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| Commercial Directorate | |
| DVLA  Longview Road  Morriston  Swansea SA6 7JL | |
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| www.gov.uk/browse/driving | |
| @dvlagovuk | |
|  |  |
| Our ref: | PS/22/93 |
| Date: | 26.04.2023 |

XXX XXXXX [redacted under FOIA section No 40 Personal Information]

Compass Contract Services (UK) Limited

Parklands Court,

24 Parklands,

Birmingham Great Park

Rubery,

Birmingham

B45 9PZ.

Dear XXXX [redacted under FOIA section No 40 Personal Information]

**CONTRACT REFERENCE NUMBER: PS/22/93**

**CONTRACT TITLE: DVLA Provision of Soft Services**

**FRAMEWORK REFERENCE NUMBER: RM6232**

I refer to my letter dated 23/02/2023. I am writing to confirm that the standstill period has now ended.

On behalf of the Secretary of State for Transport, I accept your quotation dated **18/11/2022** under the terms and conditions of the CCS RM6232. This letter and the documents listed below form a binding contract between you and the Department for Transport.

1. The terms and conditions for Framework reference RM6232 which includes the core terms and all applicable schedules;
2. The Department's specification as set out in Appendix 1;
3. Compass Contract Services (UK) Limited’s quote dated 18/11/2022 which includes those documents referenced in Appendix 2; and
4. The agreed principles in respect of the treatment of capital investment as set out in Appendix 3, the contents of which shall be reflected in the applicable order form, and shall form part of the Contract, and shall take precedence in the event of a conflict.

The period of the contract will be 4 years**,** commencing on **01/11/2023** and expiring on **31/10/2027** with an option to extend for a further period of 12 months.

The bid Price for the Contract is **£**7,803,390.34 exclusive of Value Added Tax. The bid price reflects market rates at the time of tender, and as such it is agreed between the parties that the mandatory National Living Wage increase in April 2023 will be applied to provide an updated price for contract commencement on 1 November 2023. Thereafter, the parties shall meet to discuss the price on an annual basis to discuss the effects of inflation, and the price shall subsequently be adjusted in accordance with the Payment Index, this being CPI, and take account of changes to the National Living Wage. It is agreed that the applicable order form shall reflect this agreed intention. In the event of a conflict between this paragraph and the terms and conditions of the Framework, this paragraph shall take precedence.

The bid price includes a sum for “Investment”, this sum shall be agreed between the parties acting reasonably (“the Investment”) and stated in the applicable order form.

You must be in possession of a written purchase order (PO), before commencing any work, or supplying any goods, under this contract. The Purchase Order Number for this contract will follow shortly. Invoices submitted to the Department **must also quote the PO number** and must be submitted in accordance with DVLA’s Invoicing Procedures below.



**Please ensure invoices are sent to SSa and not DVLA. Invoices received without the correct Purchase Order Number will be returned to you and will delay receipt of payment.**

Employment of staff under this contract will be subject to the completion and acceptance by the Department of the evidence produced through the Baseline Personnel Security Standard (BPSS), or other higher HMG security level check. It is consistent with the data protection legislation that an individual’s refusal to undergo an essential check where there are no alternatives could lead to a refusal of employment.

Please contact the Contract Owner **XXXXXXXXXX** on telephone number

XXXXX XXXXXX, or email XXXXXXXXXXXXXX [redacted under FOIA section No 40 Personal Information] to discuss arrangements for commencement of the contract and completion of BPSS security clearance procedures.

Please complete the Supply Chain questionnaire at Annex A and return to the email address below.

You may be contacted at a later date to complete a Modern Slavery Assessment.

Please acknowledge your receipt of this letter and confirmation you are content to proceed.

Accepted for and on behalf of Compass by: -

Signature:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Capacity:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Yours sincerely,

XXXX XXXXX

[redacted under FOIA section No 40 Personal Information]

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| XXXX XXXXX [redacted under FOIA section No 40 Personal Information] |
| XXXX XXXXXXX [redacted under FOIA section No 40 Personal Information] |
| Commercial Directorate |
| XXXXXXXXXXXXXX [redacted under FOIA section No 40 Personal Information]  **On behalf of the Secretary of State for Transport** |
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**Appendix 1 – Specification**

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**Appendix 2 - Compass Contract Services (UK) Limited**

ESS DVLA Q1 Service Delivery

ESS DVLA Q2 Service Delivery Catering

ESS DVLA Q3 Enhanced Catering Services

ESS DVLA Q4 Staffing and Supply Chain

ESS DVLA Q5 Staffing and Supply Chain

ESS DVLA Q6 Managing Staff Resources

ESS DVLA Q7 Business Continuity

ESS DVLA Q8 Continuous Improvement - Innovation

ESS DVLA Q9 gain Revenue Profit Share

ESS DVLA Q10 Mobilisation

ESS DVLA Q11 Presentation

ESS DVLA Q12 Social Value

ESS DVLA Q13 Health - Wellbeing

ESS DVLA Q14 Supply Chain

**Appendix 3 – Capital Investment - Agreed Principles**

1.1 Compass has agreed to expend a sum of money on the development of the catering and cleaning services at the Premises (“Investment Projects”). Such sum shall be agreed between the parties acting reasonably (“the Investment”) and set out in the applicable purchase order.

1.2 The specific nature, extent and timing of the Investment Projects (including, for the avoidance of doubt, any amount being expended to replace or renew any fixture or asset which has been the subject of a previous approved Investment Project) shall be agreed between the parties prior to Compass incurring such expenditure.

1.3 Compass and DVLA agree that beneficial title to and ownership of any assets which form part of the Investment Projects (“Investment Assets”) and purchased with the Investment, shall remain with Compass but that DVLA shall have the right upon expiry or termination of the Contract (subject to payment being made in full in accordance with these terms (as applicable)) to commence to use (without restrictions and with the right to sub-licence such rights) the Investment Assets until such time as DVLA determines that such assets have reached the end of their useful life (the “Period”) by way of a licence (the “Licence”) on the payment of £1 (inclusive of VAT) per annum by DVLA to Compass.

1.4 The amount of the Investment shall be depreciated monthly on a straight line basis from the date on which the expense is incurred until the end of the contract term, this being 31.10.2027 (“the Expiry Date”).

1.5 Unless otherwise agreed by Compass in writing in accordance with clause 1.6 below, if the Contract is terminated at any time prior to the Expiry Date, for a reason other than the occurrence of one of the events identified in clause 10.4.1 of the Core Terms the unamortised amount of the Investment (“Unamortised Amount”), as at the actual date of termination of the Contract shall be repayable by DVLA within an agreed timescale.

1.6 Subject to clause 1.7, where the Contract is terminated for any reason identified in Clause 10.4.1 of the Core Terms then, if there is any Unamortised Amount, Compass shall have the right (but not the obligation) upon giving not less than 5 Working Days' notice to DVLA, to remove the relevant Investment Assets up to the value of the Unamortised Amount (but not more) on termination of the Contract and to retain or dispose of the same as it sees fit without any obligation to account to DVLA.

1.7 Where the Contract is terminated for any reason identified in Clause 10.4.1 of the Core Terms, if DVLA so requires in its absolute discretion, Compass shall, on receipt of (i) instruction in writing and (ii) payment in full of the Unamortised Amount, leave the relevant Investment Assets in situ and the terms of clause 1.3 shall apply.