDACTED]	Phone: [REDACTED]	e-mail: [REDACTED]
<b>Contract Manager</b>	[REDACTED]		
<b>Name and address for notices</b>	[REDACTED] Blenheim House, Duncombe Street, Leeds, West Yorkshire, LS1 4PL		
<b>Contract Order Reference</b>	2021.F&A.T1510.01.F10749/SBS68		
<b>Order Date</b>	30 <sup>th</sup> March 2021		

**To**

<b>Supplier</b>	NHS Shared Business Services Limited
<b>Address</b>	Three Cherry Trees Lane, Hemel Hempstead, Hertfordshire, HP2 7AH
<b>E-mail</b>	<a href="mailto:nhs.s.commercialoffice@soprasteria.com">nhs.s.commercialoffice@soprasteria.com</a>
<b>Contract Manager</b>	[REDACTED]
<b>Name and address for notices</b>	[REDACTED] NHS Shared Business Services Limited, Commercial Office, Phoenix House, Topcliffe Lane, Tingley, Wakefield WF3 1WE; or email : <a href="mailto:nhs.s.commercialoffice@soprasteria.com">nhs.s.commercialoffice@soprasteria.com</a>

## 1 Services Requirements

### Services Commencement Date and Term

#### 1.1 Services Commencement Date: 1st April 2021

- 1.1.1 This Contract shall commence on the Services Commencement Date and the Term of this Contract shall expire 2 years from the Services Commencement Date ("Initial Term"), with an option for the Authority to extend the Initial Term by further periods of 12 months by giving the Supplier written notice no less than three (3) months prior to the date on which this Contract would have otherwise expired, provided that the duration of this Contract shall be no longer than 10 years in total.

#### 1.2 Scope of Services (details of the LOTs and summary of services in scope for each LOT)

##### 1.2.1 Lot 1 Financial Services

Services	Applicable / Non Applicable
( A ) Purchase to Pay	Applicable
( B ) Order to Cash	Applicable
( C ) Cash Management	Applicable
( D ) Accounting to Reporting	Applicable
( E ) Reporting	Applicable
( F ) VAT Services	Applicable
( G ) System Administration	Applicable
( H ) Audit & Governance	Applicable
( I ) Training	Non Applicable
( J ) E-Procurement	Non Applicable
( K ) Other Services	Non Applicable
( L ) Access to NHS SBS Supplier Contracts	Applicable
( M ) Fixed Assets & Lease Accounting	Non Applicable
( N ) Procurement Front End <ul style="list-style-type: none"> <li>• Catalogue Management Software</li> <li>• PFE Catalogue System Migration</li> <li>• PFE Catalogue Content Management Service</li> <li>• Contract Administration Services</li> </ul>	Applicable Non Applicable Non Applicable Non Applicable
(O)Planning, Budgeting and Forecasting	Non Applicable
(P) Income Collection and Receipting Service (Digital Cashier)	Applicable

#### 1.3 Services required and specifications

The Contract Price shall be payable in respect of all Services shown as 'Applicable' in

Section 1.2 of this Order Form.

Detailed specifications are contained in the Appendices to this Order Form:  
a) Appendix 1 - Financial Services (Finance & Accounting)

1.4 Sub-contractors approved by the Parties for the provision of the Services

Steria (India) Limited, Sopra Steria Limited, VirtualStock Ltd, Financial and  
Management Information Systems Limited, Tagetik UK Limited .

1.5 Services Provided

**Table 1.5.1. Services Provided**

Column Reference	A	B	C	D	E	F	G
SERVICES	Tick box if to be provided	Unit of Measurement	Baseline Business Volume	Lower Volume Tolerance % (LVT)	Upper Volume Tolerance % (UVT)	Price per unit below LVT	Price per unit above UVT
Lot 1 – Financial Services							
Accounts Payable	<input type="checkbox"/>	Number of AP Invoices pa	57,000	5%	5%	████	████
Accounts Receivable	<input type="checkbox"/>	Number of AR Invoices pa	650	5%	5%	████	████
Digital Cashier	<input type="checkbox"/>	Number of Modules	1,000	100%	0%	████	████

## 1.6 Rate Cards

Where the Authority requires the Supplier to carry out work in addition to the Specification the Supplier will use the rate card shown below in Table 1.6.1, unless otherwise stated, to calculate the price of any such works. The day rates do not include expenses which will be charged in accordance with Supplier's expenses policy.

**Table 1.6.1: Rate Card**

<b>Development, Consultancy and General Resource Rate Card</b>	<b>Daily Rate Chargeable (exclusive of expenses) 2020/21</b>
Director / Principal Consultant	
Senior Project Manager / Senior Consultant / Training	
Project Manager / Consultant	
Subject Matter Experts	
Process Officer	
Administration	
Process Assistant	
Team Leader	
Deputy Team Leader	
Graduate	
Apprentice	

1.7 Price and Payment and charging mechanism

1.7.1 The annual Contract Price for this Contract is:

**Table 1.7.1 Annual Contract Price Following the Services Commencement Date**

	LOT 1	Total
Year 1	■	■
Year 2	■	■
Year 3	■	■
Total	£1,238,172	£1,238,172

1.7.2 The Contract Price shall be charged, in 12 equal monthly instalments, in advance, on or about the first Business Day of each calendar month, from the Services Commencement Date.

1.7.3 Not Used

1.7.4 The Authority agrees the Supplier shall establish a direct debit on the 15th of each month to make payments due in respect of the Contract Price from the Authority's GBS account. The Authority agrees to sign a direct debit mandate issued by the Supplier.

#### 1.7.5 Lot 1 Automation Targets

- (i) The Contract Price in Table 1.7.1 for the LOT 1 Financial Services is based on the Authority achieving the paperless invoicing ("Paperless Invoicing") targets as set out in this clause 1.7.5 where Paperless Invoicing is defined as:  
an invoice issued in Electronic Data Interchange ("EDI") and or XML and or CSV files, submitted in the format and via the portal required by the Supplier.

It can also include the use of integrated solutions between enterprise resource planning ("ERP") systems. It therefore encompasses a number of different technologies, methods and entry options by which an invoice can be electronically processed for payment.

The following Accounts Payable ("AP") transactions meet the criteria of Paperless Invoicing :

- i) Ready to Pay files ("RTP");
- ii) Interface Payment Files ("IPF");
- iii) Invoices submitted through any of the Supplier approved electronic invoice portals in the required format;
- iv) Requisitions which turn to Purchase Orders ("PO") raised within the Supplier's chosen e-procurement front end requisitioning and procurement system which are then converted into electronic invoices within this same system ("PO Flip");
- v) Account Receivable ("AR") to Accounts Payable and AP to AR transactions where both parties to the transaction are a customer of the Suppliers LOT 1 Financial Services.

For the avoidance of doubt an invoice sent to and received by the Supplier via email does not meet the definition of Paperless Invoicing.

As technology changes this definition of Paperless Invoicing may be updated by the Supplier.

- (ii) The Paperless Invoicing targets and additional charges for manual processing are set out in Table 1.7.5 below and will be calculated from the Service Commencement date unless otherwise stated.
- (iii) Should the Authority not meet the Paperless Invoicing targets as set out in the Table 1.7.5 then the Supplier reserves the right to charge the Authority for the additional manual processing costs it incurs in order to provide the Services in accordance with the specification ("Manual Processing Charge").

The Manual Processing Charge will be calculated as the number of transactions below the Paperless Invoicing target annualised and multiplied by the ACT over the Contract term.

████

████

████

Table 1.7.5 Paperless Invoicing targets and Manual Processing Charge

Contract Year	Paperless Invoice Target	Period of Measurement	Additional Charge per Transaction (“ACT”)
Year 1	70% of actual Accounts Payable transactions processed as Paperless Invoicing	full year	████
Year 2 and all future years of the contract	70% of actual Accounts Payable transactions processed as Paperless Invoicing	full year	████



## 1.8 Contract Price Variation

### 1.8.1 Volume Variation Charge

- (i) On or immediately following April 1<sup>st</sup> of each contract year, the Supplier shall calculate the actual volume produced by the Authority for each element detailed in Section 1.5 of this Order Form during the previous financial year. Should the actual volume be greater or lesser than the baseline business volume, by an amount more than the business volumes tolerance then the Supplier charge or credit the Authority in respect of the volume variation ("Volume Variance Charge") and such Volume Variance Charge shall be factored into the Authority's direct debit payment. The value of the Volume Variance Charge shall be calculated as follows

Where volume variance is greater than the Upper Volume Tolerance then:

$$(ABV - (BBV \times (1 + UVT))) \times UPPT$$

- (ii) Where volume variance is less than the Lower Volume Tolerance for an element within a Lot then the Volume Variance Charge will be capped at a maximum credit of 25% of the annual Contract Price for that Lot in any one year, and is calculated as follows:

$$(((BBV \times (1 - LVT)) - ABV)) \times LPPT$$

Where:

ABV= Actual Business Volume

BBV= Baseline Business Volume (column C in Table 1.5.1)

LVT = Lower Volume Tolerance (column D in Table 1.5.1)

UVT = Upper Volume Tolerance (column E in Table 1.5.1)

LPPT = Price Per Transaction (below tolerance) (column F in Table 1.5.1)

UPPT = Price Per Transaction (above tolerance) (column G in Table 1.5.1)

- (iii) The annual Contract Price for the subsequent year shall be increased by indexation in accordance with paragraph 1.8.3 below. For the avoidance of doubt, aside from the indexation increase the annual Contract Price and the baseline business volumes shall remain unchanged for the Initial Term of the Contract unless amended in accordance with the Business Event clause 1.8.2

### 1.8.2 Business Event

- (i) The Authority shall notify the Supplier in advance, giving at least 3 months' written notice, of any planned increase to Baseline Business Volumes as a result of an NHS reorganisation and/or any other change that would result in a volume increase in excess 20%. This will be designated as a Business Event. ("Business Event")

- (ii) Where there is a Business Event the impact of the Business Event will be calculated by the Supplier and agreed with the Authority via the Change Control Process.
- (iii) Should the Baseline Business Volumes increase by an amount considered to be a Business Event without prior notification then the Supplier shall be entitled to adjust the Contract Price on a prorated basis with immediate effect (i.e. 50% increase in volumes above the Baseline Business Volumes will result in a 50% increase in the Contract Price).

#### 1.8.3 Indexation

The Supplier may increase the Contract Price in Table 1.7.1, the price per unit in Table 1.5.1 and the Rate Card in Table 1.6.1 contained within this Contract on the 1st April each year by an amount equal to the rate of increase of the Consumer Prices Index over the preceding 12 months.

#### 1.8.4 Treatment of First Year

In the first financial year, if the duration of the period between the Services Commencement Date and the following 31 March is less than twelve months, the Volume Variation Charge described in 1.8.1 shall be applied on a pro-rata basis.

#### 1.8.5 Charging For Additional Works

- (i) Where the Authority requires the Supplier to carry out work in addition to the Specification the Supplier will use the rate card in Table 1.6.1 to calculate the price of any such works. The day rates do not include expenses which will be charged in accordance with Supplier's expenses policy.
- (ii) Not Used
- (iii) Not Used

**Table 1.8.1 Copies Charges – Not Applicable**

	Copy of Payslip	Copy of p60	Statement of Earnings (SOE) Request
Charge per request	■	■	■

#### 1.8.6 Exclusions

The following items are excluded from the annual Contract Price:

- (i) LOT 1
- (a) Oracle Software Licence and Support Charges will be added at cost plus 5% where the Authority is located outside of England;
- (b) A Hyperian system

1.9 Signing on Fee Assistance

1.9.1 Not Used

1.9.2 Not Used

2 Additional requirements

2.1 Variations to Call-Off Terms and Conditions Schedule 1:

2.1.1 The following shall be added to clause 7 Application of TUPE at the commencement of the provision of Services:

*“7.3 In the event that clause 7.2 applies, notwithstanding anything provided in such clause in particular in clause 7.2.4, the Authority shall indemnify and keep indemnified the Supplier (and shall pay to the Supplier such sum as would, if paid to any Subcontractor, indemnify and keep indemnified any such Sub-contractor) against any and all liabilities set out in clause 7.2.4 including but not limited to; all additional costs above those allowed for by the Supplier or Sub-contractor in its bid or proposal, and or any and all costs relating to their termination incurred by the Supplier or the relevant Sub-contractor, of which such costs may include but shall not be limited to: payments in lieu of notice, outplacement support, legal, HR, redundancy, contractual enhancements and pensions; including (but not limited to) any liability arising out of or in connection with the termination by the Supplier or relevant Subcontractor (as applicable) of the person’s employment and any failure to inform and consult pursuant to regulation 13 of TUPE. Clause 7.2.4 of the Framework Agreement shall be amended accordingly.”*

*“7.4 The parties shall comply with their consultation obligations in relation to the transfer of the Transferring Employees pursuant to TUPE and each agree to use all reasonable endeavours to communicate with the Transferring Employees about such transfer and such redundancy at the same time and as far as possible prior to the Relevant Transfer Date.”*

2.1.2 The following shall be added as clause **8 Supplier as Data Processor**:

**8 “Supplier as Data Processor is applicable to the Contract**

8.1 *The Parties acknowledge that the Authority is the Controller and the Supplier is the Processor in respect of Personal Data processed under this Contract and the provisions of the Data Protection Protocol along with terms of ‘Appendix 5 - Data Processing Agreement’ must be complied with by the Parties as a term of this Contract.*

2.2 Variations to Call-Off Terms and Conditions Schedule 2

2.2.1 Clause 1.11 shall be amended to:

*“1.11 The Supplier shall be relieved from its obligations under this Contract to the extent that it is prevented from complying with any such obligations due to any acts,*

*omissions or defaults of the Authority. To qualify for such relief, the Supplier must notify the Authority in writing within five (5) Business Days of becoming aware of the occurrence of such act, omission, or default of the Authority together with the potential impact on the Supplier's obligations"*

**2.2.2 The following shall replace clause 8.3.5**

*"8.3.5 Should the Authority require the Supplier to provide any additional information relating to the performance of the Services beyond that which is already provided for under this Contract, then the Minor Works Order Process as detailed in clause 2.6 of this Order Form shall apply.*

**2.2.3 The following shall replace clause 8.5**

*"8.5 Not used"*

**2.2.4 The following shall replace clause 13.2**

*"13.2 Subject to Clauses 12.2 and 13.1 of this Schedule 2 of these Call-off Terms and Conditions, the total liability of each Party to the other under or in connection with this Contract whether arising in contract, tort, negligence, breach of statutory duty or otherwise shall not, in any year of the Contract, exceed 100% of the Contract Price specific for that year of Contract Term. This shall also apply to Schedule 3 clause 2.6."*

**2.2.5 The following shall replace clause 13.3**

*"13.3 Neither Party shall be liable to the other whether in contract (including under any indemnity or warranty), in tort (including negligence), under statute or otherwise for any of the following, howsoever arising:*

- (a) Loss of profit;*
- (b) Loss of revenue;*
- (c) Loss of anticipated savings;*
- (d) Loss of contract or opportunity;*
- (e) Loss of goodwill; or*

*( ) Indirect or consequential loss of whatever nature. Nothing in sub-clause 13.3 shall prevent the Supplier from recovering the profit element of the Contract Price which are or would have been payable under this Order Form should the Contract be terminated in advance of the Contract expiry date for the Services."*

**2.2.6 The following shall replace clause 13.5**

*"13.5 Not used"*

**2.2.7 The following will be added as clause 15.9.1**

*“15.9.1 Upon Expiry of the Services Contract or on earlier termination under the provisions of the Services Contract provided the Authority agrees to reimburse the Supplier for its reasonable costs in relation to any exit services as defined in the exit plan.”*

**2.2.8 Clause 16.2.2 shall be replaced by:**

*“16.2.2 all data, excluding Personal Data, documents and records (whether stored electronically or otherwise) relating in whole or in part to the Services, including without limitation relating to patients or other service users, and all other items provided on loan or otherwise to the Supplier by the Authority shall be delivered by the Supplier to the Authority provided that the Supplier shall be entitled to keep copies to the extent that: (a) the content does not relate solely to the Services; (b) the Supplier is required by Law and/or Guidance to keep copies; or (c) the Supplier was in possession of such data, documents and records prior to the Commencement Date; and”*

**2.2.9 Clause 16.2.3 to be added as per below:**

*“16.2.3 any Personal Data Processed by the Supplier on behalf of the Authority shall be returned to the Authority or destroyed in accordance with the relevant provisions of the Data Protection Protocol.”*

**2.2.10 Clause 17.1 shall be replaced by:**

*“17.1 Upon the day which is no greater than three (3) months before the expiry of this Contract or as soon as the Supplier is aware of the proposed termination of the Contract, the Supplier shall, within twenty eight (28) days of receiving a written request from the Authority and to the extent permitted by law, shall provide anonymised summary information relating to Supplier Personnel.”*

**2.2.11 Clause 17.5.3 shall be replaced by**

*“17.5.3 Not Used”*

**2.2.12 Clause 17.5.4 shall be replaced by**

*“17.5.4 Not Used”*

**2.2.13 Clause 17.5.5 shall be replaced by**

*“17.5.5 Not Used”*

**2.2.14 Clause 21.2 shall be replaced by:**

*“21.2 Subject to Clause 21.3 of this Schedule 2, any change to the Services or other variation to this Contract shall only be binding once it has been agreed either: (a) in accordance with the Change Control Process if the Key Provisions specify that changes are subject to a formal change control process; or (b) if the Key Provisions make no such reference, in writing and signed by an authorised representative of both Parties”*

2.2.15 Clause 21.3 to be added as per below:

*“21.3 Any change to the Data Protection Protocol shall be made in accordance with the relevant provisions of that protocol.”*

2.2.16 Clause 24.3 shall be replaced by

*“24.3 Where the Authority suspects fraudulent activity, the Supplier shall comply with all reasonable written requests made by the Authority’s representative for entry to the premises and/or the premises of any Sub-contractor for the purposes of auditing, viewing, observing or inspecting such premises and/or the provision of the Services, and for information relating to the provision of the Services. Further the Supplier shall provide reasonable cooperation to the Authority, its representatives and any regulatory body in relation to any agreed audit.”*

2.2.17 Clause 24.4 shall be replaced by

*“24.4 Not used”*

2.2.18 Clause 24.5 shall be replaced by

*“24.5 Not used”*

2.2.19 Clause 24.7 shall be replaced by

*“24.7 Not used”*

2.2.20 Clause 24.8 shall be replaced by

*“ 24.8 The Supplier shall issue an assurance statement of its internal controls annually within 30 days of 1st April each year during the Contract, containing such assurances as the Authority shall reasonably require to enable it to complete its own annual accounts and statement of internal control.”*

2.3 Variations to Call off Terms and Conditions Schedule 3

2.3.1 Clause 2.1 shall be replaced by:

*“2.1 The Parties acknowledge their respective duties under Data Protection Legislation and shall give each other all reasonable assistance as appropriate or necessary to enable each other to comply with those duties. For the avoidance of doubt, the Supplier shall take reasonable steps to ensure it is familiar with the Data Protection Legislation and any obligations it may have under such Data Protection Legislation and shall comply with such obligations”*

2.3.2 Clause 2.2.4 shall be replaced by:

*“2.2.4 not cause or allow such Personal Data to be transferred outside the European Economic Area without the prior consent of the Authority provided that this shall not prohibit the Supplier from transferring Personal Data to any of the approved Sub-contractors including in India. The Supplier confirms that the approved Sub-contractors have entered into agreements which incorporate the standard contractual clauses adopted by European Commission Decision 2010/87/EU.”*

2.4 Variations to Call off Terms and Conditions Schedule 4

2.4.1 The following shall be added to 1.1 Definitions

*“**“Controller”** shall have the same meaning as set out in the GDPR”;*

*“**Data Protection Protocol**” means any document of that name as provided to the Supplier by the Authority (as amended from time to time in accordance with its terms), which shall include, without limitation, any such document appended to Schedule 3 (Information and Data Provisions) of this Contract and also Appendix 5 - Data Processing Agreement to this Order Form”;*

*“**Policies**” means the policies, rules and procedures of the Authority as notified to the Supplier at the time of entering into the agreement”;*

*“**Processor**” 1.13 shall have the same meaning as set out in the GDPR”;*

*“**GDPR**” means the General Data Protection Regulation (Regulation (EU) 2016/679)”;*

*“**Good Industry Practice**” means the exercise of that degree of skill, diligence, prudence, risk management, quality management and foresight which would reasonably and ordinarily be expected from a skilled and experienced service provider engaged in the provision of services similar to the Services under the same or similar circumstances as those applicable to this Contract, including any codes of practice published by relevant trade associations, that have been notified to the Supplier by the Authority at the time of entering into the agreement”;*

*“**Guidance**” means any applicable guidance, direction or determination and any policies, advice or industry alerts which apply to the Services, to the extent that they have been notified to the Supplier by the Authority at the time of entering into the agreement”;*

*“**Relevant Transfer Date**” means the date of any relevant transfer under TUPE”;*

*“**Transferring Employee**” means any employee who immediately prior to the Relevant Transfer Date, is wholly or mainly assigned to the Services to be provided to the Authority under this Contract or part thereof or services the same as or substantially equivalent to such Services or part thereof (other than any such employee who opts not to transfer under regulation 4(7) of TUPE)”;*

2.4.2 The following shall replace the definition of “Data Protection Legislation” in 1.1 Definitions

*“**Data Protection Legislation**” means (i) the Data Protection Act 1998 or, from the date it comes into force, the Data Protection Act 2018 to the extent that it relates to processing of personal data and privacy; (ii) the GDPR, the Law Enforcement Directive (Directive (EU) 2016/680) and any applicable national implementing Law as amended from time to time; and (iii) all applicable Law about the processing of personal data and privacy”;*

2.4.3 The following shall replace the definition of “Personal Data” in 1.1 Definitions

*“**“Personal Data”** shall have the same meaning as set out in the GDPR”;*

2.4.4 The following shall replace the definition of “Process” in 1.1 Definitions

*“**“Process”** shall have the same meaning as set out in the GDPR. Processing and Processed shall be construed accordingly”;*

2.4.5 The following shall replace the definition of “Third Party Body” in 1.1 Definitions

*“**“Third Party Body”** another Contracting Authority, whose role it is to: (a) analyse such management information in accordance with UK government policy (to include, without limitation, for the purposes of analysing public sector expenditure and planning future procurement activities); or (b) manage the Framework Agreement with the Supplier”*

## 2.5 Change Control Process

2.5.1 Subject to the provisions of this Clause 2.5, either Party may request a change to this Services Contract, including a change to the Services.

2.5.2 The Authority may request a change or shall respond to the Supplier’s request for a change by giving the Supplier sufficient information for the Supplier to assess the extent of the change, any additional cost that may be incurred or savings that may be made and the time frame by which the change is to be implemented.

2.5.3 The Supplier shall respond with a Change Control Notice (“Change Control Notice”) . The Change Control Notice shall set out, as a minimum:

- (i) The title of the change;
- (ii) The originator and date of request by the Authority;
- (iii) Any resulting proposed change to the Contract Price;
- (iv) The Supplier's opinion of any amendments required to this Contract (including to the Services, the Specifications and/or the KPIs) as a result of the change;
- (v) Where relevant, details of the likely timetable for implementation of the change;
- (vi) Where relevant, any alternative methods for implementing the change.

2.5.4 The parties shall, acting in good faith, discuss the contents of the Change Control Notice with a view to trying to reach agreement on the consequences of the change. The Supplier shall provide such further information as is reasonably required by the Authority to consider the contents of the Change Control Notice.

2.5.5 In the event that the Supplier is unable to provide the change to the Services or where the Parties are unable to agree either the change to the Contract Price, or the amendments to the Contract and/or the Specifications and/or the KPIs as a result of the change:



- (i) The Authority may agree to withdraw the change, in which case both parties shall continue to perform their obligations under the Contract without the change; or
- (ii) If the Authority so elects, the Parties shall refer the matter to mediation under Clause 22 of Schedule 2 of the Call-off Terms and Conditions;

2.5.6 If the Parties agree the change and any relevant changes to the Contract Price, or amendments to the Contract and/or the Specifications and/or the KPIs as a result of the change, the agreed position shall be recorded in writing, and the Supplier shall carry out such change and be bound by the same provisions so far as is applicable, as though such change was stated in this service contract.

## 2.6 Minor Works Order process

2.6.1 The Supplier shall establish simple procedures for ordering minor and ad-hoc work, which procedure shall involve the exchange of simple Minor Works Order ("MWO") forms (or similar) between nominated authorities of both Parties.

2.6.2 MWO forms shall contain specifications of the work requested together with the user's identity and the relevant timescales.

2.6.3 MWO forms shall contain resource and elapsed time estimates and, as appropriate, methods, dependencies, conditions and any other pertinent information.

2.6.4 A MWO will include the following details:

- (i) Section 1: MWO Title, date raised, management summary (a short, concise description of the requirement and the work required to satisfy it);
- (ii) Section 2: Contact details (both the Authority and Supplier details);
- (iii) Section 3: Billing details (including start, end date, total effort, total charge, billing type, billing schedule);
- (iv) Section 4: Full explanation of works required (including requirements summary, scope & exclusions, roles & responsibilities, Supplier deliverables, service level variations, dependencies, dates & milestones, acceptance criteria, key assumptions, hardware, software and 3rd party requirements, risks & issues, specific terms & conditions, cancellation terms & charges, commercial arrangements – estimated effort & charges by role, commercial arrangements – overtime, commercial arrangements – standby & call-out (If the project necessitates standby and/or call-out cover for which a premium will be added then state the trigger for such cover, the estimated effort and the premium that will be applied);
- (v) Section 5: Works Order Acceptance and Approval.

### 3 Performance of the services and deliverables

#### 3.1 Key Personnel involved in the Services

*None*

#### 3.2 Implementation (see Appendix 4 of this Order Form for Implementation Plan for Services in scope)

3.2.1 The number of training delivery days included as part of the LOT1 Services implementation is a maximum of zero days. Any additional training days required will be charged separately.

3.2.2 The following exclusions apply to the scope of the LOT1 Services implementation.  
The Financial Services Implementation excludes the following:

- i) Fixed Assets & Lease Accounting module;
- ii) Additional training packages;
- iii) Best practice packages;
- iv) Processing of legacy Accounts Receivable transactions (all open Accounts Receivable transactions in the ledger as at the commencement date). Accounts receivable legacy transactions will be charged at a rate of £7.50 per transaction;
- v) Processing of legacy Accounts Payable transactions (all open Accounts Payable transactions dated before the commencement date). Accounts payable legacy transactions will be charged at a rate of £6.00 per transaction;
- vi) Non-standard interfaces including non ESR, Supply Chain, pharmacy (JAC or Ascribe);
- vii) Development of feeds to data warehouses or 3rd party reporting tools;
- ) Charitable funds (except where accounted for in the primary set of books and through the exchequer bank accounts);
- viii) Local IT configuration and any third party costs;
- ix) Training administration for the implementation training;
- x) Provision of a project manager, process leads or other staff for the Authority's team.

3.2.3 In the event an Authority takes the Supplier's epay automation tools as part of the LOT3a Services, then a standard 4 days train the trainer per implementation shall be provided as part of the implementation charge. Any additional training days required will be charged separately.

#### Key performance indicators (KPIs) and Service Credit Regime

#### 3.3 Performance Failures

3.3.1 The Supplier shall make available to the Authority within fourteen (14) Business Days of the end of each Month a report detailing its adherence to the KPIs set out in this Order Form (the "**Progress Report**").

- 3.3.2 The Progress Report shall include a statement of the amount of any rebate due to the Authority, calculated in accordance with the methodology set out in this Order Form:
- (i) If the Authority disputes any matter referred to in any Progress Report and/or the proposed rebate of the Contract Price, the Authority may raise this objection with the Supplier and if this matter is not resolved within ten (10) Business Days the matter shall be referred to the Dispute Resolution Procedure; and
  - (ii) If the Authority has not raised any objection to the Progress Report within ten (10) Business Days of receipt then that Progress Report shall be deemed to have been accepted by the Authority and the rebate on the Contract Price referred to therein shall become immediately effective
- 3.3.3 For the avoidance of doubt no rebate will be made in respect of any failure to meet any KPIs during the first three months following the Services Commencement date.
- 3.3.4 The Supplier shall monitor its performance in the delivery of the Services in accordance with the provisions of this Contract

#### 3.4 Performance Failures

Any sum due in respect of the Supplier's failure to meet the KPIs for a Lot, calculated in accordance with this clause 3.3 of this Order Form ("**Service Credit**") shall be paid to the Authority in the form of a credit note which will be netted off against the future Contract Price or in the case of the final quarter of the Contract paid to the Authority via BACS transfer.

- 3.4.1 The Service Credit for each Contract Month shall be calculated for each Lot using the following formula:

$$SC = \sum kpi (SFSc)$$

where:

$\sum kpi$  = aggregate of all KPIs for the Services that have not been met for a Lot within the relevant Contract Month; and

SFSc = the total of Service Credits arising from a failure of the Supplier to meet any of the KPIs for a Lot, as set out in this Order Form

- 3.4.2 Either party to this Contract may refer disputes under this paragraph 3.3 to the Dispute Resolution Procedure.
- 3.4.3 Any failure to meet the KPIs shall be remedied through the payment of any Service Credit in accordance with this section 3 of this Contract and shall constitute the sole remedy of the Authority. Clause 15.3 of Schedule 2 of the Call-off Terms and Conditions shall therefore not apply to this Contract in respect of the KPIs.

#### 3.5 Limitations on Service Performance Deductions

- 3.5.1 The Supplier shall calculate the Service Credits once in respect of each Contract Month.
- 3.5.2 No Service Credits will be made for a KPI if, and to the extent that, it has been demonstrated to the reasonable satisfaction of the Authority that the failure of the Supplier to meet any of the KPIs is a direct result of:
- (i) An Authority default (the failure of the Authority to meet its obligations);
  - (ii) An emergency not caused or contributed to by the Supplier; or
  - (iii) (Except where such act or omission is the result of an act or omission of the Supplier), any act or omission of any provider of utilities or statutory undertaker (and, in each case, of any of their respective agencies, employees, contractors or other persons for whom it is responsible) where the Supplier is using all reasonable endeavours to minimise the impact of such act or omission on the performance of its obligations under this Contract;
  - (iv) Failure of the Authority to achieve the Authority 'Best Practice' criteria detailed in Tables 3.6 KPIs & Service Failure.

### 3.6 KPIs & Service Failure Regime

#### 3.6 Table 3.6. KPIs & Service Failure Regime

##### 3.6a Lot 1 Financial Services - Finance and Accounting

Service Area	Ref	Supplier 'Best Practice'	Authority 'Best Practice'	Target Service Level	Minimum Service Level	Below target Points	Service Credit Weighting
GL	F01	Interim Key Controls Account Packs delivered 5 days following sub ledger close		5 days following Sub ledger close	10 days following Sub ledger close	1 Bus. Day late = 1 pt 3 Bus. Days late = 2 pts 5 Bus. Days late = 3 pts	10%
	F02	99% interfaces posted to General Ledger within 24 working hours of receipt	Authority - agree routine for interface delivery to Supplier (number of files, delivery dates)	99%	95%	<99% to 98% = 5 pts <98% to 97% = 6 pts <97% to 96% = 7 pts <96% to 95% = 10 pts	10%
VAT	F03	VAT returns delivered to the Authority on the date mutually agreed	Authority turnaround of queries within 24 hours	Agreed Date	4 business days late	1 Bus. Day late = 1 pt 2 Bus. Days late = 2 pts 3 Bus. Days late = 3 pts	10%
Reporting	F04	Availability of Business Intelligence (BI) calculated as follows:		99%	95%	<99% to 98% = 5 pts <98% to 97% = 6 pts <97% to 96% = 7 pts <96% to 95% = 10 pts	10%

		((Actual Service Available Hours during the Service Cover Time + Scheduled Service Downtime) x 100) / Service Cover Time					
Systems	F05	<p>Availability of Oracle, Imaging, and Application Desktop Integrator (ADI) calculated as the mean of the individual system availabilities, each calculated as follows:</p> <p>((Actual Service Available Hours during the Service Cover Time + Scheduled Service Downtime) x 100) / Service Cover Time</p>		99%	95%	<p>&lt;99% to 98% = 5 pts            &lt;98% to 97% = 6 pts            &lt;97% to 96% = 7 pts            &lt;96% to 95% = 10 pts</p>	10%

Cash Management	F06	95% Cash allocated within 24 hours of receipt	95% of 'controlled' revenue to be raised via sales order	95%	90%	<95% to 94% = 5 pts <94% to 93% = 6 pts <93% to 92% = 7 pts <92% to 90% = 10 pts	3%
	F07	GL reconciles to bank statement reconciles to cash report on a daily basis 95% of the time	Authority - local receipting in advance of banking 95% of the time	95%	90%	<95% to 94% = 5 pts <94% to 93% = 6 pts <93% to 92% = 7 pts <92% to 90% = 10 pts	3%
	F08	Cash Flow delivered to the Authority by 10.00 am daily 95% of the time	Authority turnaround of queries within 24 hours 95% of the time	95%	90%	<95% to 94% = 5 pts <94% to 93% = 6 pts <93% to 92% = 7 pts <92% to 90% = 10 pts	4%
Invoice Processing	F09	95% of invoices available to client in 5 business days from SBS receipt	95% Interface rejections / scan errors / returns to be flagged within 3 business days	95%	90%	<95% to 94% = 5 pts <94% to 93% = 6 pts <93% to 92% = 7 pts <92% to 90% = 10 pts	15%
			90% receipting completed within 5 business days of invoice date				
			95% of Non PO approval completed within 3 business				

		days of delivery to Authority					
PO Transmission	F10	99% PO dispatched within 24 hours from PO approval date / time		99%	90%	<99% to 97% = 2 pts <97% to 95% = 4 pts <95% to 94% = 5 pts <94% to 93% = 6 pts <93% to 92% = 7 pts <92% to 90% = 10 pts	15%
Payments	F12	99.5% of scheduled payment runs finalised in accordance with deadlines as defined by bank.	100% of changes to scheduled payment run are submitted by client by 11am on day of payment run	99%	90%	<99% to 97% = 2 pts <97% to 95% = 4 pts <95% to 94% = 5 pts <94% to 93% = 6 pts <93% to 92% = 7 pts <92% to 90% = 10 pts	5%
General	F15	Monthly timetabled review calls happen at dates/times mutually agreed with the agreed representation in >80% of cases	Monthly timetabled review calls happen at dates/times mutually agreed with the agreed representation in >80% of cases	80%	70%	<80% to 78% = 2 pts <78% to 76% = 4 pts <76% to 74% = 5 pts <74% to 73% = 6 pts <73% to 72% = 7 pts <72% to 70% = 10 pts	5%
							100%



### 3.7 Below Target Points Converter

**Table 3.7: Service Points Converter per Lot**

Total points in the month	Service Credits	Total points in the month (cont.)	Service Credits
10 – 15	1%	46 – 48	8%
16 – 20	2%	49 – 51	9%
21 – 25	3%	>52	10%
26 – 30	4%		
31 – 35	5%		
36 - 40	6%		
41 – 45	7%		

### 3.8 Calculation of below Minimum Service Level credits

**Table 3.8: Service Points Converter per Lot**

Measure	Calculation
Percentage	Monthly Contract Price * Service Credit Weighting * (Minimum Service Level – Actual Service Level)
Business Day	Monthly Contract Price * Service Credit Weighting * (No of business days late after Minimum Service Level / no. of working days between Minimum Service Level and the end of the measured month)
Business Hours	Monthly Contract Price * (Service Credit Weighting * no. of late occurrences in the month) / 7 * (No. hours late after minimum level / no. hours in business day)
Per Event / Item	Monthly Contract Price * Service Credit Weighting * (Minimum Service Level - No. of items above Minimum Service Level )

### 3.9 Calculation of below Minimum Service Level credits

3.9.1 The Service Credits shall be calculated for the performance by the Supplier of each Lot independently.

3.9.2 If, for any KPI, the actual service level in any calendar month (the “Actual Service Level”) falls below the corresponding target service level specified in Table 3.6 (the “Target Service Level”) the following will apply

- (i) Where the Actual Service Level fails to meet the Target Service Level, but is not lower than the minimum service level specified in Tables 3.6 (the “Minimum Service Level”), service level failure points shall be awarded in accordance with Table 3.7 (the ‘Below Target Points’);
- (ii) Where the Actual Service Level is below the Minimum Service Level, the maximum Below Target Points shall be awarded according to Table 3.7 supplemented by the amount of money resulting from the relevant calculation in Table 3.8 (the ‘Below Minimum Payment’). An illustration of how the Service Credit regime will work is set out in Table 3.10.

- 3.9.3 In order to calculate the total Service Credits payable in respect of the Services for a calendar month the Supplier shall aggregate the Below Target Points pursuant to 3.9.1 and 3.9.2 and convert the total to an amount of money by reference to Table 3.7. This will be added to the Below Minimum Payment pursuant to 3.9.2 to give the total Service Credits due.
- 3.9.4 Service Credits shall be capped at 10% of the monthly Contract Price for a LOT for any measured month for the service line.
- 3.9.5 If KPIs for Services are added to or removed from Table 3.6 in accordance with the Change Control Process, the Service Credit Weighting in Table 3.7 shall be adjusted (pro-rata or as agreed by the Parties) so as to preserve a total for all KPIs of 100%. “Service Credit Weighting” is the degree of service impact of the KPI in relation to the other KPIs, expressed as a percentage.
- 3.9.6 The Authority may deem that the Supplier has committed to be a material breach of the Contract if the Supplier fails to achieve the Minimum Service Levels for the same 50% or more of the KPIs for any three consecutive calendar months
- 3.9.7 Such material breach arising from 3.9.6 above shall be deemed capable of remedy by the Supplier by reducing the number of KPIs where it has failed to meet the Minimum Service Level to 30% or less of the KPIs in the subsequent three calendar months.

### 3.10 Example Calculation

Authority X pays a Contract Price of £50,000 per month for a Lot

Table 3.10

KPI	Actual Service Level	Below Target Points	Performance below Minimum Service Level calculation	Service Credit due for performance below Minimum
F1	91%	7	N/A	
F2	91%	5	N/A	
F3	94%	7	N/A	

F4	50%	10	$50,000 * 0.1 * (0.9 - 0.5)$	■
F5	1 Day Late	3	N/A	
F6	2 Days late	5	N/A	
F7	99%	0	N/A	
Total		37		■

37 Below Target Points = 6% of monthly Contract Price = £3,000.

Total Service Credit payable = £2,000 + £3,000 = £5,000

### 3.11 Notes:

3.11.1 A report in May (for example) would show the percentage of unallocated cash receipted in March that was still outstanding at the end of April.

3.11.2 Portal Reports consist of detailed budget reports for each cost centre and every level of the consolidation hierarchy up to Authority summary level and in addition a payroll analysis is included on the first and last days of delivery.

3.11.3 The Month End Pack consists of Accounts Payable to General Ledger sub ledger reconciliation, Accounts Receivable to General Ledger sub ledger reconciliation, Payroll error suspense reconciliation, Resus (interface file from NHS Logistics Resus system) error suspense reconciliation, Bank account reconciliation and Accounts Payable error suspense.

3.11.4 The VAT Pack consists of a VAT Return VAT100, VAT21, VAT Reconciliation, VAT Category Breakdown and a spreadsheet of invoices.

3.11.5 The Service Cover Time is 8.00am to 6.00pm Monday to Friday excluding bank holidays; however Service Cover Time extensions would be available under the process defined in the IT Service Definition document but would not be included in the Key Performance Indicator.

### 4 Location(s) at which the Services are to be provided:

*Not Applicable*

### 5 Quality Standards relevant to the Services

Business Management System complies with BS-EN-ISO-9001

Service Management aligned to ITIL 2011

Projects Managed in accordance with Prince2

**6** Confidential Information that would require both Parties written consent in order to share with any Contracting Authorities or Third Party Bodies.

6.1 Any information, data and/or material of any nature which either Party may receive or obtain in connection with the operation of the Services and or the Contract:

- (a) which comprises Personal Data or Sensitive Personal Data (as both terms are defined in the 1998 Act) or which relates to any patient or his or her treatment or medical history; or
- (b) the release of which is likely to prejudice the commercial interests of the other Party or the interests of a patient respectively; or
- (c) which is a trade secret;

By signing and returning this Order Form the Authority agrees to enter a legally binding contract with the Supplier to provide the Services as specified in this Order Form incorporating the rights and obligations in the Call-Off Terms and Conditions as set out in the Framework Agreement entered into by the Supplier and Health Education England on 30<sup>th</sup> March 2021.

For and on behalf of the Supplier:	
<b>Name and Title</b>	██████ Director - Legal and Commercial
<b>Signature</b>	██████
<b>Date</b>	12/04/2021

For and on behalf of the Authority:

**Name and Title**                      ██████, Director of Finance

**Signature** ██████

**Date**                                      6 April 2021

## **Order Form Appendix**

### **Services Specifications**

In accordance with the scope of Services selected in paragraph 1.2 of this Order Form the Services Specification for the following Services shall be added:

Appendix 1 - Financial Services (Finance & Accounting)

**Order Form Appendix**

Appendix 4 - Implementation Plan

Not Applicable