

DPS Schedule 6 (Order Form Template and Order Schedules)

Order Form

ORDER REFERENCE: con_7664 – Green Heat Network Fund
Supplementary Project

THE BUYER: **The Secretary of State for the Department of
Energy Security and Net Zero**

BUYER ADDRESS 3-8 Whitehall Place, London, SW1A 2EG, United
Kingdom

THE SUPPLIER: Triple Point Investment Management LLP

SUPPLIER ADDRESS: 1 King William Street, London, EC4N 7AF

REGISTRATION NUMBER: OC321250

DUNS NUMBER: 51-609-2736

DPS SUPPLIER REGISTRATION SERVICE ID: 10593679

APPLICABLE DPS CONTRACT

This Order Form is for the provision of the Deliverables and dated 30th April 2025.

It's issued under the DPS Contract with the reference number RM6322 for the provision of grant administration services in furtherance of the Green Heat Network Fund.

DPS FILTER CATEGORY(IES):
Central Government
Full Programme Management

ORDER INCORPORATED TERMS

The following documents are incorporated into this Order Contract. Where numbers are missing, we are not using those schedules. If the documents conflict, the following order of precedence applies:

1. This Order Form including the Order Special Terms and Order Special Schedules.
2. Joint Schedule 1(Definitions and Interpretation) RM6322
3. The following Schedules in equal order of precedence:
 - Joint Schedules for RM6322
 - Joint Schedule 2 (Variation Form)
 - Joint Schedule 3 (Insurance Requirements)
 - Joint Schedule 4 (Commercially Sensitive Information)
 - Joint Schedule 6 (Key Subcontractors)
 - Joint Schedule 7 (Financial Difficulties)
 - Joint Schedule 10 (Rectification Plan)
 - Joint Schedule 11 (Processing Data)
 - Joint Schedule 12 (Supply Chain Visibility)
 - Order Schedules for RM6322
 - Order Schedule 1 (Transparency Reports)
 - Order Schedule 2 (Staff Transfer)
 - Order Schedule 3 (Continuous Improvement)
 - Order Schedule 5 (Pricing Details)
 - Order Schedule 6 (ICT Services)
 - Order Schedule 7 (Key Supplier Staff)
 - Order Schedule 8 (Business Continuity and Disaster Recovery)
 - Order Schedule 9 (Security)
 - Order Schedule 10 (Exit Management)
 - Order Schedule 13 (Implementation Plan and Testing)
 - Order Schedule 14 (Service Levels)
 - Order Schedule 15 (Order Contract Management)
 - Order Schedule 18 (Background Checks)
 - Order Schedule 20 (Order Specification)
 - Order Schedule 24 (Intellectual Property Rights)
4. CCS Core Terms (DPS version) v1.0
5. Joint Schedule 5 (Corporate Social Responsibility) RM6322
6. Order Schedule 4 (Order Tender) as long as any parts of the Order Tender that offer a better commercial position for the Buyer (as decided by the Buyer) take precedence over the documents above.

No other Supplier terms are part of the Order Contract. That includes any terms written on the back of, added to this Order Form, or presented at the time of delivery.

ORDER SPECIAL TERMS

The following Special Terms are incorporated into this Order Contract:
Terms to revise or supplement Core Terms, Joint Schedules, Order Schedules

Special Term 1 – Supplier Personnel

The Supplier shall ensure that all Services are provided on an independent and impartial basis and in particular (but without limitation) that no actual or potential conflict of interest arises or could reasonably be perceived as being at risk of arising.

Special Term 2 – Assumptions

The Buyer and the Supplier acknowledge and agree that any assumptions relating to the Charges whether:

- submitted by the Supplier as part of its Order Tender; or
- set out in Order Schedule 20 (Order Specification),

are for information only and shall not be used or relied on for the purposes of requesting or requiring Variations to the Charges payable by the Buyer under this Order Contract.

Special Term 3 – Grant payments and the Investment

The Supplier hereby acknowledges and agrees that it shall not advise the Investment Committee to approve a GHNF Application or enter into a Grant Agreement the effect of which would be to exceed the aggregate value of GHNF made available by the Buyer from time to time.

ORDER START DATE:	30 April 2025
ORDER EXPIRY DATE:	29 March 2030
ORDER INITIAL PERIOD:	4 Years and 11 Months
EXTENSION OPTIONS:	Two optional one-year extension periods. If the extension options are utilised then the total contract value will rise in line with the pricing schedule. The Total contract value will also increase in line with the pricing

schedule if more than the 6 estimated Investment Committees are run or additional CDEL funding is received.

DELIVERABLES

See details in Order Schedule 20 (Order Specification)

MAXIMUM LIABILITY

The limitation of liability for this Order Contract is stated in Clause 11.2 of the Core Terms.

The Estimated Year 1 Charges used to calculate liability in the first Contract Year is



ORDER CHARGES

See details in Order Schedule 5 (Pricing Details)

The Charges will not be impacted by any change to the DPS Pricing. The Charges can only be changed by agreement in writing between the Buyer and the Supplier because of:

- Indexation
 - The pricing mechanism is fixed price although will be subject to increase on the second, fourth and sixth (if extended) anniversary of the contract start date. This means the price increase will take effect in contract years three, five and seven if the contract is extended. The rates that relate to staff wages in the pricing schedule may be amended in line with by the ONS (Office of National Statistics) Average Weekly Earnings via contract variation (Series ID: KAB9). The maximum increase will be calculated using 'AWE: Whole Economy Index: Seasonally Adjusted Total Pay Excluding Arrears' full unfiltered time series .xls document, calculating the percentage increase from the start date figure/ figure from the previous review to the most up to date available figure. The supplier will need to evidence that their wages relating to the contract have increased, and any increase may be up to their actual increase and not more than by the calculated percentage in order for the variation to apply.

REIMBURSABLE EXPENSES

None

PAYMENT METHOD

Bank Transfer to account confirmed by the Supplier on its invoice.

The Supplier shall submit an invoice within 28 days of supplying the Supplies and or performing Services to the satisfaction of the Buyer. The invoice shall show the amount of VAT payable and bear the Purchase Order number. Save where an

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invoice is disputed, the Buyer shall pay the Supplier within 30 days of receipt of an invoice via BACS payment.

BUYER'S INVOICE ADDRESS:

[REDACTED]

BUYER'S AUTHORISED REPRESENTATIVE

[REDACTED]

BUYER'S ENVIRONMENTAL POLICY

Available upon request

BUYER'S SECURITY POLICY

Available online at: <https://www.gov.uk/government/publications/security-policy-framework>

BUYER'S ICT POLICY

Available online at: <https://www.gov.uk/government/publications/greening-government-ict-and-digital-services-strategy-2020-2025/greening-government-ict-and-digital-services-strategy-2020-2025>

SUPPLIER'S AUTHORISED REPRESENTATIVE

[REDACTED]

SUPPLIER'S CONTRACT MANAGER

[REDACTED]

PROGRESS REPORT FREQUENCY

Monthly

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PROGRESS MEETING FREQUENCY

From the Funding Phase Commencement Date: Monthly

KEY STAFF

[illegible]

DPS Ref: RM6322
Project Version: v1.0
Model Version: v1.3

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AECOM Limited
Amberside Advisors Ltd
Asteros Advisors Ltd
Gemserv Limited
Lux Nova Partners Limited

E-AUCTIONS

Not applicable

COMMERCIALLY SENSITIVE INFORMATION

See details in Joint Schedule 4 (Commercially Sensitive Information)

SERVICE CREDITS

Service Credits will accrue in accordance with Order Schedule 14 (Service Levels).

The **Service Credit Cap** is: [REDACTED] for the relevant financial year. With the first such year commencing on the Funding Phase Commencement Date (FPCD) ending on 31 March 2026. And then each subsequent year starting on 1 April and ending 31 March the following year.

The **Service Period** is: defined in Order Schedule 5 (Pricing Details)

A Critical Service Level Failure is:

without prejudice to any other right or remedy of the Buyer under the Order Contract, a critical Service Level Failure shall arise under the following circumstances:

- (a) the relevant Service Level has not been met (Service Level – not met) as assessed according to the column headed “Service Level Bands” in the table set out in Annex A to Part A to Order Schedule 14 (Service Levels); and
- (b) the Service Level that has been assessed as not met in accordance with limb (a) above has not been rectified in accordance with the terms of an accepted Rectification Plan; or
- (c) the Buyer has rejected a Rectification Plan in respect of the relevant Service Level that has been assessed as not met in accordance with limb (a) above or the Supplier does not provide the Rectification Plan within 10 days of the request by the Buyer pursuant to the terms of the Order Contract.

SOCIAL VALUE PERFORMANCE INDICATORS

The Buyer and the Supplier acting in reasonably and in good faith shall, twenty (20) Working Days of the Order Start Date agree the Terms of two social value performance indicators. The Buyer and the Supplier acknowledge and agree that such performance indicators shall not attract service credits.

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The Supplier agrees, in providing the Deliverables and performing its obligations under the Order Contract, that it will comply with the social value commitments in Order Schedule 4 (Order Tender)

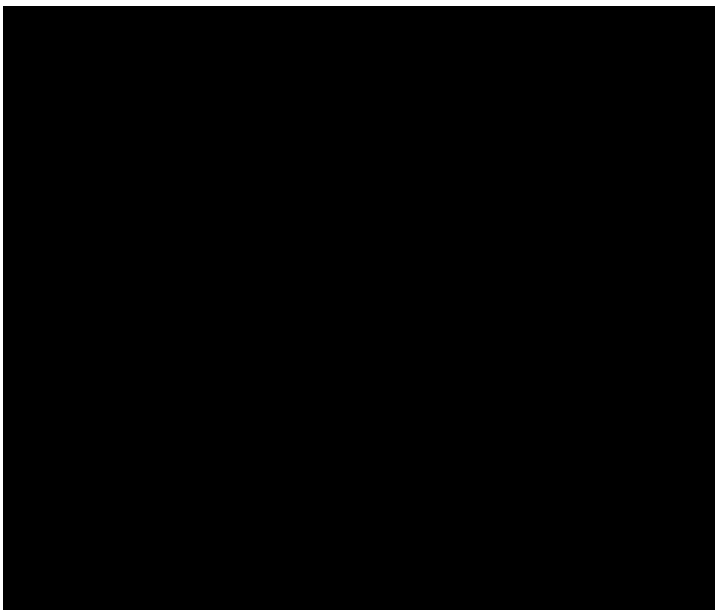
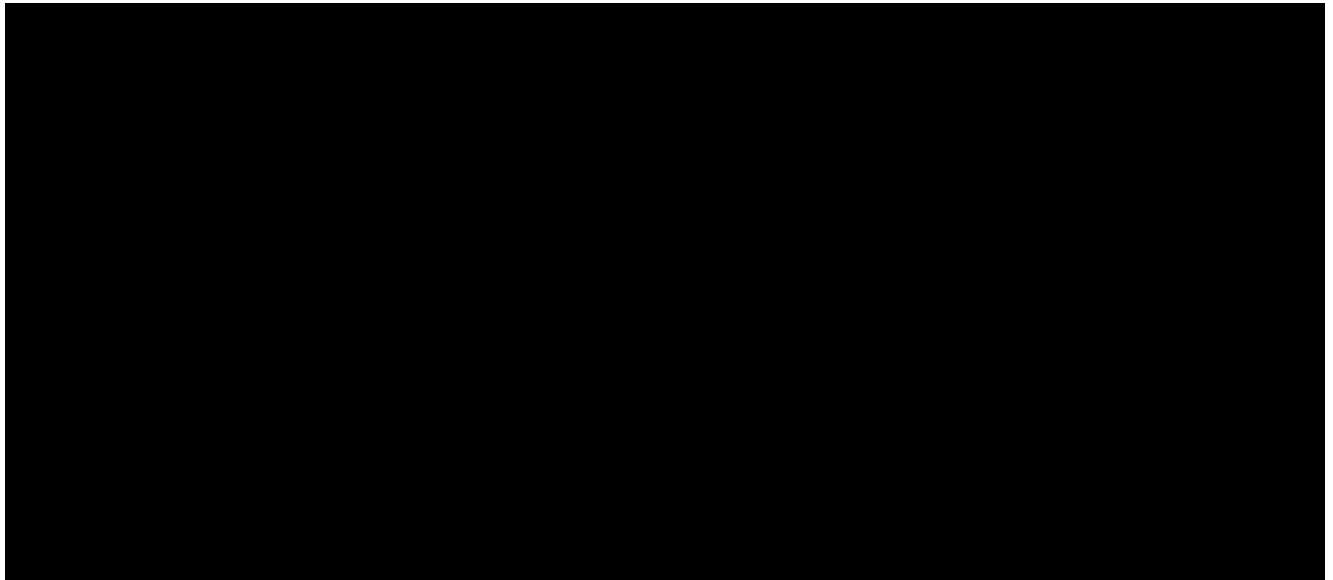
ADDITIONAL INSURANCES

Insurances required in accordance with Joint Schedule 3 (Insurance Requirements)

Not applicable

SOCIAL VALUE COMMITMENT

The Supplier agrees, in providing the Deliverables and performing its obligations under the Order Contract, that it will comply with the social value commitments in Order Schedule 4 (Order Tender)





Crown
Commercial
Service

Core Terms - DPS

1. Definitions used in the contract

Interpret this Contract using Joint Schedule 1 (Definitions).

2. How the contract works

- 2.1 The Supplier is eligible for the award of Order Contracts during the DPS Contract Period.
- 2.2 CCS does not guarantee the Supplier any exclusivity, quantity or value of work under the DPS Contract.
- 2.3 CCS has paid one penny to the Supplier legally to form the DPS Contract. The Supplier acknowledges this payment.
- 2.4 If the Buyer decides to buy Deliverables under the DPS Contract it must use DPS Schedule 7 (Order Procedure) and must state its requirements using DPS Schedule 6 (Order Form Template and Order Schedules). If allowed by the Regulations, the Buyer can:
 - (a) make changes to DPS Schedule 6 (Order Form Template and Order Schedules);
 - (b) create new Order Schedules;
 - (c) exclude optional template Order Schedules; and/or
 - (d) use Special Terms in the Order Form to add or change terms.
- 2.5 Each Order Contract:
 - (a) is a separate Contract from the DPS Contract;
 - (b) is between a Supplier and a Buyer;
 - (c) includes Core Terms, Schedules and any other changes or items in the completed Order Form; and
 - (d) survives the termination of the DPS Contract.
- 2.6 Where the Supplier is approached by any Other Contracting Authority requesting Deliverables or substantially similar goods or services, the Supplier must tell them about this DPS Contract before accepting their order.
- 2.7 The Supplier acknowledges it has all the information required to perform its obligations under each Contract before entering into a Contract. When information is provided by a Relevant Authority no warranty of its accuracy is given to the Supplier.
- 2.8 The Supplier will not be excused from any obligation, or be entitled to additional Costs or Charges because it failed to either:
 - (a) verify the accuracy of the Due Diligence Information; or
 - (b) properly perform its own adequate checks.
- 2.9 CCS and the Buyer will not be liable for errors, omissions or misrepresentation of any information.

- 2.10 The Supplier warrants and represents that all statements made and documents submitted as part of the procurement of Deliverables are and remain true and accurate.
- 2.11 An Order Contract can only be created using the electronic procedures described in the OJEU Notice as required by the Regulations.
- 2.12 A Supplier can only receive Orders under the DPS Contract while it meets the basic access requirements for the DPS stated in the OJEU Notice. CCS can audit whether a Supplier meets the basic access requirements at any point during the DPS Contract Period.

3. What needs to be delivered

3.1 All deliverables

3.1.1 The Supplier must provide Deliverables:

- (a) that comply with the Specification, the DPS Application and, in relation to an Order Contract, the Order Tender (if there is one);
- (b) to a professional standard;
- (c) using reasonable skill and care;
- (d) using Good Industry Practice;
- (e) using its own policies, processes and internal quality control measures as long as they do not conflict with the Contract;
- (f) on the dates agreed; and
- (g) that comply with Law.

3.1.2 The Supplier must provide Deliverables with a warranty of at least 90 days from Delivery against all obvious defects.

3.2 Goods clauses

3.2.1 All Goods delivered must be new, or as new if recycled, unused and of recent origin.

3.2.2 All manufacturer warranties covering the Goods must be assignable to the Buyer on request and for free.

3.2.3 The Supplier transfers ownership of the Goods on Delivery or payment for those Goods, whichever is earlier.

3.2.4 Risk in the Goods transfers to the Buyer on Delivery of the Goods, but remains with the Supplier if the Buyer notices damage following Delivery and lets the Supplier know within 3 Working Days of Delivery.

3.2.5 The Supplier warrants that it has full and unrestricted ownership of the Goods at the time of transfer of ownership.

3.2.6 The Supplier must deliver the Goods on the date and to the specified location during the Buyer's working hours.

- 3.2.7 The Supplier must provide sufficient packaging for the Goods to reach the point of Delivery safely and undamaged.
- 3.2.8 All deliveries must have a delivery note attached that specifies the order number, type and quantity of Goods.
- 3.2.9 The Supplier must provide all tools, information and instructions the Buyer needs to make use of the Goods.
- 3.2.10 The Supplier must indemnify the Buyer against the costs of any Recall of the Goods and give notice of actual or anticipated action about the Recall of the Goods.
- 3.2.11 The Buyer can cancel any order or part order of Goods which has not been Delivered. If the Buyer gives less than 14 days notice then it will pay the Supplier's reasonable and proven costs already incurred on the cancelled order as long as the Supplier takes all reasonable steps to minimise these costs.
- 3.2.12 The Supplier must at its own cost repair, replace, refund or substitute (at the Buyer's option and request) any Goods that the Buyer rejects because they do not conform with Clause 3. If the Supplier does not do this it will pay the Buyer's costs including repair or re-supply by a third party.

3.3 Services clauses

- 3.3.1 Late Delivery of the Services will be a Default of an Order Contract.
- 3.3.2 The Supplier must co-operate with the Buyer and third party suppliers on all aspects connected with the Delivery of the Services and ensure that Supplier Staff comply with any reasonable instructions.
- 3.3.3 The Supplier must at its own risk and expense provide all Supplier Equipment required to Deliver the Services.
- 3.3.4 The Supplier must allocate sufficient resources and appropriate expertise to each Contract.
- 3.3.5 The Supplier must take all reasonable care to ensure performance does not disrupt the Buyer's operations, employees or other contractors.
- 3.3.6 The Supplier must ensure all Services, and anything used to Deliver the Services, are of good quality and free from defects.
- 3.3.7 The Buyer is entitled to withhold payment for partially or undelivered Services, but doing so does not stop it from using its other rights under the Contract.

4. Pricing and payments

- 4.1 In exchange for the Deliverables, the Supplier must invoice the Buyer for the Charges in the Order Form.
- 4.2 CCS must invoice the Supplier for the Management Levy and the Supplier must pay it using the process

in DPS Schedule 5 (Management Levy and Information).

4.3 All Charges and the Management Levy:

- (a) exclude VAT, which is payable on provision of a valid VAT invoice; and
- (b) include all costs connected with the Supply of Deliverables.

4.4 The Buyer must pay the Supplier the Charges within 30 days of receipt by the Buyer of a valid, undisputed invoice, in cleared funds using the payment method and details stated in the Order Form.

4.5 A Supplier invoice is only valid if it:

- (a) includes all appropriate references including the Contract reference number and other details reasonably requested by the Buyer;
- (b) includes a detailed breakdown of Delivered Deliverables and Milestone(s) (if any); and
- (c) does not include any Management Levy (the Supplier must not charge the Buyer in any way for the Management Levy).

4.6 The Buyer must accept and process for payment an undisputed Electronic Invoice received from the Supplier.

4.7 The Buyer may retain or set-off payment of any amount owed to it by the Supplier if notice and reasons are provided.

4.8 The Supplier must ensure that all Subcontractors are paid, in full, within 30 days of receipt of a valid, undisputed invoice. If this does not happen, CCS or the Buyer can publish the details of the late payment or non-payment.

4.9 If CCS or the Buyer can get more favourable commercial terms for the supply at cost of any materials, goods or services used by the Supplier to provide the Deliverables, then CCS or the Buyer may require the Supplier to replace its existing commercial terms with the more favourable terms offered for the relevant items.

4.10 If CCS or the Buyer uses Clause 4.9 then the DPS Pricing (and where applicable, the Charges) must be reduced by an agreed amount by using the Variation Procedure.

4.11 The Supplier has no right of set-off, counterclaim, discount or abatement unless they are ordered to do so by a court.

5. The buyer's obligations to the supplier

5.1 If Supplier Non-Performance arises from an Authority Cause:

- (a) neither CCS or the Buyer can terminate a Contract under Clause 10.4.1;
- (b) the Supplier is entitled to reasonable and proven additional expenses and to relief from liability and

Deduction under this Contract;

- (c) the Supplier is entitled to additional time needed to make the Delivery; and
- (d) the Supplier cannot suspend the ongoing supply of Deliverables.

5.2 Clause 5.1 only applies if the Supplier:

- (a) gives notice to the Party responsible for the Authority Cause within 10 Working Days of becoming aware;
- (b) demonstrates that the Supplier Non-Performance would not have occurred but for the Authority Cause; and
- (c) mitigated the impact of the Authority Cause.

6. Record keeping and reporting

- 6.1 The Supplier must attend Progress Meetings with the Buyer and provide Progress Reports when specified in the Order Form.
- 6.2 The Supplier must keep and maintain full and accurate records and accounts on everything to do with the Contract:
 - (a) during the Contract Period;
 - (b) for 7 years after the End Date; and
 - (c) in accordance with UK GDPR, including but not limited to the records and accounts stated in the definition of Audit in Joint Schedule 1.
- 6.3 The Relevant Authority or an Auditor can Audit the Supplier.
- 6.4 During an Audit, the Supplier must:
 - (a) allow the Relevant Authority or any Auditor access to their premises to verify all contract accounts and records of everything to do with the Contract and provide copies for an Audit; and
 - (b) provide information to the Relevant Authority or to the Auditor and reasonable co-operation at their request.
- 6.5 Where the Audit of the Supplier is carried out by an Auditor, the Auditor shall be entitled to share any information obtained during the Audit with the Relevant Authority.
- 6.6 If the Supplier is not providing any of the Deliverables, or is unable to provide them, it must immediately:
 - (a) tell the Relevant Authority and give reasons;
 - (b) propose corrective action; and
 - (c) provide a deadline for completing the corrective action.

- 6.7 The Supplier must provide CCS with a Self Audit Certificate supported by an audit report at the end of each Contract Year. The report must contain:
- (a) the methodology of the review;
 - (b) the sampling techniques applied;
 - (c) details of any issues; and
 - (d) any remedial action taken.
- 6.8 The Self Audit Certificate must be completed and signed by an auditor or senior member of the Supplier's management team that is qualified in either a relevant audit or financial discipline.

7. Supplier staff

- 7.1 The Supplier Staff involved in the performance of each Contract must:
- (a) be appropriately trained and qualified;
 - (b) be vetted using Good Industry Practice and the Security Policy; and
 - (c) comply with all conduct requirements when on the Buyer's Premises.
- 7.2 Where a Buyer decides one of the Supplier's Staff is not suitable to work on a contract, the Supplier must replace them with a suitably qualified alternative.
- 7.3 If requested, the Supplier must replace any person whose acts or omissions have caused the Supplier to breach Clause 27.
- 7.4 The Supplier must provide a list of Supplier Staff needing to access the Buyer's Premises and say why access is required.
- 7.5 The Supplier indemnifies CCS and the Buyer against all claims brought by any person employed by the Supplier caused by an act or omission of the Supplier or any Supplier Staff.

8. Rights and protection

- 8.1 The Supplier warrants and represents that:
- (a) it has full capacity and authority to enter into and to perform each Contract;
 - (b) each Contract is executed by its authorised representative;
 - (c) it is a legally valid and existing organisation incorporated in the place it was formed;
 - (d) there are no known legal or regulatory actions or investigations before any court, administrative body or arbitration tribunal pending or threatened against it or its Affiliates that might affect its ability to perform each Contract;
 - (e) it maintains all necessary rights, authorisations, licences and consents to perform its obligations under each Contract;
 - (f) it does not have any contractual obligations which are likely to have a material adverse effect on its ability to perform each Contract;

- (g) it is not impacted by an Insolvency Event; and
- (h) it will comply with each Order Contract.

- 8.2 The warranties and representations in Clauses 2.10 and 8.1 are repeated each time the Supplier provides Deliverables under the Contract.
- 8.3 The Supplier indemnifies both CCS and every Buyer against each of the following:
- (a) wilful misconduct of the Supplier, Subcontractor and Supplier Staff that impacts the Contract; and
 - (b) non-payment by the Supplier of any Tax or National Insurance.
- 8.4 All claims indemnified under this Contract must use Clause 26.
- 8.5 The description of any provision of this Contract as a warranty does not prevent CCS or a Buyer from exercising any termination right that it may have for breach of that clause by the Supplier.
- 8.6 If the Supplier becomes aware of a representation or warranty that becomes untrue or misleading, it must immediately notify CCS and every Buyer.
- 8.7 All third party warranties and indemnities covering the Deliverables must be assigned for the Buyer's benefit by the Supplier.

9. Intellectual Property Rights (IPRs)

- 9.1 Each Party keeps ownership of its own Existing IPRs. The Supplier gives the Buyer a non-exclusive, perpetual, royalty-free, irrevocable, transferable worldwide licence to use, change and sub-license the Supplier's Existing IPR to enable it to both:
- (a) receive and use the Deliverables; and
 - (b) make use of the deliverables provided by a Replacement Supplier.
- 9.2 Any New IPR created under a Contract is owned by the Buyer. The Buyer gives the Supplier a licence to use any Existing IPRs and New IPRs for the purpose of fulfilling its obligations during the Contract Period.
- 9.3 Where a Party acquires ownership of IPRs incorrectly under this Contract it must do everything reasonably necessary to complete a transfer assigning them in writing to the other Party on request and at its own cost.
- 9.4 Neither Party has the right to use the other Party's IPRs, including any use of the other Party's names, logos or trademarks, except as provided in Clause 9 or otherwise agreed in writing.
- 9.5 If there is an IPR Claim, the Supplier indemnifies CCS and each Buyer against all losses, damages, costs or expenses (including professional fees and fines) incurred as a result.
- 9.6 If an IPR Claim is made or anticipated the Supplier must at its own expense and the Buyer's sole option,

either:

- (a) obtain for CCS and the Buyer the rights in Clause 9.1 and 9.2 without infringing any third party IPR; or
- (b) replace or modify the relevant item with substitutes that do not infringe IPR without adversely affecting the functionality or performance of the Deliverables.

9.7 In spite of any other provisions of a Contract and for the avoidance of doubt, award of a Contract by the Buyer and placement of any contract task under it does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949. The Supplier acknowledges that any authorisation by the Buyer under its statutory powers must be expressly provided in writing, with reference to the acts authorised and the specific IPR involved.

10. Ending the contract or any subcontract

10.1 Contract Period

10.1.1 The Contract takes effect on the Start Date and ends on the End Date or earlier if required by Law.

10.1.2 The Relevant Authority can extend the Contract for the Extension Period by giving the Supplier no less than 3 Months' written notice before the Contract expires.

10.2 Ending the contract without a reason

10.2.1 CCS has the right to terminate the DPS Contract at any time without reason by giving the Supplier at least 30 days' notice.

10.2.2 Each Buyer has the right to terminate their Order Contract at any time without reason by giving the Supplier not less than 90 days' written notice.

10.3 Rectification plan process

10.3.1 If there is a Default, the Relevant Authority may, without limiting its other rights, request that the Supplier provide a Rectification Plan.

10.3.2 When the Relevant Authority receives a requested Rectification Plan it can either:

- (a) reject the Rectification Plan or revised Rectification Plan, giving reasons; or
- (b) accept the Rectification Plan or revised Rectification Plan (without limiting its rights) and the Supplier must immediately start work on the actions in the Rectification Plan at its own cost, unless agreed otherwise by the Parties.

10.3.3 Where the Rectification Plan or revised Rectification Plan is rejected, the Relevant Authority:

- (a) must give reasonable grounds for its decision; and
- (b) may request that the Supplier provides a revised Rectification Plan within 5 Working Days.

10.3.4 If the Relevant Authority rejects any Rectification Plan, including any revised Rectification Plan, the Relevant Authority does not have to request a revised Rectification Plan before exercising its right to terminate its Contract under Clause 10.4.3(a).

10.4 When CCS or the buyer can end a contract

10.4.1 If any of the following events happen, the Relevant Authority has the right to immediately terminate its Contract by issuing a Termination Notice to the Supplier:

- (a) there is a Supplier Insolvency Event;
- (b) there is a Default that is not corrected in line with an accepted Rectification Plan;
- (c) the Supplier does not provide a Rectification Plan within 10 days of the request;
- (d) there is any material Default of the Contract;
- (e) there is any material Default of any Joint Controller Agreement relating to any Contract;
- (f) there is a Default of Clauses 2.10, 9, 14, 15, 27, 32 or DPS Schedule 9 (Cyber Essentials) (where applicable) relating to any Contract;
- (g) there is a consistent repeated failure to meet the Performance Indicators in DPS Schedule 4 (DPS Management);
- (h) there is a Change of Control of the Supplier which is not pre-approved by the Relevant Authority in writing;
- (i) if the Relevant Authority discovers that the Supplier was in one of the situations in 57 (1) or 57(2) of the Regulations at the time the Contract was awarded; or
- (j) the Supplier or its Affiliates embarrass or bring CCS or the Buyer into disrepute or diminish the public trust in them.

10.4.2 CCS may terminate the DPS Contract if a Buyer terminates an Order Contract for any of the reasons listed in Clause 10.4.1.

10.4.3 If any of the following non-fault based events happen, the Relevant Authority has the right to immediately terminate its Contract by issuing a Termination Notice to the Supplier:

- (a) the Relevant Authority rejects a Rectification Plan;
- (b) there is a Variation which cannot be agreed using Clause 24 (Changing the contract) or resolved using Clause 34 (Resolving disputes);
- (c) if there is a declaration of ineffectiveness in respect of any Variation; or
- (d) any of the events in 73 (1) (a) or (c) of the Regulations happen.

10.5 When the supplier can end the contract

The Supplier can issue a Reminder Notice if the Buyer does not pay an undisputed invoice on time. The Supplier can terminate an Order Contract if the Buyer fails to pay an undisputed invoiced sum due and worth over 10% of the annual Contract Value within 30 days of the date of the Reminder Notice.

10.6 What happens if the contract ends

10.6.1 Where a Party terminates a Contract under any of Clauses 10.2.1, 10.2.2, 10.4.1, 10.4.2, 10.4.3, 10.5 or

20.2 or a Contract expires all of the following apply:

- (a) The Buyer's payment obligations under the terminated Contract stop immediately.
- (b) Accumulated rights of the Parties are not affected.
- (c) The Supplier must promptly repay to the Buyer any and all Charges the Buyer has paid in advance in respect of Deliverables not provided by the Supplier as at the End Date.
- (d) The Supplier must promptly delete or return the Government Data except where required to retain copies by Law.
- (e) The Supplier must promptly return any of CCS or the Buyer's property provided under the terminated Contract.
- (f) The Supplier must, at no cost to CCS or the Buyer, co-operate fully in the handover and re-procurement (including to a Replacement Supplier).

10.6.2 In addition to the consequences of termination listed in Clause 10.6.1, where the Relevant Authority terminates a Contract under Clause 10.4.1 the Supplier is also responsible for the Relevant Authority's reasonable costs of procuring Replacement Deliverables for the rest of the Contract Period.

10.6.3 In addition to the consequences of termination listed in Clause 10.6.1, if either the Relevant Authority terminates a Contract under Clause 10.2.1 or 10.2.2 or a Supplier terminates an Order Contract under Clause 10.5:

- (a) the Buyer must promptly pay all outstanding Charges incurred to the Supplier; and
- (b) the Buyer must pay the Supplier reasonable committed and unavoidable Losses as long as the Supplier provides a fully itemised and costed schedule with evidence - the maximum value of this payment is limited to the total sum payable to the Supplier if the Contract had not been terminated.

10.6.4 In addition to the consequences of termination listed in Clause 10.6.1, where a Party terminates under Clause 20.2 each Party must cover its own Losses.

10.6.5 The following Clauses survive the termination or expiry of each Contract: 3.2.10, 4.2, 6, 7.5, 9, 11, 12.2, 14, 15, 16, 17, 18, 31.3, 34, 35 and any Clauses and Schedules which are expressly or by implication intended to continue.

10.7 Partially ending and suspending the contract

10.7.1 Where CCS has the right to terminate the DPS Contract it can suspend the Supplier's ability to accept Orders (for any period) and the Supplier cannot enter into any new Order Contracts during this period. If this happens, the Supplier must still meet its obligations under any existing Order Contracts that have already been signed.

10.7.2 Where CCS has the right to terminate a DPS Contract it is entitled to terminate all or part of it.

10.7.3 Where the Buyer has the right to terminate an Order Contract it can terminate or suspend (for any period), all or part of it. If the Buyer suspends a Contract it can provide the Deliverables itself or buy them from a third party.

10.7.4 The Relevant Authority can only partially terminate or suspend a Contract if the remaining parts of that Contract can still be used to effectively deliver the intended purpose.

10.7.5 The Parties must agree any necessary Variation required by Clause 10.7 using the Variation Procedure, but the Supplier may not either:

- (a) reject the Variation; or
- (b) increase the Charges, except where the right to partial termination is under Clause 10.2.

10.7.6 The Buyer can still use other rights available, or subsequently available to it if it acts on its rights under Clause 10.7.

10.8 When subcontracts can be ended

At the Buyer's request, the Supplier must terminate any Subcontracts in any of the following events:

- (a) there is a Change of Control of a Subcontractor which is not pre-approved by the Relevant Authority in writing;
- (b) the acts or omissions of the Subcontractor have caused or materially contributed to a right of termination under Clause 10.4; or
- (c) a Subcontractor or its Affiliates embarrasses or brings into disrepute or diminishes the public trust in the Relevant Authority.

11. How much you can be held responsible for

11.1 Each Party's total aggregate liability in each Contract Year under this DPS Contract (whether in tort, contract or otherwise) is no more than £1,000,000.

11.2 Each Party's total aggregate liability in each Contract Year under each Order Contract (whether in tort, contract or otherwise) is no more than the greater of £5 million or 150% of the Estimated Yearly Charges unless specified in the Order Form.

11.3 No Party is liable to the other for:

- (a) any indirect Losses; or
- (b) Loss of profits, turnover, savings, business opportunities or damage to goodwill (in each case whether direct or indirect).

11.4 In spite of Clause 11.1 and 11.2, neither Party limits or excludes any of the following:

- (a) its liability for death or personal injury caused by its negligence, or that of its employees, agents or Subcontractors;
- (b) its liability for bribery or fraud or fraudulent misrepresentation by it or its employees;
- (c) any liability that cannot be excluded or limited by Law;

(d) its obligation to pay the required Management Levy or Default Management Levy.

- 11.5 In spite of Clauses 11.1 and 11.2, the Supplier does not limit or exclude its liability for any indemnity given under Clauses 7.5, 8.3(b), 9.5, 31.3 or Order Schedule 2 (Staff Transfer) of a Contract.
- 11.6 In spite of Clauses 11.1, 11.2 but subject to Clauses 11.3 and 11.4, the Supplier's aggregate liability in each and any Contract Year under each Contract under Clause 14.8 shall in no event exceed the Data Protection Liability Cap.
- 11.7 Each Party must use all reasonable endeavours to mitigate any Loss or damage which it suffers under or in connection with each Contract, including any indemnities.
- 11.8 When calculating the Supplier's liability under Clause 11.1 or 11.2 the following items will not be taken into consideration:
- (a) Deductions; and
 - (b) any items specified in Clauses 11.5 or 11.6.
- 11.9 If more than one Supplier is party to a Contract, each Supplier Party is jointly and severally liable for their obligations under that Contract.

12. Obeying the law

- 12.1 The Supplier must use reasonable endeavours to comply with the provisions of Joint Schedule 5 (Corporate Social Responsibility).
- 12.2 To the extent that it arises as a result of a Default by the Supplier, the Supplier indemnifies the Relevant Authority against any fine or penalty incurred by the Relevant Authority pursuant to Law and any costs incurred by the Relevant Authority in defending any proceedings which result in such fine or penalty.
- 12.3 The Supplier must appoint a Compliance Officer who must be responsible for ensuring that the Supplier complies with Law, Clause 12.1 and Clauses 27 to 32.

13. Insurance

The Supplier must, at its own cost, obtain and maintain the Required Insurances in Joint Schedule 3 (Insurance Requirements) and any Additional Insurances in the Order Form.

14. Data protection

- 14.1 The Supplier must process Personal Data and ensure that Supplier Staff process Personal Data only in accordance with Joint Schedule 11 (Processing Data).
- 14.2 The Supplier must not remove any ownership or security notices in or relating to the Government Data.

- 14.3 The Supplier must make accessible back-ups of all Government Data, stored in an agreed off-site location and send the Buyer copies every 6 Months.
- 14.4 The Supplier must ensure that any Supplier system holding any Government Data, including back-up data, is a secure system that complies with the Security Policy and any applicable Security Management Plan.
- 14.5 If at any time the Supplier suspects or has reason to believe that the Government Data provided under a Contract is corrupted, lost or sufficiently degraded, then the Supplier must notify the Relevant Authority and immediately suggest remedial action.
- 14.6 If the Government Data is corrupted, lost or sufficiently degraded so as to be unusable the Relevant Authority may either or both:
- (a) tell the Supplier to restore or get restored Government Data as soon as practical but no later than 5 Working Days from the date that the Relevant Authority receives notice, or the Supplier finds out about the issue, whichever is earlier; and/or
 - (b) restore the Government Data itself or using a third party.
- 14.7 The Supplier must pay each Party's reasonable costs of complying with Clause 14.6 unless CCS or the Buyer is at fault.
- 14.8 The Supplier:
- (a) must provide the Relevant Authority with all Government Data in an agreed open format within 10 Working Days of a written request;
 - (b) must have documented processes to guarantee prompt availability of Government Data if the Supplier stops trading;
 - (c) must securely destroy all Storage Media that has held Government Data at the end of life of that media using Good Industry Practice;
 - (d) securely erase all Government Data and any copies it holds when asked to do so by CCS or the Buyer unless required by Law to retain it; and
 - (e) indemnifies CCS and each Buyer against any and all Losses incurred if the Supplier breaches Clause 14 and any Data Protection Legislation.

15. What you must keep confidential

- 15.1 Each Party must:
- (a) keep all Confidential Information it receives confidential and secure;
 - (b) except as expressly set out in the Contract at Clauses 15.2 to 15.4 or elsewhere in the Contract, not disclose, use or exploit the Disclosing Party's Confidential Information without the Disclosing Party's prior written consent; and
 - (c) immediately notify the Disclosing Party if it suspects unauthorised access, copying, use or disclosure of the Confidential Information.

15.2 In spite of Clause 15.1, a Party may disclose Confidential Information which it receives from the Disclosing Party in any of the following instances:

- (a) where disclosure is required by applicable Law or by a court with the relevant jurisdiction if, to the extent not prohibited by Law, the Recipient Party notifies the Disclosing Party of the full circumstances, the affected Confidential Information and extent of the disclosure;
- (b) if the Recipient Party already had the information without obligation of confidentiality before it was disclosed by the Disclosing Party;
- (c) if the information was given to it by a third party without obligation of confidentiality;
- (d) if the information was in the public domain at the time of the disclosure;
- (e) if the information was independently developed without access to the Disclosing Party's Confidential Information;
- (f) on a confidential basis, to its auditors;
- (g) on a confidential basis, to its professional advisers on a need-to-know basis; or
- (h) to the Serious Fraud Office where the Recipient Party has reasonable grounds to believe that the Disclosing Party is involved in activity that may be a criminal offence under the Bribery Act 2010.

15.3 In spite of Clause 15.1, the Supplier may disclose Confidential Information on a confidential basis to Supplier Staff on a need-to-know basis to allow the Supplier to meet its obligations under the Contract. The Supplier Staff must enter into a direct confidentiality agreement with the Relevant Authority at its request.

15.4 In spite of Clause 15.1, CCS or the Buyer may disclose Confidential Information in any of the following cases:

- (a) on a confidential basis to the employees, agents, consultants and contractors of CCS or the Buyer;
- (b) on a confidential basis to any other Central Government Body, any successor body to a Central Government Body or any company that CCS or the Buyer transfers or proposes to transfer all or any part of its business to;
- (c) if CCS or the Buyer (acting reasonably) considers disclosure necessary or appropriate to carry out its public functions;
- (d) where requested by Parliament; or
- (e) under Clauses 4.7 and 16.

15.5 For the purposes of Clauses 15.2 to 15.4 references to disclosure on a confidential basis means disclosure under a confidentiality agreement or arrangement including terms as strict as those required in Clause 15.

15.6 Transparency Information is not Confidential Information.

15.7 The Supplier must not make any press announcement or publicise the Contracts or any part of them in any way, without the prior written consent of the Relevant Authority and must take all reasonable steps to ensure that Supplier Staff do not either.

16. When you can share information

- 16.1 The Supplier must tell the Relevant Authority within 48 hours if it receives a Request For Information.
- 16.2 Within five (5) Working Days of the Buyer's request the Supplier must give CCS and each Buyer full co-operation and information needed so the Buyer can:
- (a) publish the Transparency Information;
 - (b) comply with any Freedom of Information Act (FOIA) request; and/or
 - (c) comply with any Environmental Information Regulations (EIR) request.
- 16.3 The Relevant Authority may talk to the Supplier to help it decide whether to publish information under Clause 16. However, the extent, content and format of the disclosure is the Relevant Authority's decision in its absolute discretion.

17. Invalid parts of the contract

If any part of a Contract is prohibited by Law or judged by a court to be unlawful, void or unenforceable, it must be read as if it was removed from that Contract as much as required and rendered ineffective as far as possible without affecting the rest of the Contract, whether it is valid or enforceable.

18. No other terms apply

The provisions incorporated into each Contract are the entire agreement between the Parties. The Contract replaces all previous statements, agreements and any course of dealings made between the Parties, whether written or oral, in relation to its subject matter. No other provisions apply.

19. Other people's rights in a contract

No third parties may use the Contracts (Rights of Third Parties) Act 1999 (CRTPA) to enforce any term of the Contract unless stated (referring to CRTPA) in the Contract. This does not affect third party rights and remedies that exist independently from CRTPA.

20. Circumstances beyond your control

- 20.1 Any Party affected by a Force Majeure Event is excused from performing its obligations under a Contract while the inability to perform continues, if it both:
- (a) provides a Force Majeure Notice to the other Party; and
 - (b) uses all reasonable measures practical to reduce the impact of the Force Majeure Event.
- 20.2 Either Party can partially or fully terminate the affected Contract if the provision of the Deliverables is materially affected by a Force Majeure Event which lasts for 90 days continuously.

21. Relationships created by the contract

No Contract creates a partnership, joint venture or employment relationship. The Supplier must represent themselves accordingly and ensure others do so.

22. Giving up contract rights

A partial or full waiver or relaxation of the terms of a Contract is only valid if it is stated to be a waiver in writing to the other Party.

23. Transferring responsibilities

- 23.1 The Supplier cannot assign, novate or transfer a Contract or any part of a Contract without the Relevant Authority's written consent.
- 23.2 The Relevant Authority can assign, novate or transfer its Contract or any part of it to any Central Government Body, public or private sector body which performs the functions of the Relevant Authority.
- 23.3 When CCS or the Buyer uses its rights under Clause 23.2 the Supplier must enter into a novation agreement in the form that CCS or the Buyer specifies.
- 23.4 The Supplier can terminate a Contract novated under Clause 23.2 to a private sector body that is experiencing an Insolvency Event.
- 23.5 The Supplier remains responsible for all acts and omissions of the Supplier Staff as if they were its own.
- 23.6 If CCS or the Buyer asks the Supplier for details about Subcontractors, the Supplier must provide details of Subcontractors at all levels of the supply chain including:
 - (a) their name;
 - (b) the scope of their appointment; and
 - (c) the duration of their appointment.

24. Changing the contract

- 24.1 Either Party can request a Variation which is only effective if agreed in writing and signed by both Parties.
- 24.2 The Supplier must provide an Impact Assessment either:
 - (a) with the Variation Form, where the Supplier requests the Variation; or
 - (b) within the time limits included in a Variation Form requested by CCS or the Buyer.
- 24.3 If the Variation cannot be agreed or resolved by the Parties, CCS or the Buyer can either:
 - (a) agree that the Contract continues without the Variation; or

- (b) terminate the affected Contract, unless in the case of an Order Contract, the Supplier has already provided part or all of the provision of the Deliverables, or where the Supplier can show evidence of substantial work being carried out to provide them; or
- (c) refer the Dispute to be resolved using Clause 34 (Resolving Disputes).

24.4 CCS and the Buyer are not required to accept a Variation request made by the Supplier.

24.5 If there is a General Change in Law, the Supplier must bear the risk of the change and is not entitled to ask for an increase to the DPS Pricing or the Charges.

24.6 If there is a Specific Change in Law or one is likely to happen during the Contract Period the Supplier must give CCS and the Buyer notice of the likely effects of the changes as soon as reasonably practical. They must also say if they think any Variation is needed either to the Deliverables, DPS Pricing or a Contract and provide evidence:

- (a) that the Supplier has kept costs as low as possible, including in Subcontractor costs; and
- (b) of how it has affected the Supplier's costs.

24.7 Any change in the DPS Pricing or relief from the Supplier's obligations because of a Specific Change in Law must be implemented using Clauses 24.1 to 24.4.

24.8 For 101(5) of the Regulations, if the Court declares any Variation ineffective, the Parties agree that their mutual rights and obligations will be regulated by the terms of the Contract as they existed immediately prior to that Variation and as if the Parties had never entered into that Variation.

25. How to communicate about the contract

25.1 All notices under the Contract must be in writing and are considered effective on the Working Day of delivery as long as they are delivered before 5:00pm on a Working Day. Otherwise the notice is effective on the next Working Day. An email is effective at 9:00am on the first Working Day after sending unless an error message is received.

25.2 Notices to CCS must be sent to the CCS Authorised Representative's address or email address indicated on the Platform.

25.3 Notices to the Buyer must be sent to the Buyer Authorised Representative's address or email address in the Order Form.

25.4 This Clause does not apply to the service of legal proceedings or any documents in any legal action, arbitration or dispute resolution.

26. Dealing with claims

26.1 If a Beneficiary is notified of a Claim then it must notify the Indemnifier as soon as reasonably practical and no later than 10 Working Days.

26.2 At the Indemnifier's cost the Beneficiary must both:

- (a) allow the Indemnifier to conduct all negotiations and proceedings to do with a Claim; and
- (b) give the Indemnifier reasonable assistance with the claim if requested.

26.3 The Beneficiary must not make admissions about the Claim without the prior written consent of the Indemnifier which can not be unreasonably withheld or delayed.

26.4 The Indemnifier must consider and defend the Claim diligently using competent legal advisors and in a way that does not damage the Beneficiary's reputation.

26.5 The Indemnifier must not settle or compromise any Claim without the Beneficiary's prior written consent which it must not unreasonably withhold or delay.

26.6 Each Beneficiary must take all reasonable steps to minimise and mitigate any losses that it suffers because of the Claim.

26.7 If the Indemnifier pays the Beneficiary money under an indemnity and the Beneficiary later recovers money which is directly related to the Claim, the Beneficiary must immediately repay the Indemnifier the lesser of either:

- (a) the sum recovered minus any legitimate amount spent by the Beneficiary when recovering this money; or
- (b) the amount the Indemnifier paid the Beneficiary for the Claim.

27. Preventing fraud, bribery and corruption

27.1 The Supplier must not during any Contract Period:

- (a) commit a Prohibited Act or any other criminal offence in the Regulations 57(1) and 57(2); or
- (b) do or allow anything which would cause CCS or the Buyer, including any of their employees, consultants, contractors, Subcontractors or agents to breach any of the Relevant Requirements or incur any liability under them.

27.2 The Supplier must during the Contract Period:

- (a) create, maintain and enforce adequate policies and procedures to ensure it complies with the Relevant Requirements to prevent a Prohibited Act and require its Subcontractors to do the same;
- (b) keep full records to show it has complied with its obligations under Clause 27 and give copies to CCS or the Buyer on request; and
- (c) if required by the Relevant Authority, within 20 Working Days of the Start Date of the relevant Contract, and then annually, certify in writing to the Relevant Authority, that they have complied with Clause 27, including compliance of Supplier Staff, and provide reasonable supporting evidence of this on request, including its policies and procedures.

- 27.3 The Supplier must immediately notify CCS and the Buyer if it becomes aware of any breach of Clauses 27.1 or 27.2 or has any reason to think that it, or any of the Supplier Staff, has either:
- (a) been investigated or prosecuted for an alleged Prohibited Act;
 - (b) been debarred, suspended, proposed for suspension or debarment, or is otherwise ineligible to take part in procurement programmes or contracts because of a Prohibited Act by any government department or agency;
 - (c) received a request or demand for any undue financial or other advantage of any kind related to a Contract; or
 - (d) suspected that any person or Party directly or indirectly related to a Contract has committed or attempted to commit a Prohibited Act.
- 27.4 If the Supplier notifies CCS or the Buyer as required by Clause 27.3, the Supplier must respond promptly to their further enquiries, co-operate with any investigation and allow the Audit of any books, records and relevant documentation.
- 27.5 In any notice the Supplier gives under Clause 27.3 it must specify the:
- (a) Prohibited Act;
 - (b) identity of the Party who it thinks has committed the Prohibited Act; and
 - (c) action it has decided to take.

28. Equality, diversity and human rights

- 28.1 The Supplier must follow all applicable equality Law when they perform their obligations under the Contract, including:
- (a) protections against discrimination on the grounds of race, sex, gender reassignment, religion or belief, disability, sexual orientation, pregnancy, maternity, age or otherwise; and
 - (b) any other requirements and instructions which CCS or the Buyer reasonably imposes related to equality Law.
- 28.2 The Supplier must take all necessary steps, and inform CCS or the Buyer of the steps taken, to prevent anything that is considered to be unlawful discrimination by any court or tribunal, or the Equality and Human Rights Commission (or any successor organisation) when working on a Contract.

29. Health and safety

- 29.1 The Supplier must perform its obligations meeting the requirements of:
- (a) all applicable Law regarding health and safety; and
 - (b) the Buyer's current health and safety policy while at the Buyer's Premises, as provided to the Supplier.
- 29.2 The Supplier and the Buyer must as soon as possible notify the other of any health and safety incidents

or material hazards they are aware of at the Buyer Premises that relate to the performance of a Contract.

30. Environment

- 30.1 When working on Site the Supplier must perform its obligations under the Buyer's current Environmental Policy, which the Buyer must provide.
- 30.2 The Supplier must ensure that Supplier Staff are aware of the Buyer's Environmental Policy.

31. Tax

- 31.1 The Supplier must not breach any Tax or social security obligations and must enter into a binding agreement to pay any late contributions due, including where applicable, any interest or any fines. CCS and the Buyer cannot terminate a Contract where the Supplier has not paid a minor Tax or social security contribution.
- 31.2 Where the Charges payable under a Contract with the Buyer are or are likely to exceed £5 million at any point during the relevant Contract Period, and an Occasion of Tax Non-Compliance occurs, the Supplier must notify CCS and the Buyer of it within 5 Working Days including:
 - (a) the steps that the Supplier is taking to address the Occasion of Tax Non-Compliance and any mitigating factors that it considers relevant; and
 - (b) other information relating to the Occasion of Tax Non-Compliance that CCS and the Buyer may reasonably need.
- 31.3 Where the Supplier or any Supplier Staff are liable to be taxed or to pay National Insurance contributions in the UK relating to payment received under an Order Contract, the Supplier must both:
 - (a) comply with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax, the Social Security Contributions and Benefits Act 1992 (including IR35) and National Insurance contributions; and
 - (b) indemnify the Buyer against any Income Tax, National Insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made during or after the Contract Period in connection with the provision of the Deliverables by the Supplier or any of the Supplier Staff.
- 31.4 If any of the Supplier Staff are Workers who receive payment relating to the Deliverables, then the Supplier must ensure that its contract with the Worker contains the following requirements:
 - (a) the Buyer may, at any time during the Contract Period, request that the Worker provides information which demonstrates they comply with Clause 31.3, or why those requirements do not apply, the Buyer can specify the information the Worker must provide and the deadline for responding;
 - (b) the Worker's contract may be terminated at the Buyer's request if the Worker fails to provide the

information requested by the Buyer within the time specified by the Buyer;

- (c) the Worker's contract may be terminated at the Buyer's request if the Worker provides information which the Buyer considers is not good enough to demonstrate how it complies with Clause 31.3 or confirms that the Worker is not complying with those requirements; and
- (d) the Buyer may supply any information they receive from the Worker to HMRC for revenue collection and management.

32. Conflict of interest

- 32.1 The Supplier must take action to ensure that neither the Supplier nor the Supplier Staff are placed in the position of an actual or potential Conflict of Interest.
- 32.2 The Supplier must promptly notify and provide details to CCS and each Buyer if a Conflict of Interest happens or is expected to happen.
- 32.3 CCS and each Buyer can terminate its Contract immediately by giving notice in writing to the Supplier or take any steps it thinks are necessary where there is or may be an actual or potential Conflict of Interest.

33. Reporting a breach of the contract

- 33.1 As soon as it is aware of it the Supplier and Supplier Staff must report to CCS or the Buyer any actual or suspected breach of:
 - (a) Law;
 - (b) Clause 12.1; or
 - (c) Clauses 27 to 32.
- 33.2 The Supplier must not retaliate against any of the Supplier Staff who in good faith reports a breach listed in Clause 33.1 to the Buyer or a Prescribed Person.

34. Resolving disputes

- 34.1 If there is a Dispute, the senior representatives of the Parties who have authority to settle the Dispute will, within 28 days of a written request from the other Party, meet in good faith to resolve the Dispute.
- 34.2 If the Dispute is not resolved at that meeting, the Parties can attempt to settle it by mediation using the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure current at the time of the Dispute. If the Parties cannot agree on a mediator, the mediator will be nominated by CEDR. If either Party does not wish to use, or continue to use mediation, or mediation does not resolve the Dispute, the Dispute must be resolved using Clauses 34.3 to 34.5.
- 34.3 Unless the Relevant Authority refers the Dispute to arbitration using Clause 34.4, the Parties irrevocably agree that the courts of England and Wales have the exclusive jurisdiction to:
 - (a) determine the Dispute;
 - (b) grant interim remedies; and/or

(c) grant any other provisional or protective relief.

- 34.4 The Supplier agrees that the Relevant Authority has the exclusive right to refer any Dispute to be finally resolved by arbitration under the London Court of International Arbitration Rules current at the time of the Dispute. There will be only one arbitrator. The seat or legal place of the arbitration will be London and the proceedings will be in English.
- 34.5 The Relevant Authority has the right to refer a Dispute to arbitration even if the Supplier has started or has attempted to start court proceedings under Clause 34.3, unless the Relevant Authority has agreed to the court proceedings or participated in them. Even if court proceedings have started, the Parties must do everything necessary to ensure that the court proceedings are stayed in favour of any arbitration proceedings if they are started under Clause 34.4.
- 34.6 The Supplier cannot suspend the performance of a Contract during any Dispute.

35. Which law applies

This Contract and any Disputes arising out of, or connected to it, are governed by English law.

Joint Schedule 1 (Definitions)

- 1.1 In each Contract, unless the context otherwise requires, capitalised expressions shall have the meanings set out in this Joint Schedule 1 (Definitions) or the relevant Schedule in which that capitalised expression appears.
- 1.2 If a capitalised expression does not have an interpretation in this Schedule or any other Schedule, it shall, in the first instance, be interpreted in accordance with the common interpretation within the relevant market sector/industry where appropriate. Otherwise, it shall be interpreted in accordance with the dictionary meaning.
- 1.3 In each Contract, unless the context otherwise requires:
- 1.3.1 the singular includes the plural and vice versa;
 - 1.3.2 reference to a gender includes the other gender and the neuter;
 - 1.3.3 references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Central Government Body;
 - 1.3.4 a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;
 - 1.3.5 the words "**including**", "**other**", "**in particular**", "**for example**" and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words "**without limitation**";
 - 1.3.6 references to "**writing**" include typing, printing, lithography, photography, display on a screen, electronic and facsimile transmission and other modes of representing or reproducing words in a visible form, and expressions referring to writing shall be construed accordingly;
 - 1.3.7 references to "**representations**" shall be construed as references to present facts, to "**warranties**" as references to present and future facts and to "**undertakings**" as references to obligations under the Contract;
 - 1.3.8 references to "**Clauses**" and "**Schedules**" are, unless otherwise provided, references to the clauses and schedules of the Core Terms and references in any Schedule to parts, paragraphs, annexes and tables are, unless otherwise provided, references to the parts, paragraphs, annexes and tables of the Schedule in which these references appear;
 - 1.3.9 references to "**Paragraphs**" are, unless otherwise provided, references to the paragraph of the appropriate Schedules unless otherwise ;
 - 1.3.10 references to a series of Clauses or Paragraphs shall be inclusive of the clause numbers specified;
 - 1.3.11 the headings in each Contract are for ease of reference only and shall not affect the interpretation or construction of a Contract;

Joint Schedule 1 (Definitions)

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1.3.12 in entering into a Contract the Relevant Authority is acting as part of the Crown; and

1.3.13 any reference in a Contract which immediately before Exit Day was a reference to (as it has effect from time to time):

- (a) any EU regulation, EU decision, EU tertiary legislation or provision of the EEA agreement ("**EU References**") which is to form part of domestic law by application of section 3 of the European Union (Withdrawal) Act 2018 shall be read on and after Exit Day as a reference to the EU References as they form part of domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018 as modified by domestic law from time to time; and
- (b) any EU institution or EU authority or other such EU body shall be read on and after Exit Day as a reference to the UK institution, authority or body to which its functions were transferred.

1.3.14 unless otherwise provided, references to "**Buyer**" shall be construed as including Exempt Buyers; and

1.3.15 unless otherwise provided, references to "**Order Contract**" and "**Contract**" shall be construed as including Exempt Order Contracts.

1.4 In each Contract, unless the context otherwise requires, the following words shall have the following meanings:

"Accounting Reference Date"	means in each year the date to which the Supplier prepares its annual audited financial statements;
"Achieve"	in respect of a Test, to successfully pass such Test without any Test Issues and in respect of a Milestone, the issue of a Satisfaction Certificate in respect of that Milestone and " Achieved ", " Achieving " and " Achievement " shall be construed accordingly;
"Additional Insurances"	insurance requirements relating to an Order Contract specified in the Order Form additional to those outlined in Joint Schedule 3 (Insurance Requirements);
"Admin Fee"	means the costs incurred by CCS in dealing with MI Failures calculated in accordance with the tariff of administration charges published by the CCS on: http://CCS.cabinetoffice.gov.uk/i-am-supplier/management-information/admin-fees ;
"Affected Party"	the Party seeking to claim relief in respect of a Force Majeure Event;
"Affiliates"	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 of that body corporate from time to time;

"Annex"	extra information which supports a Schedule;
"Approval"	the prior written consent of the Buyer and "Approve" and "Approved" shall be construed accordingly;
"Audit"	the Relevant Authority's right to: a) verify the accuracy of the Charges and any other amounts payable by a Buyer under an Order Contract (including proposed or actual variations to them in accordance with the Contract); b) verify the costs of the Supplier (including the costs of all Subcontractors and any third party suppliers) in connection with the provision of the Services; c) verify the Open Book Data; d) verify the Supplier's and each Subcontractor's compliance with the Contract and applicable Law; e) identify or investigate actual or suspected breach of Clauses 27 to 33 and/or Joint Schedule 5 (Corporate Social Responsibility), impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Relevant Authority shall have no obligation to inform the Supplier of the purpose or objective of its investigations; f) identify or investigate any circumstances which may impact upon the financial stability of the Supplier, any Guarantor, and/or any Subcontractors or their ability to provide the Deliverables; g) obtain such information as is necessary to fulfil the Relevant Authority's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General; h) review any books of account and the internal contract management accounts kept by the Supplier in connection with each Contract; i) carry out the Relevant Authority's internal and statutory audits and to prepare, examine and/or certify the Relevant Authority's annual and interim reports and accounts; j) enable the National Audit Office to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Relevant Authority has used its resources; or k) verify the accuracy and completeness of any Management Information delivered or required by the DPS Contract;

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"Auditor"	a) the Relevant Authority's internal and external auditors; b) the Relevant Authority's statutory or regulatory auditors; c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office; d) HM Treasury or the Cabinet Office; e) any party formally appointed by the Relevant Authority to carry out audit or similar review functions; and f) successors or assigns of any of the above;
"Authority"	CCS and each Buyer;
"Authority Cause"	any breach of the obligations of the Relevant Authority or any other default, act, omission, negligence or statement of the Relevant Authority, of its employees, servants, agents in connection with or in relation to the subject-matter of the Contract and in respect of which the Relevant Authority is liable to the Supplier;
"BACS"	the Bankers' Automated Clearing Services, which is a scheme for the electronic processing of financial transactions within the United Kingdom;
"Beneficiary"	a Party having (or claiming to have) the benefit of an indemnity under this Contract;
"Buyer"	the relevant public sector purchaser identified as such in the Order Form;
"Buyer Assets"	the Buyer's infrastructure, data, software, materials, assets, equipment or other property owned by and/or licensed or leased to the Buyer and which is or may be used in connection with the provision of the Deliverables which remain the property of the Buyer throughout the term of the Contract;
"Buyer Authorised Representative"	the representative appointed by the Buyer from time to time in relation to the Order Contract initially identified in the Order Form;
"Buyer Data"	means 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, including any Buyer's or End User's Confidential Information, and which: (a) are supplied to the Supplier by or on behalf of the Buyer, or End User; or

	(b) the Supplier is required to generate, process, store or transmit pursuant to this Contract; or any Personal Data for which the Buyer or End User is the Controller;
"Buyer Existing IPR"	means any and all IPR that are owned by or licensed to the Buyer, and where the Buyer is a Central Government Body, any Crown IPR, and which are or have been developed independently of the Contract (whether prior to the Start Date or otherwise);
"Buyer Premises"	premises owned, controlled or occupied by the Buyer which are made available for use by the Supplier or its Subcontractors for the provision of the Deliverables (or any of them);
"CCS"	the Minister for the Cabinet Office as represented by Crown Commercial Service, which is an executive agency and operates as a trading fund of the Cabinet Office, whose offices are located at 9th Floor, The Capital, Old Hall Street, Liverpool L3 9PP;
"CCS Authorised Representative"	the representative appointed by CCS from time to time in relation to the DPS Contract initially identified in the DPS Appointment Form and subsequently on the Platform;
"Central Government Body"	a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics: a) Government Department; b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal); c) Non-Ministerial Department; or d) Executive Agency;
"Change in Law"	any change in Law which impacts on the supply of the Deliverables and performance of the Contract which comes into force after the Start Date;
"Change of Control"	a change of control within the meaning of Section 450 of the Corporation Tax Act 2010;
"Charges"	the prices (exclusive of any applicable VAT), payable to the Supplier by the Buyer under the Order Contract, as set out in the Order Form, for the full and proper performance by the Supplier of its obligations under the Order Contract less any Deductions;
"Claim"	any claim which it appears that a Beneficiary is, or may become, entitled to indemnification under this Contract;

"Commercially Sensitive Information"	the Confidential Information listed in the DPS Appointment Form or Order Form (if any) comprising of commercially sensitive information relating to the Supplier, its IPR or its business or which the Supplier has indicated to the Authority that, if disclosed by the Authority, would cause the Supplier significant commercial disadvantage or material financial loss;
"Comparable Supply"	the supply of Deliverables to another Buyer of the Supplier that are the same or similar to the Deliverables;
"Compliance Officer"	the person(s) appointed by the Supplier who is responsible for ensuring that the Supplier complies with its legal obligations;
"Confidential Information"	means any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, Know-How, personnel and suppliers of CCS, the Buyer or the Supplier, including IPRs, together with information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential;
"Conflict of Interest"	a conflict between the financial or personal duties of the Supplier or the Supplier Staff and the duties owed to CCS or any Buyer under a Contract, in the reasonable opinion of the Buyer or CCS;
"Contract"	either the DPS Contract or the Order Contract, as the context requires;
"Contract Period"	the term of either a DPS Contract or Order Contract on and from the earlier of the: a) applicable Start Date; or b) the Effective Date up to and including the applicable End Date;
"Contract Value"	the higher of the actual or expected total Charges paid or payable under a Contract where all obligations are met by the Supplier;
"Contract Year"	a consecutive period of twelve (12) Months commencing on the Start Date or each anniversary thereof;
"Control"	control in either of the senses defined in sections 450 and 1124 of the Corporation Tax Act 2010 and "Controlled" shall be construed accordingly;
"Controller"	has the meaning given to it in the UK GDPR;
"Consortia" / "Consortium"	This can refer to multiple suppliers working in collaboration on the same contract, also known in public sector documentation as 'Group

	of Economic Operators'. This will have one lead supplier who manages all the other suppliers within the group / consortia.
"Core Terms"	CCS' terms and conditions for common goods and services which govern how Suppliers must interact with CCS and Buyers under DPS Contracts and Order Contracts;
"Costs"	the following costs (without double recovery) to the extent that they are reasonably and properly incurred by the Supplier in providing the Deliverables: e) the cost to the Supplier or the Key Subcontractor (as the context requires), calculated per Work Day, of engaging the Supplier Staff, including: i) base salary paid to the Supplier Staff; ii) employer's National Insurance contributions; iii) pension contributions; iv) car allowances; v) any other contractual employment benefits; vi) staff training; vii) work place accommodation; viii) work place IT equipment and tools reasonably necessary to provide the Deliverables (but not including items included within limb (b) below); and ix) reasonable recruitment costs, as agreed with the Buyer; f) costs incurred in respect of Supplier Assets which would be treated as capital costs according to generally accepted accounting principles within the UK, which shall include the cost to be charged in respect of Supplier Assets by the Supplier to the Buyer or (to the extent that risk and title in any Supplier Asset is not held by the Supplier) any cost actually incurred by the Supplier in respect of those Supplier Assets; g) operational costs which are not included within (a) or (b) above, to the extent that such costs are necessary and properly incurred by the Supplier in the provision of the Deliverables; and h) Reimbursable Expenses to the extent these have been specified as allowable in the Order Form and are incurred in delivering any Deliverables; but excluding:

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	i) Overhead; j) financing or similar costs; k) maintenance and support costs to the extent that these relate to maintenance and/or support Deliverables provided beyond the Order Contract Period whether in relation to Supplier Assets or otherwise; l) taxation; m) fines and penalties; n) amounts payable under Order Schedule 16 (Benchmarking) where such Schedule is used; and o) non-cash items (including depreciation, amortisation, impairments and movements in provisions);
"Crown Body"	the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the National Assembly for Wales), including, but not limited to, government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
"CRTPA"	the Contract Rights of Third Parties Act 1999;
"Data Protection Impact Assessment"	an assessment by the Controller of the impact of the envisaged Processing on the protection of Personal Data;
"Data Protection Legislation"	(i) the UK GDPR as amended from time to time; (ii) the DPA 2018 to the extent that it relates to Processing of Personal Data and privacy; (iii) all applicable Law about the Processing of Personal Data and privacy;
"Data Protection Liability Cap"	the amount specified in the DPS Appointment Form;
"Data Protection Officer"	has the meaning given to it in the UK GDPR;
"Data Subject"	has the meaning given to it in the UK GDPR;
"Data Subject Access Request"	a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access their Personal Data;
"Deductions"	all Service Credits, Delay Payments (if applicable), or any other deduction which the Buyer is paid or is payable to the Buyer under an Order Contract;

"Default"	any breach of the obligations of the Supplier (including abandonment of a Contract in breach of its terms) or any other default (including material default), act, omission, negligence or statement of the Supplier, of its Subcontractors or any Supplier Staff howsoever arising in connection with or in relation to the subject-matter of a Contract and in respect of which the Supplier is liable to the Relevant Authority;
"Default Management Levy"	has the meaning given to it in Paragraph 8.1.1 of DPS Schedule 5 (Management Levy and Information);
"Delay Payments"	the amounts (if any) payable by the Supplier to the Buyer in respect of a delay in respect of a Milestone as specified in the Implementation Plan;
"Deliverables"	Goods and/or Services that may be ordered under the Contract including the Documentation;
"Delivery"	delivery of the relevant Deliverable or Milestone in accordance with the terms of an Order Contract as confirmed and accepted by the Buyer by either (a) confirmation in writing to the Supplier; or (b) where Order Schedule 13 (Implementation Plan and Testing) is used issue by the Buyer of a Satisfaction Certificate. "Deliver" and "Delivered" shall be construed accordingly;
"Disaster"	the occurrence of one or more events which, either separately or cumulatively, mean that the Deliverables, or a material part thereof will be unavailable (or could reasonably be anticipated to be unavailable) for the period specified in the Order Form (for the purposes of this definition the "Disaster Period");
"Disclosing Party"	the Party directly or indirectly providing Confidential Information to the other Party in accordance with Clause 15 (What you must keep confidential);
"Dispute"	any claim, dispute or difference (whether contractual or non-contractual) arising out of or in connection with the Contract or in connection with the negotiation, existence, legal validity, enforceability or termination of the Contract, whether the alleged liability shall arise under English law or under the law of some other country and regardless of whether a particular cause of action may successfully be brought in the English courts;
"Dispute Resolution Procedure"	the dispute resolution procedure set out in Clause 34 (Resolving disputes);

"Documentation"	descriptions of the Services and Service Levels, technical specifications, user manuals, training manuals, operating manuals, process definitions and procedures, system environment descriptions and all such other documentation (whether in hardcopy or electronic form) is required to be supplied by the Supplier to the Buyer under a Contract as: p) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Buyer to develop, configure, build, deploy, run, maintain, upgrade and test the individual systems that provide the Deliverables q) is required by the Supplier in order to provide the Deliverables; and/or r) has been or shall be generated for the purpose of providing the Deliverables;
"DOTAS"	the Disclosure of Tax Avoidance Schemes rules which require a promoter of Tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act 2004 and as extended to National Insurance Contributions;
"DPA 2018"	the Data Protection Act 2018;
"DPS"	the dynamic purchasing system operated by CCS in accordance with Regulation 34 that this DPS Contract governs access to;
"DPS Application"	the application submitted by the Supplier to CCS and annexed to or referred to in DPS Schedule 2 (DPS Application);
"DPS Appointment Form"	the document outlining the DPS Incorporated Terms and crucial information required for the DPS Contract, to be executed by the Supplier and CCS and subsequently held on the Platform;
"DPS Contract"	the dynamic purchasing system access agreement established between CCS and the Supplier in accordance with Regulation 34 by the DPS Appointment Form for the provision of the Deliverables to Buyers by the Supplier pursuant to the notice published on the Find a Tender Service;
"DPS Contract Period"	the period from the DPS Start Date until the End Date of the DPS Contract;
"DPS Expiry Date"	the date of the end of the DPS Contract as stated in the DPS Appointment Form;

"DPS Incorporated Terms"	the contractual terms applicable to the DPS Contract specified in the DPS Appointment Form;
"DPS Initial Period"	the initial term of the DPS Contract as specified in the DPS Appointment Form;
"DPS Optional Extension Period"	such period or periods beyond which the DPS Initial Period may be extended as specified in the DPS Appointment Form;
"DPS Pricing"	the maximum price(s) applicable to the provision of the Deliverables set out in DPS Schedule 3 (DPS Pricing);
"DPS Registration"	the registration process a Supplier undertakes when submitting its details onto the Platform;
"DPS SQ Submission"	the Supplier's selection questionnaire response;
"DPS Special Terms"	any additional terms and conditions specified in the DPS Appointment Form incorporated into the DPS Contract;
"DPS Start Date"	the date of start of the DPS Contract as stated in the DPS Appointment Form;
"Due Diligence Information"	any information supplied to the Supplier by or on behalf of the Authority prior to the Start Date;
"Effective Date"	the date on which the final Party has signed the Contract;
"EIR"	the Environmental Information Regulations 2004;
"Electronic Invoice"	an invoice which has been issued, transmitted and received in a structured electronic format which allows for its automatic and electronic processing and which complies with (a) the European standard and (b) any of the syntaxes published in Commission Implementing Decision (EU) 2017/1870;
"Employment Regulations"	the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other Regulations implementing the European Council Directive 77/187/EEC;
"End Date"	the earlier of: s) the Expiry Date (as extended by any Extension Period exercised by the Relevant Authority under Clause 10.1.2); or t) if a Contract is terminated before the date specified in (a) above, the date of termination of the Contract;
"End User"	means a party that is accessing the Deliverables provided pursuant to this Contract (including the Buyer where it is accessing services on its own account as a user);

"Environmental Policy"	to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment, including any written environmental policy of the Buyer;
"Equality and Human Rights Commission"	the UK Government body named as such as may be renamed or replaced by an equivalent body from time to time;
"Estimated Year 1 Contract Charges"	the anticipated total charges payable by the Supplier in the first Contract Year specified in the Order Form;
"Estimated Yearly Charges"	means for the purposes of calculating each Party's annual liability under clause 11.2 : i) in the first Contract Year, the Estimated Year 1 Contract Charges; or ii) in any subsequent Contract Years, the Charges paid or payable in the previous Contract Year; or iii) after the end of the Contract, the Charges paid or payable in the last Contract Year during the Contract Period;
"Exempt Buyer"	a public sector purchaser that is: a) eligible to use the DPS; and b) is entering into an Exempt Order Contract that is not subject to (as applicable) any of: i. the Regulations; ii. the Concession Contracts Regulations 2016 (SI 2016/273); iii. the Utilities Contracts Regulations 2016 (SI 2016/274); iv. the Defence and Security Public Contracts Regulations 2011 (SI 2011/1848); v. the Remedies Directive (2007/66/EC); vi. Directive 2014/23/EU of the European Parliament and Council; vii. Directive 2014/24/EU of the European Parliament and Council;

	viii. Directive 2014/25/EU of the European Parliament and Council; or ix. Directive 2009/81/EC of the European Parliament and Council;
"Exempt Order Contract"	the contract between the Exempt Buyer and the Supplier for Deliverables which consists of the terms set out and referred to in the Order Form incorporating and, where necessary, amending, refining or adding to the terms of the DPS Contract;
"Exempt Procurement Amendments"	any amendments, refinements or additions to any of the terms of the DPS Contract made through the Exempt Order Contract to reflect the specific needs of an Exempt Buyer to the extent permitted by and in accordance with any legal requirements applicable to that Exempt Buyer;
"Existing IPR"	any and all IPR that are owned by or licensed to either Party and which are or have been developed independently of the Contract (whether prior to the Start Date or otherwise);
"Exit Day"	shall have the meaning in the European Union (Withdrawal) Act 2018;
"Expiry Date"	the DPS Expiry Date or the Order Expiry Date (as the context dictates);
"Extension Period"	the DPS Optional Extension Period or the Order Optional Extension Period as the context dictates;
"Filter Categories"	the number of categories specified in DPS Schedule 1 (Specification), if applicable;
"Financial Reports"	a report by the Supplier to the Buyer that: a) provides a true and fair reflection of the Costs and Supplier Profit Margin forecast by the Supplier; b) provides a true and fair reflection of the costs and expenses to be incurred by Key Subcontractors (as requested by the Buyer); c) is in the same software package (Microsoft Excel or Microsoft Word), layout and format as the blank templates which have been issued by the Buyer to the Supplier on or before the Start Date for the purposes of the Contract; and is certified by the Supplier's Chief Financial Officer or Director of Finance;
"FOIA"	the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time together with any guidance and/or codes of practice issued by the Information

	Commissioner or relevant Government department in relation to such legislation;
"Force Majeure Event"	any event outside the reasonable control of either Party affecting its performance of its obligations under the Contract arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control and which are not attributable to any wilful act, neglect or failure to take reasonable preventative action by that Party, including: a) riots, civil commotion, war or armed conflict; b) acts of terrorism; c) acts of government, local government or regulatory bodies; d) fire, flood, storm or earthquake or other natural disaster, but excluding any industrial dispute relating to the Supplier, the Supplier Staff or any other failure in the Supplier or the Subcontractor's supply chain;
"Force Majeure Notice"	a written notice served by the Affected Party on the other Party stating that the Affected Party believes that there is a Force Majeure Event;
"GDPR"	the General Data Protection Regulation (Regulation (EU) 2016/679);
"General Anti-Abuse Rule"	e) the legislation in Part 5 of the Finance Act 2013; and f) any future legislation introduced into parliament to counteract Tax advantages arising from abusive arrangements to avoid National Insurance contributions;
"General Change in Law"	a Change in Law where the change is of a general legislative nature (including Tax or duties of any sort affecting the Supplier) or which affects or relates to a Comparable Supply;
"Gold Contract"	an Order Contract categorised as a Gold contract using the Cabinet Office Contract Tiering Tool;
"Goods"	goods made available by the Supplier as specified in DPS Schedule 1 (Specification) and in relation to an Order Contract as specified in the Order Form ;
"Good Industry Practice"	standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged within the relevant industry or business sector;

"Government"	the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the National Assembly for Wales), including government ministers and government departments and other bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
"Government Data"	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, including any of the Authority's Confidential Information, and which: i) are supplied to the Supplier by or on behalf of the Authority; or ii) the Supplier is required to generate, process, store or transmit pursuant to a Contract;
"Government Functional Standard GovS 013: Counter Fraud"	the Standard that sets the expectations for the management of fraud, bribery and corruption risk in government organisations;
"Government Functional Standards GovS 015: Grants"	the Standard that all grant making bodies adhere to when developing grant schemes and programmes;
"Government Grants Information Service (GGIS)"	the portal that captures all information on grant awards across all departments;
"Government Procurement Card"	the Government's preferred method of purchasing and payment for low value goods or services https://www.gov.uk/government/publications/governmentprocurement-card--2 ;
"Group of Economic Operators"	This can refer to multiple suppliers working in collaboration on the same contract, also known as a consortium or consortia. This will have one lead supplier who manages all the other suppliers within the group / consortia.
"Guarantor"	the person (if any) who has entered into a guarantee in the form set out in Joint Schedule 8 (Guarantee) in relation to this Contract;
"HM Government" or "HMG"	His Majesty's Government;

"Halifax Abuse Principle"	the principle explained in the CJEU Case C-255/02 Halifax and others;
"HMRC"	His Majesty's Revenue and Customs;
"ICT Policy"	the Buyer's policy in respect of information and communications technology, referred to in the Order Form, which is in force as at the Order Start Date (a copy of which has been supplied to the Supplier), as updated from time to time in accordance with the Variation Procedure;
"Impact Assessment"	an assessment of the impact of a Variation request by the Relevant Authority completed in good faith, including: g) details of the impact of the proposed Variation on the Deliverables and the Supplier's ability to meet its other obligations under the Contract; h) details of the cost of implementing the proposed Variation; i) details of the ongoing costs required by the proposed Variation when implemented, including any increase or decrease in the DPS Pricing/Charges (as applicable), any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party; j) a timetable for the implementation, together with any proposals for the testing of the Variation; and k) such other information as the Relevant Authority may reasonably request in (or in response to) the Variation request;
"Implementation Plan"	the plan for provision of the Deliverables set out in Order Schedule 13 (Implementation Plan and Testing) where that Schedule is used or otherwise as agreed between the Supplier and the Buyer;
"Indemnifier"	a Party from whom an indemnity is sought under this Contract;
"Independent Control"	where a Controller has provided Personal Data to another Party which is not a Processor or a Joint Controller because the recipient itself determines the purposes and means of Processing but does so separately from the Controller providing it with Personal Data and "Independent Controller" shall be construed accordingly;
"Indexation"	the adjustment of an amount or sum in accordance with DPS Schedule 3 (DPS Pricing) and the relevant Order Form;
"Information"	has the meaning given under section 84 of the Freedom of Information Act 2000;

"Information Commissioner"	the UK's independent authority which deals with ensuring information relating to rights in the public interest and data privacy for individuals is met, whilst promoting openness by public bodies;
"Initial Period"	the initial term of a Contract specified on the Platform or the Order Form, as the context requires;
"Insolvency Event"	with respect to any person, means: (a) that person suspends, or threatens to suspend, payment of its debts, or is unable to pay its debts as they fall due or admits inability to pay its debts, or: (i) (being a company or a LLP) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or (ii) (being a partnership) is deemed unable to pay its debts within the meaning of section 222 of the Insolvency Act 1986; (b) that person commences negotiations with one or more of its creditors (using a voluntary arrangement, scheme of arrangement or otherwise) with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with one or more of its creditors or takes any step to obtain a moratorium pursuant to Section 1A and Schedule A1 of the Insolvency Act 1986 other than (in the case of a company, a LLP or a partnership) for the sole purpose of a scheme for a solvent amalgamation of that person with one or more other companies or the solvent reconstruction of that person; (c) another person becomes entitled to appoint a receiver over the assets of that person or a receiver is appointed over the assets of that person; (d) a creditor or encumbrancer of that person attaches or takes possession of, or a distress, execution or other such process is levied or enforced on or sued against, the whole or any part of that person's assets and such attachment or process is not discharged within 14 days; (e) that person suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business; (f) where that person is a company, a LLP or a partnership: (i) a petition is presented (which is not dismissed within 14 days of its service), a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that person other than for the sole purpose of a scheme for a solvent amalgamation

	of that person with one or more other companies or the solvent reconstruction of that person; (ii) an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is filed at Court or given or if an administrator is appointed, over that person; (iii) (being a company or a LLP) the holder of a qualifying floating charge over the assets of that person has become entitled to appoint or has appointed an administrative receiver; or (iv) (being a partnership) the holder of an agricultural floating charge over the assets of that person has become entitled to appoint or has appointed an agricultural receiver; or (g) any event occurs, or proceeding is taken, with respect to that person in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned above;
"Installation Works"	all works which the Supplier is to carry out at the beginning of the Order Contract Period to install the Goods in accordance with the Order Contract;
"Intellectual Property Rights" or "IPR"	l) copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semi-conductor topography rights, trade marks, rights in internet domain names and website addresses and other rights in trade or business names, goodwill, designs, Know-How, trade secrets and other rights in Confidential Information; m) applications for registration, and the right to apply for registration, for any of the rights listed at (a) that are capable of being registered in any country or jurisdiction; and n) all other rights having equivalent or similar effect in any country or jurisdiction;
"Invoicing Address"	the address to which the Supplier shall invoice the Buyer as specified in the Order Form;
"IPR Claim"	any claim of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPR, used to provide the Deliverables or otherwise provided and/or licensed by the Supplier (or to which the Supplier has provided access) to the Relevant Authority in the fulfilment of its obligations under a Contract;
"IR35"	the off-payroll rules requiring individuals who work through their company pay the same income tax and National Insurance

	contributions as an employee which can be found online at: https://www.gov.uk/guidance/ir35-find-out-if-it-applies ;
"ISO"	International Organization for Standardization;
"Joint Controller Agreement"	the agreement (if any) entered into between the Relevant Authority and the Supplier substantially in the form set out in Annex 2 of Joint Schedule 11 (<i>Processing Data</i>);
"Joint Controllers"	where two or more Controllers jointly determine the purposes and means of Processing;
"Key Staff"	the individuals (if any) identified as such in the Order Form;
"Key Sub-Contract"	each Sub-Contract with a Key Subcontractor;
"Key Subcontractor"	any Subcontractor: o) which is relied upon to deliver any work package within the Deliverables in their entirety; and/or p) which, in the opinion of CCS or the Buyer performs (or would perform if appointed) a critical role in the provision of all or any part of the Deliverables; and/or q) with a Sub-Contract with a contract value which at the time of appointment exceeds (or would exceed if appointed) 10% of the aggregate Charges forecast to be payable under the Order Contract, and the Supplier shall list all such Key Subcontractors on the Platform and in the Key Subcontractor Section in the Order Form;
"Know-How"	all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know-how relating to the Deliverables but excluding know-how already in the other Party's possession before the applicable Start Date;
"Law"	any law, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, right within the meaning of the European Union (Withdrawal) Act 2018 as amended by European Union (Withdrawal Agreement) Act 2020, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the relevant Party is bound to comply;
"LED"	Law Enforcement Directive (Directive (EU) 2016/680);
"Losses"	all losses, liabilities, damages, costs, expenses (including legal fees), disbursements, costs of investigation, litigation, settlement,

	judgment, interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise and "Loss" shall be interpreted accordingly;
"Management Information" or "MI"	the management information specified in DPS Schedule 5 (Management Levy and Information);
"Management Levy"	the sum specified on the Platform payable by the Supplier to CCS in accordance with DPS Schedule 5 (Management Levy and Information);
"Maximum Margin Percentage"	means the percentage a Supplier will apply on top of the total cost of provision of the Services to enable effective delivery, continuous improvement and, where applicable according to the status of the Suppliers, profit.
"MI Default"	means when two (2) MI Reports are not provided in any rolling six (6) month period
"MI Failure"	means when an MI report: r) contains any material errors or material omissions or a missing mandatory field; or s) is submitted using an incorrect MI reporting Template; or t) is not submitted by the reporting date (including where a declaration of no business should have been filed);
"MI Report"	means a report containing Management Information submitted to the Authority in accordance with DPS Schedule 5 (Management Levy and Information);
"MI Reporting Template"	means the form of report set out in the Annex to DPS Schedule 5 (Management Levy and Information) setting out the information the Supplier is required to supply to the Authority;
"Milestone"	an event or task described in the Implementation Plan;
"Milestone Date"	the target date set out against the relevant Milestone in the Implementation Plan by which the Milestone must be Achieved;
"Model Grant Funding Agreement"	the standard funding agreement that should be signed by successful applicants;
"Month"	a calendar month and "Monthly" shall be interpreted accordingly;
"National Insurance"	contributions required by the Social Security Contributions and Benefits Act 1992 and made in accordance with the Social Security (Contributions) Regulations 2001 (SI 2001/1004);

"New IPR"	u) IPR in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of a Contract and updates and amendments of these items including (but not limited to) database schema; and/or v) IPR in or arising as a result of the performance of the Supplier's obligations under a Contract and all updates and amendments to the same; but shall not include the Supplier's Existing IPR;
"New IPR Item"	means a deliverable, document, product or other item within which New IPR subsists;
"Occasion of Tax Non-Compliance"	where: w) any Tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 is found on or after 1 April 2013 to be incorrect as a result of: i) a Relevant Tax Authority successfully challenging the Supplier under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any Tax rules or legislation in any jurisdiction that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle; ii) the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime in any jurisdiction; and/or x) any Tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which gives rise, on or after 1 April 2013, to a criminal conviction in any jurisdiction for Tax related offences which is not spent at the Start Date or to a civil penalty for fraud or evasion;
"Open Book Data"	complete and accurate financial and non-financial information which is sufficient to enable the Buyer to verify the Charges already paid or payable and Charges forecast to be paid during the remainder of the Order Contract, including details and all assumptions relating to: y) the Supplier's Costs broken down against each Good and/or Service and/or Deliverable, including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all Deliverables; z) operating expenditure relating to the provision of the Deliverables including an analysis showing:

	i) the unit costs and quantity of Goods and any other consumables and bought-in Deliverables; ii) staff costs broken down into the number and grade/role of all Supplier Staff (free of any contingency) together with a list of agreed rates against each grade; iii) a list of Costs underpinning those rates for each grade, being the agreed rate less the Supplier Profit Margin; and iv) Reimbursable Expenses, if allowed under the Order Form; - aa) Overheads; - bb) all interest, expenses and any other third party financing costs incurred in relation to the provision of the Deliverables; - cc) the Supplier Profit achieved over the DPS Contract Period and on an annual basis; - dd) confirmation that all methods of Cost apportionment and Overhead allocation are consistent with and not more onerous than such methods applied generally by the Supplier; - ee) an explanation of the type and value of risk and contingencies associated with the provision of the Deliverables, including the amount of money attributed to each risk and/or contingency; and - ff) the actual Costs profile for each Service Period;
"Open Licence"	means any material that is published for use, with rights to access and modify, by any person for free, under a generally recognised open licence including Open Government Licence as set out at http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/ and the Open Standards Principles documented at https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles ;
"Order"	means an order for the provision of the Deliverables placed by a Buyer with the Supplier under a Contract;
"Order Contract"	the contract between the Buyer and the Supplier (entered into pursuant to the provisions of the DPS Contract), which consists of the terms set out and referred to in the Order Form;
"Order Contract Period"	the Contract Period in respect of the Order Contract;
"Order Expiry Date"	the date of the end of an Order Contract as stated in the Order Form;

"Order Form"	a completed Order Form Template (or equivalent information issued by the Buyer) used to create an Order Contract;
"Order Form Template"	the template in DPS Schedule 6 (Order Form Template and Order Schedules);
"Order Incorporated Terms"	the contractual terms applicable to the Order Contract specified under the relevant heading in the Order Form;
"Order Initial Period"	the Initial Period of an Order Contract specified in the Order Form;
"Order Optional Extension Period"	such period or periods beyond which the Order Initial Period may be extended as specified in the Order Form;
"Order Procedure"	the process for awarding an Order Contract pursuant to Clause 2 (How the contract works) and DPS Schedule 7 (Order Procedure);
"Order Special Terms"	any additional terms and conditions specified in the Order Form incorporated into the applicable Order Contract;
"Order Start Date"	the date of start of an Order Contract as stated in the Order Form;
"Order Tender"	the tender submitted by the Supplier in response to the Buyer's Statement of Requirements following an Order Procedure and set out at Order Schedule 4 (Order Tender);
"Other Contracting Authority"	any actual or potential Buyer under the DPS Contract;
"Overhead"	those amounts which are intended to recover a proportion of the Supplier's or the Key Subcontractor's (as the context requires) indirect corporate costs (including financing, marketing, advertising, research and development and insurance costs and any fines or penalties) but excluding allowable indirect costs apportioned to facilities and administration in the provision of Supplier Staff and accordingly included within limb (a) of the definition of "Costs";
"Parliament"	takes its natural meaning as interpreted by Law;
"Party"	in the context of the DPS Contract, CCS or the Supplier, and in the in the context of an Order Contract the Buyer or the Supplier. "Parties" shall mean both of them where the context permits;
"Performance Indicators" or "PIs"	the performance measurements and targets in respect of the Supplier's performance of the DPS Contract set out in DPS Schedule 4 (DPS Management);
"Personal Data"	has the meaning given to it in the UK GDPR;

“Personal Data Breach”	has the meaning given to it in the UK GDPR;
“Personnel”	all directors, officers, employees, agents, consultants and suppliers of a Party and/or of any Subcontractor and/or Subprocessor engaged in the performance of its obligations under a Contract;
“Platform”	the online application operated on behalf of CCS to facilitate the technical operation of the DPS;
“Prescribed Person”	a legal adviser, an MP or an appropriate body which a whistle-blower may make a disclosure to as detailed in ‘Whistleblowing: list of prescribed people and bodies’, 24 November 2016, available online at: https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies ;
“Processing”	has the meaning given to it in the UK GDPR;
“Processor”	has the meaning given to it in the UK GDPR;
“Processor Personnel”	all directors, officers, employees, agents, consultants and suppliers of the Processor and/or of any Subprocessor engaged in the performance of its obligations under a Contract;
“Progress Meeting”	a meeting between the Buyer Authorised Representative and the Supplier Authorised Representative;
“Progress Meeting Frequency”	the frequency at which the Supplier shall conduct a Progress Meeting in accordance with Clause 6.1 as specified in the Order Form;
“Progress Report”	a report provided by the Supplier indicating the steps taken to achieve Milestones or delivery dates;
“Progress Report Frequency”	the frequency at which the Supplier shall deliver Progress Reports in accordance with Clause 6.1 as specified in the Order Form;
“Prohibited Acts”	gg) to directly or indirectly offer, promise or give any person working for or engaged by a Buyer or any other public body a financial or other advantage to: i) induce that person to perform improperly a relevant function or activity; or ii) reward that person for improper performance of a relevant function or activity; hh) to directly or indirectly request, agree to receive or accept any financial or other advantage as an inducement or a reward for

	improper performance of a relevant function or activity in connection with each Contract; or ii) committing any offence: i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act); or ii) under legislation or common law concerning fraudulent acts; or iii) defrauding, attempting to defraud or conspiring to defraud a Buyer or other public body; or jj) any activity, practice or conduct which would constitute one of the offences listed under (c) above if such activity, practice or conduct had been carried out in the UK;
"Protective Measures"	appropriate technical and organisational measures which may include: pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the such measures adopted by it including those outlined in DPS Schedule 9 (Cyber Essentials Scheme), if applicable, in the case of the DPS Contract or Order Schedule 9 (Security), if applicable, in the case of an Order Contract;
"Public Sector Body"	means a formally established organisation that is (at least in part) publicly funded to deliver a public or government service;
"Recall"	a request by the Supplier to return Goods to the Supplier or the manufacturer after the discovery of safety issues or defects (including defects in the right IPR rights) that might endanger health or hinder performance;
"Recipient Party"	the Party which receives or obtains directly or indirectly Confidential Information;
"Rectification Plan"	the Supplier's plan (or revised plan) to rectify it's breach using the template in Joint Schedule 10 (Rectification Plan) which shall include: kk) full details of the Default that has occurred, including a root cause analysis; ll) the actual or anticipated effect of the Default; and mm) the steps which the Supplier proposes to take to rectify the Default (if applicable) and to prevent such Default from recurring,

	including timescales for such steps and for the rectification of the Default (where applicable);
"Rectification Plan Process"	the process set out in Clause 10.3.1 to 10.3.4 (Rectification Plan Process);
"Regulations"	the Public Contracts Regulations 2015 and/or the Public Contracts (Scotland) Regulations 2015 (as the context requires);
"Reimbursable Expenses"	the reasonable out of pocket travel and subsistence (for example, hotel and food) expenses, properly and necessarily incurred in the performance of the Services, calculated at the rates and in accordance with the Buyer's expenses policy current from time to time, but not including: nn) travel expenses incurred as a result of Supplier Staff travelling to and from their usual place of work, or to and from the premises at which the Services are principally to be performed, unless the Buyer otherwise agrees in advance in writing; and oo) subsistence expenses incurred by Supplier Staff whilst performing the Services at their usual place of work, or to and from the premises at which the Services are principally to be performed;
"Relevant Authority"	the Authority which is party to the Contract to which a right or obligation is owed, as the context requires;
"Relevant Authority's Confidential Information"	pp) all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, property rights, trade secrets, Know-How and IPR of the Relevant Authority (including all Relevant Authority Existing IPR and New IPR); qq) any other information clearly designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered confidential which comes (or has come) to the Relevant Authority's attention or into the Relevant Authority's possession in connection with a Contract; and information derived from any of the above;
"Relevant Requirements"	all applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State pursuant to section 9 of the Bribery Act 2010;

Joint Schedule 1 (Definitions)

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"Relevant Tax Authority"	HMRC, or, if applicable, the tax authority in the jurisdiction in which the Supplier is established;
"Reminder Notice"	a notice sent in accordance with Clause 10.5 given by the Supplier to the Buyer providing notification that payment has not been received on time;
"Replacement Deliverables"	any deliverables which are substantially similar to any of the Deliverables and which the Buyer receives in substitution for any of the Deliverables following the Order Expiry Date, whether those goods are provided by the Buyer internally and/or by any third party;
"Replacement Subcontractor"	a Subcontractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any Subcontractor of any such Subcontractor);
"Replacement Supplier"	any third party provider of Replacement Deliverables appointed by or at the direction of the Buyer from time to time or where the Buyer is providing Replacement Deliverables for its own account, shall also include the Buyer;
"Request For Information"	a request for information or an apparent request relating to a Contract for the provision of the Deliverables or an apparent request for such information under the FOIA or the EIRs;
"Required Insurances"	the insurances required by Joint Schedule 3 (Insurance Requirements) or any additional insurances specified in the Order Form;
"RTI"	Real Time Information;
"Satisfaction Certificate"	the certificate (materially in the form of the document contained in Part B of Order Schedule 13 (Implementation Plan and Testing) or as agreed by the Parties where Order Schedule 13 is not used in this Contract) granted by the Buyer when the Supplier has met all of the requirements of an Order, Achieved a Milestone or a Test;
"Schedules"	any attachment to a DPS or Order Contract which contains important information specific to each aspect of buying and selling;
"Security Management Plan"	the Supplier's security management plan prepared pursuant to Order Schedule 9 (Security) (if applicable);
"Security Policy"	the Buyer's security policy, referred to in the Order Form, in force as at the Order Start Date (a copy of which has been supplied to the Supplier), as updated from time to time and notified to the Supplier;
"Self Audit Certificate"	means the certificate in the form as set out in DPS Schedule 8 (Self Audit Certificate);

"Serious Fraud Office"	the UK Government body named as such as may be renamed or replaced by an equivalent body from time to time;
"Service Levels"	any service levels applicable to the provision of the Deliverables under the Order Contract (which, where Order Schedule 14 (Service Levels) is used in this Contract, are specified in the Annex to Part A of such Schedule);
"Service Period"	has the meaning given to it in the Order Form;
"Services"	services made available by the Supplier as specified in DPS Schedule 1 (Specification) and in relation to an Order Contract as specified in the Order Form;
"Service Transfer"	any transfer of the Deliverables (or any part of the Deliverables), for whatever reason, from the Supplier or any Subcontractor to a Replacement Supplier or a Replacement Subcontractor;
"Service Transfer Date"	the date of a Service Transfer;
"Sites"	any premises (including the Buyer Premises, the Supplier's premises or third party premises) from, to or at which: rr) the Deliverables are (or are to be) provided; or ss) the Supplier manages, organises or otherwise directs the provision or the use of the Deliverables;
"SME"	an enterprise falling within the category of micro, small and medium sized enterprises defined by the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium enterprises;
"Special Terms"	any additional Clauses set out in the DPS Appointment Form or Order Form which shall form part of the respective Contract;
"Specific Change in Law"	a Change in Law that relates specifically to the business of the Buyer and which would not affect a Comparable Supply where the effect of that Specific Change in Law on the Deliverables is not reasonably foreseeable at the Start Date;
"Specification"	the specification set out in DPS Schedule 1 (Specification), as may, in relation to an Order Contract, be supplemented by the Order Form;
"Standards"	any: tt) standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent

Joint Schedule 1 (Definitions)

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	bodies (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector as the Supplier would reasonably and ordinarily be expected to comply with; uu) standards detailed in the specification in DPS Schedule 1 (Specification); vv) standards detailed by the Buyer in the Order Form or agreed between the Parties from time to time; ww) relevant Government codes of practice and guidance applicable from time to time;
"Start Date"	in the case of the DPS Contract, the date specified on the DPS Appointment Form, and in the case of an Order Contract, the date specified in the Order Form;
"Statement of Requirements"	a statement issued by the Buyer detailing its requirements in respect of Deliverables issued in accordance with the Order Procedure;
"Storage Media"	the part of any device that is capable of storing and retrieving data;
"Sub-Contract"	any contract or agreement (or proposed contract or agreement), other than an Order Contract or the DPS Contract, pursuant to which a third party: xx) provides the Deliverables (or any part of them); yy) provides facilities or services necessary for the provision of the Deliverables (or any part of them); and/or zz) is responsible for the management, direction or control of the provision of the Deliverables (or any part of them);
"Subcontractor"	any person other than the Supplier, who is a party to a Sub-Contract and the servants or agents of that person;
"Subprocessor"	any third party appointed to process Personal Data on behalf of that Processor related to a Contract;
"Supplier"	the person, firm or company identified in the DPS Appointment Form;
"Supplier Assets"	all assets and rights used by the Supplier to provide the Deliverables in accordance with the Order Contract but excluding the Buyer Assets;
"Supplier Authorised Representative"	the representative appointed by the Supplier named in the DPS Appointment Form, or later defined in an Order Contract;

Joint Schedule 1 (Definitions)

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"Supplier's Confidential Information"	aaa) any information, however it is conveyed, that relates to the business, affairs, developments, IPR of the Supplier (including the Supplier Existing IPR) trade secrets, Know-How, and/or personnel of the Supplier; bbb) any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential and which comes (or has come) to the Supplier's attention or into the Supplier's possession in connection with a Contract; ccc) Information derived from any of (a) and (b) above;
"Supplier's Contract Manager"	the person identified in the Order Form appointed by the Supplier to oversee the operation of the Order Contract and any alternative person whom the Supplier intends to appoint to the role, provided that the Supplier informs the Buyer prior to the appointment;
"Supplier Equipment"	the Supplier's hardware, computer and telecoms devices, equipment, plant, materials and such other items supplied and used by the Supplier (but not hired, leased or loaned from the Buyer) in the performance of its obligations under this Order Contract;
"Supplier Existing IPR"	any and all IPR that are owned by or licensed to the Supplier and which are or have been developed independently of the Contract (whether prior to the Start Date or otherwise)
"Supplier Existing IPR Licence"	any and all IPR that are owned by or licensed to the Supplier and which are or have been developed independently of the Contract (whether prior to the Start Date or otherwise);
"Supplier Marketing Contact"	shall be the person identified in the DPS Appointment Form;
"Supplier Non-Performance"	where the Supplier has failed to: ddd) Achieve a Milestone by its Milestone Date; eee) provide the Goods and/or Services in accordance with the Service Levels ; and/or fff)comply with an obligation under a Contract;
"Supplier Profit"	in relation to a period, the difference between the total Charges (in nominal cash flow terms but excluding any Deductions and total Costs (in nominal cash flow terms) in respect of an Order Contract for the relevant period;

"Supplier Profit Margin"	in relation to a period or a Milestone (as the context requires), the Supplier Profit for the relevant period or in relation to the relevant Milestone divided by the total Charges over the same period or in relation to the relevant Milestone and expressed as a percentage;
"Supplier Staff"	all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Subcontractor engaged in the performance of the Supplier's obligations under a Contract;
"Supply Chain Information Report Template"	the document at Annex 1 of Joint Schedule 12 (Supply Chain Visibility);
"Supporting Documentation"	sufficient information in writing to enable the Buyer to reasonably assess whether the Charges, Reimbursable Expenses and other sums due from the Buyer under the Order Contract detailed in the information are properly payable;
"Tax"	ggg) all forms of taxation whether direct or indirect; hhh) national insurance contributions in the United Kingdom and similar contributions or obligations in any other jurisdiction; iii) 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 jjj) any penalty, fine, surcharge, interest, charges or costs relating to any of the above, in each case wherever chargeable and whether of the United Kingdom and any other jurisdiction;
"Termination Notice"	a written notice of termination given by one Party to the other, notifying the Party receiving the notice of the intention of the Party giving the notice to terminate a Contract on a specified date and setting out the grounds for termination;
"Test Issue"	any variance or non-conformity of the Deliverables from their requirements as set out in an Order Contract;
"Test Plan"	a plan: kkk) for the Testing of the Deliverables; and lll) setting out other agreed criteria related to the achievement of Milestones;

Joint Schedule 1 (Definitions)

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"Tests "	any tests required to be carried out pursuant to an Order Contract as set out in the Test Plan or elsewhere in an Order Contract and "Tested" and "Testing" shall be construed accordingly;
"Third Party IPR"	Intellectual Property Rights owned by a third party which is or will be used by the Supplier for the purpose of providing the Deliverables;
"Third Party IPR Licence"	means a licence to the Third Party IPR as set out in Paragraph 1.5 of Schedule 24;
"Transferring Supplier Employees"	those employees of the Supplier and/or the Supplier's Subcontractors to whom the Employment Regulations will apply on the Service Transfer Date;
"Transparency Information"	the Transparency Reports and the content of a Contract, including any changes to this Contract agreed from time to time, except for – (i) any information which is exempt from disclosure in accordance with the provisions of the FOIA, which shall be determined by the Relevant Authority; and (ii) Commercially Sensitive Information;
"Transparency Reports"	the information relating to the Deliverables and performance of the Contracts which the Supplier is required to provide to the Buyer in accordance with the reporting requirements in Order Schedule 1 (Transparency Reports);
"TUPE"	Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other regulations or UK legislation implementing the Acquired Rights Directive;
"United Kingdom"	the country that consists of England, Scotland, Wales, and Northern Ireland;
"UK GDPR"	the retained EU law version of the General Data Protection Regulation (Regulation (EU) 2016/679);
"Variation"	any change to a Contract;
"Variation Form"	the form set out in Joint Schedule 2 (Variation Form);
"Variation Procedure"	the procedure set out in Clause 24 (Changing the contract);
"VAT"	value added tax in accordance with the provisions of the Value Added Tax Act 1994;

Joint Schedule 1 (Definitions)

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"VCSE"	a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives;
"Worker"	any one of the Supplier Staff which the Buyer, in its reasonable opinion, considers is an individual to which Procurement Policy Note 08/15 (Tax Arrangements of Public Appointees) (https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees) applies in respect of the Deliverables;
"Working Day"	any day other than a Saturday or Sunday or public holiday in England and Wales unless specified otherwise by the Parties in the Order Form;
"Work Day"	7.5 Work Hours, whether or not such hours are worked consecutively and whether or not they are worked on the same day; and
"Work Hours"	the hours spent by the Supplier Staff properly working on the provision of the Deliverables including time spent travelling (other than to and from the Supplier's offices, or to and from the Sites) but excluding lunch breaks.

Joint Schedule 2 (Variation Form)

This form is to be used in order to change a contract in accordance with Clause 24 (Changing the Contract)

Contract Details	
This variation is between:	[delete] as applicable: CCS / Buyer] (" CCS " " the Buyer ") And [insert] name of Supplier] (" the Supplier ")
Contract name:	[insert] name of contract to be changed] (" the Contract ")
Contract reference number:	[insert] contract reference number]
Details of Proposed Variation	
Variation initiated by:	[delete] as applicable: CCS/Buyer/Supplier]
Variation number:	[insert] variation number]
Date variation is raised:	[insert] date]
Proposed variation	
Reason for the variation:	[insert] reason]
An Impact Assessment shall be provided within:	[insert] number] days
Impact of Variation	
Likely impact of the proposed variation:	[Supplier to insert] assessment of impact]
Outcome of Variation	
Contract variation:	This Contract detailed above is varied as follows: [CCS/Buyer to insert] original Clauses or Paragraphs to be varied and the changed clause]
Financial variation:	Original Contract Value: £ [insert] amount]
	Additional cost due to variation: £ [insert] amount]
	New Contract value: £ [insert] amount]

1. This Variation must be agreed and signed by both Parties to the Contract and shall only be effective from the date it is signed by **[delete]** as applicable: CCS / Buyer]
2. Words and expressions in this Variation shall have the meanings given to them in the Contract.
3. The Contract, including any previous Variations, shall remain effective and unaltered except as amended by this Variation.

Joint Schedule 2 (Variation Form)
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Signed by an authorised signatory for and on behalf of the **[delete]** as applicable: CCS / Buyer]

Signature

Date

Name (in Capitals)

Address

Signed by an authorised signatory to sign for and on behalf of the Supplier

Signature

Date

Name (in Capitals)

Address

Joint Schedule 3 (Insurance Requirements)

1. The insurance you need to have

- 1.1 The Supplier shall take out and maintain, or procure the taking out and maintenance of the insurances as set out in the Annex to this Schedule, any additional insurances required under an Order Contract (specified in the applicable Order Form) ("**Additional Insurances**") and any other insurances as may be required by applicable Law (together the "**Insurances**"). The Supplier shall ensure that each of the Insurances is effective no later than:
 - 1.1.1 the DPS Start Date in respect of those Insurances set out in the Annex to this Schedule and those required by applicable Law; and
 - 1.1.2 the Order Contract Effective Date in respect of the Additional Insurances.
- 1.2 The Insurances shall be:
 - 1.2.1 maintained in accordance with Good Industry Practice;
 - 1.2.2 (so far as is reasonably practicable) on terms no less favourable than those generally available to a prudent contractor in respect of risks insured in the international insurance market from time to time;
 - 1.2.3 taken out and maintained with insurers of good financial standing and good repute in the international insurance market; and
 - 1.2.4 maintained for at least six (6) years after the End Date.
- 1.3 The Supplier shall ensure that the public and products liability policy contain an indemnity to principals clause under which the Relevant Authority shall be indemnified in respect of claims made against the Relevant Authority in respect of death or bodily injury or third party property damage arising out of or in connection with the Deliverables and for which the Supplier is legally liable.

2. How to manage the insurance

- 2.1 Without limiting the other provisions of this Contract, the Supplier shall:
 - 2.1.1 take or procure the taking of all reasonable risk management and risk control measures in relation to Deliverables as it would be reasonable to expect of a prudent contractor acting in accordance with Good Industry Practice, including the investigation and reports of relevant claims to insurers;
 - 2.1.2 promptly notify the insurers in writing of any relevant material fact under any Insurances of which the Supplier is or becomes aware; and
 - 2.1.3 hold all policies in respect of the Insurances and cause any insurance broker effecting the Insurances to hold any insurance slips and other evidence of placing cover representing any of the Insurances to which it is a party.

3. What happens if you aren't insured

- 3.1 The Supplier shall not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the Insurances.
- 3.2 Where the Supplier has failed to purchase or maintain any of the Insurances in full force and effect, the Relevant Authority may elect (but shall not be obliged) following written notice to the Supplier to purchase the relevant Insurances and recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Supplier.

4. Evidence of insurance you must provide

- 4.1 The Supplier shall upon the Start Date and within 15 Working Days after the renewal of each of the Insurances, provide evidence, in a form satisfactory to the Relevant Authority, that the Insurances are in force and effect and meet in full the requirements of this Schedule.

5. Making sure you are insured to the required amount

- 5.1 The Supplier shall ensure that any Insurances which are stated to have a minimum limit "in the aggregate" are maintained at all times for the minimum limit of indemnity specified in this Contract and if any claims are made which do not relate to this Contract then the Supplier shall notify the Relevant Authority and provide details of its proposed solution for maintaining the minimum limit of indemnity.

6. Cancelled Insurance

- 6.1 The Supplier shall notify the Relevant Authority in writing at least five (5) Working Days prior to the cancellation, suspension, termination or non-renewal of any of the Insurances.
- 6.2 The Supplier shall ensure that nothing is done which would entitle the relevant insurer to cancel, rescind or suspend any insurance or cover, or to treat any insurance, cover or claim as voided in whole or part. The Supplier shall use all reasonable endeavours to notify the Relevant Authority (subject to third party confidentiality obligations) as soon as practicable when it becomes aware of any relevant fact, circumstance or matter which has caused, or is reasonably likely to provide grounds to, the relevant insurer to give notice to cancel, rescind, suspend or void any insurance, or any cover or claim under any insurance in whole or in part.

7. Insurance claims

- 7.1 The Supplier shall promptly notify to insurers any matter arising from, or in relation to, the Deliverables, or each Contract for which it may be entitled to claim under any of the Insurances. In the event that the Relevant Authority receives a claim relating to or arising out of a Contract or the Deliverables, the Supplier shall co-operate with the Relevant Authority and assist it in dealing with such claims including without limitation providing information and documentation in a timely manner.

Joint Schedule 3 (Insurance Requirements)

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- 7.2 Except where the Relevant Authority is the claimant party, the Supplier shall give the Relevant Authority notice within twenty (20) Working Days after any insurance claim in excess of 10% of the sum required to be insured pursuant to Paragraph 5.1 relating to or arising out of the provision of the Deliverables or this Contract on any of the Insurances or which, but for the application of the applicable policy excess, would be made on any of the Insurances and (if required by the Relevant Authority) full details of the incident giving rise to the claim.
- 7.3 Where any Insurance requires payment of a premium, the Supplier shall be liable for and shall promptly pay such premium.
- 7.4 Where any Insurance is subject to an excess or deductible below which the indemnity from insurers is excluded, the Supplier shall be liable for such excess or deductible. The Supplier shall not be entitled to recover from the Relevant Authority any sum paid by way of excess or deductible under the Insurances whether under the terms of this Contract or otherwise.

ANNEX: REQUIRED INSURANCES

1. The Supplier shall hold the following standard insurance cover from the DPS Start Date in accordance with this Schedule:
 - 1.1 professional indemnity insurance with cover (for a single event or a series of related events and in the aggregate) of not less than one million pounds (£1,000,000);
 - 1.2 public liability insurance with cover (for a single event or a series of related events and in the aggregate) of not less than one million pounds (£1,000,000); and
 - 1.3 employers' liability insurance with cover (for a single event or a series of related events and in the aggregate) of not less than five million pounds (£5,000,000).

Joint Schedule 4 (Commercially Sensitive Information)

1. What is the Commercially Sensitive Information?

- 1.1 In this Schedule the Parties have sought to identify the Supplier's Confidential Information that is genuinely commercially sensitive and the disclosure of which would be the subject of an exemption under the FOIA and the EIRs.
- 1.2 Where possible, the Parties have sought to identify when any relevant Information will cease to fall into the category of Information to which this Schedule applies in the table below and in the Order Form (which shall be deemed incorporated into the table below).
- 1.3 Without prejudice to the Relevant Authority's obligation to disclose Information in accordance with FOIA or Clause 16 (When you can share information), the Relevant Authority will, in its sole discretion, acting reasonably, seek to apply the relevant exemption set out in the FOIA to the following Information:

No.	Date	Item(s)	Duration of Confidentiality
1	From the Order Start Date	Order Schedule 4 (Order Tender)	From the Order Start Date up to and including the End Date of the Order Contract.
2	From the Order Start Date	Order Schedule 5 (Pricing Details) – Annexes to the Pricing Schedule	From the Order Start Date up to and including the End Date of the Order Contract.
3	From the Order Start Date	Order Schedule 4 (Key Supplier Staff)	From the Order Start Date up to and including the End Date of the Order Contract.
4	From the Order Start Date	Order Schedule 13 (Implementation Plan and Testing) – Implementation Plan	Two (2) years from the Order Start Date.
5	From the Order Start Date	Personal and contact information for members of the Supplier.	From the Order Start Date up to and including the End Date of the Order Contract.
6	From the Order Start Date	Key Sub-Contract(s).	From the Order Start Date up to and including the

Joint Schedule 4 (Commercially Sensitive Information)
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			End Date of the Order Contract.
7	From the Order Start Date	Personal and contact information for members of the Investment Committee	From the Order Start Date up to and including the End Date of the Order Contract.

Joint Schedule 5 (Corporate Social Responsibility)

1. What we expect from our Suppliers

- 1.1 In September 2017, HM Government published a Supplier Code of Conduct setting out the standards and behaviours expected of suppliers who work with government.
(https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/646497/2017-09-13_Official_Sensitive_Supplier_Code_of_Conduct_September_2017.pdf)
- 1.2 CCS expects its suppliers and subcontractors to meet the standards set out in that Code. In addition, CCS expects its suppliers and subcontractors to comply with the standards set out in this Schedule.
- 1.3 The Supplier acknowledges that the Buyer may have additional requirements in relation to corporate social responsibility. The Buyer expects that the Supplier and its Subcontractors will comply with such corporate social responsibility requirements as the Buyer may notify to the Supplier from time to time.

2. Equality and Accessibility

- 2.1 In addition to legal obligations, the Supplier shall support CCS and the Buyer in fulfilling its Public Sector Equality duty under S149 of the Equality Act 2010 by ensuring that it fulfils its obligations under each Contract in a way that seeks to:
 - 2.1.1 eliminate discrimination, harassment or victimisation of any kind; and
 - 2.1.2 advance equality of opportunity and good relations between those with a protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership) and those who do not share it.

3. Modern Slavery, Child Labour and Inhumane Treatment

"Modern Slavery Helpline" means the mechanism for reporting suspicion, seeking help or advice and information on the subject of modern slavery available online at <https://www.modernslaveryhelpline.org/report> or by telephone on 08000 121 700.

- 3.1 The Supplier:
 - 3.1.1 shall not use, nor allow its Subcontractors to use forced, bonded or involuntary prison labour;
 - 3.1.2 shall not require any Supplier Staff or Subcontractor Staff to lodge deposits or identify papers with the Employer and shall be free to leave their employer after reasonable notice;
 - 3.1.3 warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world.

- 3.1.4 warrants that to the best of its knowledge it is not currently under investigation, inquiry or enforcement proceedings in relation to any allegation of slavery or human trafficking offences anywhere around the world.
- 3.1.5 shall make reasonable enquires to ensure that its officers, employees and Subcontractors have not been convicted of slavery or human trafficking offences anywhere around the world.
- 3.1.6 shall have and maintain throughout the term of each Contract its own policies and procedures to ensure its compliance with the Modern Slavery Act and include in its contracts with its Subcontractors anti-slavery and human trafficking provisions;
- 3.1.7 shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain performing obligations under a Contract;
- 3.1.8 shall prepare and deliver to CCS, an annual slavery and human trafficking report setting out the steps it has taken to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its business with its annual certification of compliance with Paragraph 3;
- 3.1.9 shall not use, nor allow its employees or Subcontractors to use physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation of its employees or Subcontractors;
- 3.1.10 shall not use or allow child or slave labour to be used by its Subcontractors;
- 3.1.11 shall report the discovery or suspicion of any slavery or trafficking by it or its Subcontractors to CCS, the Buyer and Modern Slavery Helpline.

4. Income Security

4.1 The Supplier shall:

- 4.1.1 ensure that all wages and benefits paid for a standard working week meet, at a minimum, national legal standards in the country of employment;
- 4.1.2 ensure that all Supplier Staff are provided with written and understandable Information about their employment conditions in respect of wages before they enter;
- 4.1.3 ensure that all workers are provided with written and understandable Information about their employment conditions in respect of wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid;
- 4.1.4 not make deductions from wages:
 - (a) as a disciplinary measure

- (b) except where permitted by law; or
- (c) without expressed permission of the worker concerned;
- 4.1.5 record all disciplinary measures taken against Supplier Staff; and
- 4.1.6 ensure that Supplier Staff are engaged under a recognised employment relationship established through national law and practice.

5. Working Hours

5.1 The Supplier shall:

- 5.1.1 ensure that the working hours of Supplier Staff comply with national laws, and any collective agreements;
- 5.1.2 ensure that the working hours of Supplier Staff, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week unless the individual has agreed in writing;
- 5.1.3 ensure that use of overtime is used responsibly, taking into account:
 - (a) the extent;
 - (b) frequency; and
 - (c) hours worked;

by individuals and by the Supplier Staff as a whole;

- 5.2 The total hours worked in any seven day period shall not exceed 60 hours, except where covered by Paragraph 5.3 below.
- 5.3 Working hours may exceed 60 hours in any seven day period only in exceptional circumstances where all of the following are met:
 - 5.3.1 this is allowed by national law;
 - 5.3.2 this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
 - 5.3.3 appropriate safeguards are taken to protect the workers' health and safety; and
 - 5.3.4 the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.
- 5.4 All Supplier Staff shall be provided with at least one (1) day off in every seven (7) day period or, where allowed by national law, two (2) days off in every fourteen (14) day period.

6. Sustainability

- 6.1 The supplier shall meet the applicable Government Buying Standards applicable to Deliverables which can be found online at:

<https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>

Joint Schedule 6 (Key Subcontractors)

1. Restrictions on certain subcontractors

- 1.1 The Supplier is entitled to sub-contract its obligations under the DPS Contract to the Key Subcontractors identified on the Platform.
- 1.2 The Supplier is entitled to sub-contract its obligations under an Order Contract to Key Subcontractors listed on the Platform who are specifically nominated in the Order Form.
- 1.3 Where during the Contract Period the Supplier wishes to enter into a new Key Sub-contract or replace a Key Subcontractor, it must obtain the prior written consent of CCS and the Buyer and the Supplier shall, at the time of requesting such consent, provide CCS and the Buyer with the information detailed in Paragraph 1.4. The decision of CCS and the Buyer to consent or not will not be unreasonably withheld or delayed. Where CCS consents to the appointment of a new Key Subcontractor then they will be added to the Platform. Where the Buyer consents to the appointment of a new Key Subcontractor then they will be added to the Key Subcontractor section of the Order Form. CCS and the Buyer may reasonably withhold their consent to the appointment of a Key Subcontractor if it considers that:
 - 1.3.1 the appointment of a proposed Key Subcontractor may prejudice the provision of the Deliverables or may be contrary to its interests;
 - 1.3.2 the proposed Key Subcontractor is unreliable and/or has not provided reliable goods and or reasonable services to its other customers; and/or
 - 1.3.3 the proposed Key Subcontractor employs unfit persons.
- 1.4 The Supplier shall provide CCS and the Buyer with the following information in respect of the proposed Key Subcontractor:
 - 1.4.1 the proposed Key Subcontractor's name, registered office and company registration number;
 - 1.4.2 the scope/description of any Deliverables to be provided by the proposed Key Subcontractor;
 - 1.4.3 where the proposed Key Subcontractor is an Affiliate of the Supplier, evidence that demonstrates to the reasonable satisfaction of the CCS and the Buyer that the proposed Key Sub-Contract has been agreed on "arm's-length" terms;
 - 1.4.4 for CCS, the Key Sub-Contract price expressed as a percentage of the total projected DPS Price over the DPS Contract Period;
 - 1.4.5 for the Buyer, the Key Sub-Contract price expressed as a percentage of the total projected Charges over the Order Contract Period; and
 - 1.4.6 (where applicable) Credit Rating Threshold (as defined in Joint Schedule 7 (Financial Distress)) of the Key Subcontractor.

Joint Schedule 6 (Key Subcontractors)

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- 1.5 If requested by CCS and/or the Buyer, within ten (10) Working Days of receipt of the information provided by the Supplier pursuant to Paragraph 1.4, the Supplier shall also provide:
 - 1.5.1 a copy of the proposed Key Sub-Contract; and
 - 1.5.2 any further information reasonably requested by CCS and/or the Buyer.
- 1.6 The Supplier shall ensure that each new or replacement Key Sub-Contract shall include:
 - 1.6.1 provisions which will enable the Supplier to discharge its obligations under the Contracts;
 - 1.6.2 a right under CRTPA for CCS and the Buyer to enforce any provisions under the Key Sub-Contract which confer a benefit upon CCS and the Buyer respectively;
 - 1.6.3 a provision enabling CCS and the Buyer to enforce the Key Sub-Contract as if it were the Supplier;
 - 1.6.4 a provision enabling the Supplier to assign, novate or otherwise transfer any of its rights and/or obligations under the Key Sub-Contract to CCS and/or the Buyer;
 - 1.6.5 obligations no less onerous on the Key Subcontractor than those imposed on the Supplier under the DPS Contract in respect of:
 - (a) the data protection requirements set out in Clause 14 (Data protection);
 - (b) the FOIA and other access request requirements set out in Clause 16 (When you can share information);
 - (c) the obligation not to embarrass CCS or the Buyer or otherwise bring CCS or the Buyer into disrepute;
 - (d) the keeping of records in respect of the goods and/or services being provided under the Key Sub-Contract, including the maintenance of Open Book Data; and
 - (e) the conduct of audits set out in Clause 6 (Record keeping and reporting);
 - 1.6.6 provisions enabling the Supplier to terminate the Key Sub-Contract on notice on terms no more onerous on the Supplier than those imposed on CCS and the Buyer under Clauses 10.4 (When CCS or the Buyer can end this contract) and 10.6 (What happens if the contract ends) of this Contract; and
 - 1.6.7 a provision restricting the ability of the Key Subcontractor to sub-contract all or any part of the provision of the Deliverables provided to the Supplier under the Key Sub-Contract without first seeking the written consent of CCS and the Buyer.

Joint Schedule 7 (Financial Difficulties)

1. Definitions

1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

“Applicable Financial Indicators”	1 means the financial indicators from Paragraph 5.1 of this Schedule which are to apply to the Monitored Suppliers as set out in Paragraph 5.2 of this Schedule;
“Board”	2 means the Supplier’s board of directors;
“Board Confirmation”	3 means written confirmation from the Board in accordance with Paragraph 8 of this Schedule;
“Cabinet Office Markets and Suppliers Team”	4 means the UK Government’s team responsible for managing the relationship between government and its Strategic Suppliers, or any replacement or successor body carrying out the same function;
“Credit Rating Threshold”	5 the minimum credit rating level for each entity in the FDE Group as set out in Annex 1 to this Schedule
“FDE Group”	6 means the Supplier, Key Sub-contractors, the Guarantor and the Monitored Suppliers
“Financial Distress Event”	7 Any of the events listed in Paragraph 3.1 of this Schedule;
“Financial Distress Remediation Plan”	8 a plan setting out how the Supplier will ensure the continued performance and delivery of the Deliverables in accordance with the Contract in the event that a Financial Distress Event occurs;
“Financial Indicators”	9 in respect of the Supplier, Key Sub-contractors and the Guarantor, means each of the financial indicators set out at paragraph 5.1 of this Schedule and in respect of each Monitored Supplier, means those Applicable Financial Indicators;
“Financial Target Thresholds”	10 means the target thresholds for each of the Financial Indicators set out at paragraph 5.1 of this Schedule;
“Monitored Suppliers”	11 means those entities specified at paragraph 5.2 of this Schedule;
“Rating Agencies”	12 the rating agencies listed in Annex 1 of this Schedule.
“Strategic Supplier”	13 means those suppliers to government listed at https://www.gov.uk/government/publications/strategic-suppliers .

2. Warranties and duty to notify

2.1 The Supplier warrants and represents to the Relevant Authority for the benefit of the Relevant Authority that as at the Effective Date:

- 2.1.1 the long term credit ratings issued for each entity in the FDE Group by each of the Rating Agencies are as set out in Annex 2 to this Schedule; and
- 2.1.2 the financial position or, as appropriate, the financial performance of each of the Supplier, Guarantor and Key Sub-contractors satisfies the Financial Target Thresholds.

2.2 The Supplier shall promptly notify (or shall procure that its auditors promptly notify) the Relevant Authority in writing if there is any downgrade in the credit rating issued by any Rating Agency for any entity in the FDE Group (and in any event within 5 Working Days of the occurrence of the downgrade).

2.3 The Supplier shall:

- 2.3.1 regularly monitor the credit ratings of each entity in the FDE Group with the Rating Agencies;
- 2.3.2 monitor and report on the Financial Indicators for each entity in the FDE Group against the Financial Target Thresholds at least at the frequency set out for each at Paragraph 5.1 (where specified) and in any event, on a regular basis and no less than once a year within ninety (90) days after the Accounting Reference Date; and
- 2.3.3 promptly notify (or shall procure that its auditors promptly notify) the Relevant Authority in writing following the occurrence of a Financial Distress Event or any fact, circumstance or matter which could cause a Financial Distress Event (and in any event, ensure that such notification is made within 10 Working Days of the date on which the Supplier first becomes aware of the Financial Distress Event or the fact, circumstance or matter which could cause a Financial Distress Event).

2.4 For the purposes of determining whether a Financial Distress Event has occurred pursuant to the provisions of Paragraphs 3.1, and for the purposes of determining relief under Paragraph 7.1, the credit rating of an FDE Group entity shall be deemed to have dropped below the applicable Credit Rating Threshold if any of the Rating Agencies have rated that entity at or below the applicable Credit Rating Threshold.

2.5 Each report submitted by the Supplier pursuant to paragraph 2.3.2 shall:

- 2.5.1 be a single report with separate sections for each of the FDE Group entities;
- 2.5.2 contain a sufficient level of information to enable the Relevant Authority to verify the calculations that have been made in respect of the Financial Indicators;

- 2.5.3 include key financial and other supporting information (including any accounts data that has been relied on) as separate annexes;
- 2.5.4 be based on the audited accounts for the date or period on which the Financial Indicator is based or, where the Financial Indicator is not linked to an accounting period or an accounting reference date, on unaudited management accounts prepared in accordance with their normal timetable; and
- 2.5.5 include a history of the Financial Indicators reported by the Supplier in graph form to enable the Relevant Authority to easily analyse and assess the trends in financial performance.

3. Financial Distress events

3.1 The following shall be Financial Distress Events:

- 3.1.1 the credit rating of an FDE Group entity dropping below the applicable Credit Rating Threshold;
- 3.1.2 an FDE Group entity issuing a profits warning to a stock exchange or making any other public announcement, in each case about a material deterioration in its financial position or prospects;
- 3.1.3 there being a public investigation into improper financial accounting and reporting, suspected fraud or any other impropriety of an FDE Group entity;
- 3.1.4 an FDE Group entity committing a material breach of covenant to its lenders;
- 3.1.5 a Key Sub-contractor notifying CCS or the Buyer that the Supplier has not satisfied any material sums properly due under a specified invoice and not subject to a genuine dispute;
- 3.1.6 any of the following:
 - (a) commencement of any litigation against an FDE Group entity with respect to financial indebtedness greater than £5m or obligations under a service contract with a total contract value greater than £5m;
 - (b) non-payment by an FDE Group entity of any financial indebtedness;
 - (c) any financial indebtedness of an FDE Group entity becoming due as a result of an event of default;
 - (d) the cancellation or suspension of any financial indebtedness in respect of an FDE Group entity; or
 - (e) the external auditor of an FDE Group entity expressing a qualified opinion on, or including an emphasis of matter in, its opinion on the statutory accounts of that FDE entity;

in each case which the Relevant Authority reasonably believes (or would be likely reasonably to believe) could directly impact on the continued performance and delivery of the Deliverables in accordance with the Contract; and

- 3.1.7 any [one] of the Financial Indicators set out at Paragraph 5 for any of the FDE Group entities failing to meet the required Financial Target Threshold.

4. Consequences of Financial Distress Events

4.1 Immediately upon notification by the Supplier of a Financial Distress Event (or if the Relevant Authority becomes aware of a Financial Distress Event without notification and brings the event to the attention of the Supplier), the Supplier shall have the obligations and the Relevant Authority shall have the rights and remedies as set out in Paragraphs 4.3 to 4.6.

4.2 In the event of a late or non-payment of a Key Sub-contractor pursuant to Paragraph 3.1.5, the Relevant Authority shall not exercise any of its rights or remedies under Paragraph 4.3 without first giving the Supplier 10 Working Days to:

4.2.1 rectify such late or non-payment; or

4.2.2 demonstrate to the Relevant Authority's reasonable satisfaction that there is a valid reason for late or non-payment.

4.3 The Supplier shall (and shall procure that any Monitored Supplier, the Guarantor and/or any relevant Key Sub-contractor shall):

4.3.1 at the request of the Relevant Authority, meet the Relevant Authority as soon as reasonably practicable (and in any event within 3 Working Days of the initial notification (or awareness) of the Financial Distress Event or such other period as the Relevant Authority may permit and notify to the Supplier in writing) to review the effect of the Financial Distress Event on the continued performance and delivery of the Services in accordance with the Contract; and

4.3.2 where the Relevant Authority reasonably believes (taking into account the discussions and any representations made under Paragraph 4.3.1 that the Financial Distress Event could impact on the continued performance and delivery of the Deliverables in accordance with the Contract:

(a) submit to the Relevant Authority for its approval, a draft Financial Distress Remediation Plan as soon as reasonably practicable (and in any event, within 10 Working Days of the initial notification (or awareness) of the Financial Distress Event or such other period as the Relevant Authority may permit and notify to the Supplier in writing); and

(b) to the extent that it is legally permitted to do so and subject to Paragraph 4.8, provide such information relating to the Supplier, any Monitored Supplier, Key

Sub-contractors and/or the Guarantor as the Buyer may reasonably require in order to understand the risk to the Deliverables, which may include forecasts in relation to cash flow, orders and profits and details of financial measures being considered to mitigate the impact of the Financial Distress Event.

4.4 The Relevant Authority shall not withhold its approval of a draft Financial Distress Remediation Plan unreasonably. If the Relevant Authority does not approve the draft Financial Distress Remediation Plan, it shall inform the Supplier of its reasons and the Supplier shall take those reasons into account in the preparation of a further draft Financial Distress Remediation Plan, which shall be resubmitted to the Relevant Authority within 5 Working Days of the rejection of the first draft. This process shall be repeated until the Financial Distress Remediation Plan is approved by the Relevant Authority or referred to the Dispute Resolution Procedure set out in Clause 34 of the Core Terms under Paragraph 4.5.

4.5 If the Relevant Authority considers that the draft Financial Distress Remediation Plan is insufficiently detailed to be properly evaluated, will take too long to complete or will not ensure the continued performance of the Supplier's obligations in accordance with the Contract, then it may either agree a further time period for the development and agreement of the Financial Distress Remediation Plan or escalate any issues with the draft Financial Distress Remediation Plan using the Dispute Resolution Procedure in Clause 34 of the Core Terms.

4.6 Following approval of the Financial Distress Remediation Plan by the Relevant Authority, the Supplier shall:

4.6.1 on a regular basis (which shall not be less than fortnightly):

- (a) review and make any updates to the Financial Distress Remediation Plan as the Supplier may deem reasonably necessary and/or as may be reasonably requested by the Relevant Authority, so that the plan remains adequate, up to date and ensures the continued performance and delivery of the Deliverables in accordance with this Contract; and
- (b) provide a written report to the Relevant Authority setting out its progress against the Financial Distress Remediation Plan, the reasons for any changes made to the Financial Distress Remediation Plan by the Supplier and/or the reasons why the Supplier may have decided not to make any changes;

4.6.2 where updates are made to the Financial Distress Remediation Plan in accordance with Paragraph 4.6.1, submit an updated Financial Distress Remediation Plan to the Relevant Authority for its approval, and the provisions of Paragraphs 4.4 and 4.5 shall apply to the review and approval process for the updated Financial Distress Remediation Plan; and

4.6.3 comply with the Financial Distress Remediation Plan (including any updated Financial Distress Remediation Plan) and ensure

that it achieves the financial and performance requirements set out in the Financial Distress Remediation Plan.

4.7 Where the Supplier reasonably believes that the relevant Financial Distress Event under Paragraph 4.1 (or the circumstance or matter which has caused or otherwise led to it) no longer exists, it shall notify the Relevant Authority and the Parties may agree that the Supplier shall be relieved of its obligations under Paragraph 4.6.

4.8 The Supplier shall use reasonable endeavours to put in place the necessary measures to ensure that the information specified at paragraph 4.3.2(b) is available when required and on request from the Relevant Authority and within reasonable timescales. Such measures may include:

- 4.8.1 obtaining in advance written authority from Key Sub-contractors, the Guarantor and/or Monitored Suppliers authorising the disclosure of the information to the Buyer and/or entering into confidentiality agreements which permit disclosure;
- 4.8.2 agreeing in advance with the Relevant Authority, Key Sub-contractors, the Guarantor and/or Monitored Suppliers a form of confidentiality agreement to be entered by the relevant parties to enable the disclosure of the information to the Relevant Authority;
- 4.8.3 putting in place any other reasonable arrangements to enable the information to be lawfully disclosed to the Relevant Authority (which may include making price sensitive information available to the Relevant Authority's nominated personnel through confidential arrangements, subject to their consent); and
- 4.8.4 disclosing the information to the fullest extent that it is lawfully entitled to do so, including through the use of redaction, anonymisation and any other techniques to permit disclosure of the information without breaching a duty of confidentiality.

5. Termination rights

5.1 The Relevant Authority shall be entitled to terminate the Contract if:

- 5.1.1 the Supplier fails to notify the Relevant Authority of a Financial Distress Event in accordance with Paragraph 2.3.3;
- 5.1.2 the Parties fail to agree a Financial Distress Remediation Plan (or any updated Financial Distress Remediation Plan) in accordance with Paragraphs 4.3 to 4.5; and/or
- 5.1.3 the Supplier fails to comply with the terms of the Financial Distress Remediation Plan (or any updated Financial Distress Remediation Plan) in accordance with Paragraph 4.6.3,

which shall be deemed to be an event to which Clause 10.4.1 of the Core Terms applies and Clauses 10.6.1 and 10.6.2 of the Core Terms shall apply accordingly.

6. Primacy of Credit Ratings

6.1 Without prejudice to the Supplier's obligations and the Relevant Authority's rights and remedies under Paragraph 2, if, following the occurrence of a Financial Distress Event pursuant to any of Paragraphs 3.1.2 to 3.1.7, the Rating Agencies review and report subsequently that the credit ratings for the FDE Group entities do not drop below the relevant Credit Rating Thresholds specified for those entities in Annex 2 to this Schedule, then:

6.1.1 the Supplier shall be relieved automatically of its obligations under Paragraphs 4.3 to 4.6; and

6.1.2 the Relevant Authority shall not be entitled to require the Supplier to provide financial information in accordance with Paragraph 4.3.2(b).

7. Board confirmation

7.1 If the Contract has been specified as a Critical Service Contract under Paragraph 1.1 of Part B to Order Schedule 8 (Business Continuity and Disaster Recovery) (if applicable) then, subject to Paragraph 8.4 of this Schedule, the Supplier shall within ninety (90) days after each Accounting Reference Date or within 15 months of the previous Board Confirmation (whichever is the earlier) provide a Board Confirmation to the Relevant Authority in the form set out at Annex 4 to this Schedule, confirming that to the best of the Board's knowledge and belief, it is not aware of and has no knowledge:

7.1.1 that a Financial Distress Event has occurred since the later of the Effective Date or the previous Board Confirmation or is subsisting; or

7.1.2 of any matters which have occurred or are subsisting that could reasonably be expected to cause a Financial Distress Event.

7.2 The Supplier shall ensure that in its preparation of the Board Confirmation it exercises due care and diligence and has made reasonable enquiry of all relevant Supplier Staff and other persons as is reasonably necessary to understand and confirm the position.

7.3 In respect of the first Board Confirmation to be provided under this Contract, the Supplier shall provide the Board Confirmation within 15 months of the Effective Date if earlier than the timescale for submission set out in Paragraph 8.1 of this Schedule.

7.4 Where the Supplier is unable to provide a Board Confirmation in accordance with Paragraphs 8.1 to 8.3 of this Schedule due to the occurrence of a Financial Distress Event or knowledge of subsisting matters which could reasonably be expected to cause a Financial Distress Event, it will be sufficient for the Supplier to submit in place of the Board Confirmation, a statement from the Board of Directors to the Buyer (and where the Supplier is a Strategic Supplier, the Supplier shall send a copy of the statement to the Cabinet Office Markets and

Suppliers Team) setting out full details of any Financial Distress Events that have occurred and/or the matters which could reasonably be expected to cause a Financial Distress Event.

8. Optional Clauses

8.1 Not Used

Annex 1: Rating Agencies and their standard Rating System

Dun and Bradstreet

Entity	Credit Rating (long term)	Credit Rating Threshold
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]	[REDACTED]

Annex 2: Credit Ratings and Credit Rating Thresholds

Entity	Credit rating (long term)
Supplier	45
Guarantor	45
Key Subcontractor	45

ANNEX 3: BOARD CONFIRMATION

Supplier Name: Triple Point Investment Management LLP

Contract Reference Number: con_7664

The Managing Partners acknowledge the requirements set out at paragraph 7 of Joint Schedule 7 (*Financial Distress*) and confirm that the Supplier has exercised due care and diligence and made reasonable enquiry of all relevant Supplier Staff and other persons as is reasonably necessary to enable the Managing Partners to prepare this statement.

The Managing Partners confirm, to the best of its knowledge and belief, that as at the date of this Board Confirmation it is not aware of and has no knowledge:

- (a) that a Financial Distress Event has occurred since our ITT submission; or
- (b) of any matters which have occurred or are subsisting that could reasonably be expected to cause a Financial Distress Event

On behalf of the Triple Point Investment Management LLP:

[Redacted Signature]

Signed

Date

[Redacted Signature and Date]

[Redacted Signature]

APPENDIX 1: RATING AGENCIES

Dun and Bradstreet Failure Score

APPENDIX 2: CREDIT RATINGS & CREDIT RATING THRESHOLDS

Part 1: Current Rating

Entity	Credit Rating (long term)
[REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]
[REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]

Joint Schedule 10 (Rectification Plan)

Request for [Revised] Rectification Plan			
Details of the Default:	[Guidance: Explain the Default, with clear schedule and clause references as appropriate]		
Deadline for receiving the [Revised] Rectification Plan:	[add] date (minimum 10 days from request)]		
Signed by [CCS/Buyer] :		Date:	
Supplier [Revised] Rectification Plan			
Cause of the Default	[add] cause]		
Anticipated impact assessment:	[add] impact]		
Actual effect of Default:	[add] effect]		
Steps to be taken to rectification:	Steps	Timescale	
	1.	[date]	
	2.	[date]	
	3.	[date]	
	4.	[date]	
	[...]	[date]	
Timescale for complete Rectification of Default	[X] Working Days		
Steps taken to prevent recurrence of Default	Steps	Timescale	
	1.	[date]	
	2.	[date]	
	3.	[date]	
	4.	[date]	
	[...]	[date]	

Joint Schedule 10 (Rectification Plan)

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Signed by the Supplier:		Date:	
Review of Rectification Plan [CCS/Buyer]			
Outcome of review	[Plan Accepted] [Plan Rejected] [Revised Plan Requested]		
Reasons for Rejection (if applicable)	[add reasons]		
Signed by [CCS/Buyer]		Date:	

Joint Schedule 11 (Processing Data)

Definitions

1. In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

“Processor Personnel” all directors, officers, employees, agents, consultants and suppliers of the Processor and/or of any Subprocessor engaged in the performance of its obligations under a Contract;

Status of the Controller

2. The Parties acknowledge that for the purposes of the Data Protection Legislation, the nature of the activity carried out by each of them in relation to their respective obligations under a Contract dictates the status of each party under the DPA 2018. A Party may act as:

- (a) “Controller” in respect of the other Party who is “Processor”;
- (b) “Processor” in respect of the other Party who is “Controller”;
- (c) “Joint Controller” with the other Party;
- (d) “Independent Controller” of the Personal Data where the other Party is also “Controller”,

in respect of certain Personal Data under a Contract and shall specify in Annex 1 (*Processing Personal Data*) which scenario they think shall apply in each situation.

Where one Party is Controller and the other Party its Processor

3. Where a Party is a Processor, the only Processing that it is authorised to do is listed in Annex 1 (*Processing Personal Data*) by the Controller.
4. The Processor shall notify the Controller immediately if it considers that any of the Controller’s instructions infringe the Data Protection Legislation.
5. The Processor shall provide all reasonable assistance to the Controller in the preparation of any Data Protection Impact Assessment prior to commencing any Processing. Such assistance may, at the discretion of the Controller, include:
 - (a) a systematic description of the envisaged Processing and the purpose of the Processing;
 - (b) an assessment of the necessity and proportionality of the Processing in relation to the Deliverables;

Joint Schedule 11 (Processing Data)

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- (c) an assessment of the risks to the rights and freedoms of Data Subjects; and
 - (d) the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.
6. The Processor shall, in relation to any Personal Data Processed in connection with its obligations under the Contract:
- (a) Process that Personal Data only in accordance with Annex 1 (*Processing Personal Data*), unless the Processor is required to do otherwise by Law. If it is so required the Processor shall notify the Controller before Processing the Personal Data unless prohibited by Law;
 - (b) ensure that it has in place Protective Measures, including in the case of the Supplier the measures set out in Clause 14.3 of the Core Terms, which the Controller may reasonably reject (but failure to reject shall not amount to approval by the Controller of the adequacy of the Protective Measures) having taken account of the:
 - (i) nature of the data to be protected;
 - (ii) harm that might result from a Personal Data Breach;
 - (iii) state of technological development; and
 - (iv) cost of implementing any measures;
 - (c) ensure that :
 - (i) the Processor Personnel do not Process Personal Data except in accordance with the Contract (and in particular Annex 1 (*Processing Personal Data*));
 - (ii) it takes all reasonable steps to ensure the reliability and integrity of any Processor Personnel who have access to the Personal Data and ensure that they:
 - (A) are aware of and comply with the Processor's duties under this Joint Schedule 11, Clauses 14 (*Data protection*), 15 (*What you must keep confidential*) and 16 (*When you can share information*);
 - (B) are subject to appropriate confidentiality undertakings with the Processor or any Subprocessor;
 - (C) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Controller or as otherwise permitted by the Contract; and
 - (D) have undergone adequate training in the use, care, protection and handling of Personal Data;
 - (d) not transfer Personal Data outside of the UK or EU unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:

Joint Schedule 11 (Processing Data)

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- (i) the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with UK GDPR Article 46 or LED Article 37) as determined by the Controller;
 - (ii) the Data Subject has enforceable rights and effective legal remedies;
 - (iii) 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
 - (iv) the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the Processing of the Personal Data; and
 - (e) at the written direction of the Controller, delete or return Personal Data (and any copies of it) to the Controller on termination of the Contract unless the Processor is required by Law to retain the Personal Data.
7. Subject to paragraph 7 of this Joint Schedule 11, the Processor shall notify the Controller immediately if in relation to it Processing Personal Data under or in connection with the Contract it:
- (a) receives a Data Subject Access Request (or purported Data Subject Access Request);
 - (b) receives a request to rectify, block or erase any Personal Data;
 - (c) receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
 - (d) receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data Processed under the Contract;
 - (e) receives a request from any third Party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law; or
 - (f) becomes aware of a Personal Data Breach.
8. The Processor's obligation to notify under paragraph 6 of this Joint Schedule 11 shall include the provision of further information to the Controller, as details become available.
9. Taking into account the nature of the Processing, the Processor shall provide the Controller with assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under paragraph 6 of this Joint Schedule 11 (and insofar as possible within the timescales reasonably required by the Controller) including by immediately providing:

Joint Schedule 11 (Processing Data)

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- (a) the Controller with full details and copies of the complaint, communication or request;
 - (b) such assistance as is reasonably requested by the Controller to enable it to comply with a Data Subject Access Request within the relevant timescales set out in the Data Protection Legislation;
 - (c) the Controller, at its request, with any Personal Data it holds in relation to a Data Subject;
 - (d) assistance as requested by the Controller following any Personal Data Breach; and/or
 - (e) assistance as requested by the Controller with respect to any request from the Information Commissioner's Office, or any consultation by the Controller with the Information Commissioner's Office.
10. The Processor shall maintain complete and accurate records and information to demonstrate its compliance with this Joint Schedule 11. This requirement does not apply where the Processor employs fewer than 250 staff, unless:
- (a) the Controller determines that the Processing is not occasional;
 - (b) the Controller determines the Processing includes special categories of data as referred to in Article 9(1) of the UK GDPR or Personal Data relating to criminal convictions and offences referred to in Article 10 of the UK GDPR; or
 - (c) the Controller determines that the Processing is likely to result in a risk to the rights and freedoms of Data Subjects.
11. The Processor shall allow for audits of its Data Processing activity by the Controller or the Controller's designated auditor.
12. The Parties shall designate a Data Protection Officer if required by the Data Protection Legislation.
13. Before allowing any Subprocessor to Process any Personal Data related to the Contract, the Processor must:
- (a) notify the Controller in writing of the intended Subprocessor and Processing;
 - (b) obtain the written consent of the Controller;
 - (c) enter into a written agreement with the Subprocessor which give effect to the terms set out in this Joint Schedule 11 such that they apply to the Subprocessor; and
 - (d) provide the Controller with such information regarding the Subprocessor as the Controller may reasonably require.
14. The Processor shall remain fully liable for all acts or omissions of any of its Subprocessors.
15. The Relevant Authority may, at any time on not less than thirty (30) Working Days' notice, revise this Joint Schedule 11 by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an

applicable certification scheme (which shall apply when incorporated by attachment to the Contract).

16. The Parties agree to take account of any guidance issued by the Information Commissioner's Office. The Relevant Authority may on not less than thirty (30) Working Days' notice to the Supplier amend the Contract to ensure that it complies with any guidance issued by the Information Commissioner's Office.

Where the Parties are Joint Controllers of Personal Data

17. In the event that the Parties are Joint Controllers in respect of Personal Data under the Contract, the Parties shall implement paragraphs that are necessary to comply with UK GDPR Article 26 based on the terms set out in Annex 2 to this Joint Schedule 11.

Independent Controllers of Personal Data

18. With respect to Personal Data provided by one Party to another Party for which each Party acts as Controller but which is not under the Joint Control of the Parties, each Party undertakes to comply with the applicable Data Protection Legislation in respect of their Processing of such Personal Data as Controller.
19. Each Party shall Process the Personal Data in compliance with its obligations under the Data Protection Legislation and not do anything to cause the other Party to be in breach of it.
20. Where a Party has provided Personal Data to the other Party in accordance with paragraph 8 of this Joint Schedule 11 above, the recipient of the Personal Data will provide all such relevant documents and information relating to its data protection policies and procedures as the other Party may reasonably require.
21. The Parties shall be responsible for their own compliance with Articles 13 and 14 UK GDPR in respect of the Processing of Personal Data for the purposes of the Contract.
22. The Parties shall only provide Personal Data to each other:
 - (a) to the extent necessary to perform their respective obligations under the Contract;
 - (b) in compliance with the Data Protection Legislation (including by ensuring all required data privacy information has been given to affected Data Subjects to meet the requirements of Articles 13 and 14 of the UK GDPR); and
 - (c) where it has recorded it in Annex 1 (*Processing Personal Data*).
23. Taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of Processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, each Party shall, with respect to its Processing of Personal Data as Independent Controller, implement and maintain appropriate technical and organisational

measures to ensure a level of security appropriate to that risk, including, as appropriate, the measures referred to in Article 32(1)(a), (b), (c) and (d) of the UK GDPR, and the measures shall, at a minimum, comply with the requirements of the Data Protection Legislation, including Article 32 of the UK GDPR.

24. A Party Processing Personal Data for the purposes of the Contract shall maintain a record of its Processing activities in accordance with Article 30 UK GDPR and shall make the record available to the other Party upon reasonable request.
25. Where a Party receives a request by any Data Subject to exercise any of their rights under the Data Protection Legislation in relation to the Personal Data provided to it by the other Party pursuant to the Contract (**“Request Recipient”**):
 - (a) the other Party shall provide any information and/or assistance as reasonably requested by the Request Recipient to help it respond to the request or correspondence, at the cost of the Request Recipient; or
 - (b) where the request or correspondence is directed to the other Party and/or relates to that other Party's Processing of the Personal Data, the Request Recipient will:
 - (i) promptly, and in any event within five (5) Working Days of receipt of the request or correspondence, inform the other Party that it has received the same and shall forward such request or correspondence to the other Party; and
 - (ii) provide any information and/or assistance as reasonably requested by the other Party to help it respond to the request or correspondence in the timeframes specified by Data Protection Legislation.
26. Each Party shall promptly notify the other Party upon it becoming aware of any Personal Data Breach relating to Personal Data provided by the other Party pursuant to the Contract and shall:
 - (a) do all such things as reasonably necessary to assist the other Party in mitigating the effects of the Personal Data Breach;
 - (b) implement any measures necessary to restore the security of any compromised Personal Data;
 - (c) work with the other Party to make any required notifications to the Information Commissioner's Office and affected Data Subjects in accordance with the Data Protection Legislation (including the timeframes set out therein); and
 - (d) not do anything which may damage the reputation of the other Party or that Party's relationship with the relevant Data Subjects, save as required by Law.

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27. Personal Data provided by one Party to the other Party may be used exclusively to exercise rights and obligations under the Contract as specified in Annex 1 (*Processing Personal Data*).
28. Personal Data shall not be retained or processed for longer than is necessary to perform each Party's respective obligations under the Contract which is specified in Annex 1 (*Processing Personal Data*).
29. Notwithstanding the general application of paragraphs 2 to 16 of this Joint Schedule 11 to Personal Data, where the Supplier is required to exercise its regulatory and/or legal obligations in respect of Personal Data, it shall act as an Independent Controller of Personal Data in accordance with paragraphs 18 to 27 of this Joint Schedule 11.

Annex 1 - Processing Personal Data

This Annex shall be completed by the Controller, who may take account of the view of the Processors, however the final decision as to the content of this Annex shall be with the Relevant Authority at its absolute discretion.

- 1.1 The contact details of the Relevant Authority's Data Protection Officer are:
[REDACTED]
- 1.2 The contact details of the Supplier's Data Protection Officer are:
[REDACTED]
- 1.3 The Processor shall comply with any further written instructions with respect to Processing by the Controller.
- 1.4 Any such further instructions shall be incorporated into this Annex.

Description	Details
Identity of Controller for each Category of Personal Data	The Parties are Joint Controllers <i>The Parties acknowledge that they are Joint Controllers for the purposes of the Data Protection Legislation in respect of:</i> The processing that is needed to ensure that the Supplier can effectively deliver the contract to provide the requirements as specified in Order Schedule 20 (order specification)
Duration of the Processing	Processing will take place: (a) In respect of the Supplier from the Order Start Date for the duration of the Contract. The Contract will end on the final day of the Initial Period unless extended in which case the Contract will end on the final day of the Extension Period; and (b) In respect of the Buyer from the Order Start Date for a period of 22 years.
Nature and purposes of the Processing	The nature of the processing will include collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of data by both manual and automated means. Processing takes place for the purposes of administration of the GHNF supplementary contract including employment processing, statutory obligation, recruitment assessments, research, stakeholder communication, grant eligibility assessment, grant disbursement, audit and compliance, monitoring and evaluation.

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	The nature of processing will include the storage and use of names and business contact details of staff of both the Authority and the Supplier as necessary to deliver the services and to undertake contract and performance management. The Contract itself will include the names and business contact details of staff of both the Authority
Type of Personal Data	Names, business telephone numbers and email addresses, office location and position of staff and stakeholders of the Authority, the Supplier, Applicants and prospective Applicants to GHNF, GHNF SC, HNIP. GHNF, GHNF SC & HNIP Projects and GHNF, GHNF SC and HNIP Project Supply Chain as necessary to deliver the services and to undertake the Contract and performance management. The Contract itself will include the names and business contact details of staff of both the Authority and the Supplier involved in managing the Contract.
Categories of Data Subject	This will include staff of the Authority, staff of the Supplier (including volunteers, agents, and temporary workers), Applicants and prospective Applicants to GHNF SC, GHNF SC, GHNF and HNIP Projects and GHNF SC, GHNF and HNIP Project Supply Chain, users of the GHNF, GHNF SC & HNIP SC website. Staff of the Authority and the Supplier, including where those employees are named within the Contract itself or involved within contract management.
Plan for return and destruction of the data once the Processing is complete UNLESS requirement under Union or Member State law to preserve that type of data	Personal Data that the Supplier is legally required to retain will be retained by the Supplier for so long as they are legally required to do so (the Supplier retention period), following which it will be destroyed. The Supplier will provide the Authority with a complete and uncorrupted version of the Personal Data in relation to GHNF SC, GHNF & HNIP projects in electronic form (or such other format as reasonably required by the Authority) and erase from any computers, storage devices and storage media that are to be retained by the Supplier after the expiry of the Contract and the Supplier retention period. The Supplier will certify to the Authority that it has completed such deletion. Where Personal Data is contained within the Contract documentation, this will be retained in line with the Department's privacy notice found within the Invitation to Tender.

Annex 2 - Joint Controller Agreement

1. Joint Controller Status and Allocation of Responsibilities

1.1 With respect to Personal Data under Joint Control of the Parties, the Parties envisage that they shall each be a Data Controller in respect of that Personal Data in accordance with the terms of this Annex 2 (Joint Controller Agreement) in replacement of paragraphs 2-15 of Joint Schedule 11 (Where one Party is Controller and the other Party is Processor) and paragraphs 7-27 of Joint Schedule 11 (Independent Controllers of Personal Data). Accordingly, the Parties each undertake to comply with the applicable Data Protection Legislation in respect of their Processing of such Personal Data as Data Controllers.

1.2 The Parties agree that the Supplier/Buyer

- (a) is the exclusive point of contact for Data Subjects and is responsible for all steps necessary to comply with the UK GDPR regarding the exercise by Data Subjects of their rights under the UK GDPR;
- (b) shall direct Data Subjects to its Data Protection Officer or suitable alternative in connection with the exercise of their rights as Data Subjects and for any enquiries concerning their Personal Data or privacy;
- (c) is solely responsible for the Parties' compliance with all duties to provide information to Data Subjects under Articles 13 and 14 of the UK GDPR;
- (d) is responsible for obtaining the informed consent of Data Subjects, in accordance with the UK GDPR, for Processing in connection with the Deliverables where consent is the relevant legal basis for that Processing; and
- (e) shall make available to Data Subjects the essence of this Annex (and notify them of any changes to it) concerning the allocation of responsibilities as Joint Controller and its role as exclusive point of contact, the Parties having used their best endeavours to agree the terms of that essence. This must be outlined in the Supplier's/Buyer privacy policy (which must be readily available by hyperlink or otherwise on all of its public facing services and marketing).

1.3 Notwithstanding the terms of clause 1.2, the Parties acknowledge that a Data Subject has the right to exercise their legal rights under the Data Protection Legislation as against the relevant Party as Controller.

2. Undertakings of both Parties

2.1 The Supplier and the Relevant Authority each undertake that they shall:

- (a) report to the other Party every Month on:
 - (i) the volume of Data Subject Access Request (or purported Data Subject Access Requests) from Data Subjects (or third parties on their behalf);

- (ii) the volume of requests from Data Subjects (or third parties on their behalf) to rectify, block or erase any Personal Data;
- (iii) any other requests, complaints or communications from Data Subjects (or third parties on their behalf) relating to the other Party's obligations under applicable Data Protection Legislation;
- (iv) any communications from the Information Commissioner or any other regulatory authority in connection with Personal Data; and
- (v) any requests from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law,

that it has received in relation to the subject matter of the Contract during that period;

- (b) notify each other immediately if it receives any request, complaint or communication made as referred to in Clauses 2.1(a)(i) to (v);
- (c) provide the other Party with full cooperation and assistance in relation to any request, complaint or communication made as referred to in Clauses 2.1(a)(iii) to (v) to enable the other Party to comply with the relevant timescales set out in the Data Protection Legislation;
- (d) not disclose or transfer the Personal Data to any third party unless necessary for the provision of the Deliverables and, for any disclosure or transfer of Personal Data to any third party, (save where such disclosure or transfer is specifically authorised under the Contract or is required by Law) ensure consent has been obtained from the Data Subject prior to disclosing or transferring the Personal Data to the third party. For the avoidance of doubt, the third party to which Personal Data is transferred must be subject to equivalent obligations which are no less onerous than those set out in this Annex;
- (e) request from the Data Subject only the minimum information necessary to provide the Deliverables and treat such extracted information as Confidential Information;
- (f) ensure that at all times it has in place appropriate Protective Measures to guard against unauthorised or unlawful Processing of the Personal Data and/or accidental loss, destruction or damage to the Personal Data and unauthorised or unlawful disclosure of or access to the Personal Data;
- (g) take all reasonable steps to ensure the reliability and integrity of any of its Personnel who have access to the Personal Data and ensure that its Personnel:

- (i) are aware of and comply with their duties under this Annex 2 (Joint Controller Agreement) and those in respect of Confidential Information;
 - (ii) are informed of the confidential nature of the Personal Data, are subject to appropriate obligations of confidentiality and do not publish, disclose or divulge any of the Personal Data to any third party where the that Party would not be permitted to do so; and
 - (iii) have undergone adequate training in the use, care, protection and handling of personal data as required by the applicable Data Protection Legislation;
- (h) ensure that it has in place Protective Measures as appropriate to protect against a Personal Data Breach having taken account of the:
 - (i) nature of the data to be protected;
 - (ii) harm that might result from a Personal Data Breach;
 - (iii) state of technological development; and
 - (iv) cost of implementing any measures;
- (i) ensure that it has the capability (whether technological or otherwise), to the extent required by Data Protection Legislation, to provide or correct or delete at the request of a Data Subject all the Personal Data relating to that Data Subject that it holds; and
- (j) ensure that it notifies the other Party as soon as it becomes aware of a Personal Data Breach.

2.2 Each Joint Controller shall use its reasonable endeavours to assist the other Controller to comply with any obligations under applicable Data Protection Legislation and shall not perform its obligations under this Annex in such a way as to cause the other Joint Controller to breach any of its obligations under applicable Data Protection Legislation to the extent it is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations.

3. Data Protection Breach

- 3.1 Without prejudice to clause 3.2, each Party shall notify the other Party promptly and without undue delay, and in any event within 48 hours, upon becoming aware of any Personal Data Breach or circumstances that are likely to give rise to a Personal Data Breach, providing the other Party and its advisors with:
- (a) sufficient information and in a timescale which allows the other Party to meet any obligations to report a Personal Data Breach under the Data Protection Legislation; and

- (b) all reasonable assistance, including:
 - (i) co-operation with the other Party and the Information Commissioner investigating the Personal Data Breach and its cause, containing and recovering the compromised Personal Data and compliance with the applicable guidance;
 - (ii) co-operation with the other Party including taking such reasonable steps as are directed by the other Party to assist in the investigation, mitigation and remediation of a Personal Data Breach;
 - (iii) co-ordination with the other Party regarding the management of public relations and public statements relating to the Personal Data Breach; and/or
 - (iv) providing the other Party and to the extent instructed by the other Party to do so, and/or the Information Commissioner investigating the Personal Data Breach, with complete information relating to the Personal Data Breach, including, without limitation, the information set out in Clause 3.2.

3.2 Each Party shall take all steps to restore, re-constitute and/or reconstruct any Personal Data where it has lost, damaged, destroyed, altered or corrupted as a result of a Personal Data Breach as it was that Party's own data at its own cost with all possible speed and shall provide the other Party with all reasonable assistance in respect of any such Personal Data Breach, including providing the other Party, as soon as possible and within 48 hours of the Personal Data Breach relating to the Personal Data Breach, in particular:

- (a) the nature of the Personal Data Breach;
- (b) the nature of Personal Data affected;
- (c) the categories and number of Data Subjects concerned;
- (d) the name and contact details of the Supplier's Data Protection Officer or other relevant contact from whom more information may be obtained;
- (e) measures taken or proposed to be taken to address the Personal Data Breach; and
- (f) describe the likely consequences of the Personal Data Breach.

4. Audit

4.1 The Supplier shall permit:

- (a) the Relevant Authority, or a third-party auditor acting under the Relevant Authority's direction, to conduct, at the Relevant Authority's cost, data privacy and security audits, assessments and inspections concerning the Supplier's

data security and privacy procedures relating to Personal Data, its compliance with this Annex 2 and the Data Protection Legislation; and/or

- (b) the Relevant Authority, or a third-party auditor acting under the Relevant Authority's direction, access to premises at which the Personal Data is accessible or at which it is able to inspect any relevant records, including the record maintained under Article 30 UK GDPR by the Supplier so far as relevant to the Contract, and procedures, including premises under the control of any third party appointed by the Supplier to assist in the provision of the Deliverables.

4.2 The Relevant Authority may, in its sole discretion, require the Supplier to provide evidence of the Supplier's compliance with Clause 4.1 in lieu of conducting such an audit, assessment or inspection.

5. Impact Assessments

5.1 The Parties shall:

- (a) provide all reasonable assistance to each other to prepare any Data Protection Impact Assessment as may be required (including provision of detailed information and assessments in relation to Processing operations, risks and measures); and
- (b) maintain full and complete records of all Processing carried out in respect of the Personal Data in connection with the Contract, in accordance with the terms of Article 30 UK GDPR.

6. ICO Guidance

The Parties agree to take account of any guidance issued by the Information Commissioner and/or any relevant Central Government Body. The Relevant Authority may on not less than thirty (30) Working Days' notice to the Supplier amend the Contract to ensure that it complies with any guidance issued by the Information Commissioner and/or any relevant Central Government Body.

7. Liabilities for Data Protection Breach

7.1 If financial penalties are imposed by the Information Commissioner on either the Relevant Authority or the Supplier for a Personal Data Breach ("**Financial Penalties**") then the following shall occur:

- (a) if in the view of the Information Commissioner, the Relevant Authority is responsible for the Personal Data Breach, in that it is caused as a result of the actions or inaction of the Relevant Authority, its employees, agents, contractors (other than the Supplier) or systems and procedures controlled by

the Relevant Authority, then the Relevant Authority shall be responsible for the payment of such Financial Penalties. In this case, the Relevant Authority will conduct an internal audit and engage at its reasonable cost when necessary, an independent third party to conduct an audit of any such Personal Data Breach. The Supplier shall provide to the Relevant Authority and its third party investigators and auditors, on request and at the Supplier's reasonable cost, full cooperation and access to conduct a thorough audit of such Personal Data Breach;

- (b) if in the view of the Information Commissioner, the Supplier is responsible for the Personal Data Breach, in that it is not a Personal Data Breach that the Relevant Authority is responsible for, then the Supplier shall be responsible for the payment of these Financial Penalties. The Supplier will provide to the Relevant Authority and its auditors, on request and at the Supplier's sole cost, full cooperation and access to conduct a thorough audit of such Personal Data Breach; or
- (c) if no view as to responsibility is expressed by the Information Commissioner, then the Relevant Authority and the Supplier shall work together to investigate the relevant Personal Data Breach and allocate responsibility for any Financial Penalties as outlined above, or by agreement to split any financial penalties equally if no responsibility for the Personal Data Breach can be apportioned. In the event that the Parties do not agree such apportionment then such Dispute shall be referred to the Dispute Resolution Procedure set out in Clause 34 of the Core Terms (Resolving disputes).

7.2 If either the Relevant Authority or the Supplier is the defendant in a legal claim brought before a court of competent jurisdiction ("Court") by a third party in respect of a Personal Data Breach, then unless the Parties otherwise agree, the Party that is determined by the final decision of the court to be responsible for the Personal Data Breach shall be liable for the losses arising from such Personal Data Breach. Where both Parties are liable, the liability will be apportioned between the Parties in accordance with the decision of the Court.

7.3 In respect of any losses, cost claims or expenses incurred by either Party as a result of a Personal Data Breach (the "Claim Losses"):

- (a) if the Relevant Authority is responsible for the relevant Personal Data Breach, then the Relevant Authority shall be responsible for the Claim Losses;
- (b) if the Supplier is responsible for the relevant Personal Data Breach, then the Supplier shall be responsible for the Claim Losses: and
- (c) if responsibility for the relevant Personal Data Breach is unclear, then the Relevant Authority and the Supplier shall be responsible for the Claim Losses equally.

7.4 Nothing in either clause 7.2 or clause 7.3 shall preclude the Relevant Authority and the Supplier reaching any other agreement, including by way of

compromise with a third party complainant or claimant, as to the apportionment of financial responsibility for any Claim Losses as a result of a Personal Data Breach, having regard to all the circumstances of the Personal Data Breach and the legal and financial obligations of the Relevant Authority.

8. Termination

If the Supplier is in material Default under any of its obligations under this Annex 2 (*Joint Controller Agreement*), the Relevant Authority shall be entitled to terminate the Contract by issuing a Termination Notice to the Supplier in accordance with Clause 10 of the Core Terms (*Ending the contract*).

9. Sub-Processing

9.1 In respect of any Processing of Personal Data performed by a third party on behalf of a Party, that Party shall:

- (a) carry out adequate due diligence on such third party to ensure that it is capable of providing the level of protection for the Personal Data as is required by the Contract, and provide evidence of such due diligence to the other Party where reasonably requested; and
- (b) ensure that a suitable agreement is in place with the third party as required under applicable Data Protection Legislation.

10. Data Retention

The Parties agree to erase Personal Data from any computers, storage devices and storage media that are to be retained as soon as practicable after it has ceased to be necessary for them to retain such Personal Data under applicable Data Protection Legislation and their privacy policy (save to the extent (and for the limited period) that such information needs to be retained by the a Party for statutory compliance purposes or as otherwise required by the Contract), and taking all further actions as may be necessary to ensure its compliance with Data Protection Legislation and its privacy policy.

Joint Schedule 12 (Supply Chain Visibility)

1. Definitions

1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Contracts Finder"	the Government's publishing portal for public sector procurement opportunities;
"SME"	an enterprise falling within the category of micro, small and medium sized enterprises defined by the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium sized enterprises;
"Supply Chain Information Report Template"	the document at Annex 1 of this Schedule 12; and
"VCSE"	a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives.

2. Visibility of Sub-Contract Opportunities in the Supply Chain

2.1 The Supplier shall:

- 2.1.1 subject to Paragraph 2.3, advertise on Contracts Finder all Sub-Contract opportunities arising from or in connection with the provision of the Deliverables above a minimum threshold of £25,000 that arise during the Contract Period;
- 2.1.2 within 90 days of awarding a Sub-Contract to a Subcontractor, update the notice on Contract Finder with details of the successful Subcontractor;
- 2.1.3 monitor the number, type and value of the Sub-Contract opportunities placed on Contracts Finder advertised and awarded in its supply chain during the Contract Period;
- 2.1.4 provide reports on the information at Paragraph 2.1.3 to the Relevant Authority in the format and frequency as reasonably specified by the Relevant Authority; and
- 2.1.5 promote Contracts Finder to its suppliers and encourage those organisations to register on Contracts Finder.

- 2.2 Each advert referred to at Paragraph 2.1.1 of this Schedule 12 shall provide a full and detailed description of the Sub-Contract opportunity with each of the mandatory fields being completed on Contracts Finder by the Supplier.
- 2.3 The obligation on the Supplier set out at Paragraph 2.1 shall only apply in respect of Sub-Contract opportunities arising after the Effective Date.
- 2.4 Notwithstanding Paragraph 2.1, the Authority may by giving its prior Approval, agree that a Sub-Contract opportunity is not required to be advertised by the Supplier on Contracts Finder.

3. Visibility of Supply Chain Spend

- 3.1 In addition to any other management information requirements set out in the Contract, the Supplier agrees and acknowledges that it shall, at no charge, provide timely, full, accurate and complete SME management information reports (the “SME Management Information Reports”) to the Relevant Authority which incorporates the data described in the Supply Chain Information Report Template which is:
 - (a) the total contract revenue received directly on the Contract;
 - (b) the total value of sub-contracted revenues under the Contract
(including revenues for non-SMEs/non-VCSEs); and
 - (c) the total value of sub-contracted revenues to SMEs and VCSEs.
- 3.2 The SME Management Information Reports shall be provided by the Supplier in the correct format as required by the Supply Chain Information Report Template and any guidance issued by the Relevant Authority from time to time. The Supplier agrees that it shall use the Supply Chain Information Report Template to provide the information detailed at Paragraph 3.1(a) –(c) and acknowledges that the template may be changed from time to time (including the data required and/or format) by the Relevant Authority issuing a replacement version. The Relevant Authority agrees to give at least thirty (30) days’ notice in writing of any such change and shall specify the date from which it must be used.
- 3.3 The Supplier further agrees and acknowledges that it may not make any amendment to the Supply Chain Information Report Template without the prior Approval of the Authority.

Annex 1

Supply Chain Information Report template



Supply Chain
Information Report Te

Order Schedule 1 (Transparency Reports)

- 1.1 The Supplier recognises that the Buyer is subject to PPN 01/17 (Updates to transparency principles v1.1 (<https://www.gov.uk/government/publications/procurement-policy-note-0117-update-to-transparency-principles>)). The Supplier shall comply with the provisions of this Schedule in order to assist the Buyer with its compliance with its obligations under that PPN.
- 1.2 Without prejudice to the Supplier's reporting requirements set out in the DPS Contract, within three (3) Months of the Start Date the Supplier shall submit to the Buyer for Approval (such Approval not to be unreasonably withheld or delayed) draft Transparency Reports consistent with the content requirements and format set out in the Annex of this Schedule.
- 1.3 If the Buyer rejects any proposed Transparency Report submitted by the Supplier, the Supplier shall submit a revised version of the relevant report for further Approval within five (5) days of receipt of any notice of rejection, taking account of any recommendations for revision and improvement to the report provided by the Buyer. If the Parties fail to agree on a draft Transparency Report the Buyer shall determine what should be included. Any other disagreement in connection with Transparency Reports shall be treated as a Dispute.
- 1.4 The Supplier shall provide accurate and up-to-date versions of each Transparency Report to the Buyer at the frequency referred to in the Annex of this Schedule.

Annex A: List of Transparency Reports

Report Name	Scope	Frequency	Format
Performance Monitoring Report	Format of the report to be agreed with the Buyer during the Implementation Period. Must include the provision of evidence against relevant Service Levels, particularly against BDM activities.	Monthly	Excel
SC Annual Benefits Report <i>(used only should additional capital budget be confirmed)</i>	Primary benefits: – Volume of thermal energy supplied from GHNF Projects (TWh/year) – Average carbon intensity of GHNF Heat Networks (kgCO₂e/kWh) – Carbon and air quality savings (damage cost, £m) – Third-party/private funding leveraged (as a % of total CAPEX) Secondary benefits: – Volume of thermal energy supplied from recovered heat GHNF Projects (TWh/year). – Direct jobs created (FTE)/no of open procurements/% of project procurement through open procurement/no. of new entrants to supply chain – No. of Heat Networks contracted into flexibility markets/no. of HNs exposed to spot pricing/no. of HNs with centralised thermal storage (DSR) – No. of HNs recovering cooling/Increase spending on R&D	Annual	Word (supporting material to be produced in Excel)
Annual Review	Annual review to capture: 1. Executive Summary 2. Execution of requirements 3. Service Level Review 4. Highlights 5. Continuous Improvement activity 6. Financial standing 7. Order Contract changes 8. Conclusions 9. Forward look for the year ahead	Annually	Word
Change control log	Includes all changes to the SC Project Programme and individual milestones, with corresponding status updates.	Fortnightly	Excel

Order Schedule 1 (Transparency Reports)

Order Ref:

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Report Name	Scope	Frequency	Format
GHNF/HNIP Commercialisation & Construction M&R Reports	The information is included in the Quarterly Portfolio-level M&R Report, SC Dashboard, and SC Funded Projects Report (should additional capital budget be approved)	Monthly /Quarterly (post funding drawdown)	Excel
Lessons Learned Log	As part of the Continuous Improvement process, the Supplier will capture any lessons learned and associated findings (i.e. any proposed improvements to service delivery). By reflecting on the programme performance from the previous period, the Supplier should identify opportunities and changes as a result of Continuous Improvement exercises. Should additional capital budget be approved, capture lessons learned from the application assessment moderation process to ensure that any common themes that result in application failure can be communicated to BDMs. This will enable BDMs to provide support to future applicants in identified 'weak areas', increasing the likelihood of them satisfying the assessment criteria.	Quarterly	Excel
Data Protection Policy incl. Data Sharing Agreement	Set out the timings and format of the transfer of data from the Supplier to the Buyer and set out how data will be managed in line with data protection requirements.	Updated if required	Legal Document
SC Funded Projects Report (should additional capital budget be approved)	Full contents and format to be agreed with the Buyer in the SC Implementation Period. – However, the report must capture, for each SC Project: Project Name Project Type (e.g. LA/ Private) – Av. Annual GWh of heat and cooling – GHNF Funding amount – Total Capex forecast -base case – Estimated completion date for commercialisation/ construction – Previous estimated completion date for commercialisation/ construction – Project IRR- current forecast – Project IRR- original base case – Project Delivery Confidence Assessment (RAG status) – Updates on project status, key activities and key risks for each project – Key Milestones and status	Monthly	Word

Order Schedule 1 (Transparency Reports)

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Report Name	Scope	Frequency	Format
	- Previous anticipated date for Key Milestones and reason for the change - Baseline benefits and any anticipated change - Programme level information should also be included, capturing: 1. Total value of grants approved 2. Total value of grants drawn 3. % of projects with each RAG status		
Heat Network Market Intelligence Report	Should include: - Investments to date - GHNF and non-GHNF projects. Separate list once projects move to construction Inc. value of CAPEX, capital structure, project duration - Costs and trends - mapping overtime, cost benchmarking - New supply chain players - details of suppliers and their involvement in specific projects - New investors - similar to the supply chain. New UK/EU/international investors, are they new to the HN sector or just the UK - Significant market events - fuel price change, shortage of supply, import challenges, extreme temperature fluctuation, currency exchange rates.	Quarterly	Word
Heat Network Pipeline	A pipeline aligned to HNDU format and BDM/case manager contact.	Quarterly, aligned with each funding round	Shared data table
Security Management Plan (including Information Security Management Plan)	Set out how the Supplier will keep the information they hold safe and secure, how they will manage the Buyer's access, and staff duties and responsibilities regarding data handling as well as actions in the case of a security or data breach.	Annually	Legal Document
Investment Committee Input Report (should additional capital budget be approved)	Covering the following: - Summaries of individual application assessments - MTC report - Pipeline – a summary of GHNF Applications expected at future ICs for competition and cashflow planning purposes - Cashflow projection – a projection of expected grant disbursements for cashflow planning	Six-monthly	Word (supporting evidence can be provided in Excel)

Order Schedule 1 (Transparency Reports)

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Report Name	Scope	Frequency	Format
	- Investment risk and issues – investment risks review and update - Previous investment update report – a summary of the latest outcome and update of any allocation of GHNF funds.		
Investment Committee Output Report (should additional capital budget be approved)	Minutes of the SC IC meeting for each funding round and a summary of decisions reached during the discussion. The report should include investment activities agreed upon, those that are rejected and updated benefits tracking profiles.	Six-monthly	Word
Order Contract Exit Plan	Refer to Section E.	Minimum annually	Word
Project Change Request report	Full contents to be agreed with the Buyer in the SC Implementation Period. However, it is expected that the report will adopt a format of application assessment summaries presented in the IC Input Report.	As/when requested by project	Word
SC Dashboard	Full contents to be agreed with the Buyer in the SC Implementation Period. However, the dashboard will include, as a minimum: - Overall Delivery Confidence Assessment (RAG status) - Service Levels met/relevant to the previous month - In-month achievements - Summary of next steps /month ahead plans - Top risks, issues and mitigations - Financial profile and RDEL (CDEL-TBC) spend forecast (monthly financial reporting) - Tracking of primary benefits - Summary of GHNF applicant pipeline (should additional capital budget be approved) - Overview of SC Application Round progress (should additional capital budget be approved) - Supplier delivery costs against costs agreed at bid stage.	Monthly	PowerPoint

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Report Name	Scope	Frequency	Format
SC Programme	– In the SC Implementation Period, this is submitted as part of the Joint Delivery Plan. – Following FPCD, it will be updated monthly and will provide a clear critical path and capture all key GHNF Milestones as agreed with the Buyer.	Fortnightly (a week prior to each meeting)	MPP File or similar
Quarterly Financial Report	– Performance against contract and programme spend against budget/forecast – A quarterly update summary will be also included in SC Dashboard	Quarterly	Excel
Quarterly Portfolio-level M&R Report	The Supplier will draft this report template and finalise it in collaboration with the Buyer in a Working Group dedicated to Data and M&R. The Supplier and Buyer will agree a final version of this template during the SC Implementation Period. See Section A.4.1.1 for details.	Quarterly	Word
Resource and Training Plan	Outlines the Supplier's resources and skillset available to support the delivery of the programme and the Buyer's requirements as set out in this Order Schedule 20 (Order Specification).	Monthly	Word
SC Risk Register	The Buyer to provide template and scoring guidance. Completion of the SC Risk Register in line with Risk Management Strategy agreed in the Joint Delivery Plan during the SC Implementation Period.	Fortnightly (a week prior to each meeting)	Excel
Stakeholder Engagement and Communications Report and Plan (should additional capital budget be approved)	Full contents to be agreed with the Buyer in the SC Implementation Period. However, the report and plan will include, as a minimum: – A key communications plan for the Heat Network sector and potential investors. – Summary of progress and achievements from a quarterly reporting period.	Quarterly	Word/PPT

Order Schedule 2 (Staff Transfer)

1. Definitions

1.1 In this Schedule, the following words have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Employee Liability"

all claims, actions, proceedings, orders, demands, complaints, investigations (save for any claims for personal injury which are covered by insurance) and any award, compensation, damages, tribunal awards, fine, loss, order, penalty, disbursement, payment made by way of settlement and costs, expenses and legal costs reasonably incurred in connection with a claim or investigation including in relation to the following:

- a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments;
- b) unfair, wrongful or constructive dismissal compensation;
- c) compensation for discrimination on grounds of sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation or claims for equal pay;
- d) compensation for less favourable treatment of part-time workers or fixed term employees;
- e) outstanding employment debts and unlawful deduction of wages including any PAYE and National Insurance Contributions and in respect of payments made by the Buyer or the Supplier to a Transferring Former Supplier Employee which would have been payable by the Former Supplier or a subcontractor of the Former Supplier is such payment should have been made prior to the Relevant Transfer Date and also including any payments in respect of pensions;

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	f) claims whether in tort, contract or statute or otherwise; g) any investigation relating to employment matters by the Equality and Human Rights Commission or other enforcement, regulatory or supervisory body and of implementing any requirements which may arise from such investigation;
"Former Supplier"	a supplier supplying services to the Buyer before the Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any Subcontractor of such supplier (or any Subcontractor of any such Subcontractor);
"New Fair Deal"	the revised Fair Deal position set out in the HM Treasury guidance: <i>"Fair Deal for Staff Pensions: Staff Transfer from Central Government"</i> issued in October 2013 including: (i) any amendments to that document immediately prior to the Relevant Transfer Date; and (ii) any similar pension protection in accordance with the Annex D1 inclusive to Part D of this Schedule as notified to the Supplier by the Buyer;
"Old Fair Deal"	HM Treasury Guidance <i>"Staff Transfers from Central Government: A Fair Deal for Staff Pensions"</i> issued in June 1999 including the supplementary guidance <i>"Fair Deal for Staff pensions: Procurement of Bulk Transfer Agreements and Related Issues"</i> issued in June 2004;
"Partial Termination"	the partial termination of the relevant Contract to the extent that it relates to the provision of any part of the Services as further provided for in Clause 10.4 (When CCS or the Buyer can end this contract) or 10.6 (When the Supplier can end the contract);
"Relevant Transfer"	a transfer of employment to which the Employment Regulations applies;
"Relevant Transfer Date"	in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place. For the purposes of Part D: Pensions and its Annex, where the Supplier or a Subcontractor was the Former Supplier and there is no

Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Supplier (or Subcontractor), references to the Relevant Transfer Date shall become references to the Start Date;

**"Staffing
Information"**

in relation to all persons identified on the Supplier's Provisional Supplier Personnel List or Supplier's Final Supplier Personnel List, as the case may be, such information as the Buyer may reasonably request (subject to all applicable provisions of the Data Protection Legislation), but including in an anonymised format:

- (a) their dates of birth, dates of commencement of employment or engagement, gender and place of work;
- (b) details of whether they are employed, self-employed contractors or consultants, agency workers or otherwise;
- (c) the identity of the employer or relevant contracting Party;
- (d) their relevant contractual notice periods and any other terms relating to termination of employment, including redundancy procedures, and redundancy payments;
- (e) their wages, salaries, bonuses and profit sharing arrangements as applicable;
- (f) details of other employment-related benefits, including (without limitation) medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and company car schedules applicable to them;
- (g) any outstanding or potential contractual, statutory or other liabilities in respect of such individuals (including in respect of personal injury claims);
- (h) details of any such individuals on long term sickness absence, parental leave, maternity leave or other authorised long term absence;
- (i) copies of all relevant documents and materials relating to such information, including copies of relevant contracts of employment (or relevant

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standard contracts if applied generally in respect of such employees); and

- (j) any other "employee liability information" as such term is defined in regulation 11 of the Employment Regulations;

"Supplier's Final Supplier Personnel List" a list provided by the Supplier of all Supplier Staff whose will transfer under the Employment Regulations on the Service Transfer Date;

"Supplier's Provisional Supplier Personnel List" a list prepared and updated by the Supplier of all Supplier Staff who are at the date of the list wholly or mainly engaged in or assigned to the provision of the Services or any relevant part of the Services which it is envisaged as at the date of such list will no longer be provided by the Supplier;

"Term" the period commencing on the Start Date and ending on the expiry of the Initial Period or any Extension Period or on earlier termination of the relevant Contract;

"Transferring Former Supplier Employees" in relation to a Former Supplier, those employees of the Former Supplier to whom the Employment Regulations will apply on the Relevant Transfer Date.

2. INTERPRETATION

- 2.1 Where a provision in this Schedule imposes any obligation on the Supplier including (without limit) to comply with a requirement or provide an indemnity, undertaking or warranty, the Supplier shall procure that each of its Subcontractors shall comply with such obligation and provide such indemnity, undertaking or warranty to CCS, the Buyer, Former Supplier, Replacement Supplier or Replacement Subcontractor, as the case may be and where the Subcontractor fails to satisfy any claims under such indemnities the Supplier will be liable for satisfying any such claim as if it had provided the indemnity itself.
- 2.2 The provisions of Paragraph 3.1 of Part B, Part D and Paragraphs 1.4, 2.3 and 2.8 of Part E of this Schedule (together "Third Party Provisions") confer benefits on third parties (each such person a "Third Party Beneficiary") and are intended to be enforceable by Third Party Beneficiaries by virtue of the CRTPA.
- 2.3 Subject to Paragraph 2.2 above, a person who is not a Party to this Order Contract has no right under the CRTPA to enforce any term of this Order Contract but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.
- 2.4 No Third Party Beneficiary may enforce, or take any step to enforce, any Third Party Provision without the prior written consent of the Buyer, which may, if given, be given on and subject to such terms as the Buyer may determine.

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- 2.5 Any amendments or modifications to this Order Contract may be made, and any rights created under Paragraph 2.2 above may be altered or extinguished, by the Parties without the consent of any Third Party Beneficiary.

3. Which parts of this Schedule apply

Only the following parts of this Schedule shall apply to this Call Off Contract:

- o Part B (Staff Transfer at the Start Date – Transfer from a Former Supplier)
- o Part C (No Buyer Staff Expected to Transfer on the Start Date)
- o Part D (Pensions) and the following Annex may be relevant
 - Annex D1 (CSPS)
- o Part E (Staff Transfer on Exit)

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Part A: Staff Transfer at the Start Date

Outsourcing from the Buyer

Not applicable

Part B: Staff transfer at the Start Date

Transfer from a Former Supplier

1. What is a relevant transfer

1.1 The Buyer and the Supplier agree that:

- 1.1.1 the commencement of the provision of the Services or of any relevant part of the Services is expected to be a Relevant Transfer in relation to the Transferring Former Supplier Employees; and
- 1.1.2 as a result of the operation of the Employment Regulations, the contracts of employment between each Former Supplier and the Transferring Former Supplier Employees (except in relation to any terms disapplied through the operation of regulation 10 of the Employment Regulations) shall have effect on and from the Relevant Transfer Date as if originally made between the Supplier and/or any Subcontractor and each such Transferring Former Supplier Employee.

1.2 The Buyer shall use reasonable endeavours to procure that the Former Supplier shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of all the Transferring Former Supplier Employees in respect of the period up to (but not including) the Relevant Transfer Date (including (without limit) the payment of all remuneration, benefits, entitlements, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part in respect of the period up to (but not including) the Relevant Transfer Date).

2. Indemnities given by the Former Supplier

2.1 Subject to Paragraph 2.2, the Buyer is unable to procure that the Former Supplier shall indemnify the Supplier and any Subcontractor and therefore the Buyer shall indemnify the Supplier and any Subcontractor against any Employee Liabilities arising from or as a result of any act or omission by the Former Supplier or any sub-contractor of the Former Supplier in respect of any Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee whether occurring before, on or after the Relevant Transfer.

2.2 The indemnities in Paragraph 2.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier or any Subcontractor whether occurring or having its origin before, on or after the Relevant Transfer Date .

3. Indemnities the Supplier must give and its obligations

- 3.1 Subject to Paragraph 3.2, the Supplier shall indemnify the Buyer and/or the Former Supplier against any Employee Liabilities arising from or as a result of any act or omission by the Supplier or any Subcontractor in respect of any Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee whether occurring before, on or after the Relevant Transfer Date.
- 3.2 The indemnities in Paragraph 3.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Former Supplier or Former Supplier's subcontractors (as applicable) whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities arising from the Former Supplier's and/or any Former Supplier sub-contractor's (as applicable) failure to comply with its obligations under the Employment Regulations.
- 3.3 The Supplier shall comply, and shall procure that each Subcontractor shall comply, with all its obligations under the Employment Regulations (including without limitation its obligation to inform and consult in accordance with regulation 13 of the Employment Regulations) and shall perform and discharge all its obligations in respect of all the Transferring Former Supplier Employees, on and from the Relevant Transfer Date (including (without limit) the payment of all remuneration, benefits, entitlements, and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and all such sums due under the Admission Agreement which in any case are attributable in whole or in part to the period from (and including) the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between the Supplier and the Former Supplier.

4. Information the Supplier must give

The Supplier shall, and shall procure that each Subcontractor shall, promptly provide to the Buyer and/or at the Buyer's direction, the Former Supplier, in writing such information as is necessary to enable the Buyer and/or the Former Supplier to carry out their respective duties under regulation 13 of the Employment Regulations. The Buyer shall procure that the Former Supplier shall promptly provide to the Supplier and any Subcontractor in writing such information as is necessary to enable the Supplier and any Subcontractor to carry out their respective duties under regulation 13 of the Employment Regulations.

5. Cabinet Office requirements

- 5.1 The Supplier shall, and shall procure that each Subcontractor shall, comply with any requirement notified to it by the Buyer relating to pensions in respect of any Transferring Former Supplier Employee as set down in:

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- 5.1.1 the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007 and in 2013;
 - 5.1.2 Old Fair Deal; and/or
 - 5.1.3 The New Fair Deal.
- 5.2 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraph 5.1 shall be agreed in accordance with the Variation Procedure.

6. Limits on the Former Supplier's obligations

Notwithstanding any other provisions of this Part B, where in this Part B the Buyer accepts an obligation to procure that a Former Supplier does or does not do something, such obligation shall be limited so that it extends only to the extent that the Buyer's contract with the Former Supplier contains a contractual right in that regard which the Buyer may enforce, or otherwise so that it requires only that the Buyer must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

7. Pensions

- 7.1 The Supplier shall, and shall procure that each Subcontractor shall, comply with the requirements of Part 1 of the Pensions Act 2008, section 258 of the Pensions Act 2004 and the Transfer of Employment (Pension Protection) Regulations 2005 for all transferring staff.

Part C: No Buyer Staff Expected to Transfer on the Start Date

1. What happens if there is a staff transfer

- 1.1 The Buyer and the Supplier agree that the commencement of the provision of the Services or of any part of the Services is not expected to be a Relevant Transfer in relation to any employees of the Buyer .
- 1.2 If any employee of the Buyer, or it is determined in relation to any employee of the Buyer, that his/her contract of employment has been transferred from the Buyer to the Supplier and/or any Subcontractor pursuant to the Employment Regulations then:
 - 1.2.1 the Supplier shall, and shall procure that the relevant Subcontractor shall, within 5 Working Days of becoming aware of that fact, notify the Buyer in writing; and
 - 1.2.2 the Buyer may offer (or may procure that a third party may offer) employment to such person within 15 Working Days of the notification from the Supplier or the Subcontractor (as appropriate) or take such other reasonable steps as the Buyer it considers appropriate to deal with the matter provided always that such steps are in compliance with applicable Law.
- 1.3 If an offer referred to in Paragraph 1.2.2 is accepted (or if the situation has otherwise been resolved by the Buyer, the Supplier shall, or shall procure that the Subcontractor shall, immediately release the person from his/her employment or alleged employment.
- 1.4 If by the end of the 15 Working Day period referred to in Paragraph 1.2.2:
 - 1.4.1 no such offer of employment has been made;
 - 1.4.2 such offer has been made but not accepted; or
 - 1.4.3 the situation has not otherwise been resolved;the Supplier may within 5 Working Days give notice to terminate the employment or alleged employment of such person.
- 1.5 Subject to the Supplier and/or the relevant Subcontractor acting in accordance with the provisions of Paragraphs 1.2 to 1.4 and in accordance with all applicable employment procedures set out in applicable Law and subject also to Paragraph 1.8 the Buyer shall indemnify the Supplier and/or the relevant Subcontractor against all Employee Liabilities arising out of the termination of the employment of any of the Buyer's employees referred to in Paragraph 1.2 made pursuant to the provisions of Paragraph 1.4 provided that the Supplier takes, or shall procure that the Subcontractor takes, all reasonable steps to minimise any such Employee Liabilities.

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- 1.6 If any such person as is described in Paragraph 1.2 is neither re employed by the Buyer nor dismissed by the Supplier and/or any Subcontractor within the 15 Working Day period referred to in Paragraph 1.4 such person shall be treated as having transferred to the Supplier and/or the Subcontractor (as appropriate) and the Supplier shall, or shall procure that the Subcontractor shall, comply with such obligations as may be imposed upon it under Law.
- 1.7 Where any person remains employed by the Supplier and/or any Subcontractor pursuant to Paragraph 1.6, all Employee Liabilities in relation to such employee shall remain with the Supplier and/or the Subcontractor and the Supplier shall indemnify the Buyer, and shall procure that the Subcontractor shall indemnify the Buyer, against any Employee Liabilities that either of them may incur in respect of any such employees of the Supplier and/or employees of the Subcontractor.
- 1.8 The indemnities in Paragraph 1.5:
- 1.8.1 shall not apply to:
- (a) any claim for:
- (i) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
- (ii) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,
- in any case in relation to any alleged act or omission of the Supplier and/or Subcontractor; or
- (b) any claim that the termination of employment was unfair because the Supplier and/or any Subcontractor neglected to follow a fair dismissal procedure; and
- 1.8.2 shall apply only where the notification referred to in Paragraph 1.2.1 is made by the Supplier and/or any Subcontractor to the Buyer within 6 months of the Start Date.
- 1.9 If the Supplier and/or the Subcontractor does not comply with Paragraph 1.2, all Employee Liabilities in relation to such employees shall remain with the Supplier and/or the Subcontractor and the Supplier shall (i) comply with the provisions of Part D: Pensions of this Schedule, and (ii) indemnify the Buyer against any Employee Liabilities that either of them may incur in respect of any such employees of the Supplier and/or employees of the Subcontractor.

Part D: Pensions

1. Definitions

In this Part D and Part E, the following words have the following meanings and they shall supplement Joint Schedule 1 (Definitions), and shall be deemed to include the definitions set out in the Annex to this Part D:

"Actuary"	a Fellow of the Institute and Faculty of Actuaries;
"Admission Agreement"	the CSPA Admission Agreement (as defined in Annex D1: CSPA);
"Broadly Comparable"	(a) in respect of a pension scheme, a status satisfying the condition that there are no identifiable employees who will suffer material detriment overall in terms of future accrual of pension benefits as assessed in accordance with Annex A of New Fair Deal and demonstrated by the issue by the Government Actuary's Department of a broad comparability certificate; and/or (b) in respect of benefits provided for or in respect of a member under a pension scheme, benefits that are consistent with that pension scheme's certificate of broad comparability issued by the Government Actuary's Department, and "Broad Comparability" shall be construed accordingly;
"CSPA"	the schemes as defined in Annex D1 to this Part D;
"Direction Letter/Determination"	has the meaning in Annex D2 to this Part D;
"Fair Deal Eligible Employees"	each of the CSPA Eligible Employees, the NHSPA Eligible Employees and/or the LGPS Eligible Employees (as applicable) (and shall include any such employee who has been admitted to and/or remains eligible to join a Broadly Comparable pension scheme at the relevant time in accordance with paragraph 10 or 11 of this Part D);

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"Fair Employees"	Deal	any of:
		(a) Transferring Buyer Employees; (b) Transferring Former Supplier Employees; (c) employees who are not Transferring Buyer Employees or Transferring Former Supplier Employees but to whom the Employment Regulations apply on the Relevant Transfer Date to transfer their employment to the Supplier or a Subcontractor, and whose employment is not terminated in accordance with the provisions of Paragraphs 2.5 of Parts A or B or Paragraph 1.4 of Part C; (d) where the Supplier or a Subcontractor was the Former Supplier, the employees of the Supplier (or Subcontractor);
		who at the Relevant Transfer Date are or become entitled to New Fair Deal or Best Value Direction protection in respect of any of the Statutory Schemes or a Broadly Comparable pension scheme provided in accordance with paragraph 10 of this Part D as notified by the Buyer;
"Fund Actuary"		a Fund Actuary as defined in Annex D3 to this Part D;
"LGPS"		the scheme as defined in Annex D3 to this Part D;
"NHSPS"		the schemes as defined in Annex D2 to this Part D;
"Statutory Schemes"		means the CSPA,.

2. Supplier obligations to participate in the pension schemes

- 2.1 In respect of all or any Fair Deal Employees each of Annex D1: CSPA, Annex D2: NHSPS and/or Annex D3: LGPS shall apply, as appropriate.
- 2.2 The Supplier undertakes to do all such things and execute any documents (including any relevant Admission Agreement and/or Direction Letter/ Determination, if necessary) as may be required to enable the Supplier to participate in the appropriate Statutory Scheme in respect of the Fair Deal Employees and shall bear its own costs in such regard.

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2.3 The Supplier undertakes:

- 2.3.1 to pay to the Statutory Schemes all such amounts as are due under the relevant Admission Agreement and/or Direction Letter/ Determination or otherwise and shall deduct and pay to the Statutory Schemes such employee contributions as are required; and
- 2.3.2 subject to paragraph 5 of Annex D3: LGPS to be fully responsible for all other costs, contributions, payments and other amounts relating to its participation in the Statutory Schemes, including for the avoidance of doubt any exit payments and the costs of providing any bond, indemnity or guarantee required in relation to such participation.

2.4 Where the Supplier is the Former Supplier (or a Subcontractor is a Subcontractor of the Former Supplier) and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Supplier (or Subcontractor) at the Start Date, this Part D and its Annexes shall be modified accordingly so that the Supplier (or Subcontractor) shall comply with its requirements from the Start Date or, where it previously provided a Broadly Comparable pension scheme, from the date it is able to close accrual of its Broadly Comparable pension scheme (following appropriate consultation and contractual changes as appropriate) if later. The Supplier (or Subcontractor) shall make arrangements for a bulk transfer from its Broadly Comparable pension scheme to the relevant Statutory Scheme in accordance with the requirements of the previous contract with the Buyer.

3. Supplier obligation to provide information

3.1 The Supplier undertakes to the Buyer:

- 3.1.1 to provide all information which the Buyer may reasonably request concerning matters referred to in this Part D as expeditiously as possible; and
- 3.1.2 not to issue any announcements to any Fair Deal Employee prior to the Relevant Transfer Date concerning the matters stated in this Part D without the consent in writing of the Buyer (such consent not to be unreasonably withheld or delayed);
- 3.1.3 retain such records as would be necessary to manage the pension aspects in relation to any current or former Fair Deal Eligible Employees arising on expiry or termination of the relevant Contract.

4. Indemnities the Supplier must give

4.1 The Supplier shall indemnify and keep indemnified CCS, [NHS Pensions], the Buyer and/or any Replacement Supplier and/or any Replacement Subcontractor on demand from and against all and any Losses whatsoever suffered or incurred by it or them which:

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- 4.1.1 arise out of or in connection with any liability towards all and any Fair Deal Employees arising in respect of service on or after the Relevant Transfer Date which arise from any breach by the Supplier of this Part D, and/or the CSPA Admission Agreement and/or the Direction Letter/Determination and/or the LGPS Admission Agreement;
- 4.1.2 relate to the payment of benefits under and/or participation in a pension scheme (as defined in section 150(1) Finance Act 2004) provided by the Supplier or a Subcontractor on and after the Relevant Transfer Date until the date of termination or expiry of the relevant Contract, including the Statutory Schemes or any Broadly Comparable pension scheme provided in accordance with paragraphs 10 or 11 of this Part D;
- 4.1.3 relate to claims by Fair Deal Employees of the Supplier and/or of any Subcontractor or by any trade unions, elected employee representatives or staff associations in respect of all or any such Fair Deal Employees which Losses:

Subcontractor:

- (a) relate to any rights to benefits under a pension scheme (as defined in section 150(1) Finance Act 2004) in respect of periods of employment on and after the Relevant Transfer Date until the date of termination or expiry of the relevant Contract; or
- (b) arise out of the failure of the Supplier and/or any relevant Subcontractor to comply with the provisions of this Part D before the date of termination or expiry of the relevant Contract; and/or
- 4.1.4 arise out of or in connection with the Supplier (or its Subcontractor) allowing anyone who is not an NHSPS Fair Deal Employee to join or claim membership of the NHSPS at any time during the Term.

4.2 The indemnities in this Part D and its Annexes:

- 4.2.1 shall survive termination of the relevant Contract; and
- 4.2.2 shall not be affected by the caps on liability contained in Clause 11 (How much you can be held responsible for).

5. What happens if there is a dispute

- 5.1 The Dispute Resolution Procedure will not apply to any dispute (i) between the CCS and/or the Buyer and/or the Supplier or (ii) between their respective actuaries and/or the Fund Actuary about any of the actuarial matters referred to in this Part D and its Annexes shall in the absence of agreement between

the CCS and/or the Buyer and/or the Supplier be referred to an independent Actuary:

- 5.1.1 who will act as an expert and not as an arbitrator;
- 5.1.2 whose decision will be final and binding on the CCS and/or the Buyer and/or the Supplier; and
- 5.1.3 whose expenses shall be borne equally by the CCS and/or the Buyer and/or the Supplier unless the independent Actuary shall otherwise direct.

The independent Actuary shall be agreed by the Parties or, failing such agreement the independent Actuary shall be appointed by the President for the time being of the Institute and Faculty of Actuaries on the application by the Parties.

6. Other people's rights

- 6.1 The Parties agree Clause 19 (Other people's rights in this contract) does not apply and that the CRTPA applies to this Part D to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation owed to him or her or it by the Supplier under this Part D, in his or her or its own right under section 1(1) of the CRTPA.
- 6.2 Further, the Supplier must ensure that the CRTPA will apply to any Sub-Contract to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation owed to them by the Subcontractor in his or her or its own right under section 1(1) of the CRTPA.

7. What happens if there is a breach of this Part D

- 7.1 The Supplier agrees to notify the Buyer should it breach any obligations it has under this Part D and agrees that the Buyer shall be entitled to terminate its Contract for material Default in the event that the Supplier:
 - 7.1.1 commits an irremediable breach of any provision or obligation it has under this Part D; or
 - 7.1.2 commits a breach of any provision or obligation it has under this Part D which, where capable of remedy, it fails to remedy within a reasonable time and in any event within 28 days of the date of a notice from the Buyer giving particulars of the breach and requiring the Supplier to remedy it.

8. Transferring Fair Deal Employees

- 8.1 Save on expiry or termination of the relevant Contract, if the employment of any Fair Deal Eligible Employee transfers to another employer (by way of a transfer under the Employment Regulations or other form of compulsory transfer of employment) the Supplier shall or shall procure that any relevant Sub-contractor shall:
 - 8.1.1 notify the Buyer as far as reasonably practicable in advance of the transfer to allow the Buyer to make the necessary

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arrangements for participation with the relevant Statutory Scheme(s);

8.1.2 consult with about, and inform those Fair Deal Eligible Employees of the pension provisions relating to that transfer; and

8.1.3 procure that the employer to which the Fair Deal Eligible Employees are transferred (the "**New Employer**") complies with the provisions of this Part D and its Annexes provided that references to the "Supplier" will become references to the New Employer, references to "Relevant Transfer Date" will become references to the date of the transfer to the New Employer and references to "Fair Deal Employees" will become references to the Fair Deal Eligible Employees so transferred to the New Employer.

9. What happens to pensions if this Contract ends

9.1 The provisions of Part E: Staff Transfer On Exit (Mandatory) apply in relation to pension issues on expiry or termination of the relevant Contract.

9.2 The Supplier shall (and shall procure that any of its Subcontractors shall) prior to the termination of the relevant Contract provide all such co-operation and assistance (including co-operation and assistance from the Broadly Comparable pension scheme's Actuary) as the Replacement Supplier and/or NHS Pension and/or CSPA and/or the relevant Administering Buyer and/or the Buyer may reasonably require, to enable the Replacement Supplier to participate in the appropriate Statutory Scheme in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection following a Service Transfer.

10. Broadly Comparable Pension Schemes on the Relevant Transfer Date

10.1 If the terms of any of paragraphs 4 of Annex D2: NHSPS or 3.1 of Annex D3: LGPS applies, the Supplier must (and must, where relevant, procure that each of its Subcontractors will) ensure that, with effect from the Relevant Transfer Date until the day before the Service Transfer Date, the relevant Fair Deal Employees will be eligible for membership of a pension scheme under which the benefits are Broadly Comparable to those provided under the relevant Statutory Scheme, and then on such terms as may be decided by the Buyer.

10.2 Such Broadly Comparable pension scheme must be:

10.2.1 established by the Relevant Transfer Date;

10.2.2 a registered pension scheme for the purposes of Part 4 of the Finance Act 2004;

10.2.3 capable of receiving a bulk transfer payment from the relevant Statutory Scheme or from a Former Supplier's Broadly Comparable pension scheme (unless otherwise instructed by the Buyer);

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- 10.2.4 capable of paying a bulk transfer payment to the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (unless otherwise instructed by the Buyer); and
 - 10.2.5 maintained until such bulk transfer payments have been received or paid (unless otherwise instructed by the Buyer).
- 10.3 Where the Supplier has set up a Broadly Comparable pension scheme pursuant to the provisions of this Paragraph 10, the Supplier shall (and shall procure that any of its Subcontractors shall):
 - 10.3.1 supply to the Buyer details of its (or its Subcontractor's) Broadly Comparable pension scheme and provide a full copy of the valid certificate of broad comparability (which remains valid as at the Relevant Transfer Date) covering all relevant Fair Deal Employees, as soon as it is able to do so before the Relevant Transfer Date (where possible) and in any event no later than seven (7) days after receipt of the certificate;
 - 10.3.2 be fully responsible for all costs, contributions, payments and other amounts relating to the setting up, certification of, ongoing participation in and/or withdrawal and exit from the Broadly Comparable pension scheme, including for the avoidance of doubt any debts arising under section 75 or 75A of the Pensions Act 1995;
 - 10.3.3 instruct any such Broadly Comparable pension scheme's Actuary to provide all such co-operation and assistance in agreeing bulk transfer process with the Actuary to the Former Supplier's Broadly Comparable pension scheme or the Actuary to the relevant Statutory Scheme (as appropriate) and to provide all such co-operation and assistance with any other Actuary appointed by the Buyer (where applicable). This will be with a view to the bulk transfer terms providing day for day and/or pound for pound (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) credits in the Broadly Comparable pension scheme in respect of any Fair Deal Eligible Employee who consents to such a transfer; and
 - 10.3.4 provide a replacement Broadly Comparable pension scheme in accordance with this paragraph 10 with immediate effect for those Fair Deal Eligible Employees who are still employed by the Supplier and/or relevant Subcontractor and are still eligible for New Fair Deal protection in the event that the Supplier and/or Subcontractor's Broadly Comparable pension scheme is terminated. The relevant Fair Deal Eligible Employees must be given the option to transfer their accrued benefits from the previous Broadly Comparable pension scheme to the new Broadly Comparable pension scheme on day for day and/or pound for pound terms (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes).

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10.4 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 10, the Supplier shall (and shall procure that any of its Subcontractors shall) prior to the termination of the relevant Contract:

10.4.1 allow and make all necessary arrangements to effect, in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such Broadly Comparable pension scheme into the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable). The bulk transfer terms provided shall be on a past service reserve basis which should be calculated allowing for projected final salary at the assumed date of retirement, leaving service or death (in the case of final salary benefits). The actuarial basis for this past service reserve basis should be aligned to the funding requirements of the Broadly Comparable pension scheme in place at the time the bulk transfer terms are offered. The bulk transfer terms shall be subject to an underpin in relation to any service credits awarded in the Broadly Comparable pension scheme in accordance with paragraph 10.3.3 such that the element of the past service reserve amount which relates to such service credits shall be no lower than that required by the bulk transfer terms that were agreed in accordance with paragraph 10.3.3 but using the last day of the Fair Deal Eligible Employees' employment with the Supplier or Subcontractor (as appropriate) as the date used to determine the actuarial assumptions; and

10.4.2 if the transfer payment paid by the trustees of the Broadly Comparable pension scheme is less (in the opinion of the Actuary to the Replacement Supplier's Broadly Comparable pension scheme (or to the relevant Statutory Scheme if applicable)) than the transfer payment which would have been paid had paragraph 10.4.1 been complied with, the Supplier shall (or shall procure that the Subcontractor shall) pay the amount of the difference to the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable) or as the Buyer shall otherwise direct. The Supplier shall indemnify the Buyer or the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (as the Buyer directs) for any failure to pay the difference as required under this paragraph.

11. Broadly Comparable Pension Scheme in Other Circumstances

11.1 If the terms of any of paragraphs 2.2 of Annex D1: CSPA, 5.2 of Annex D2: NHSPA and/or 3.2 of Annex D3: LGPA apply, the Supplier must (and must, where relevant, procure that each of its Subcontractors will) ensure that, with

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effect from the cessation of participation in the Statutory Scheme, until the day before the Service Transfer Date, the relevant Fair Deal Eligible Employees will be eligible for membership of a pension scheme under which the benefits are Broadly Comparable to those provided under the relevant Statutory Scheme at the date of cessation of participation in the relevant Statutory Scheme, and then on such terms as may be decided by the Buyer.

11.2 Such Broadly Comparable pension scheme must be:

- 11.2.1 established by the date of cessation of participation in the Statutory Scheme;
- 11.2.2 a registered pension scheme for the purposes of Part 4 of the Finance Act 2004;
- 11.2.3 capable of receiving a bulk transfer payment from the relevant Statutory Scheme (where instructed to do so by the Buyer);
- 11.2.4 capable of paying a bulk transfer payment to the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (unless otherwise instructed by the Buyer); and
- 11.2.5 maintained until such bulk transfer payments have been received or paid (unless otherwise instructed by the Buyer).

11.3 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 11, the Supplier shall (and shall procure that any of its Subcontractors shall):

- 11.3.1 supply to the Buyer details of its (or its Subcontractor's) Broadly Comparable pension scheme and provide a full copy of the valid certificate of broad comparability (which remains valid as at the date of cessation of participation in the Statutory Scheme) covering all relevant Fair Deal Eligible Employees, as soon as it is able to do so before the cessation of participation in the Statutory Scheme (where possible) and in any event no later than seven (7) days after receipt of the certificate;
- 11.3.2 be fully responsible for all costs, contributions, payments and other amounts relating to the setting up, certification of, ongoing participation in and/or withdrawal and exit from the Broadly Comparable pension scheme, including for the avoidance of doubt any debts arising under section 75 or 75A of the Pensions Act 1995;
- 11.3.3 where required to do so by the Buyer, instruct any such Broadly Comparable pension scheme's Actuary to provide all such co-operation and assistance in agreeing a bulk transfer process with the Actuary to the relevant Statutory Scheme and to provide all such co-operation and assistance with any other Actuary appointed by the Buyer (where applicable). The Supplier must ensure that day for day and/or pound for pound (as applicable) (or actuarially equivalent where there are benefit differences

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- between the two schemes) credits in the Broadly Comparable pension scheme are provided in respect of any Fair Deal Employee who consents to such a transfer from the Statutory Scheme and the Supplier shall be fully responsible for any costs of providing those credits in excess of the bulk transfer payment received by the Broadly Comparable pension scheme; and
- 11.3.4 provide a replacement Broadly Comparable pension scheme in accordance with this paragraph 11 with immediate effect for those Fair Deal Eligible Employees who are still employed by the Supplier and/or relevant Subcontractor and are still eligible for New Fair Deal protection in the event that the Supplier and/or Subcontractor's Broadly Comparable pension scheme is closed to future accrual and/or terminated. The relevant Fair Deal Eligible Employees must be given the option to transfer their accrued benefits from the previous Broadly Comparable pension scheme to the new Broadly Comparable pension scheme on day for day and/or pound for pound terms (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes).
- 11.4 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 11, the Supplier shall (and shall procure that any of its Subcontractors shall) prior to the termination of the relevant Contract allow and make all necessary arrangements to effect, in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such Broadly Comparable pension scheme into the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable). The bulk transfer terms provided shall be sufficient to secure day for day and/or pound for pound credits (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) in the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable). For the avoidance of doubt, should the amount offered by the Broadly Comparable pension scheme be less than the amount required by the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) to fund the required credits ("**the Shortfall**"), the Supplier or the Subcontractor (as agreed between them) must pay the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable) the Shortfall as required, provided that in the absence of any agreement between the Supplier and any Subcontractor, the Shortfall shall be paid by the Supplier. The Supplier shall indemnify the Buyer or the Replacement Supplier's Broadly Comparable pension scheme (or

the relevant Statutory Scheme if applicable) (as the Buyer directs) for any failure to pay the Shortfall under this paragraph.

12. Right of Set-off

12.1 The Buyer shall have a right to set off against any payments due to the Supplier under the relevant Contract an amount equal to:

12.1.1 any unpaid employer's contributions or employee's contributions or any other financial obligations under the CSPA or any CSPA Admission Agreement in respect of the CSPA Eligible Employees whether due from the Supplier or from any relevant Subcontractor or due from any third party under any indemnity, bond or guarantee;

12.1.2 any unpaid employer's contributions or employee's contributions or any other financial obligations under the NHSPA or any Direction Letter/Determination in respect of the NHSPA Eligible Employees whether due from the Supplier or from any relevant Subcontractor or due from any third party under any indemnity, bond or guarantee; or

12.1.3 any unpaid employer's contributions or employee's contributions or any other financial obligations under the LGPS or any LGPS Admission Agreement in respect of the LGPS Eligible Employees whether due from the Supplier or from any relevant Subcontractor or due from any third party under any indemnity, bond or guarantee;

and shall pay such set off amount to the relevant Statutory Scheme.

12.2 The Buyer shall also have a right to set off against any payments due to the Supplier under the relevant Contract all reasonable costs and expenses incurred by the Buyer as result of Paragraphs 12.1 above.

Annex D1:

Civil Service Pensions Schemes (CSPS)

1. Definitions

In this Annex D1: CSPS to Part D: Pensions, the following words have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"CSPS Admission Agreement"	an admission agreement in the form available on the Civil Service Pensions website immediately prior to the Relevant Transfer Date to be entered into for the CSPS in respect of the Services;
"CSPS Eligible Employee"	any CSPS Fair Deal Employee who at the relevant time is an active member or eligible to participate in the CSPS under a CSPS Admission Agreement;
"CSPS Fair Deal Employee"	a Fair Deal Employee who at the Relevant Transfer Date is or becomes entitled to protection in respect of the CSPS in accordance with the provisions of New Fair Deal;
"CSPS"	the Principal Civil Service Pension Scheme available to Civil Servants and employees of bodies under Schedule 1 of the Superannuation Act 1972 (and eligible employees of other bodies admitted to participate under a determination under section 25 of the Public Service Pensions Act 2013), as governed by rules adopted by Parliament; the Partnership Pension Account and its (i) Ill health Benefits Arrangements and (ii) Death Benefits Arrangements; the Civil Service Additional Voluntary Contribution Scheme; and "alpha" introduced under The Public Service (Civil Servants and Others) Pensions Regulations 2014.

2. Access to equivalent pension schemes after transfer

- 2.1 In accordance with New Fair Deal, the Supplier and/or any of its Subcontractors to which the employment of any CSPS Fair Deal Employee compulsorily transfers as a result of either the award of the relevant Contract or a Relevant Transfer, if not an employer which participates automatically in the CSPS, shall each secure a CSPS Admission Agreement to ensure that CSPS Fair Deal Employees or CSPS Eligible Employees as appropriate shall be either admitted into, or offered continued membership of, the relevant section of the CSPS that they currently contribute to, or were eligible to join immediately prior to the Relevant Transfer Date or became eligible to join on the Relevant Transfer Date. The Supplier and/or any of its Subcontractors shall procure that the CSPS Fair Deal Employees continue to accrue benefits in the CSPS in accordance with the provisions governing the relevant section of the CSPS for service from (and including) the Relevant Transfer Date.

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- 2.2 If the Supplier and/or any of its Subcontractors enters into a CSPA Admission Agreement in accordance with paragraph 2.1 but the CSPA Admission Agreement is terminated during the term of the relevant Contract for any reason at a time when the Supplier or Subcontractor still employs any CSPA Eligible Employees, the Supplier shall (and procure that its Subcontractors shall) at no extra cost to the Buyer, offer the remaining CSPA Eligible Employees membership of a pension scheme which is Broadly Comparable to the CSPA on the date those CSPA Eligible Employees ceased to participate in the CSPA in accordance with the provisions of paragraph 11 of Part D.

Annex D2: NHS Pension Schemes

Not applicable

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Annex D3: LGPS

Not applicable

Part E: Staff Transfer on Exit

1. Obligations before a Staff Transfer

1.1 The Supplier agrees that within 20 Working Days of the earliest of:

- 1.1.1 receipt of a notification from the Buyer of a Service Transfer or intended Service Transfer;
- 1.1.2 receipt of the giving of notice of early termination or any Partial Termination of the relevant Contract; and
- 1.1.3 the date which is 12 Months before the end of the Term; or
- 1.1.4 receipt of a written request of the Buyer at any time (provided that the Buyer shall only be entitled to make one such request in any 6 Month period),

it shall provide in a suitably anonymised format so as to comply with the Data Protection Legislation, the Supplier's Provisional Supplier Personnel List, together with the Staffing Information in relation to the Supplier's Provisional Supplier Personnel List and it shall provide an updated Supplier's Provisional Supplier Personnel List at such intervals as are reasonably requested by the Buyer.

1.2 At least 20 Working Days prior to the Service Transfer Date, the Supplier shall provide to the Buyer or at the direction of the Buyer to any Replacement Supplier and/or any Replacement Subcontractor (i) the Supplier's Final Supplier Personnel List, which shall identify the basis upon which they are Transferring Supplier Employees and (ii) the Staffing Information in relation to the Supplier's Final Supplier Personnel List (insofar as such information has not previously been provided).

1.3 The Buyer shall be permitted to use and disclose information provided by the Supplier under Paragraphs 1.1 and 1.2 for the purpose of informing any prospective Replacement Supplier and/or Replacement Subcontractor.

1.4 The Supplier warrants, for the benefit of the Buyer, any Replacement Supplier, and any Replacement Subcontractor that all information provided pursuant to Paragraphs 1.1 and 1.2 shall be true and accurate in all material respects at the time of providing the information.

1.5 From the date of the earliest event referred to in Paragraph 1.1.1, 1.1.2 and 1.1.3, the Supplier agrees that it shall not, and agrees to procure that each Subcontractor shall not, assign any person to the provision of the Services who is not listed on the Supplier's Provisional Supplier Personnel List and shall not without the approval of the Buyer (not to be unreasonably withheld or delayed):

:

- 1.5.1 replace or re-deploy any Supplier Staff listed on the Supplier Provisional Supplier Personnel List other than where any replacement is of equivalent grade, skills, experience and expertise and is employed on the same terms and conditions of employment as the person he/she replaces

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- 1.5.2 make, promise, propose, permit or implement any material changes to the terms and conditions of employment of the Supplier Staff (including pensions and any payments connected with the termination of employment);
- 1.5.3 increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the Supplier Staff save for fulfilling assignments and projects previously scheduled and agreed;
- 1.5.4 introduce any new contractual or customary practice concerning the making of any lump sum payment on the termination of employment of any employees listed on the Supplier's Provisional Supplier Personnel List;
- 1.5.5 increase or reduce the total number of employees so engaged, or deploy any other person to perform the Services (or the relevant part of the Services);
- 1.5.6 terminate or give notice to terminate the employment or contracts of any persons on the Supplier's Provisional Supplier Personnel List save by due disciplinary process;

and shall promptly notify, and procure that each Subcontractor shall promptly notify, the Buyer or, at the direction of the Buyer, any Replacement Supplier and any Replacement Subcontractor of any notice to terminate employment given by the Supplier or relevant Subcontractor or received from any persons listed on the Supplier's Provisional Supplier Personnel List regardless of when such notice takes effect.

- 1.6 On or around each anniversary of the Start Date and up to four times during the last 12 Months of the Term, the Buyer may make written requests to the Supplier for information relating to the manner in which the Services are organised. Within 20 Working Days of receipt of a written request the Supplier shall provide, and shall procure that each Subcontractor shall provide, to the Buyer such information as the Buyer may reasonably require relating to the manner in which the Services are organised, which shall include:

- 1.6.1 the numbers of Supplier Personnel engaged in providing the Services;
- 1.6.2 the percentage of time spent by each Supplier Personnel engaged in providing the Services;
- 1.6.3 the extent to which each employee qualifies for membership of any of the Statutory Schemes or any Broadly Comparable scheme set up pursuant to the provisions of any of the Annex to Part D (Pensions) (as appropriate); and
- 1.6.4 a description of the nature of the work undertaken by each Supplier Personnel by location.

- 1.7 The Supplier shall provide, and shall procure that each Subcontractor shall provide, all reasonable cooperation and assistance to the Buyer, any Replacement Supplier and/or any Replacement Subcontractor to ensure the

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smooth transfer of the Transferring Supplier Employees on the Service Transfer Date including providing sufficient information in advance of the Service Transfer Date to ensure that all necessary payroll arrangements can be made to enable the Transferring Supplier Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within 5 Working Days following the Service Transfer Date, the Supplier shall provide, and shall procure that each Subcontractor shall provide, to the Buyer or, at the direction of the Buyer, to any Replacement Supplier and/or any Replacement Subcontractor (as appropriate), in respect of each person on the Supplier's Final Supplier Personnel List who is a Transferring Supplier Employee:

- 1.7.1 the most recent month's copy pay slip data;
 - 1.7.2 details of cumulative pay for tax and pension purposes;
 - 1.7.3 details of cumulative tax paid;
 - 1.7.4 updated tax code as at the Service Transfer Date if the code has changed since it was previously-provided;
 - 1.7.5 updated details of any voluntary deductions from pay as at the Service Transfer Date if changes have occurred since the details were previously provided;
 - 1.7.6 a copy of the personnel file and all other records regarding the service of the Transferring Supplier Employee;
 - 1.7.7 all information required to meet the minimum recording keeping requirements under the Working Time Regulations 1998 and the National Minimum Wage Regulations 1998; and
 - 1.7.8 bank/building society account details for payroll purposes.
- 1.8 From the date of the earliest event referred to in Paragraph 1.1.1, 1.1.2 and 1.1.3 the Supplier agrees that following a request from the Buyer it shall and shall procure that each Sub-Contractor shall use reasonable endeavours to comply with any request to align and assign Supplier Personnel to any future delivery model proposed by the Buyer for Replacement Services within 30 Working Days or such longer timescale as may be agreed.
- 1.9 Any changes necessary to this Contract as a result of alignment referred to in Paragraph 1.8 shall be agreed in accordance with the Change Control Procedure.

2. Staff Transfer when the contract ends

- 2.1 The Buyer and the Supplier acknowledge that subsequent to the commencement of the provision of the Services, the identity of the provider of the Services (or any part of the Services) may change (whether as a result of termination or Partial Termination of the relevant Contract or otherwise) resulting in the Services being undertaken by a Replacement Supplier and/or a Replacement Subcontractor. Such change in the identity of the supplier of such

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services may constitute a Relevant Transfer to which the Employment Regulations will apply. The Buyer and the Supplier agree that, as a result of the operation of the Employment Regulations, where a Relevant Transfer occurs, the contracts of employment between the Supplier and the Transferring Supplier Employees (except in relation to any contract terms disapplied through operation of regulation 10 of the Employment Regulations) will have effect on and from the Service Transfer Date as if originally made between the Replacement Supplier and/or a Replacement Subcontractor (as the case may be) and each such Transferring Supplier Employee.

- 2.2 The Supplier shall, and shall procure that each Subcontractor shall, comply with all its obligations in respect of the Transferring Supplier Employees arising under the Employment Regulations in respect of the period up to (and including) the Service Transfer Date and shall perform and discharge, and procure that each Subcontractor shall perform and discharge, all its obligations in respect of all the Transferring Supplier Employees arising in respect of the period up to (and including) the Service Transfer Date (including (without limit) the payment of all remuneration, benefits, entitlements, and outgoings, all wages, pay for accrued but untaken holiday, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and all such sums due as a result of any Fair Deal Employees' participation in the Schemes which in any case are attributable in whole or in part to the period ending on (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Supplier and/or the Subcontractor (as appropriate); and (ii) the Replacement Supplier and/or Replacement Subcontractor.
- 2.3 Subject to Paragraph 2.4, the Supplier shall indemnify the Buyer and/or the Replacement Supplier and/or any Replacement Subcontractor against any Employee Liabilities arising from or as a result of:
- 2.3.1 any act or omission of the Supplier or any Subcontractor in respect of any Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee whether occurring before, on or after the Service Transfer Date;
 - 2.3.2 the breach or non-observance by the Supplier or any Subcontractor occurring on or before the Service Transfer Date of:
 - (a) any collective agreement applicable to the Transferring Supplier Employees; and/or
 - (b) any other custom or practice with a trade union or staff association in respect of any Transferring Supplier Employees which the Supplier or any Subcontractor is contractually bound to honour;
 - 2.3.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Supplier or a Subcontractor

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- to comply with any legal obligation to such trade union, body or person arising on or before the Service Transfer Date;
- 2.3.4 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
- (a) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on and before the Service Transfer Date; and
 - (b) in relation to any employee who is not identified in the Supplier's Final Supplier Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier to the Buyer and/or Replacement Supplier and/or any Replacement Subcontractor, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or before the Service Transfer Date;
- 2.3.5 a failure of the Supplier or any Subcontractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period up to (and including) the Service Transfer Date);
- 2.3.6 any claim made by or in respect of any person employed or formerly employed by the Supplier or any Subcontractor other than a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List for whom it is alleged the Buyer and/or the Replacement Supplier and/or any Replacement Subcontractor may be liable by virtue of the relevant Contract and/or the Employment Regulations; and
- 2.3.7 any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Supplier or any Subcontractor in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Buyer and/or Replacement Supplier to comply with regulation 13(4) of the Employment Regulations.

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2.4 The indemnities in Paragraph 2.3 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Replacement Supplier and/or any Replacement Subcontractor whether occurring or having its origin before, on or after the Service Transfer Date including any Employee Liabilities:

2.4.1 arising out of the resignation of any Transferring Supplier Employee before the Service Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Replacement Supplier and/or any Replacement Subcontractor to occur in the period on or after the Service Transfer Date); or

2.4.2 arising from the Replacement Supplier's failure, and/or Replacement Subcontractor's failure, to comply with its obligations under the Employment Regulations.

2.5 If any person who is not identified in the Supplier's Final Supplier Employee List claims, or it is determined in relation to any employees of the Supplier, that his/her contract of employment has been transferred from the Supplier to the Replacement Supplier and/or Replacement Subcontractor pursuant to the Employment Regulations, then:

2.5.1 the Buyer shall procure that the Replacement Supplier and/or Replacement Subcontractor will, within 5 Working Days of becoming aware of that fact, notify the Buyer and the Supplier in writing; and

2.5.2 the Supplier may offer (or may procure that a Subcontractor may offer) employment to such person, or take such other reasonable steps as it considered appropriate to deal the matter provided always that such steps are in compliance with Law, within 15 Working Days of receipt of notice from the Replacement Supplier and/or Replacement Subcontractor.

2.6 If such offer of is accepted, or if the situation has otherwise been resolved by the Supplier or a Subcontractor, Buyer shall procure that the Replacement Supplier shall, or procure that the and/or Replacement Subcontractor shall, immediately release or procure the release the person from his/her employment or alleged employment;

2.7 If after the 15 Working Day period specified in Paragraph 2.5.2 has elapsed:

2.7.1 no such offer has been made:

2.7.2 such offer has been made but not accepted; or

2.7.3 the situation has not otherwise been resolved

the Buyer shall advise the Replacement Supplier and/or Replacement Subcontractor (as appropriate) that it may within 5 Working Days give notice to terminate the employment or alleged employment of such person;

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2.8 Subject to the Replacement Supplier's and/or Replacement Subcontractor acting in accordance with the provisions of Paragraphs 2.5 to 2.7 and in accordance with all applicable proper employment procedures set out in applicable Law and subject to Paragraph 2.9 below, the Supplier will indemnify the Replacement Supplier and/or Replacement Subcontractor against all Employee Liabilities arising out of the termination of the employment of any of the Supplier's employees pursuant to the provisions of Paragraph 2.7 provided that the Replacement Supplier takes, or shall procure that the Replacement Subcontractor takes, all reasonable steps to minimise any such Employee Liabilities.

2.9 The indemnity in Paragraph 2.8:

2.9.1 shall not apply to:

(a) any claim for:

(i) any contravention of the Equality Act 2010 (or predecessor/successor legislation); or

(ii) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,

In any case in relation to any alleged act or omission of the Replacement Supplier and/or Replacement Subcontractor, or

(b) any claim that the termination of employment was unfair because the Replacement Supplier and/or Replacement Subcontractor neglected to follow a fair dismissal procedure; and

2.9.2 shall apply only where the notification referred to in Paragraph 2.5.1 is made by the Replacement Supplier and/or Replacement Subcontractor to the Supplier within 6 months of the Service Transfer Date..

2.10 If any such person as is described in Paragraph 2.5 is neither re-employed by the Supplier or any Subcontractor nor dismissed by the Replacement Supplier and/or Replacement Subcontractor within the time scales set out in Paragraphs 2.5 to 2.7, such person shall be treated as a Transferring Supplier Employee. .

2.11 The Supplier shall comply, and shall procure that each Subcontractor shall comply, with all its obligations under the Employment Regulations and shall perform and discharge, and shall procure that each Subcontractor shall perform and discharge, all its obligations in respect of any person identified in the Supplier's Final Supplier Personnel List before and on the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and such sums due as a result of any Fair Deal Employees' participation in the Schemes and any requirement to set up a broadly comparable pension scheme

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which in any case are attributable in whole or in part in respect of the period up to (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between:

- (b) the Supplier and/or any Subcontractor; and
- (c) the Replacement Supplier and/or the Replacement Subcontractor.

2.12 The Supplier shall, and shall procure that each Subcontractor shall, promptly provide the Buyer and any Replacement Supplier and/or Replacement Subcontractor, in writing such information as is necessary to enable the Buyer, the Replacement Supplier and/or Replacement Subcontractor to carry out their respective duties under regulation 13 of the Employment Regulations. The Buyer shall procure that the Replacement Supplier and/or Replacement Subcontractor, shall promptly provide to the Supplier and each Subcontractor in writing such information as is necessary to enable the Supplier and each Subcontractor to carry out their respective duties under regulation 13 of the Employment Regulations.

2.13 Subject to Paragraph 2.14, the Buyer shall procure that the Replacement Supplier indemnifies the Supplier on its own behalf and on behalf of any Replacement Subcontractor and its Subcontractors against any Employee Liabilities arising from or as a result of:

2.13.1 any act or omission of the Replacement Supplier and/or Replacement Subcontractor in respect of any Transferring Supplier Employee in the Supplier's Final Supplier Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee;

2.13.2 the breach or non-observance by the Replacement Supplier and/or Replacement Subcontractor on or after the Service Transfer Date of:

(a) any collective agreement applicable to the Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List; and/or

(b) any custom or practice in respect of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List which the Replacement Supplier and/or Replacement Subcontractor is contractually bound to honour;

2.13.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List arising from or connected with any failure by the Replacement Supplier and/or Replacement Subcontractor to comply with any legal obligation

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- to such trade union, body or person arising on or after the Service Transfer Date;
- 2.13.4 any proposal by the Replacement Supplier and/or Replacement Subcontractor to change the terms and conditions of employment or working conditions of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List on or after their transfer to the Replacement Supplier or Replacement Subcontractor (as the case may be) on the Service Transfer Date, or to change the terms and conditions of employment or working conditions of any person identified in the Supplier's Final Supplier Personnel List who would have been a Transferring Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Service Transfer Date as a result of or for a reason connected to such proposed changes;
- 2.13.5 any statement communicated to or action undertaken by the Replacement Supplier or Replacement Subcontractor to, or in respect of, any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List on or before the Service Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Supplier in writing;
- 2.13.6 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
- (a) in relation to any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date; and
 - (b) in relation to any employee who is not a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier or Subcontractor, to the Replacement Supplier or Replacement Subcontractor to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date;
- 2.13.7 a failure of the Replacement Supplier or Replacement Subcontractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and

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national insurance contributions relating to the Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List in respect of the period from (and including) the Service Transfer Date; and

2.13.8 any claim made by or in respect of a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee relating to any act or omission of the Replacement Supplier or Replacement Subcontractor in relation to obligations under regulation 13 of the Employment Regulations.

2.14 The indemnities in Paragraph 2.13 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier and/or any Subcontractor (as applicable) whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities arising from the failure by the Supplier and/or any Subcontractor (as applicable) to comply with its obligations under the Employment Regulations.

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Annex E1: List of Notified Sub-contractors

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Annex E2: Staffing Information**Employee Information (Anonymised)**

Name of Transferor:

Number of Employees in-scope to transfer:

1 Completion notes

- 1.1 If you have any Sub-contractors, please complete all the above information for any staff employed by such Key Sub-contractor(s) in a separate spreadsheet.
- 1.2 This spreadsheet is used to collect information from the current employer (transferor) about employees performing the relevant services to help plan for a potential TUPE transfer. Some or all of this information may be disclosed to bidders as part of a procurement process. The information should not reveal the employees' identities.
- 1.3 If the information cannot be included on this form, attach the additional information, such as relevant policies, and cross reference to the item number and employee number where appropriate.

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	EMPLOYEE DETAILS & KEY TERMS						
Details	Job Title	Grade / band	Work Location	Date of Birth (dd/mm/yy)	Employment status (for example, employee, fixed-term employee, self-employed, agency worker)?	Continuous service date (dd/mm/yy)	Date employment started with existing employer
Emp No 1							
Emp No 2							
Emp No							
Emp No							
Emp No							
Emp No							
Emp No							
Emp No							

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	EMPLOYEE DETAILS & KEY TERMS						
Details	Job Title	Grade / band	Work Location	Date of Birth (dd/mm/yy)	Employment status (for example, employee, fixed-term employee, self-employed, agency worker)?	Continuous service date (dd/mm/yy)	Date employment started with existing employer
Emp No 1							
Emp No 2							
Emp No							
Emp No							
Emp No							
Emp No							
Emp No							

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	EMPLOYEE DETAILS & KEY TERMS						
Details	Contract end date (if fixed term contract or temporary contract)	Contractual notice period	Contractual weekly hours	Regular overtime hours per week	Mobility or flexibility clause in contract?	Previously TUPE transferred to organisation? If so, please specify (i) date of transfer, (ii) name of transferor, and (iii) whether ex public sector	Any collective agreements?

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	ASSIGNMENT	CONTRACTUAL PAY AND BENEFITS						
Details	% of working time dedicated to the provision of services under the contract	Salary (or hourly rate of pay)	Payment interval (weekly / fortnightly / monthly)	Bonus payment for previous 12 months (please specify whether contractual or discretionary entitlement)	Pay review method	Frequency of pay reviews	Agreed pay increases	Next pay review date
Emp No 1								
Emp No 2								
Emp No								
Emp No								
Emp No								
Emp No								

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	CONTRACTUAL PAY AND BENEFITS							
Details	Any existing or future commitment to training that has a time-off or financial implication	Car allowance (£ per year)	Lease or company car details	Any other allowances paid (e.g. shift allowance, standby allowance, travel allowance)	Private medical insurance (please specify whether single or family cover)	Life assurance (xSalary)	Long Term Disability / PHI (% of Salary)	Any other benefits in kind
Emp No 1								
Emp No 2								
Emp No								
Emp No								
Emp No								
Emp No								
Emp No								

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	CONTRACTUAL PAY AND BENEFITS					
Details	Annual leave entitlement (excluding bank holidays)	Bank holiday entitlement	Method of calculating holiday pay (i.e. based on fixed salary only or incl. entitlements to variable remuneration such as bonuses, allowances, commission or overtime pay?)	Maternity or paternity or shared parental leave entitlement and pay	Sick leave entitlement and pay	Redundancy pay entitlement (statutory / enhanced / contractual / discretionary)
Emp No 1						
Emp No 2						
Emp No						
Emp No						
Emp No						
Emp No						
Emp No						

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	PENSIONS					
Details	Employee pension contribution rate	Employer pension contribution rate	Please provide the name of the pension scheme and a link to the pension scheme website	Is the scheme an occupational pension scheme as defined in the Pension Schemes Act 1993?	If the scheme is not an occupational pension scheme, what type of scheme is it? E.g. personal pension scheme?	Type of pension provision e.g. defined benefit (CARE or final salary, and whether a public sector scheme e.g. CSPS, NHSPS, LGPS etc. or a broadly comparable scheme) or a defined contribution scheme or an auto enrolment master trust?
Emp No 1						
Emp No 2						
Emp No						
Emp No						
Emp No						

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	PENSIONS					
Details	If the Employee is in the Local Government Pension Scheme, please supply details of Fund and Administering Authority.	If the Employee is in the Civil Service Pension Scheme, please provide details of the Admission Agreement.	If the Employee is in the NHSPS, please provide details of the Direction Letter.	If the Employee is in a broadly comparable pension scheme, please supply a copy of the GAD certificate of Broad Comparability.	Did Fair Deal or any other similar pension protection for ex-public sector employees apply to the employee when they TUPE transferred into your employment? If so, what was the nature of that protection (e.g. right to participate in a public sector pension scheme, or a broadly comparable scheme, or to bulk transfer past pension service into their current scheme)?	If Fair Deal, Best Value or other pension protection applied, which public sector employer did they originally transfer out of and when?
Emp No 1						
Emp No 2						
Emp No						
Emp No						
Emp No						
Emp No						

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	PENSIONS					
Details	If the Employee is in the Local Government Pension Scheme, please supply details of Fund and Administering Authority.	If the Employee is in the Civil Service Pension Scheme, please provide details of the Admission Agreement.	If the Employee is in the NHSPS, please provide details of the Direction Letter.	If the Employee is in a broadly comparable pension scheme, please supply a copy of the GAD certificate of Broad Comparability.	Did Fair Deal or any other similar pension protection for ex-public sector employees apply to the employee when they TUPE transferred into your employment? If so, what was the nature of that protection (e.g. right to participate in a public sector pension scheme, or a broadly comparable scheme, or to bulk transfer past pension service into their current scheme)?	If Fair Deal, Best Value or other pension protection applied, which public sector employer did they originally transfer out of and when?
Emp No						

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	OTHER		
Details	Security Check Level	Security Clearance Expiry date	Additional info or comments
Emp No 1			
Emp No 2			
Emp No			
Emp No			
Emp No			
Emp No			
Emp No			

Order Schedule 3 (Continuous Improvement)

1. Buyer's Rights

- 1.1 The Buyer and the Supplier recognise that, where specified in DPS Schedule 4 (DPS Management), the Buyer reserves the right to enforce the Buyer's Rights under this Schedule.

2. Supplier's Obligations

- 2.1 The Supplier must, throughout the Contract Period, identify new or potential improvements to the provision of the Deliverables with a view to reducing the Buyer's costs (including the Charges) and/or improving the quality and efficiency of the Deliverables and their supply to the Buyer.
- 2.2 The Supplier must adopt a policy of continuous improvement in relation to the Deliverables, which must include regular reviews with the Buyer of the Deliverables and the way it provides them, with a view to reducing the Buyer's costs (including the Charges) and/or improving the quality and efficiency of the Deliverables. The Supplier and the Buyer must provide each other with any information relevant to meeting this objective.
- 2.3 In addition to Paragraph 2.1, the Supplier shall produce at the start of each Contract Year a plan for improving the provision of Deliverables and/or reducing the Charges (without adversely affecting the performance of this Contract) during that Contract Year ("**Continuous Improvement Plan**") for the Buyer's Approval. The Continuous Improvement Plan must include, as a minimum, proposals:
- 2.3.1 identifying the emergence of relevant new and evolving technologies;
 - 2.3.2 changes in business processes of the Supplier or the Buyer and ways of working that would provide cost savings and/or enhanced benefits to the Buyer (such as methods of interaction, supply chain efficiencies, reduction in energy consumption and methods of sale);
 - 2.3.3 new or potential improvements to the provision of the Deliverables including the quality, responsiveness, procedures, benchmarking methods, likely performance mechanisms and customer support services in relation to the Deliverables; and
 - 2.3.4 measuring and reducing the sustainability impacts of the Supplier's operations and supply-chains relating to the Deliverables, and identifying opportunities to assist the Buyer in meeting their sustainability objectives.
- 2.4 The initial Continuous Improvement Plan for the first (1st) Contract Year shall be submitted by the Supplier to the Buyer for Approval within one hundred

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(100) Working Days of the first Order or six (6) Months following the Start Date, whichever is earlier.

- 2.5 The Buyer shall notify the Supplier of its Approval or rejection of the proposed Continuous Improvement Plan or any updates to it within twenty (20) Working Days of receipt. If it is rejected then the Supplier shall, within ten (10) Working Days of receipt of notice of rejection, submit a revised Continuous Improvement Plan reflecting the changes required. Once Approved, it becomes the Continuous Improvement Plan for the purposes of this Contract.
- 2.6 The Supplier must provide sufficient information with each suggested improvement to enable a decision on whether to implement it. The Supplier shall provide any further information as requested.
- 2.7 If the Buyer wishes to incorporate any improvement into this Contract, it must request a Variation in accordance with the Variation Procedure and the Supplier must implement such Variation at no additional cost to the Buyer or CCS.
- 2.8 Once the first Continuous Improvement Plan has been Approved in accordance with Paragraph 2.5:
- 2.8.1 the Supplier shall use all reasonable endeavours to implement any agreed deliverables in accordance with the Continuous Improvement Plan; and
 - 2.8.2 the Parties agree to meet as soon as reasonably possible following the start of each quarter (or as otherwise agreed between the Parties) to review the Supplier's progress against the Continuous Improvement Plan.
- 2.9 The Supplier shall update the Continuous Improvement Plan as and when required but at least once every Contract Year (after the first (1st) Contract Year) in accordance with the procedure and timescales set out in Paragraph 2.3.
- 2.10 All costs relating to the compilation or updating of the Continuous Improvement Plan and the costs arising from any improvement made pursuant to it and the costs of implementing any improvement, shall have no effect on and are included in the Charges.
- 2.11 Should the Supplier's costs in providing the Deliverables to the Buyer be reduced as a result of any changes implemented, all of the cost savings shall be passed on to the Buyer by way of a consequential and immediate reduction in the Charges for the Deliverables.
- 2.12 At any time during the Contract Period of the Order Contract, the Supplier may make a proposal for gainshare. If the Buyer deems gainshare to be applicable then the Supplier shall update the Continuous Improvement Plan so as to include details of the way in which the proposal shall be implemented in accordance with an agreed gainshare ratio.

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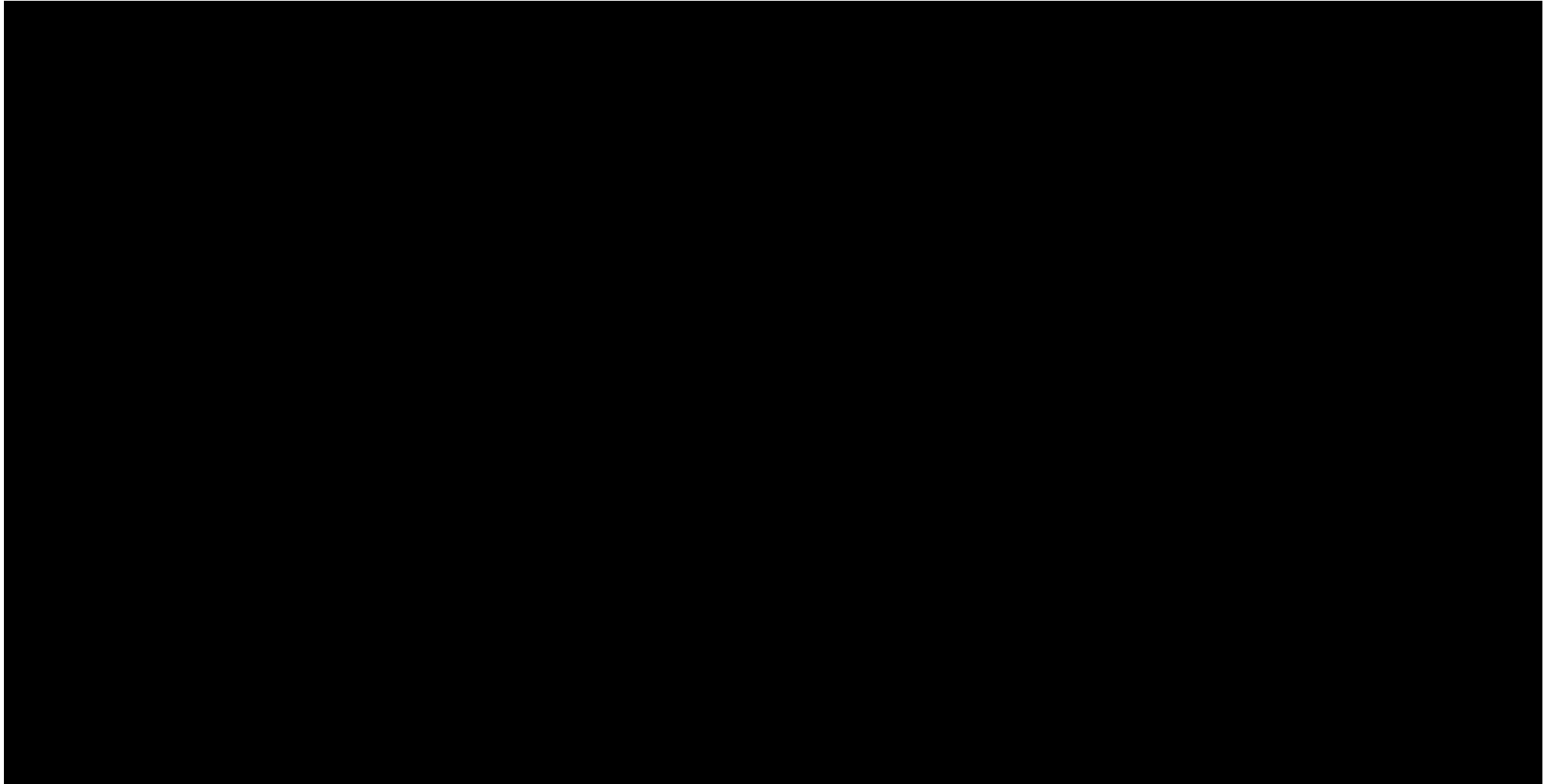
The Supplier Tender is included below.

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SQ Response



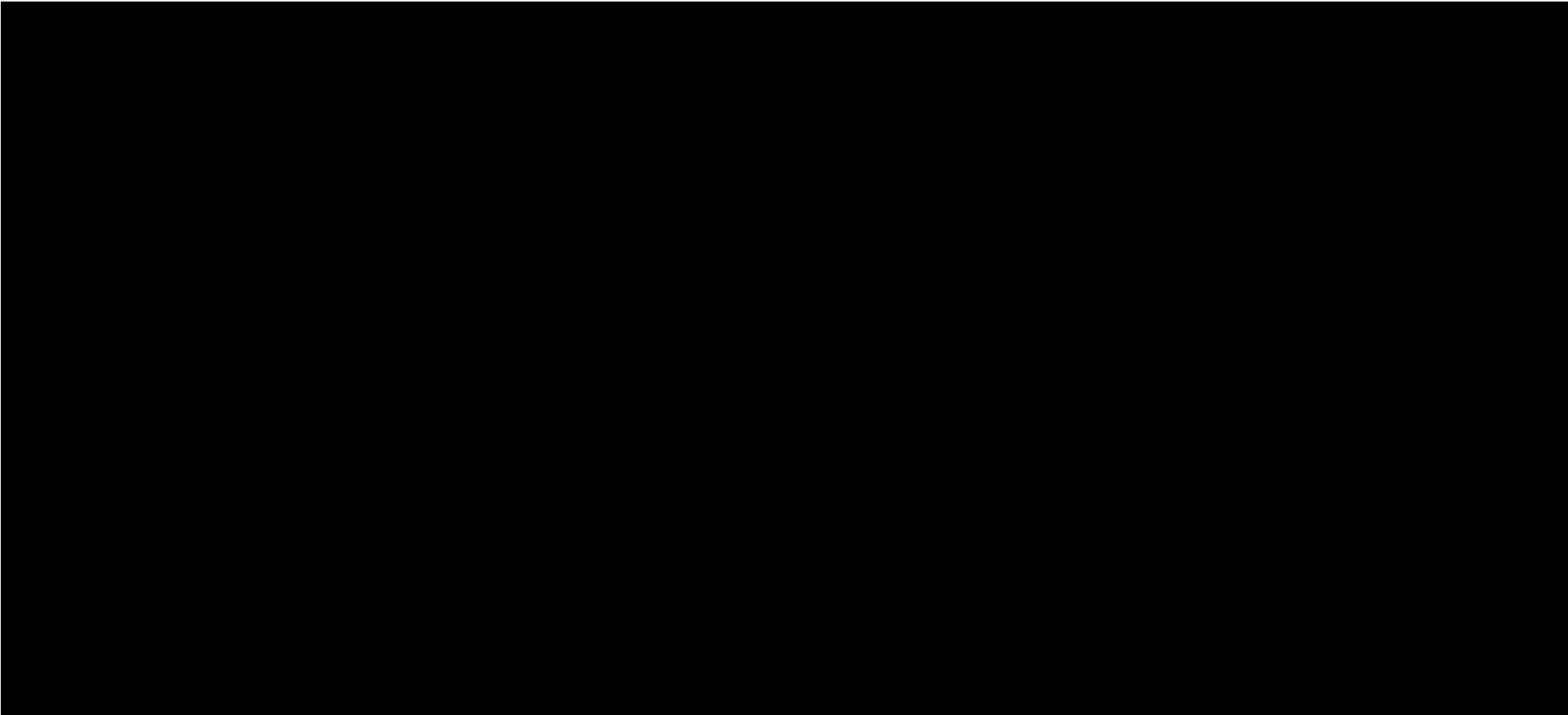
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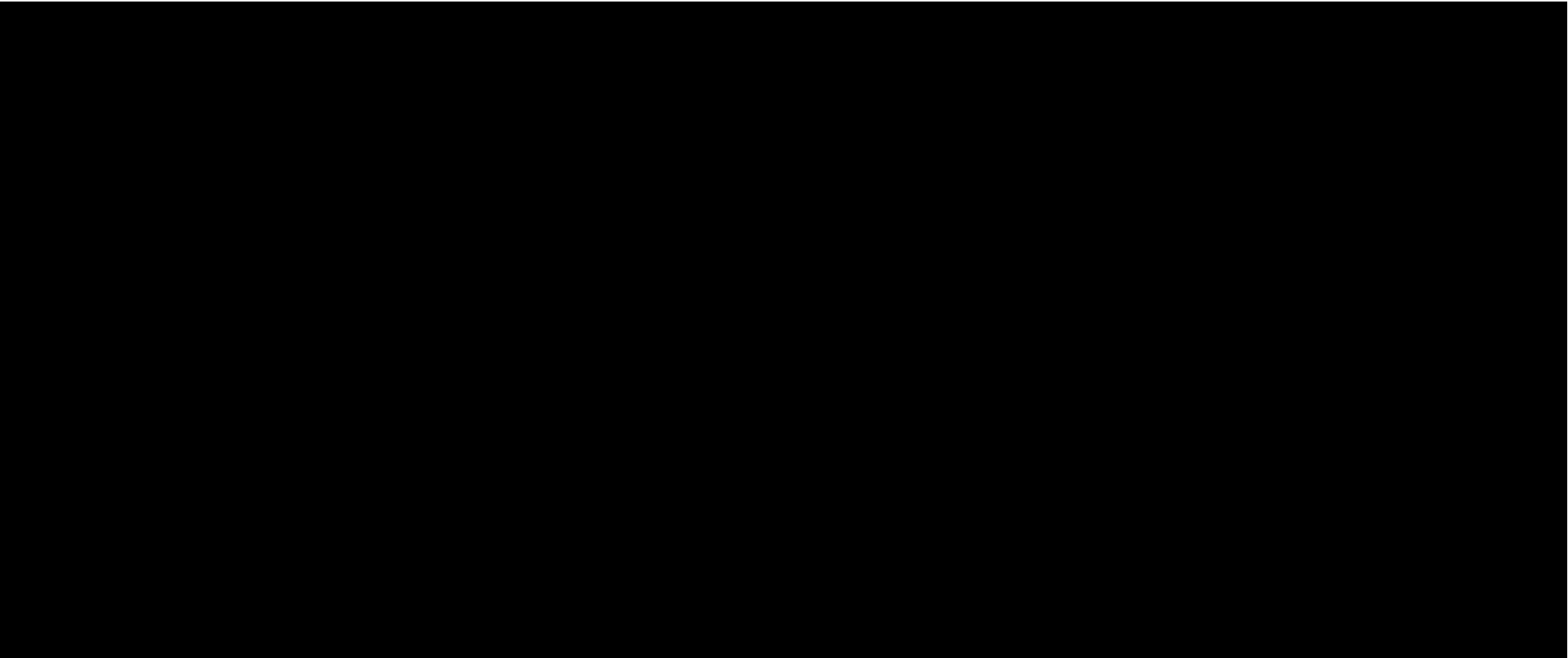
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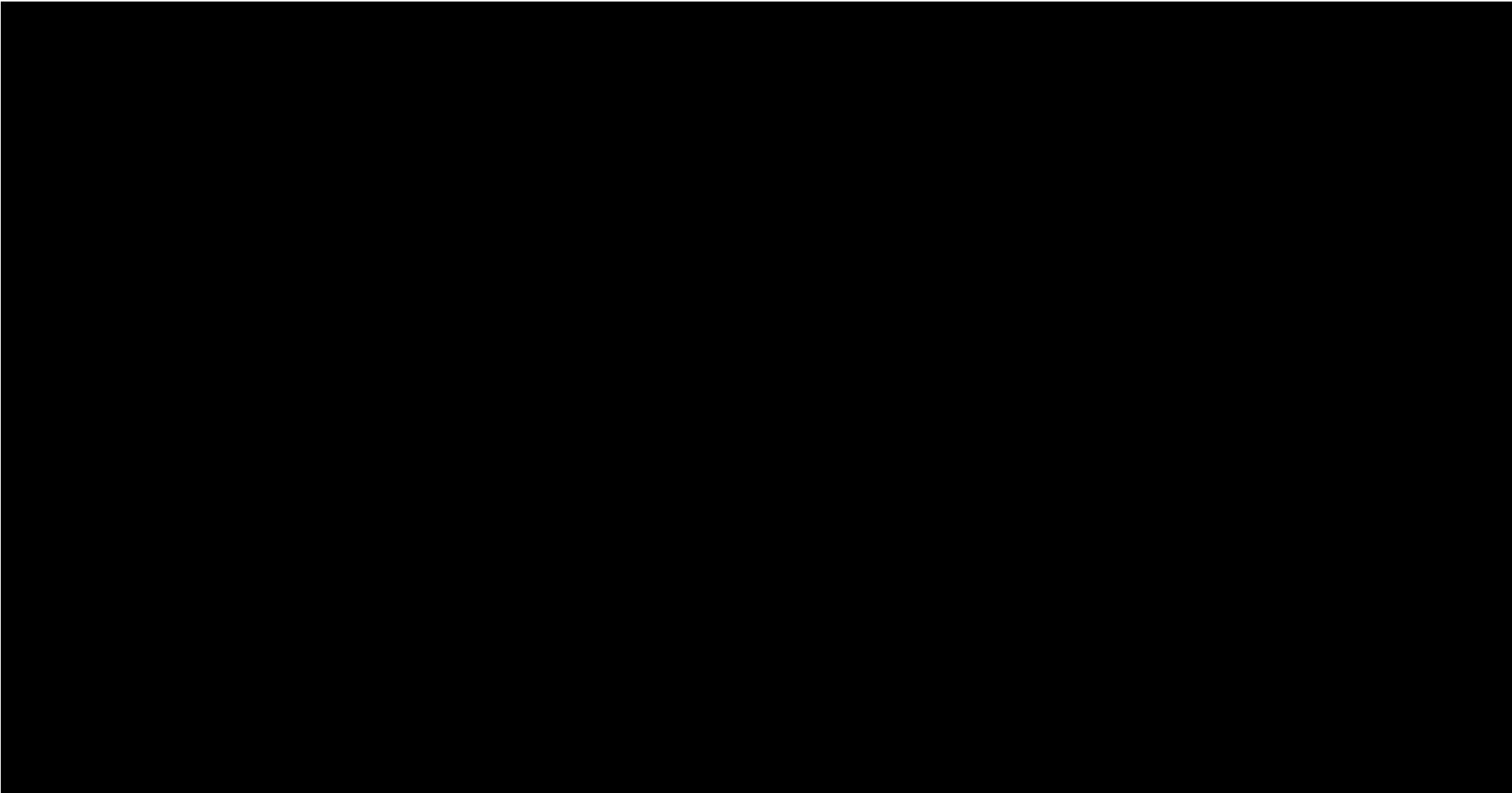
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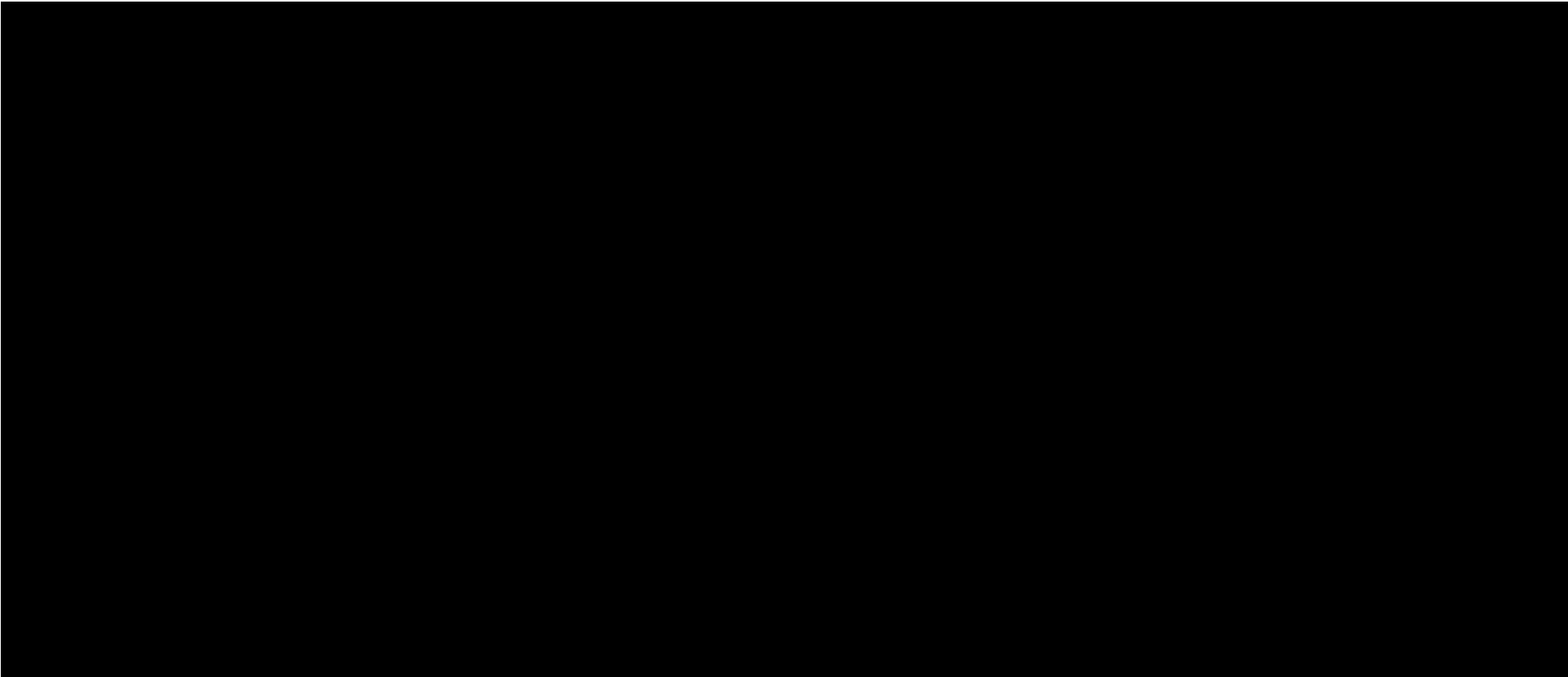
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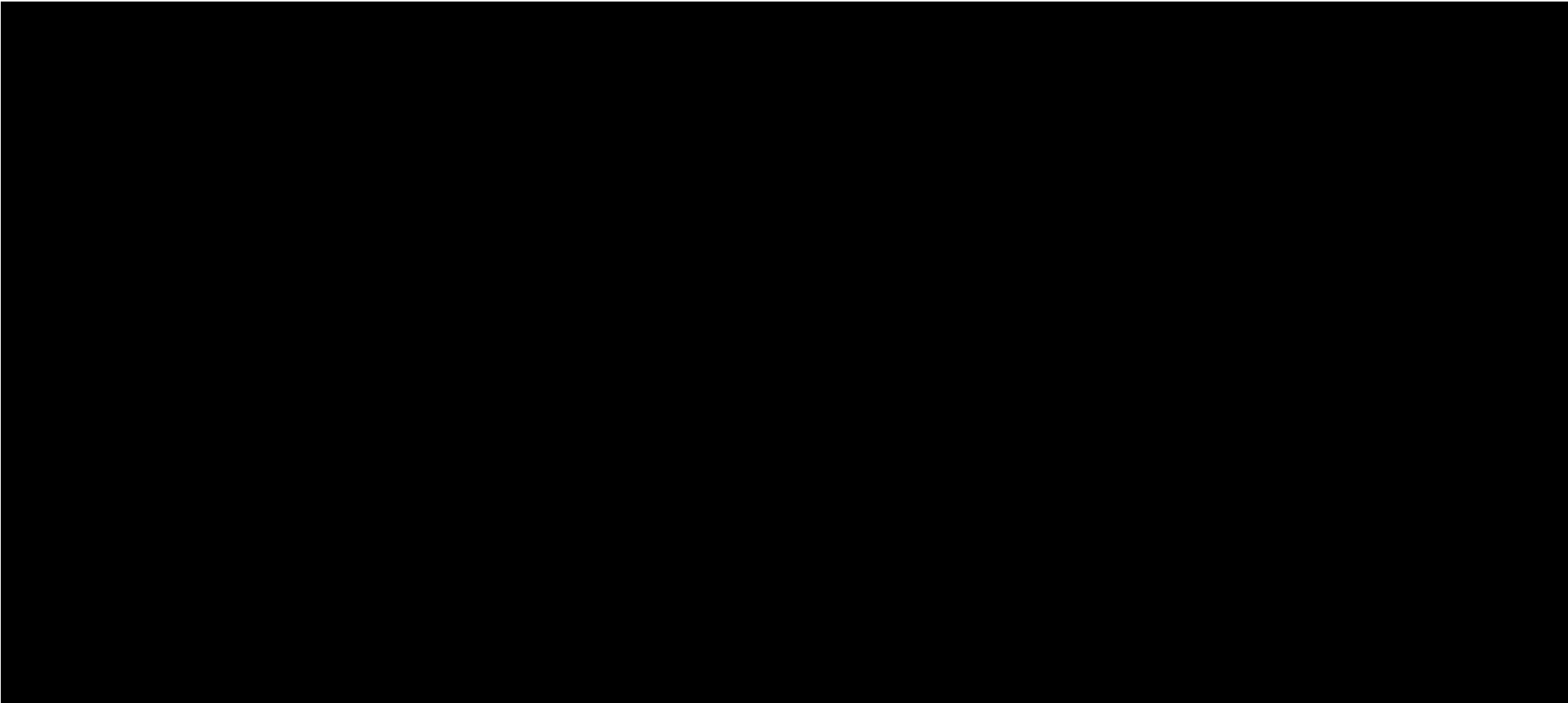
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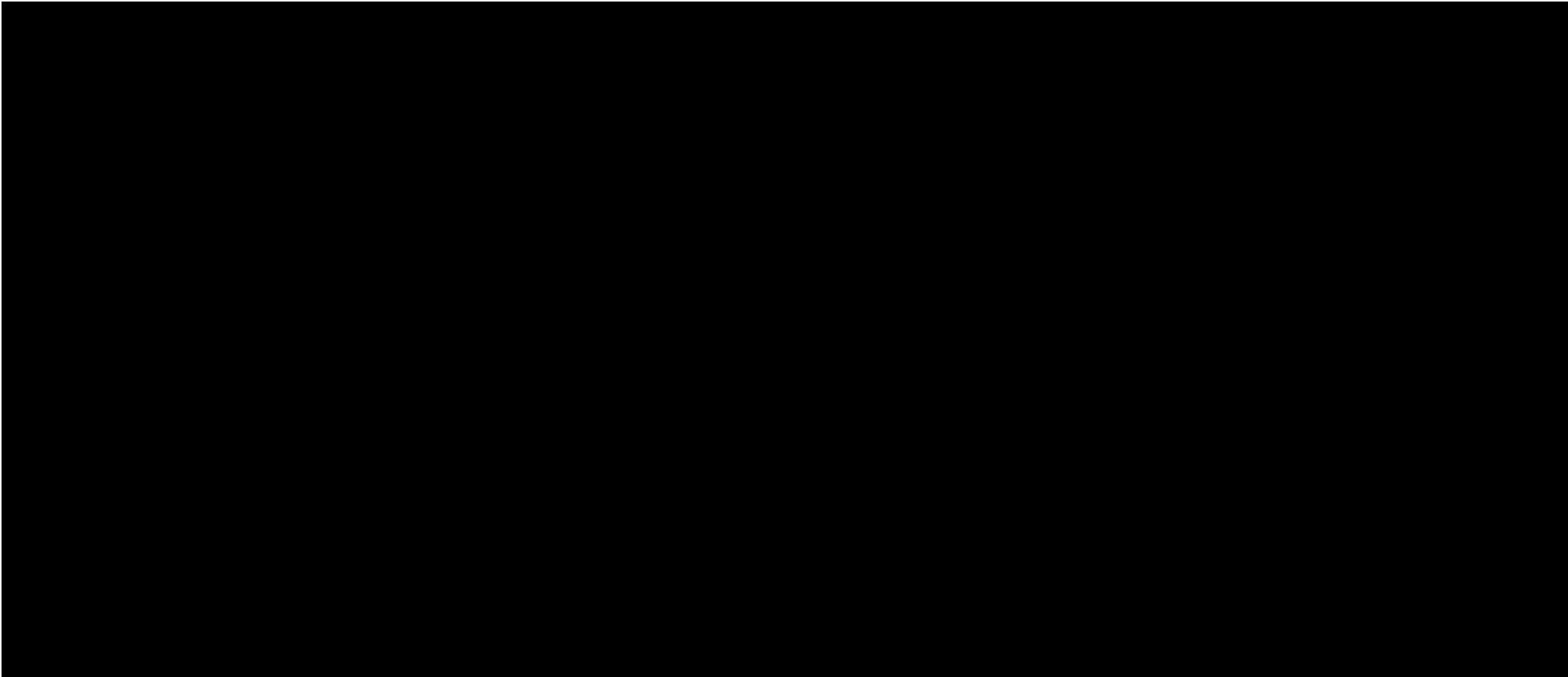
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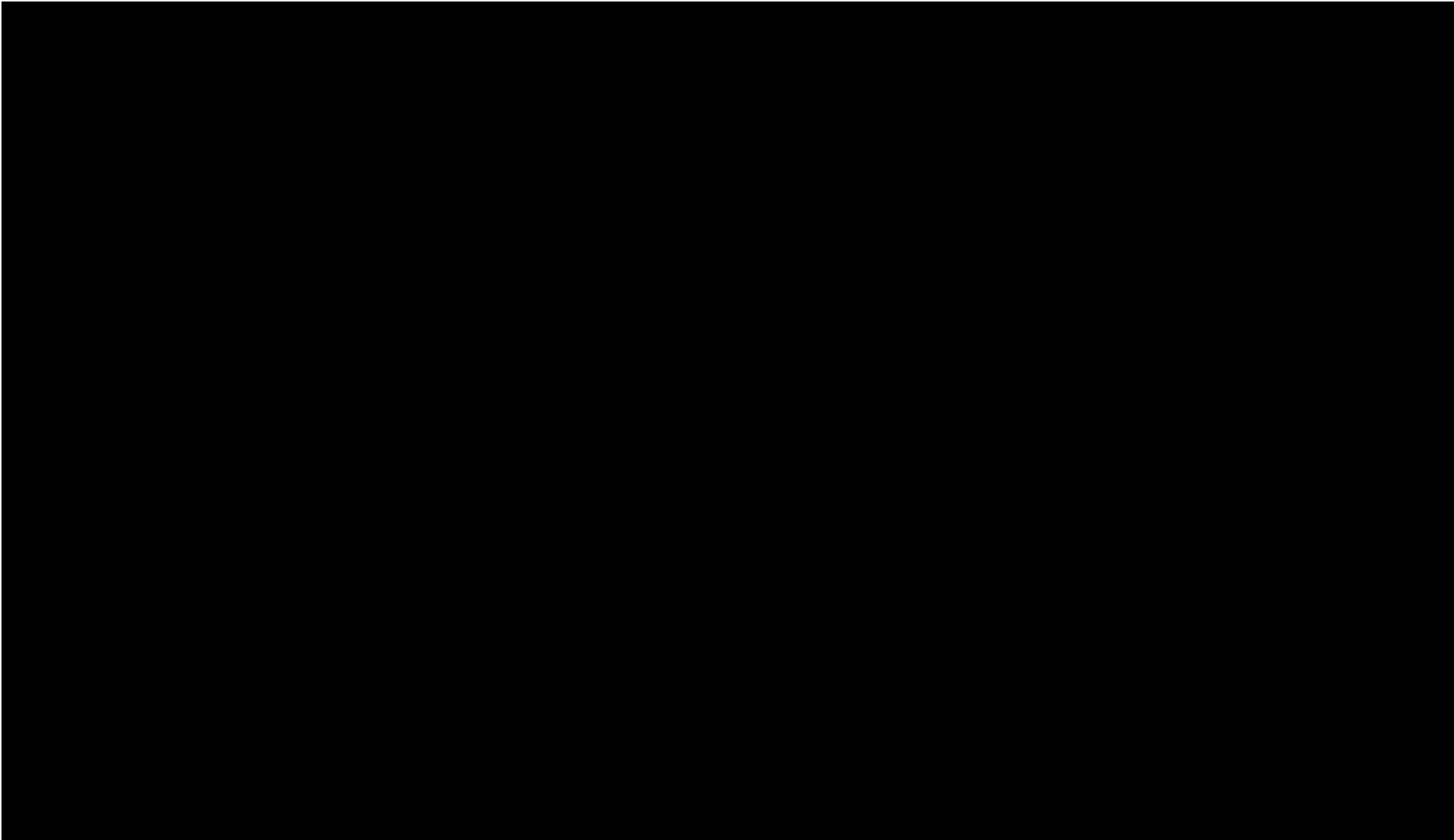
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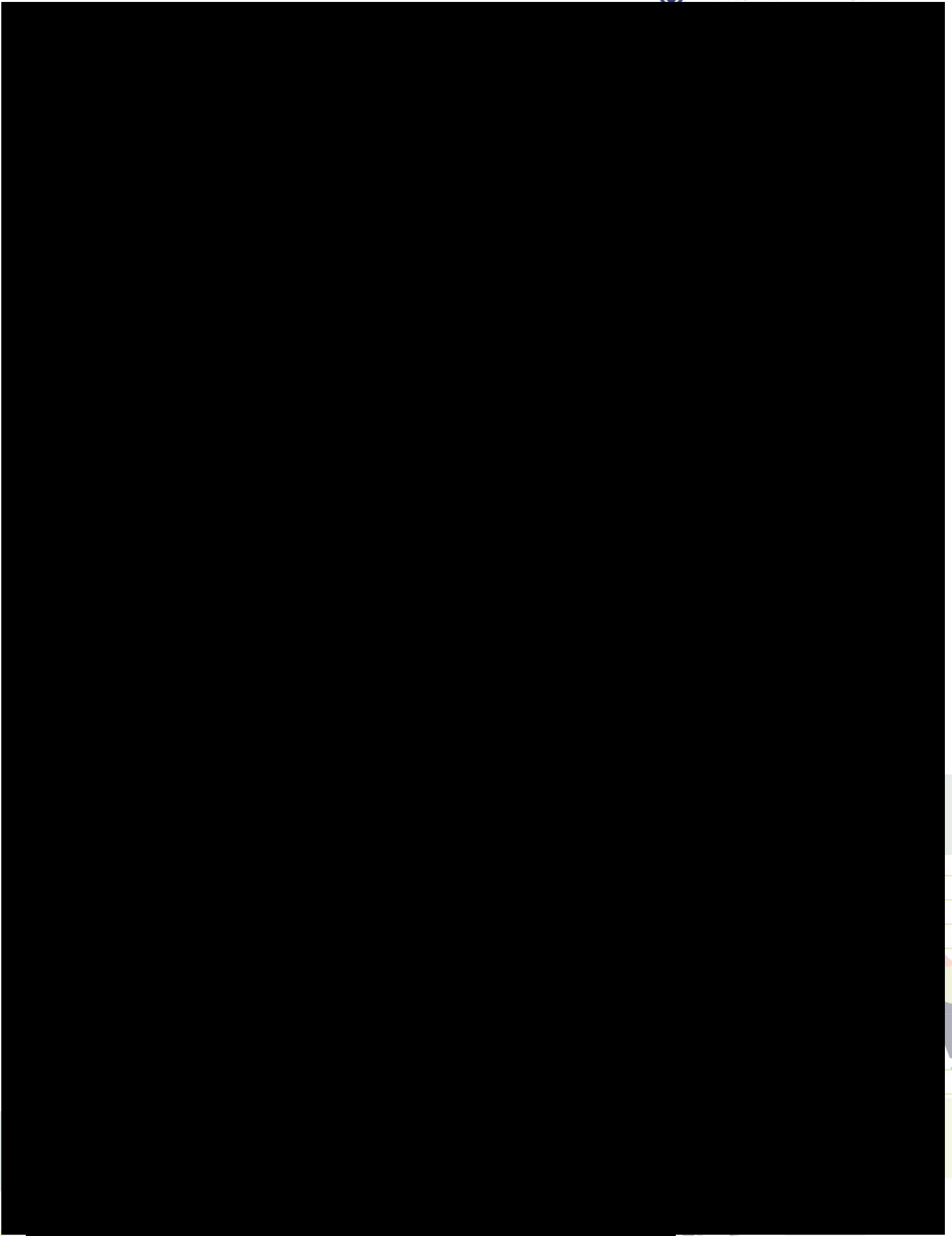


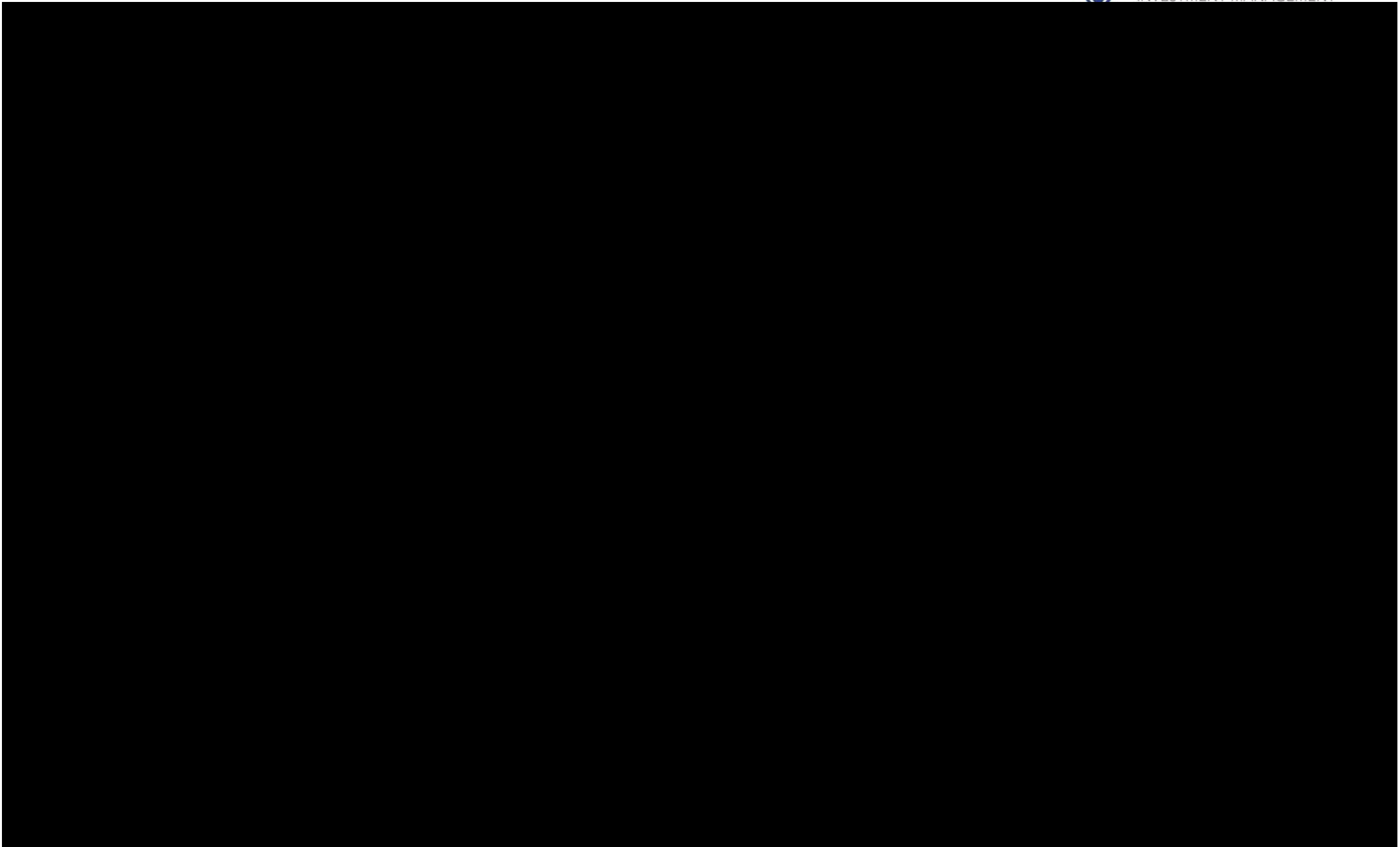
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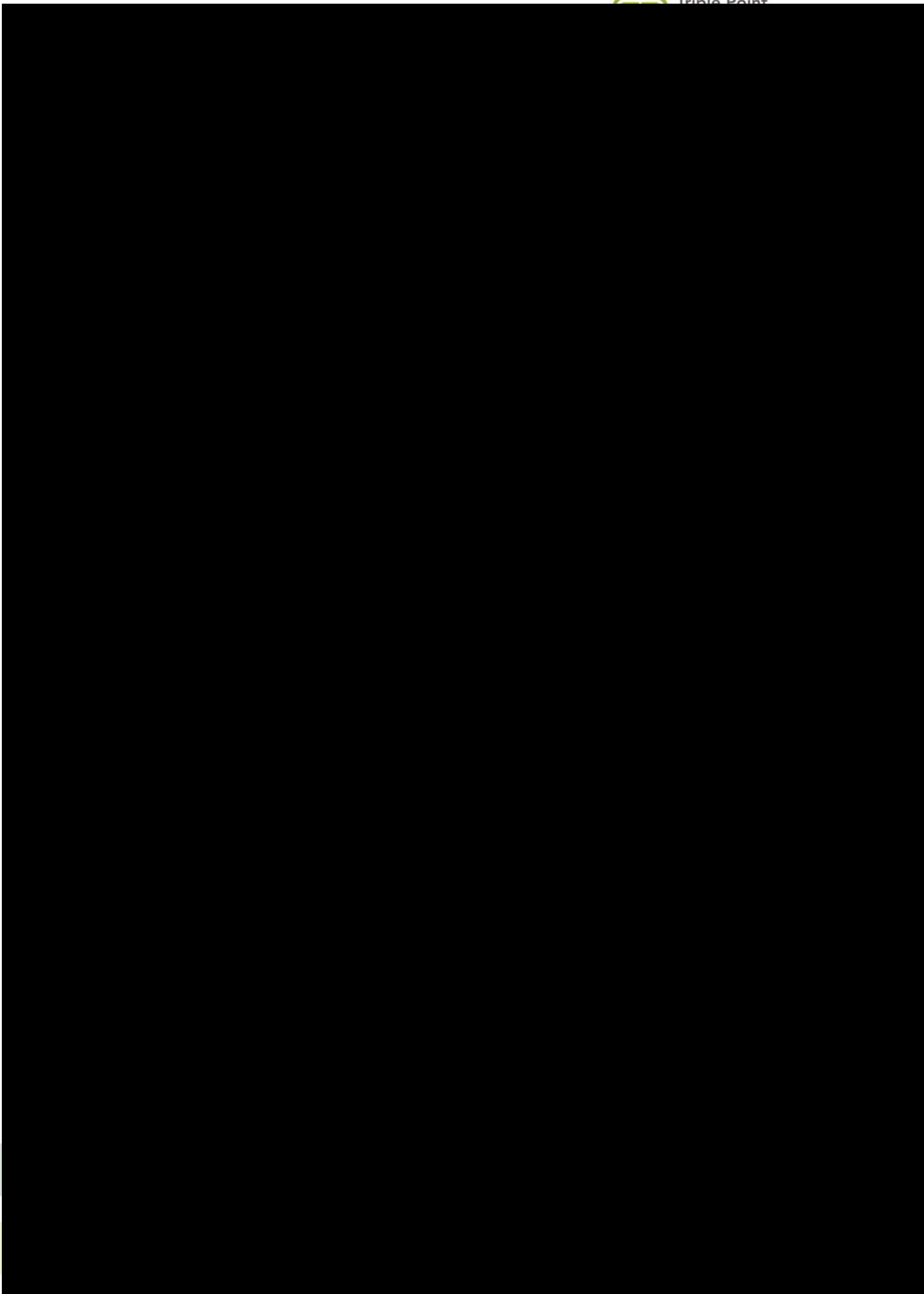
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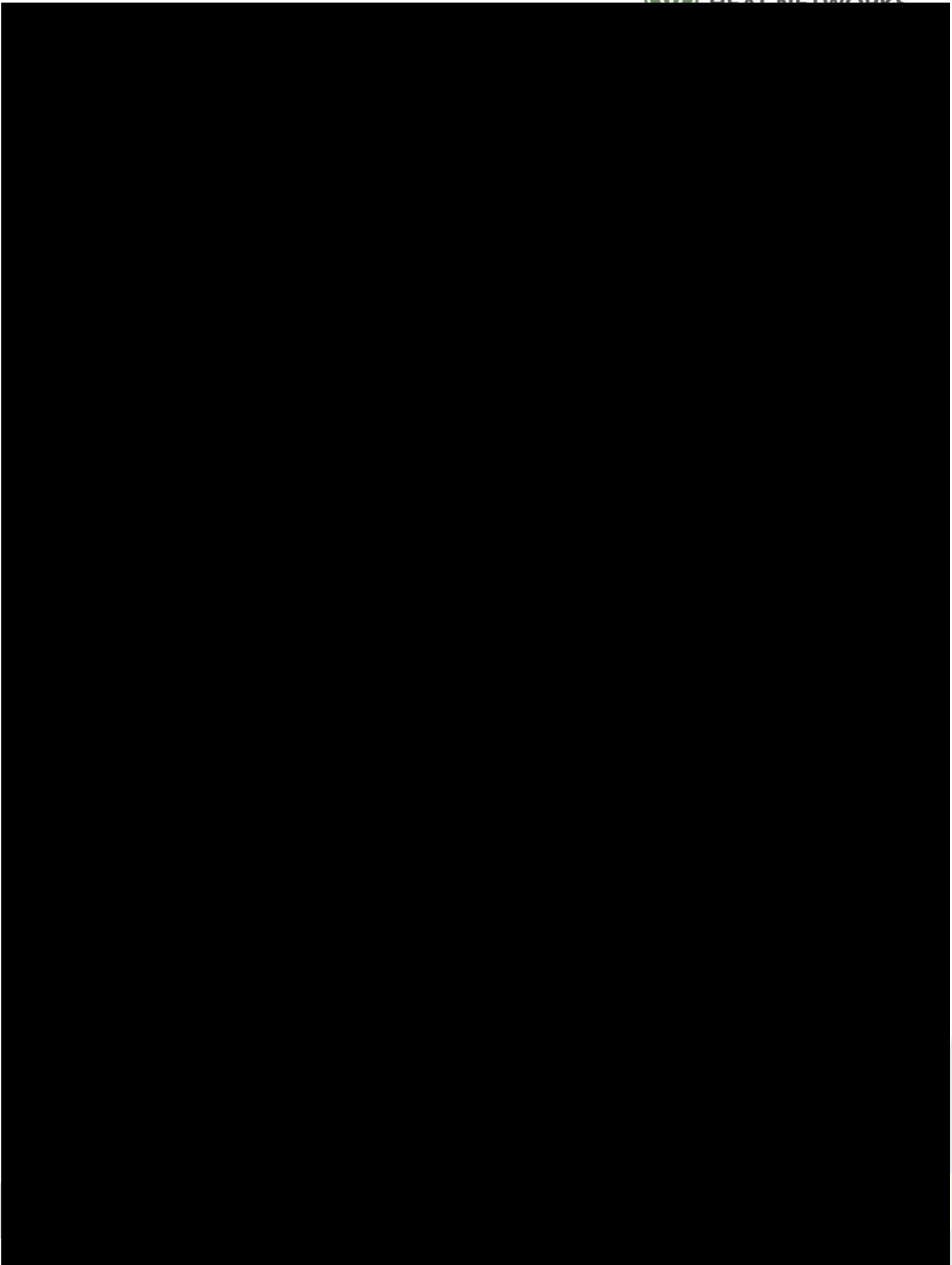
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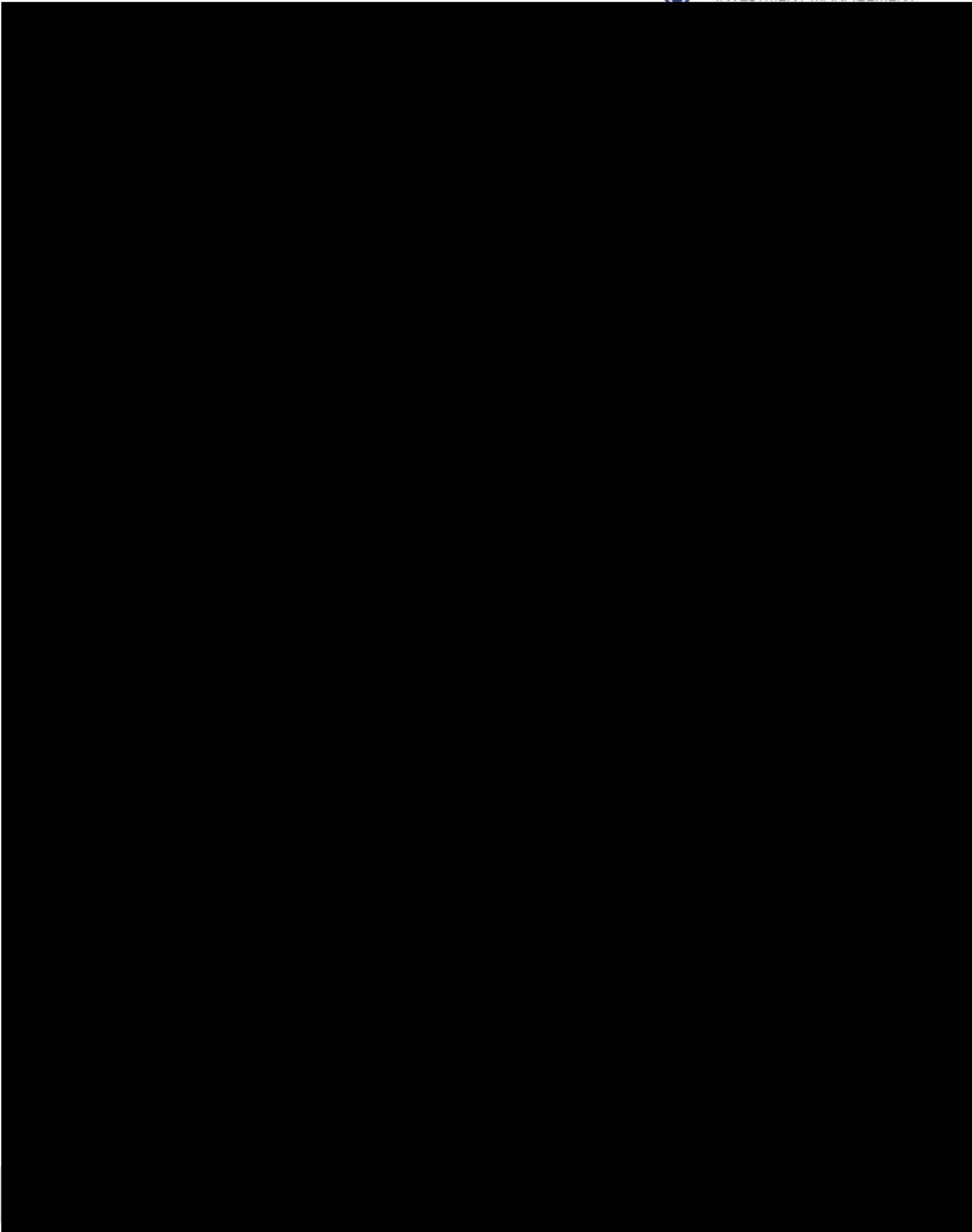
Technical Response

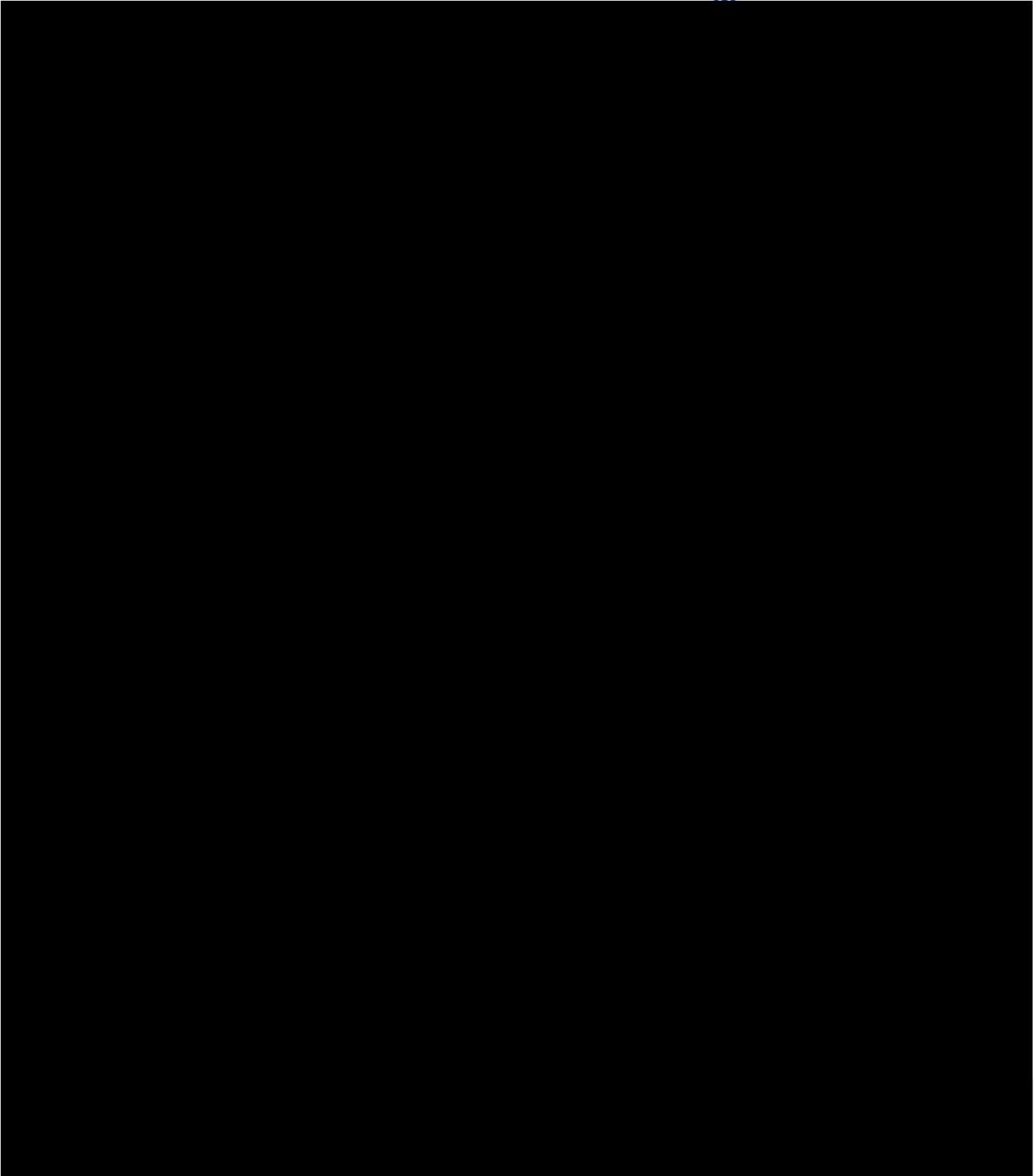


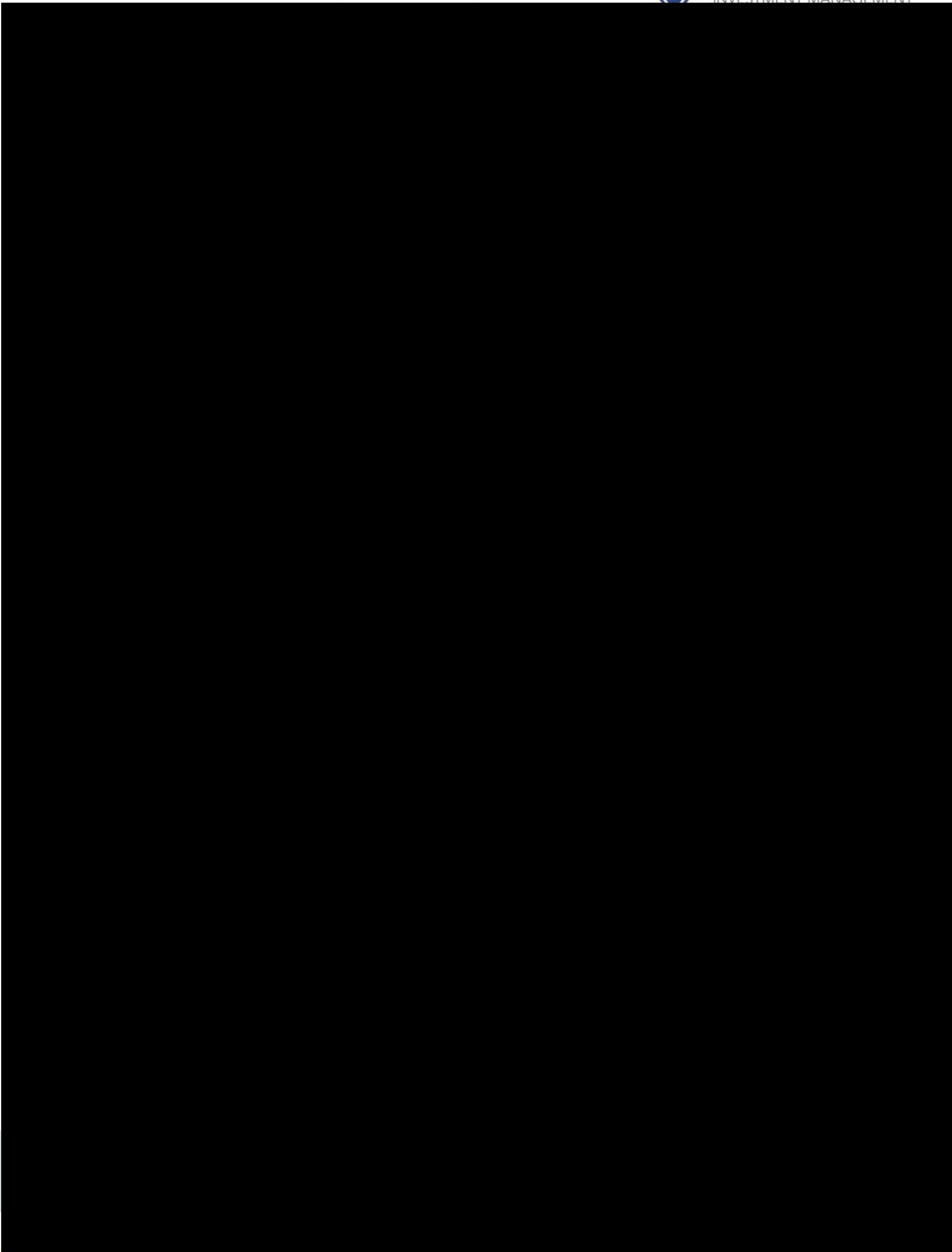


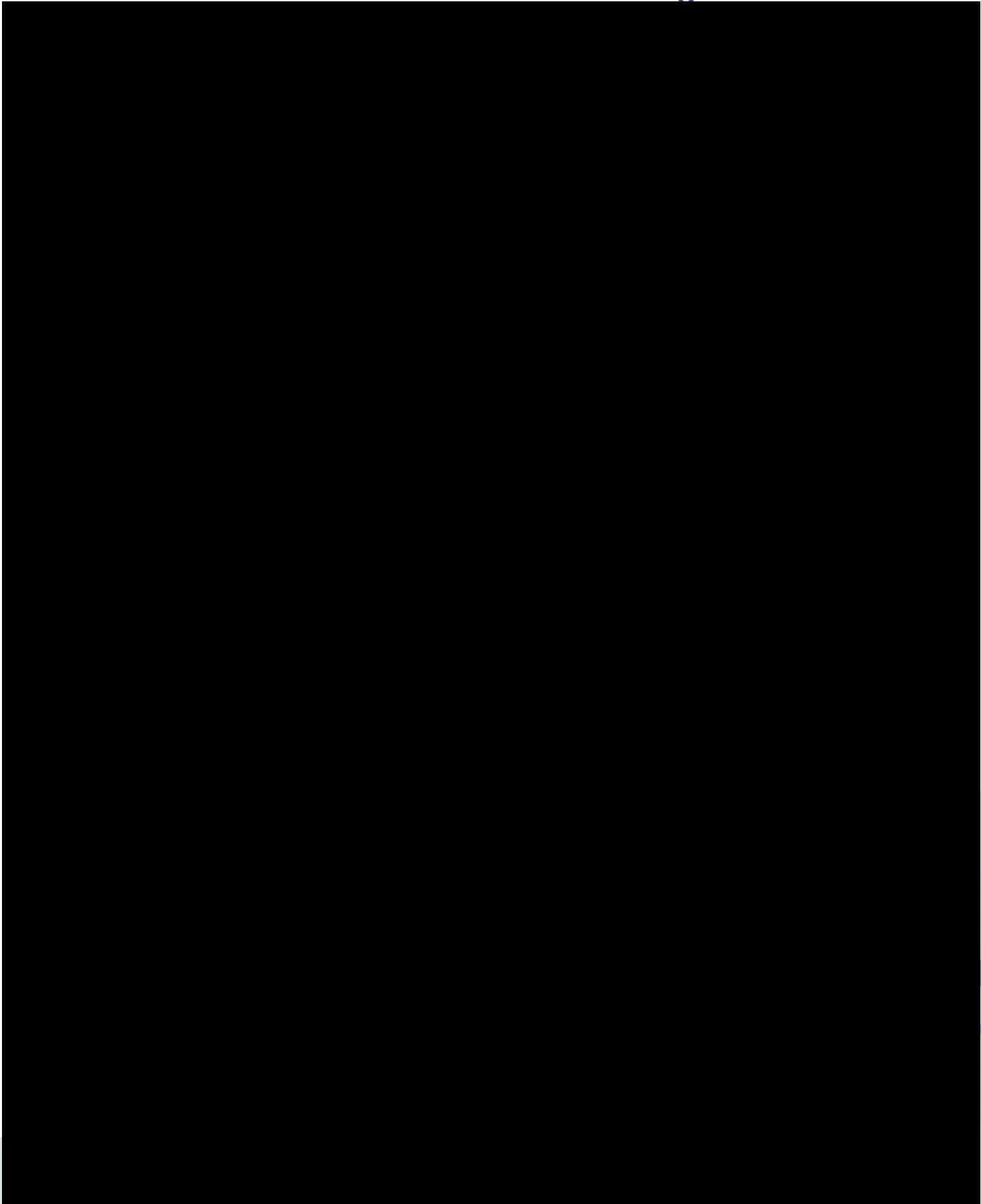


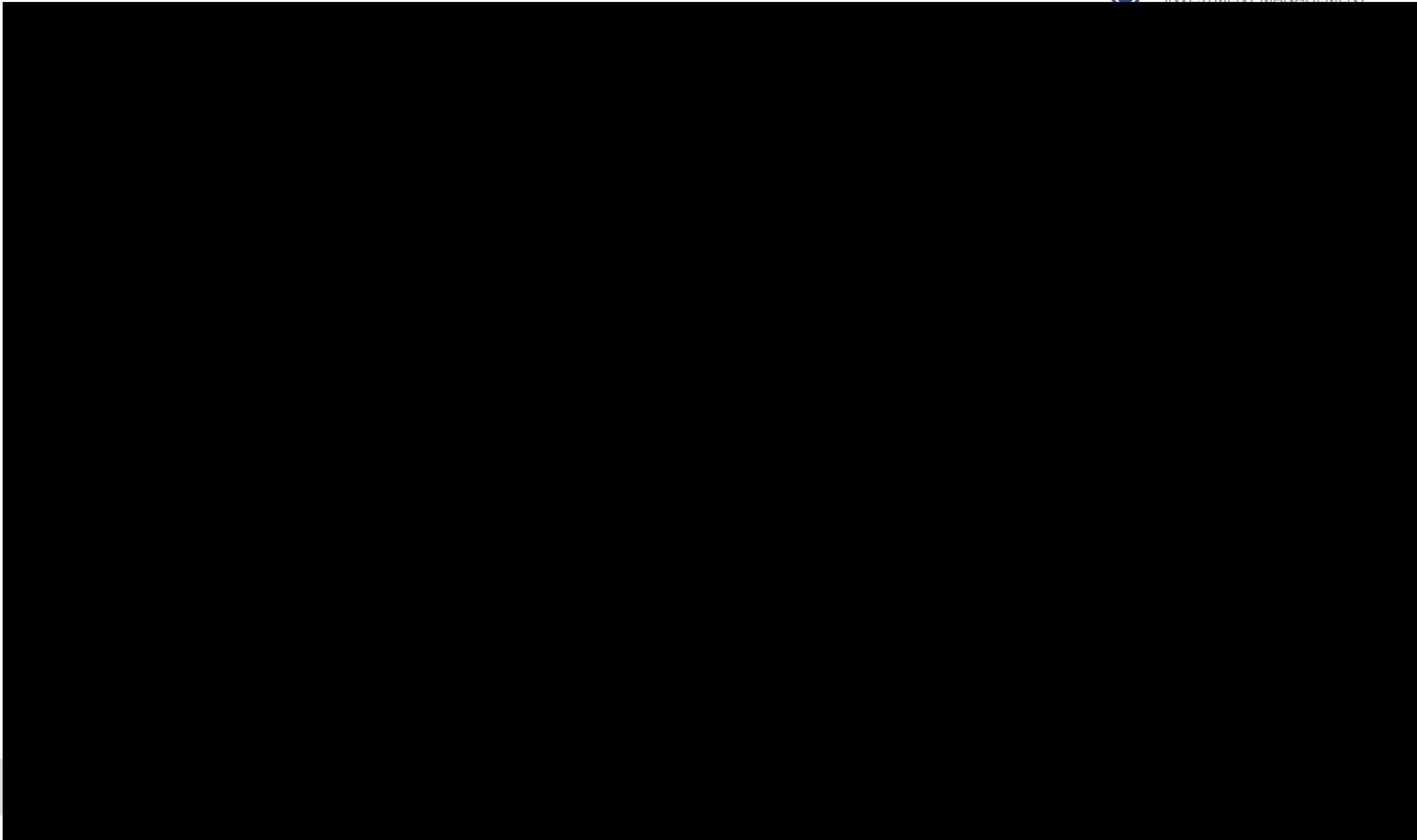


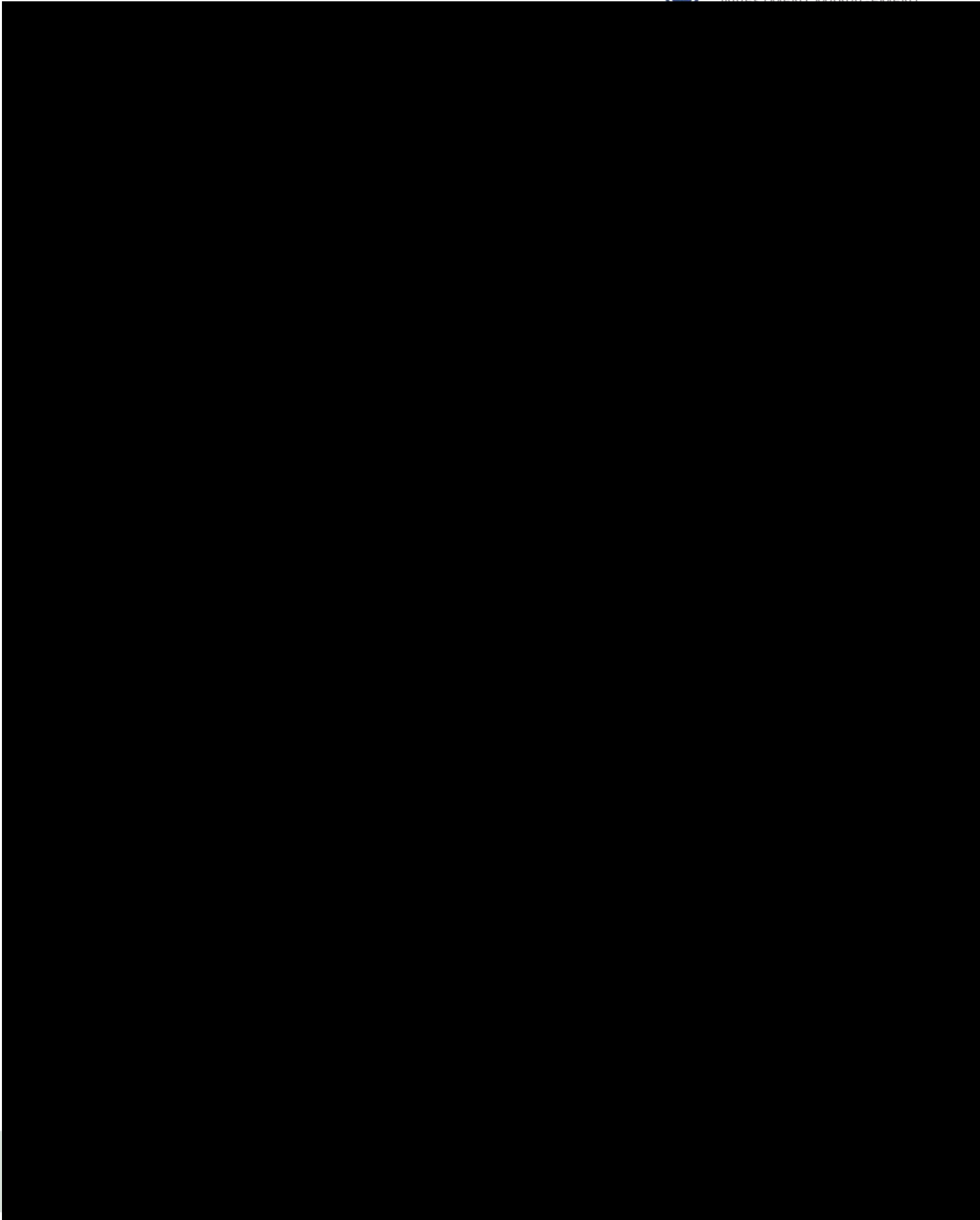


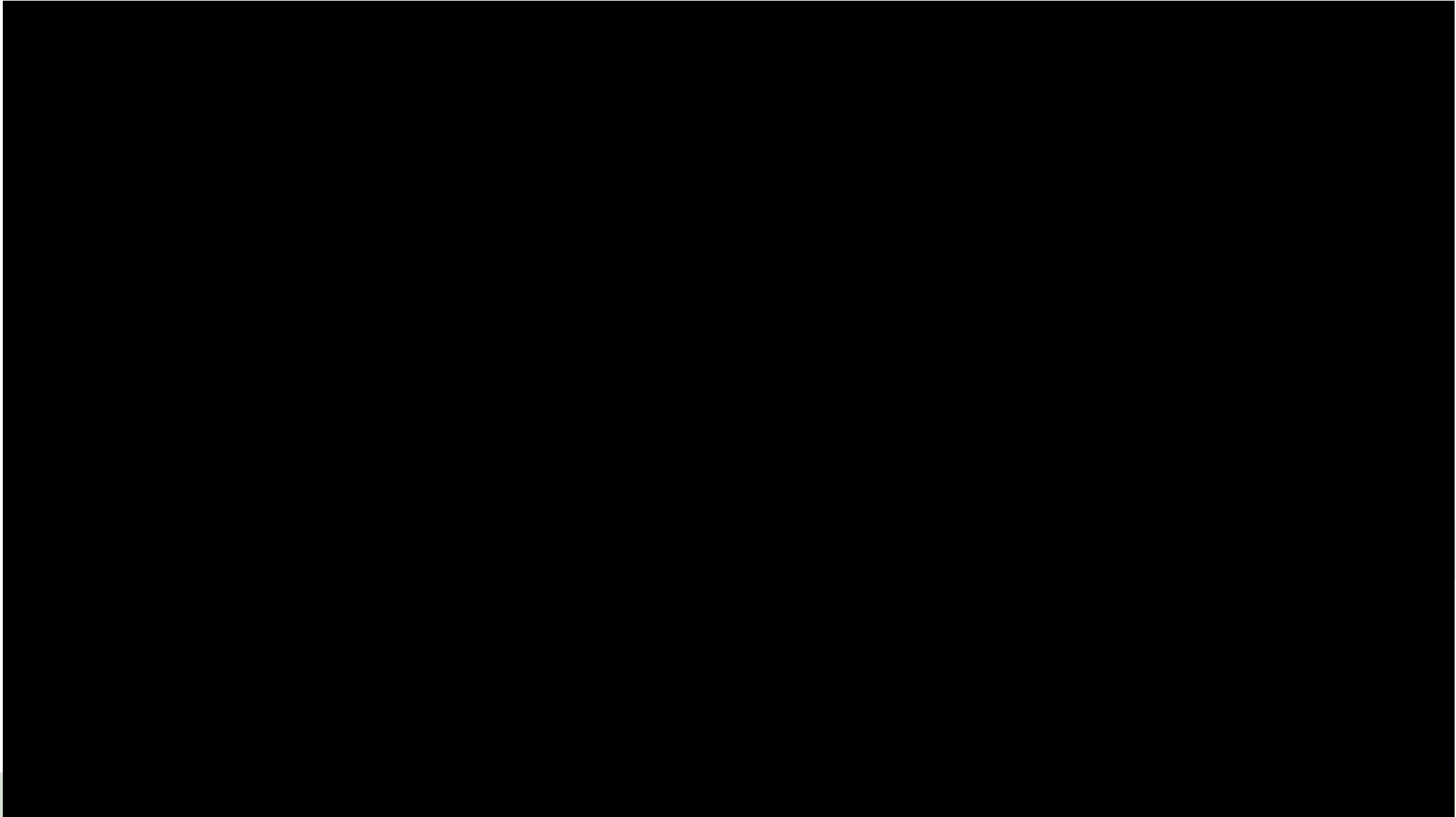


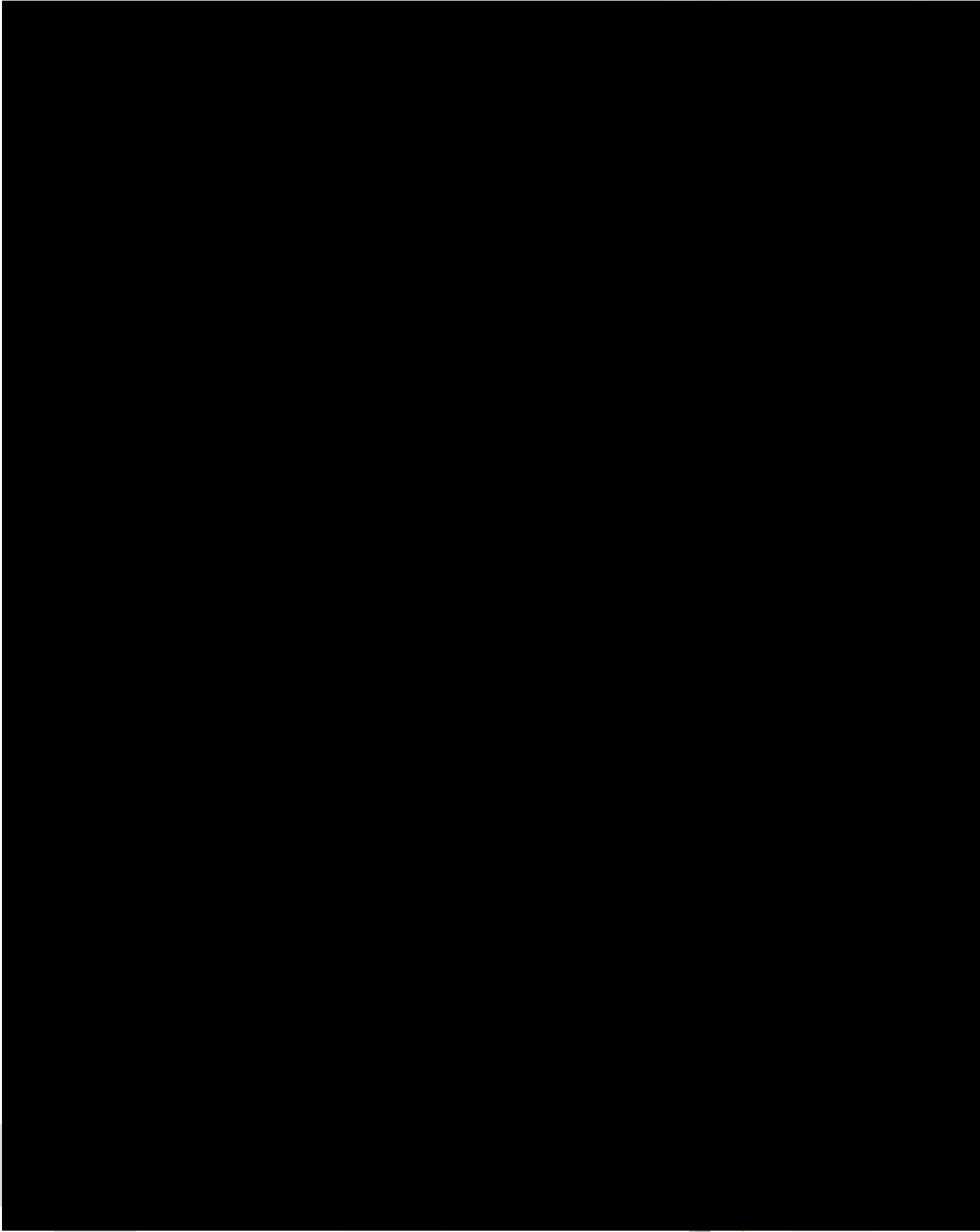


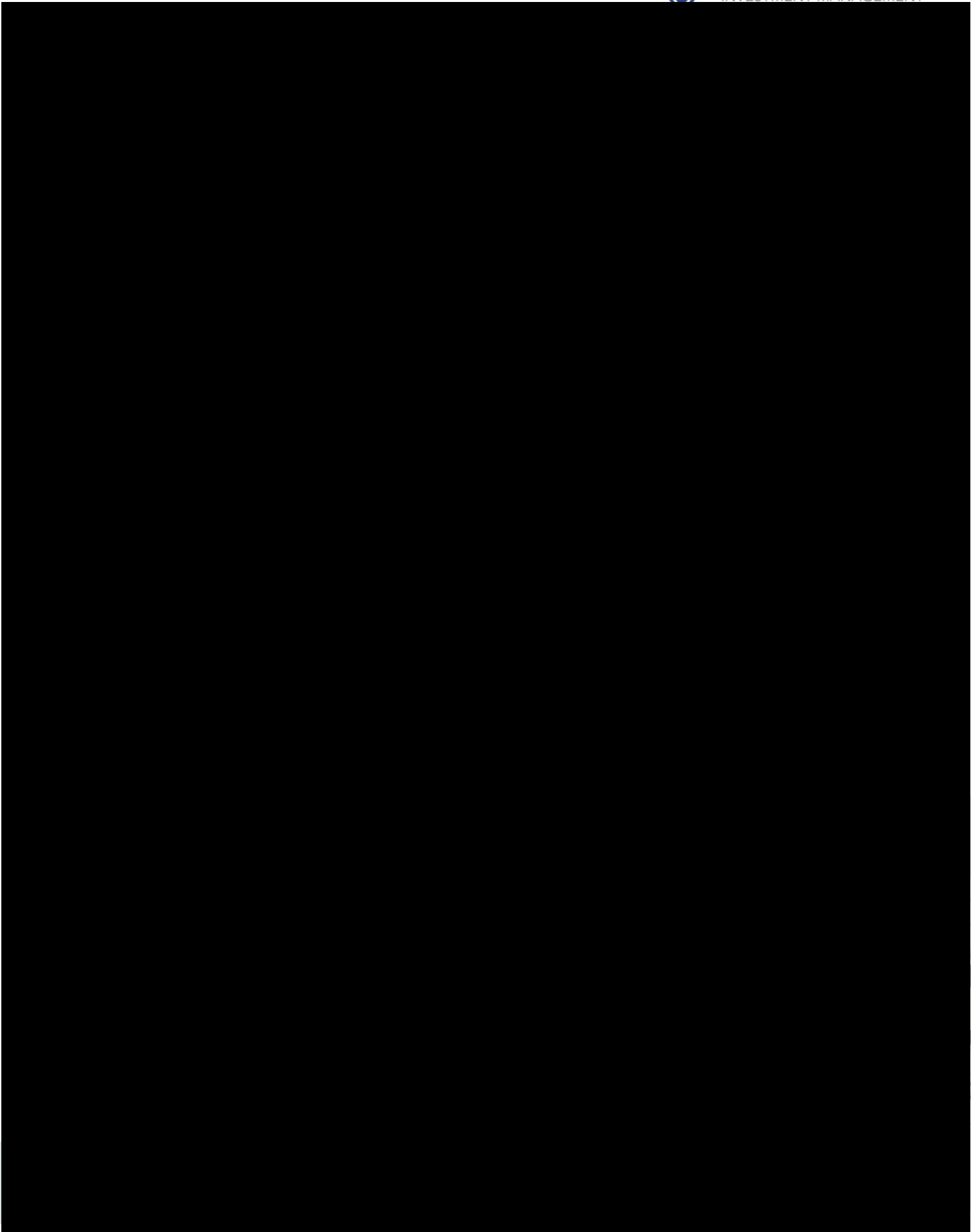


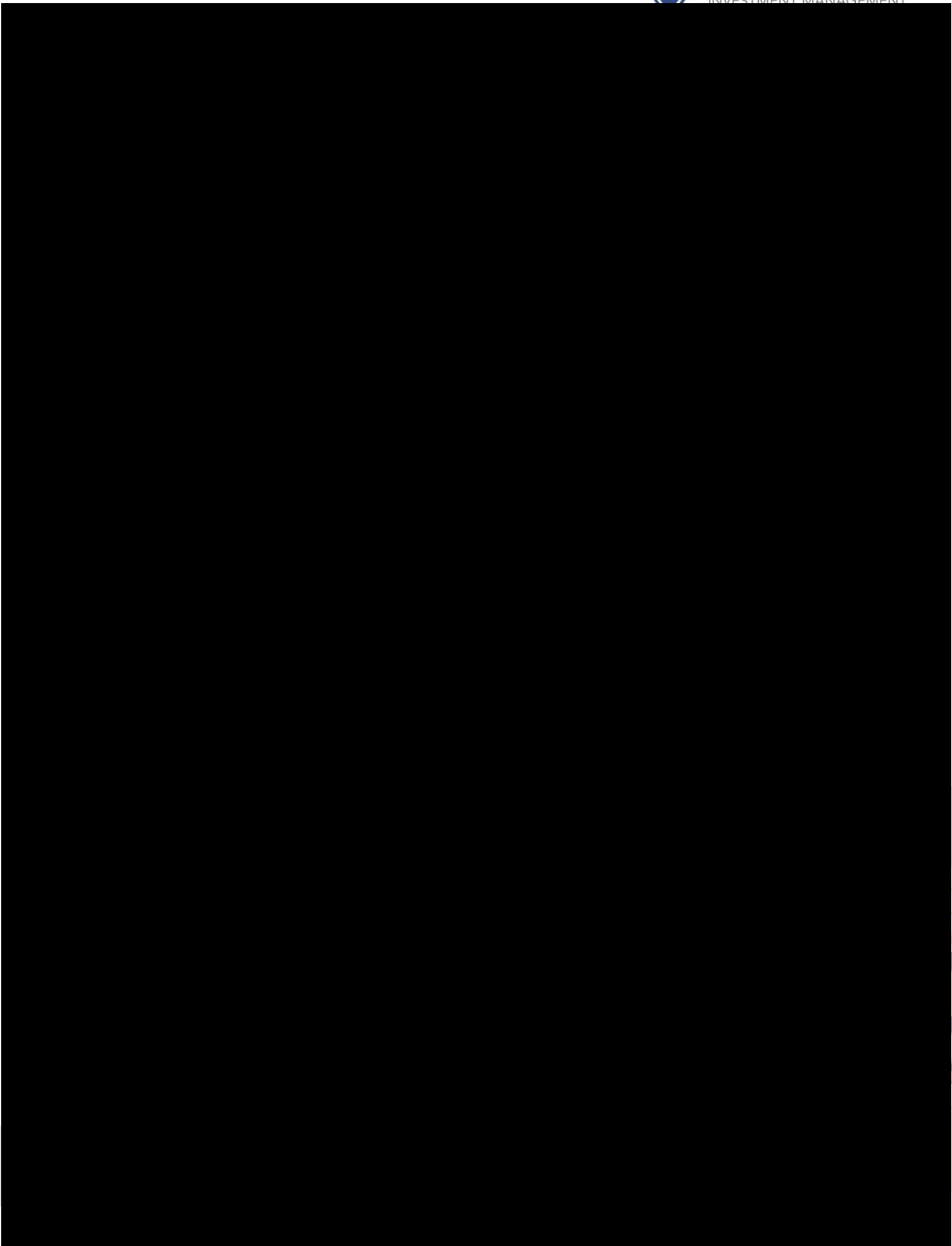


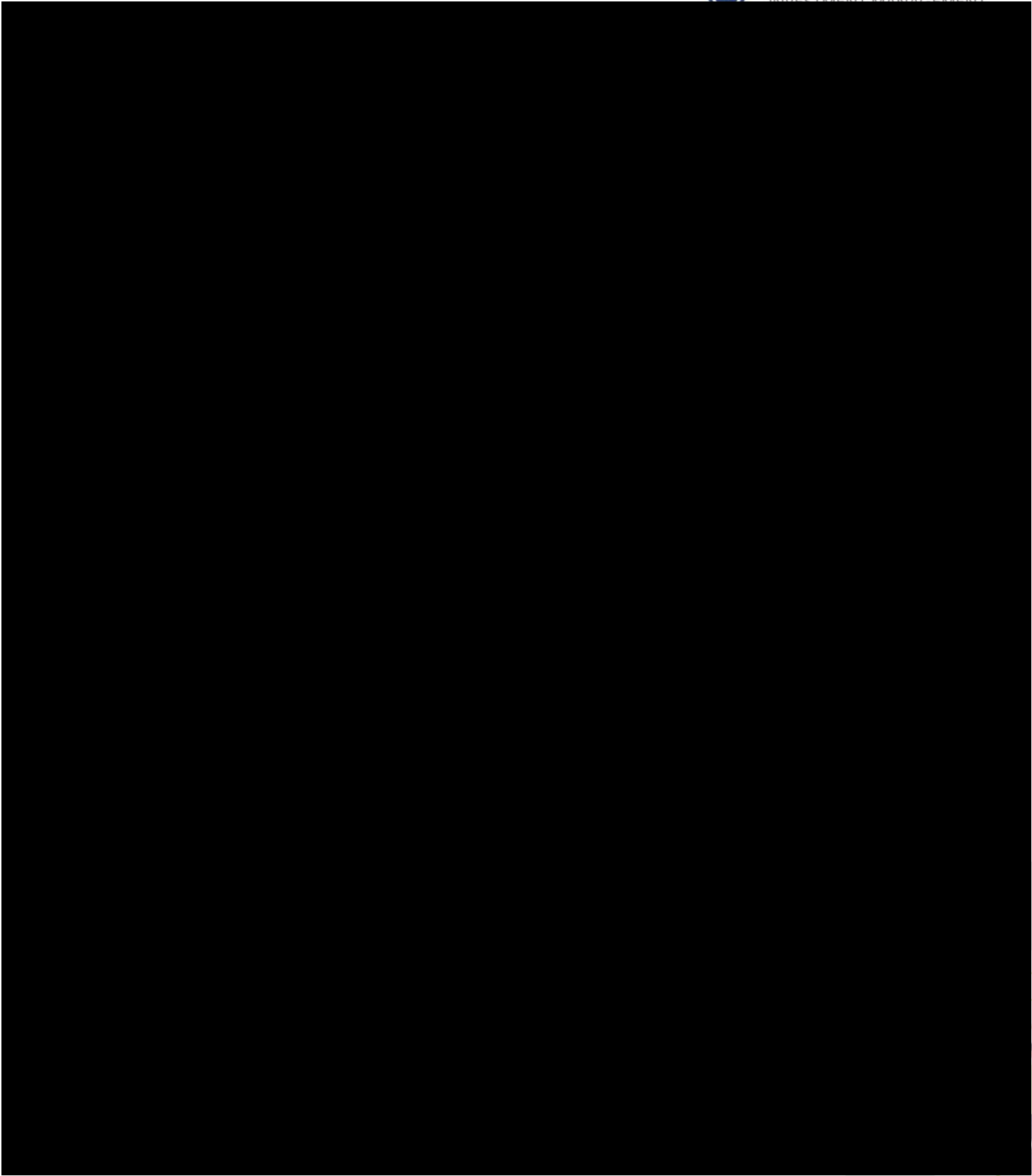


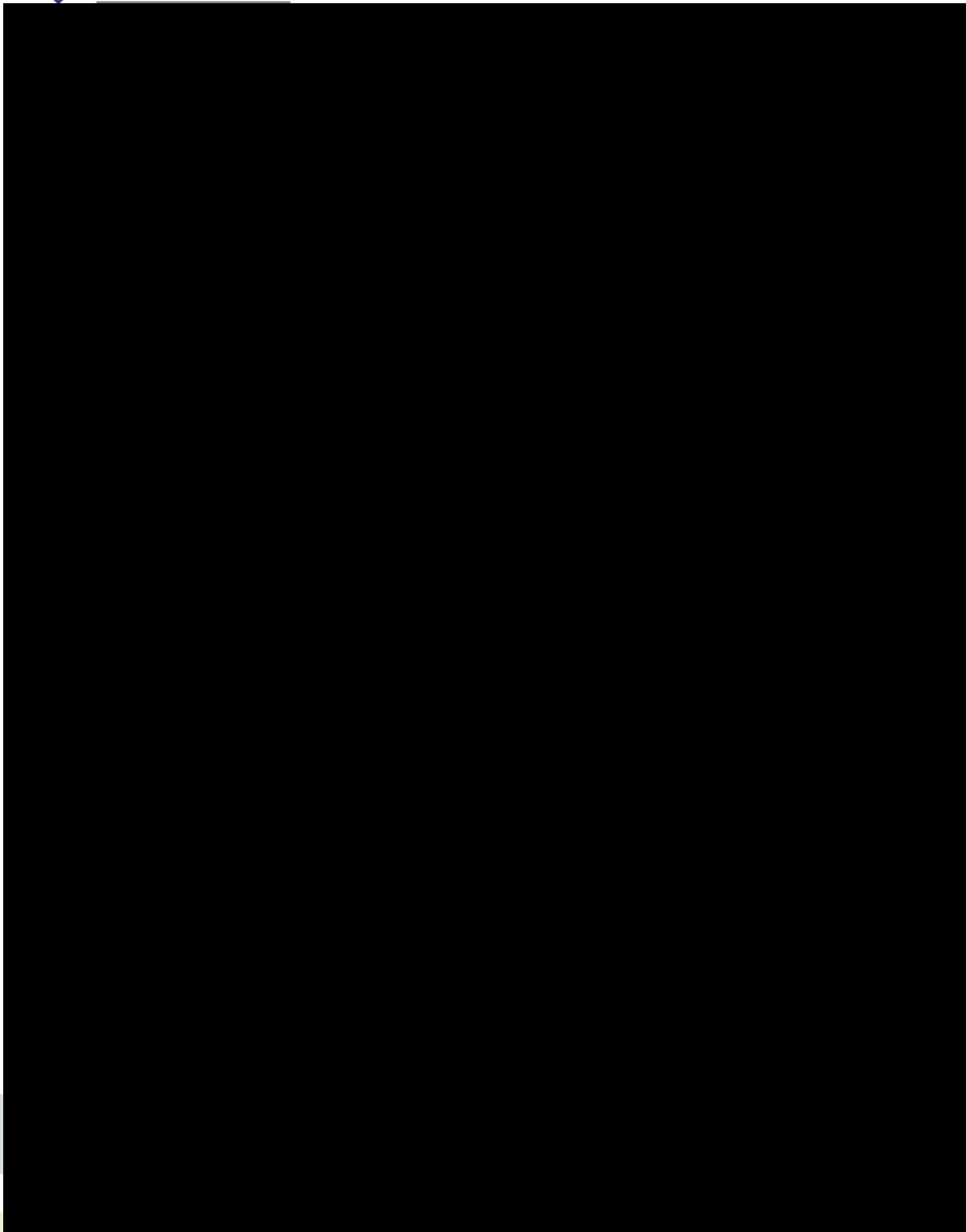


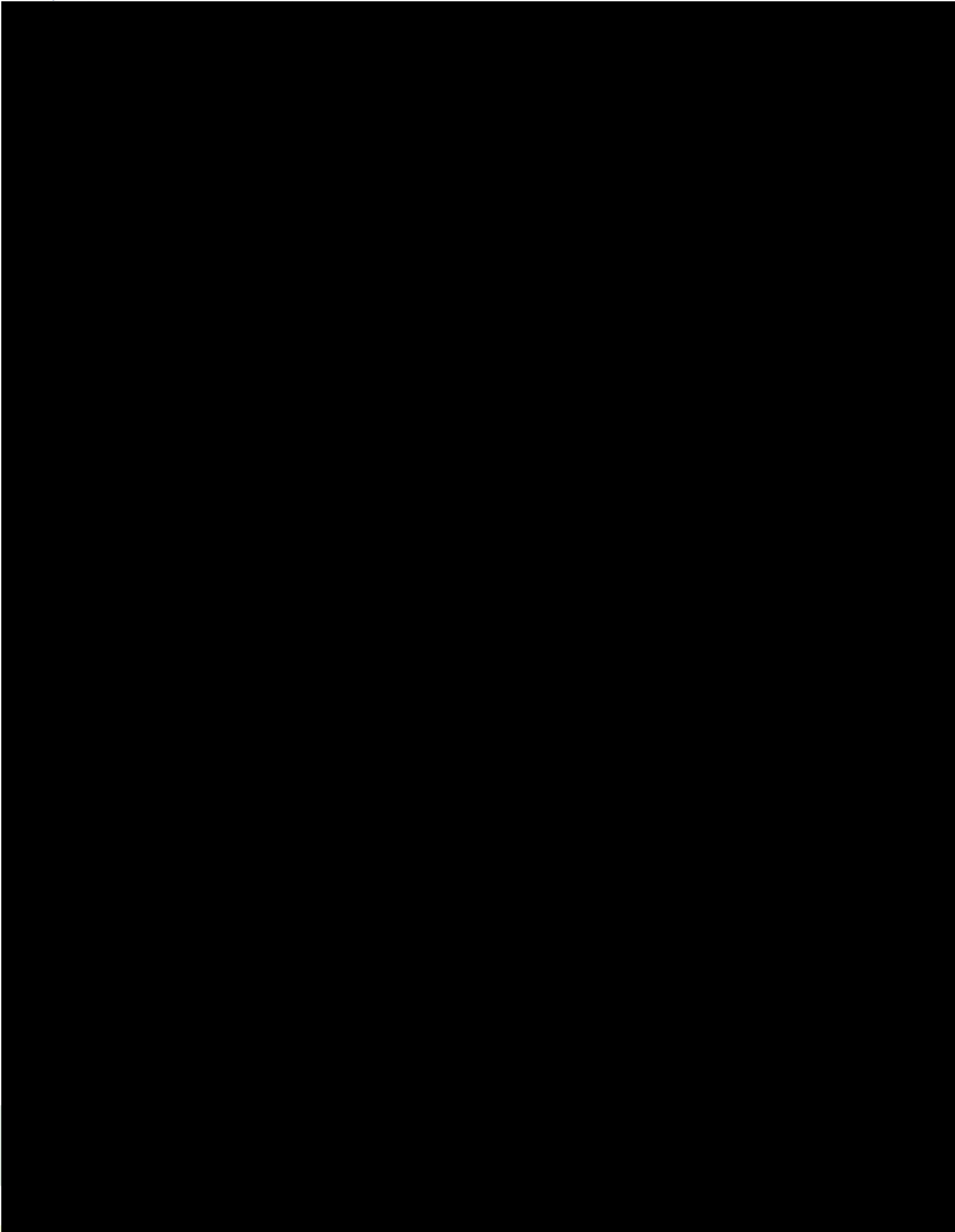


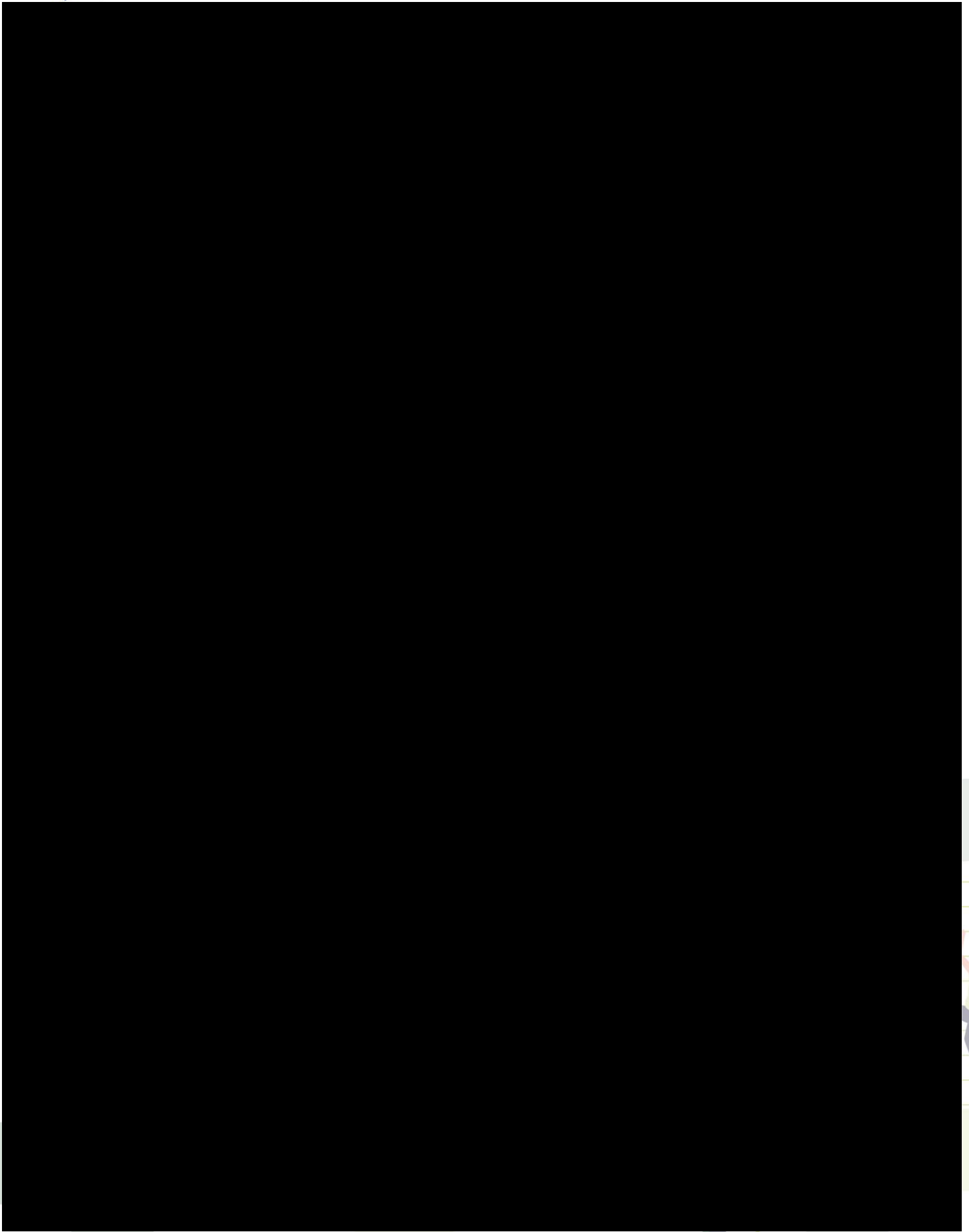


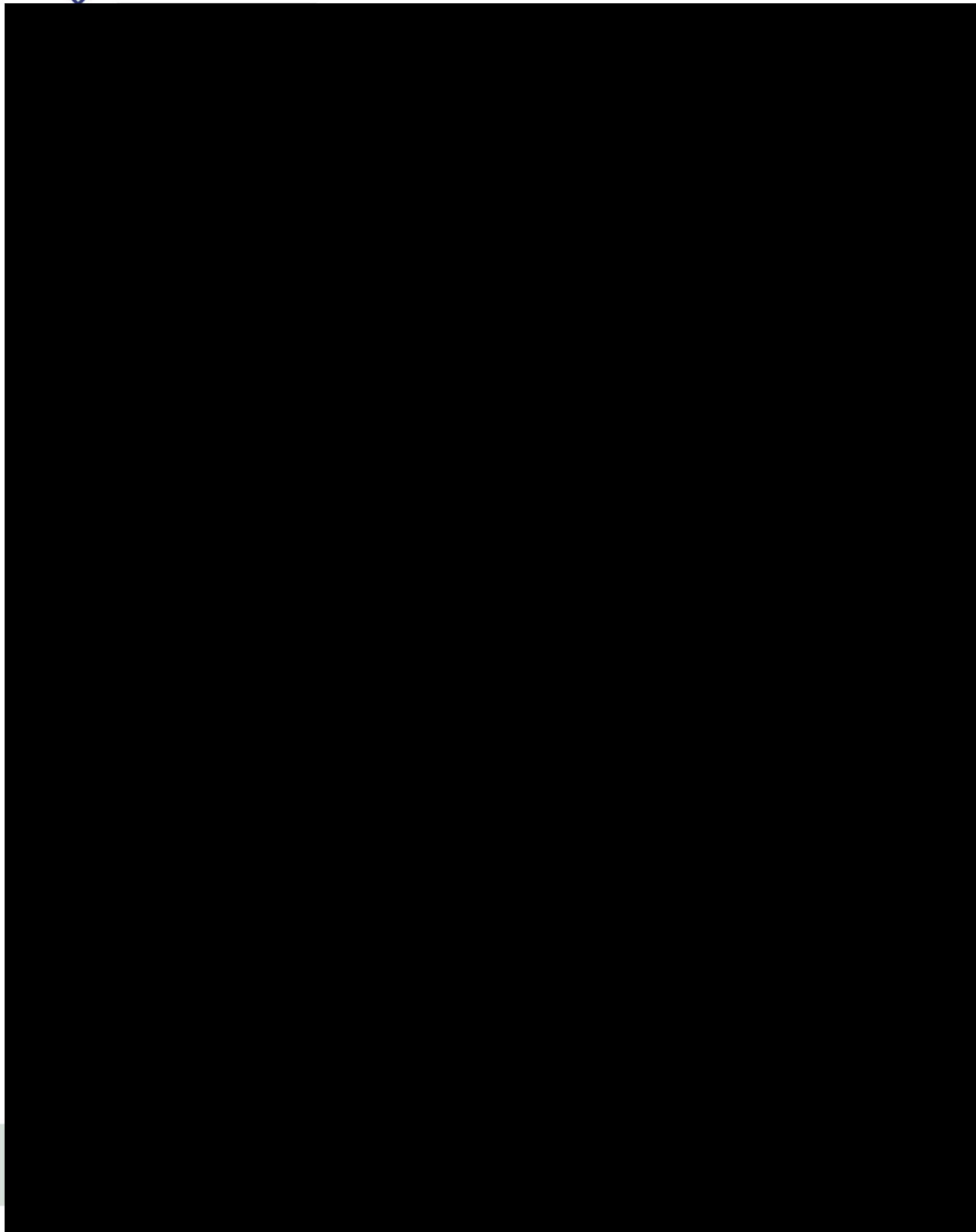


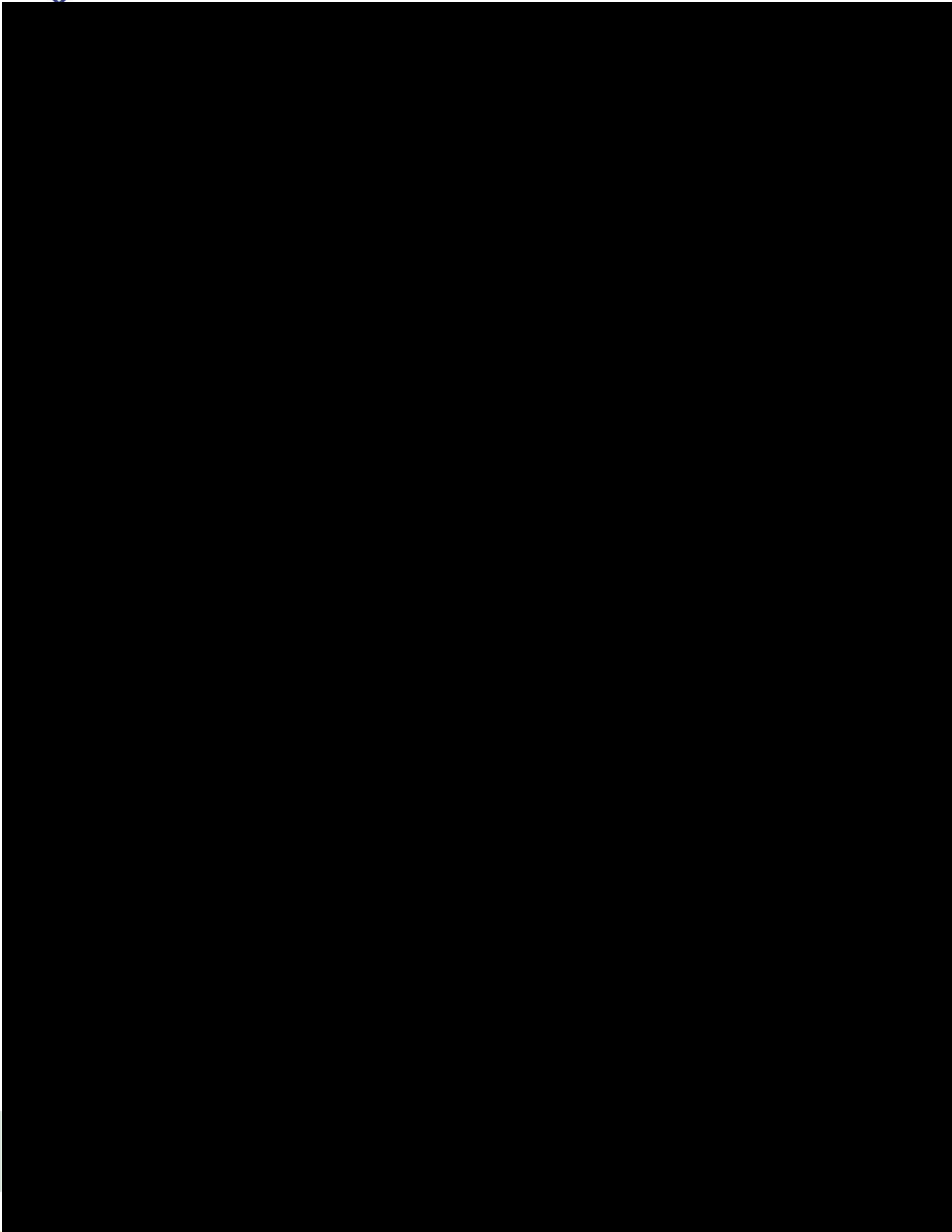


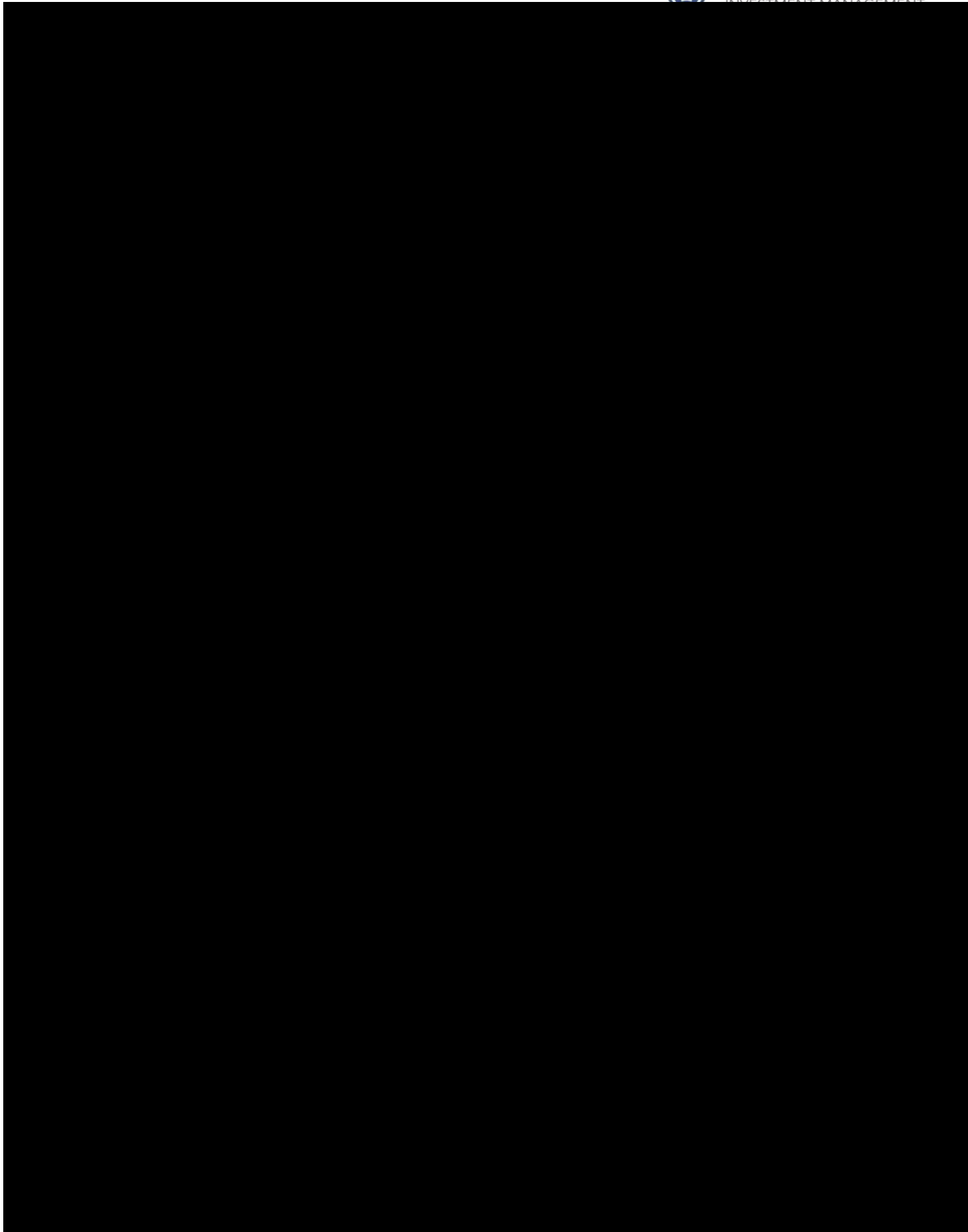


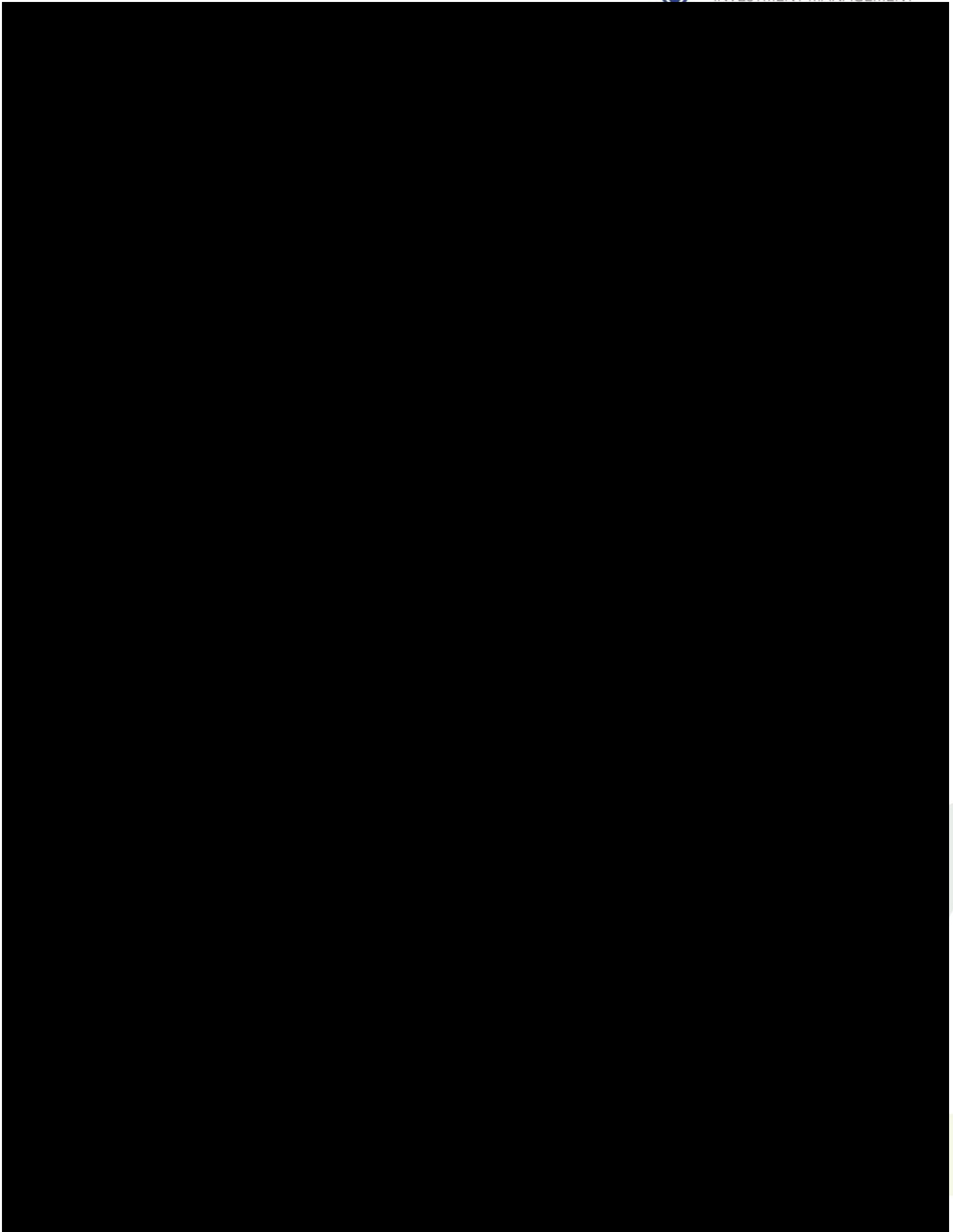


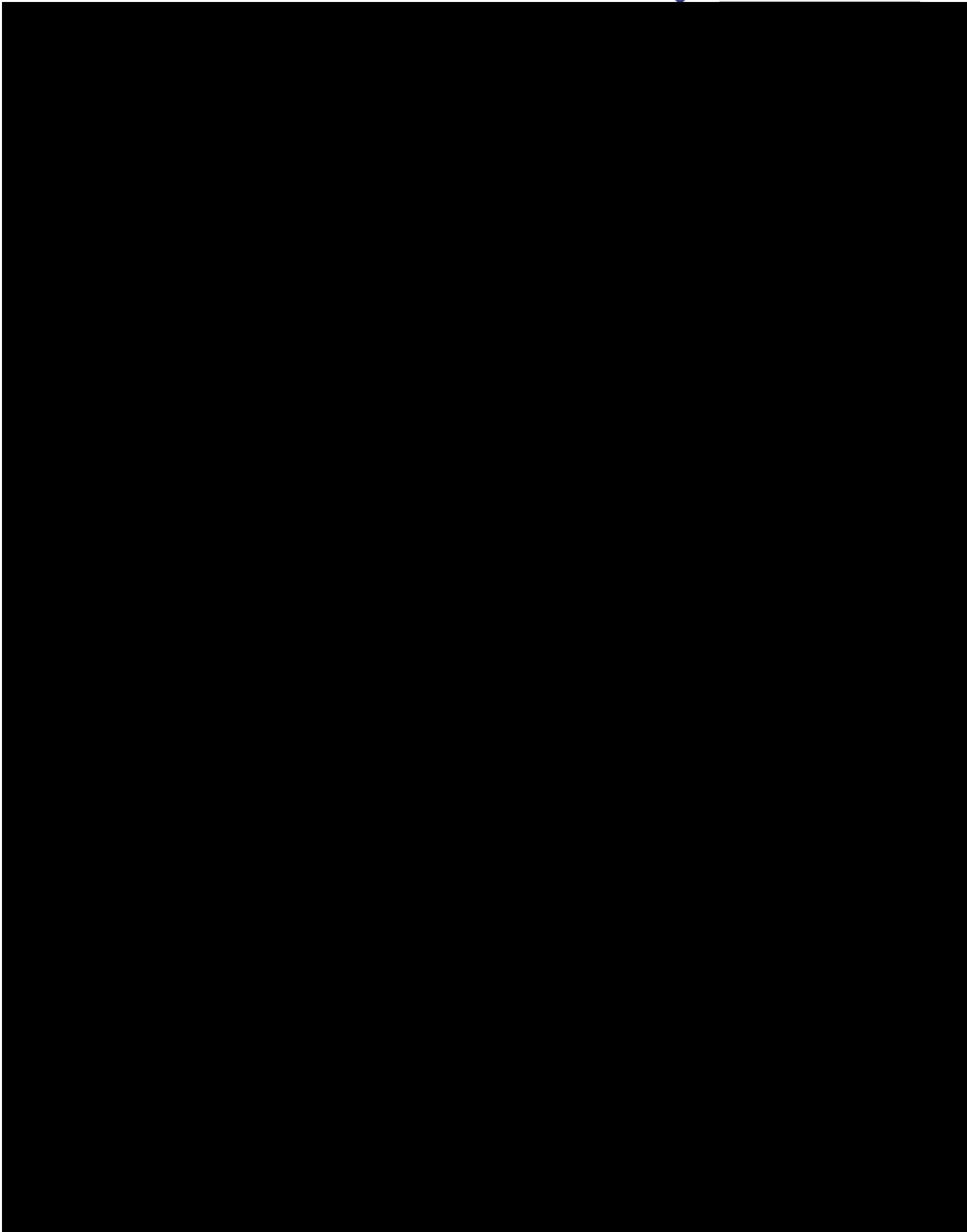


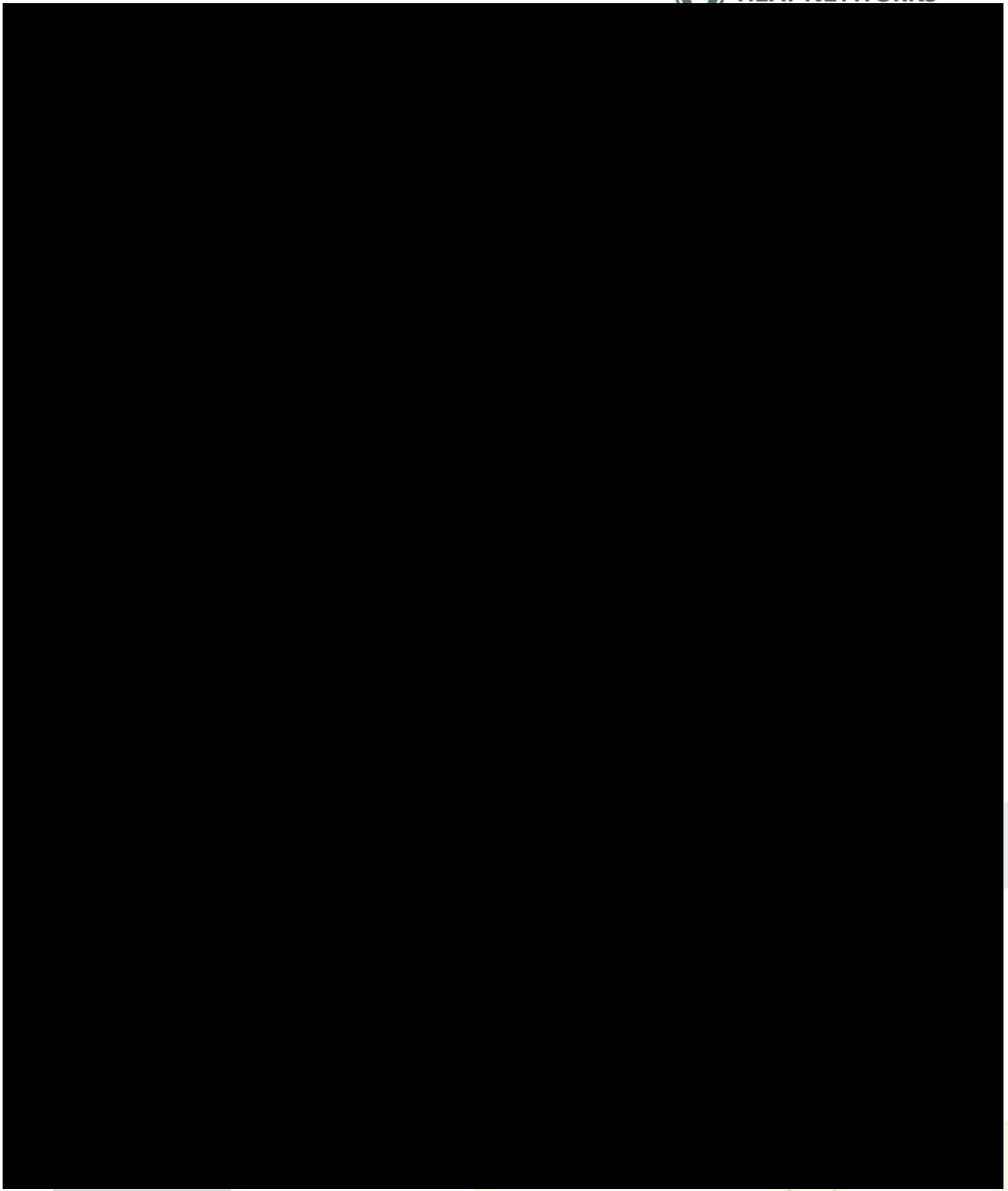


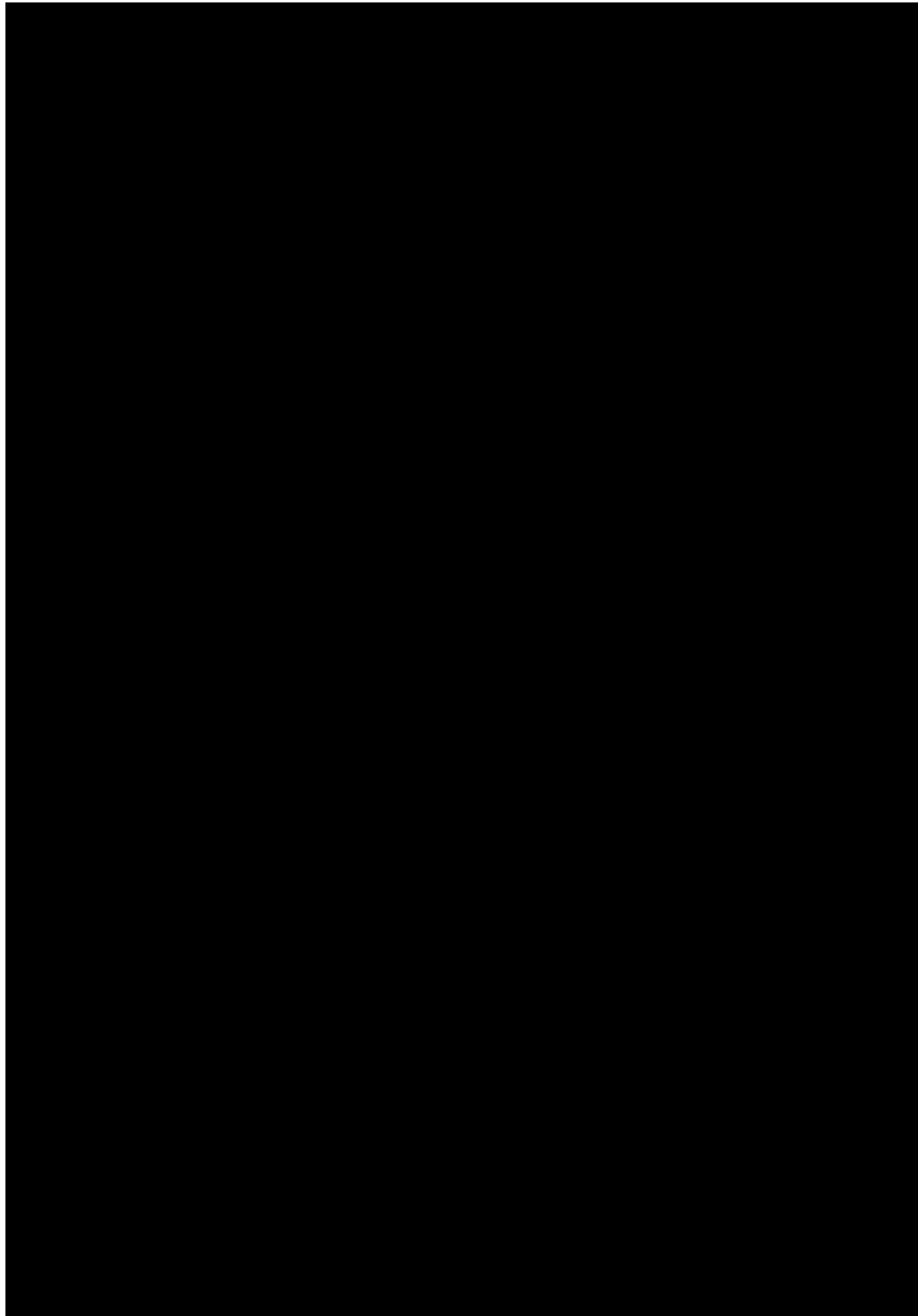












the 1990s, the number of people in the world who are under 15 years of age is expected to increase by 1.5 billion (United Nations 1994).

There is a growing awareness of the need to address the needs of children in the 1990s. The United Nations Children's Fund (UNICEF) has been instrumental in this regard, and has produced a number of reports and guidelines for the development of child care and protection services (UNICEF 1990, 1992, 1993, 1994).

The United Nations Convention on the Rights of the Child (UNCRC) is a landmark document in the history of child rights. It was adopted by the United Nations General Assembly in 1989, and has been ratified by over 100 countries. The UNCRC sets out the rights of children, and provides a framework for the development of child care and protection services.

The UNCRC is a comprehensive document, covering a wide range of issues. It includes provisions on the right to life, the right to a name and nationality, the right to a family, the right to education, the right to health, and the right to protection from abuse and exploitation.

The UNCRC is a landmark document, and has played a major role in the development of child care and protection services around the world. It has provided a framework for the development of child care and protection services, and has helped to ensure that the needs of children are met.

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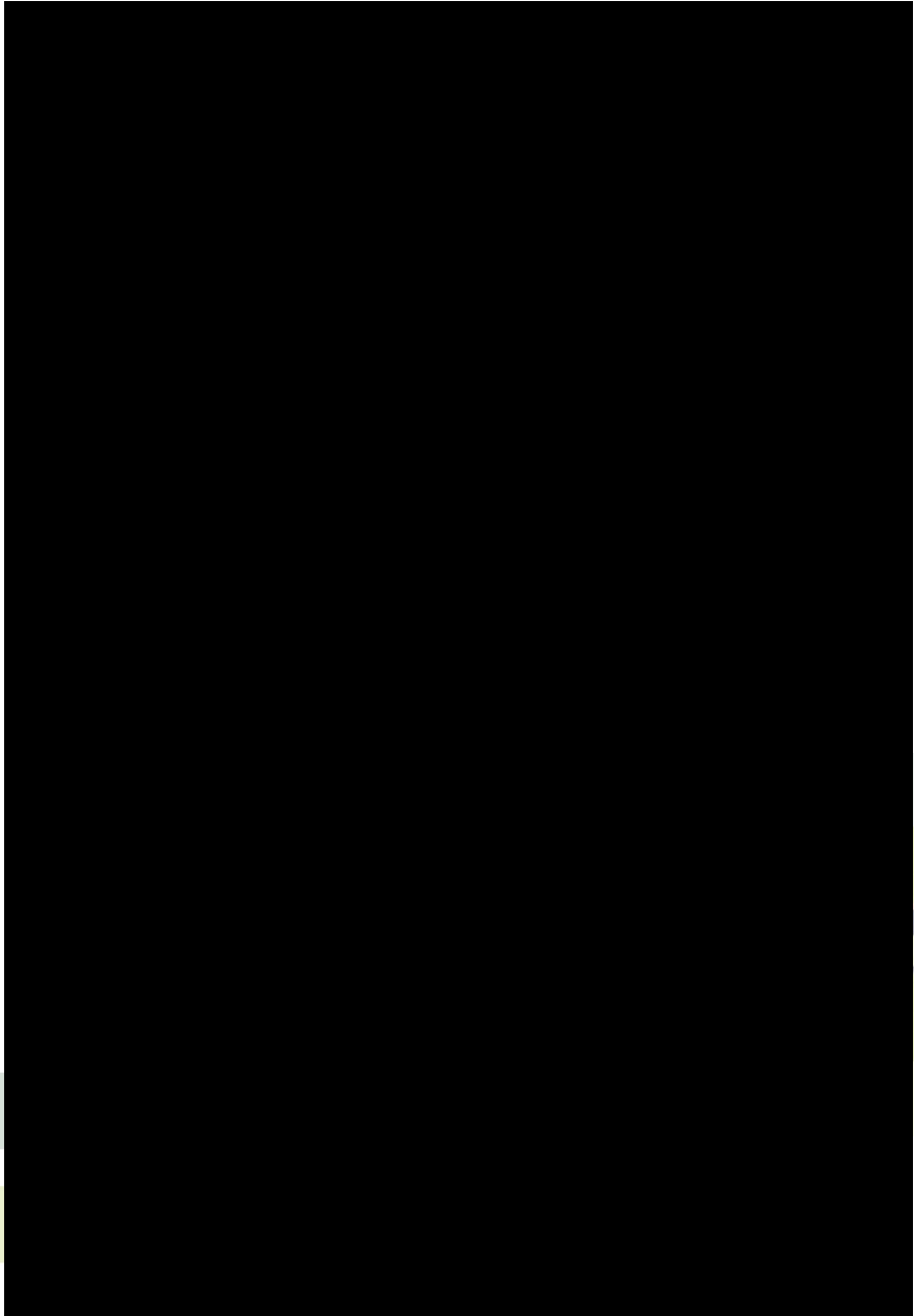
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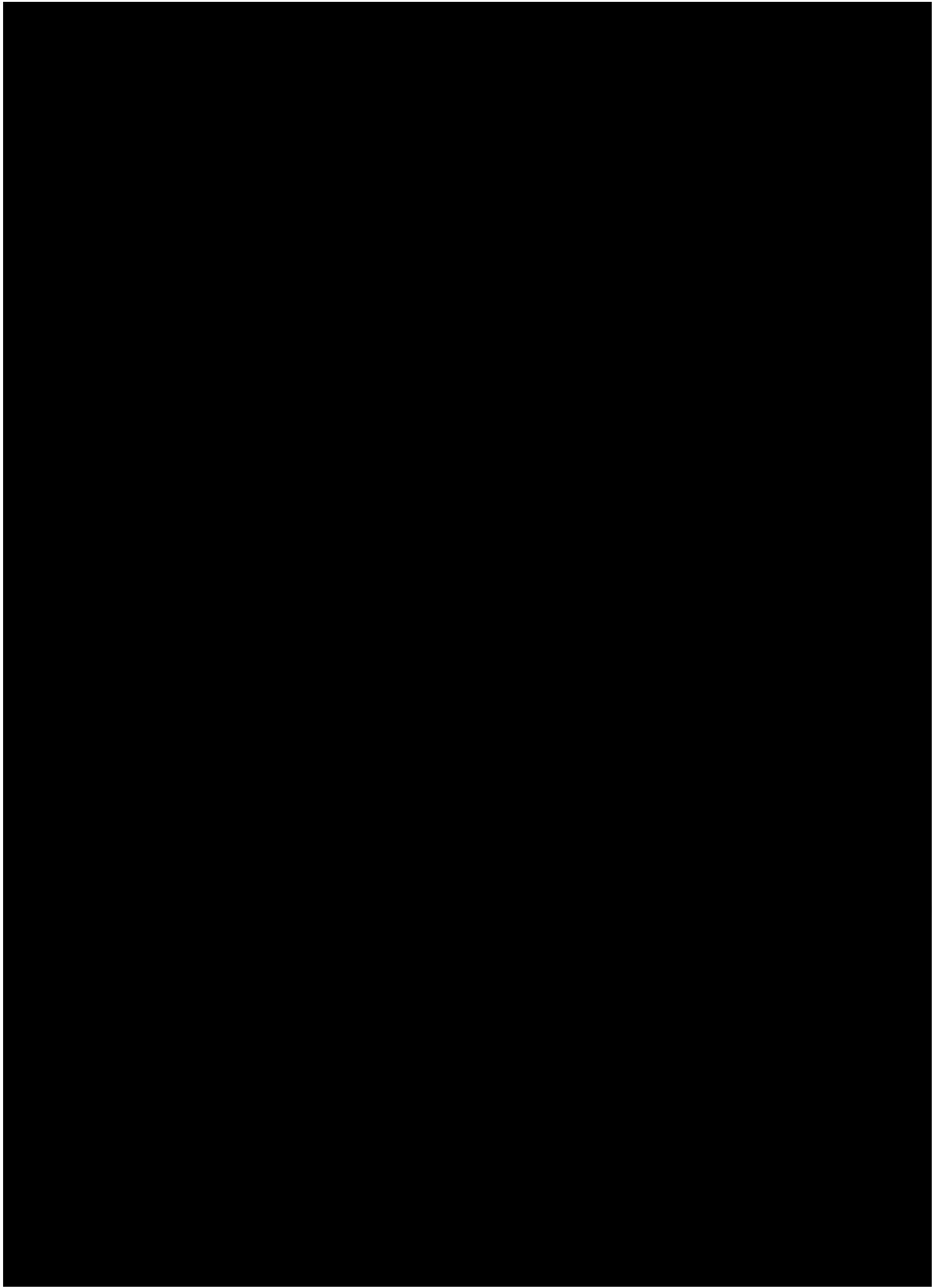
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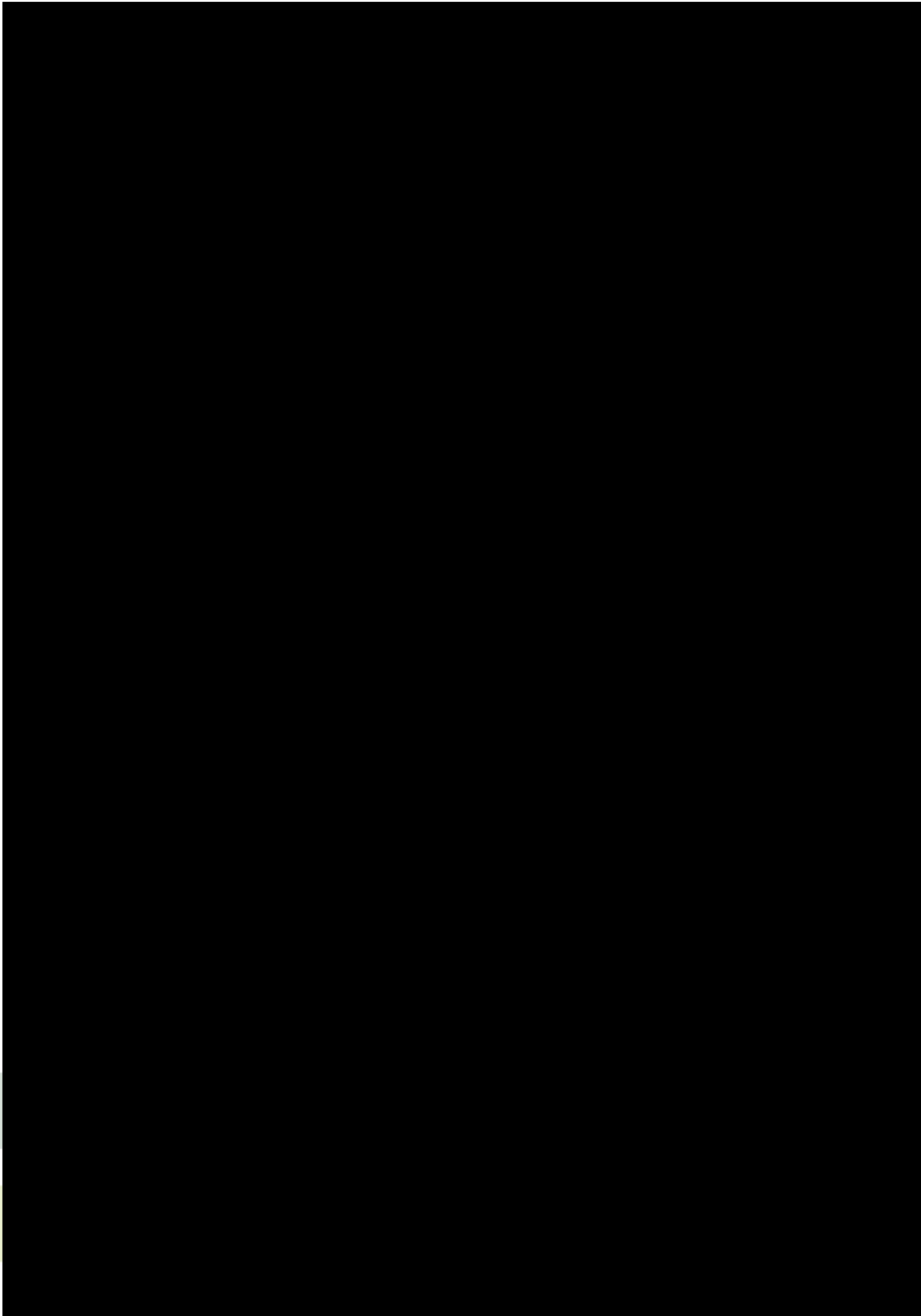
The UNCRC is a landmark document, and has played a major role in the development of child care and protection services around the world. It has provided a framework for the development of child care and protection services, and has helped to ensure that the needs of children are met.

The first of these is the *Journal of the American Medical Association* (JAMA), which has been a leading voice in the medical profession for over a century. It is a weekly publication that covers a wide range of topics, from clinical medicine to public health. The second is the *New England Journal of Medicine* (NEJM), which is a leading journal in the field of clinical medicine. The third is the *Lancet*, which is a leading journal in the field of public health. The fourth is the *British Medical Journal* (BMJ), which is a leading journal in the field of clinical medicine. The fifth is the *Annals of the New York Academy of Sciences* (ANAS), which is a leading journal in the field of public health. The sixth is the *Journal of the Royal Society of Medicine* (JRM), which is a leading journal in the field of clinical medicine. The seventh is the *Journal of the Royal Society of Public Health* (JRSPH), which is a leading journal in the field of public health. The eighth is the *Journal of the Royal Society of Tropical Medicine and Hygiene* (JRSTMH), which is a leading journal in the field of tropical medicine. The ninth is the *Journal of the Royal Society of Medicine* (JRM), which is a leading journal in the field of clinical medicine. The tenth is the *Journal of the Royal Society of Public Health* (JRSPH), which is a leading journal in the field of public health.

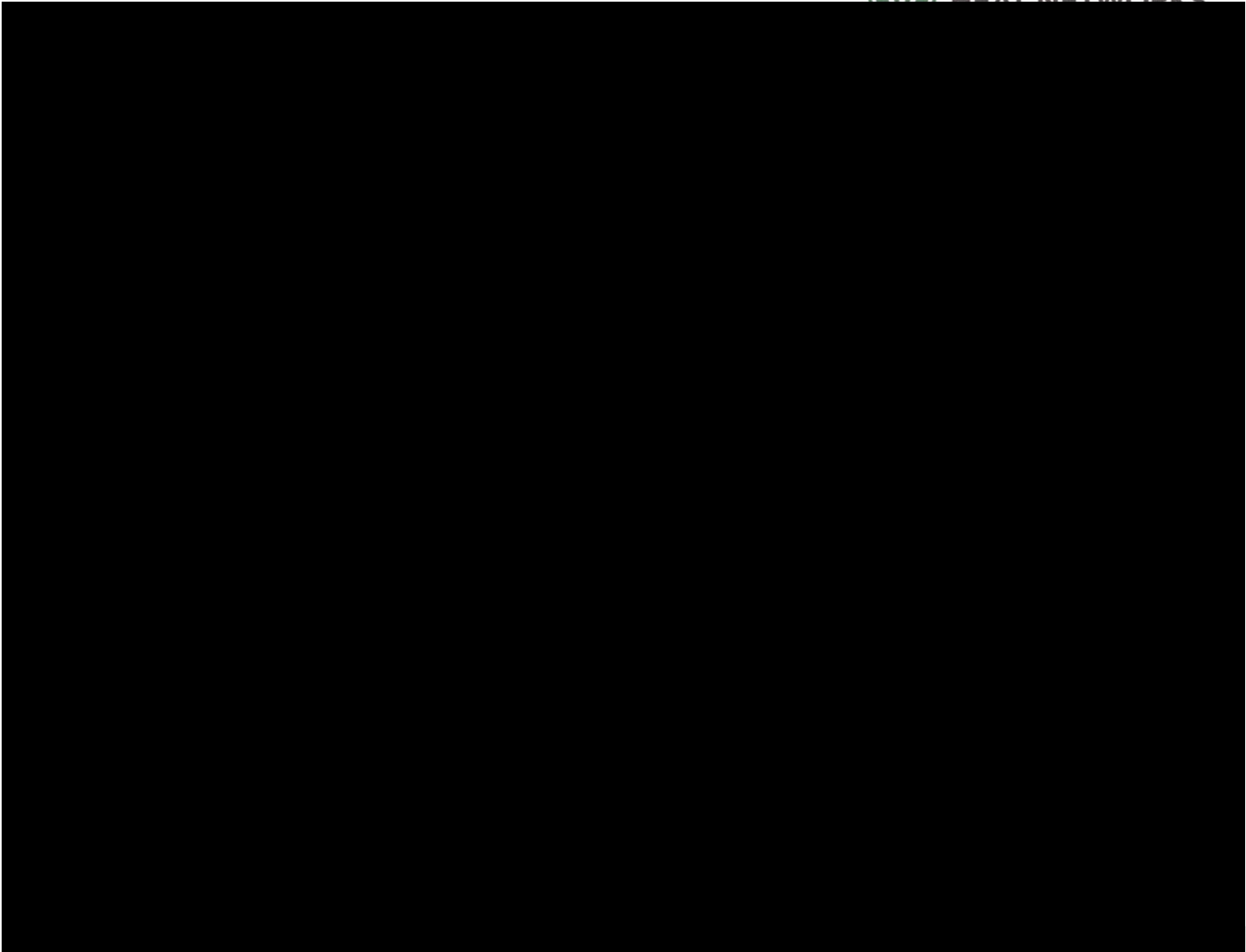


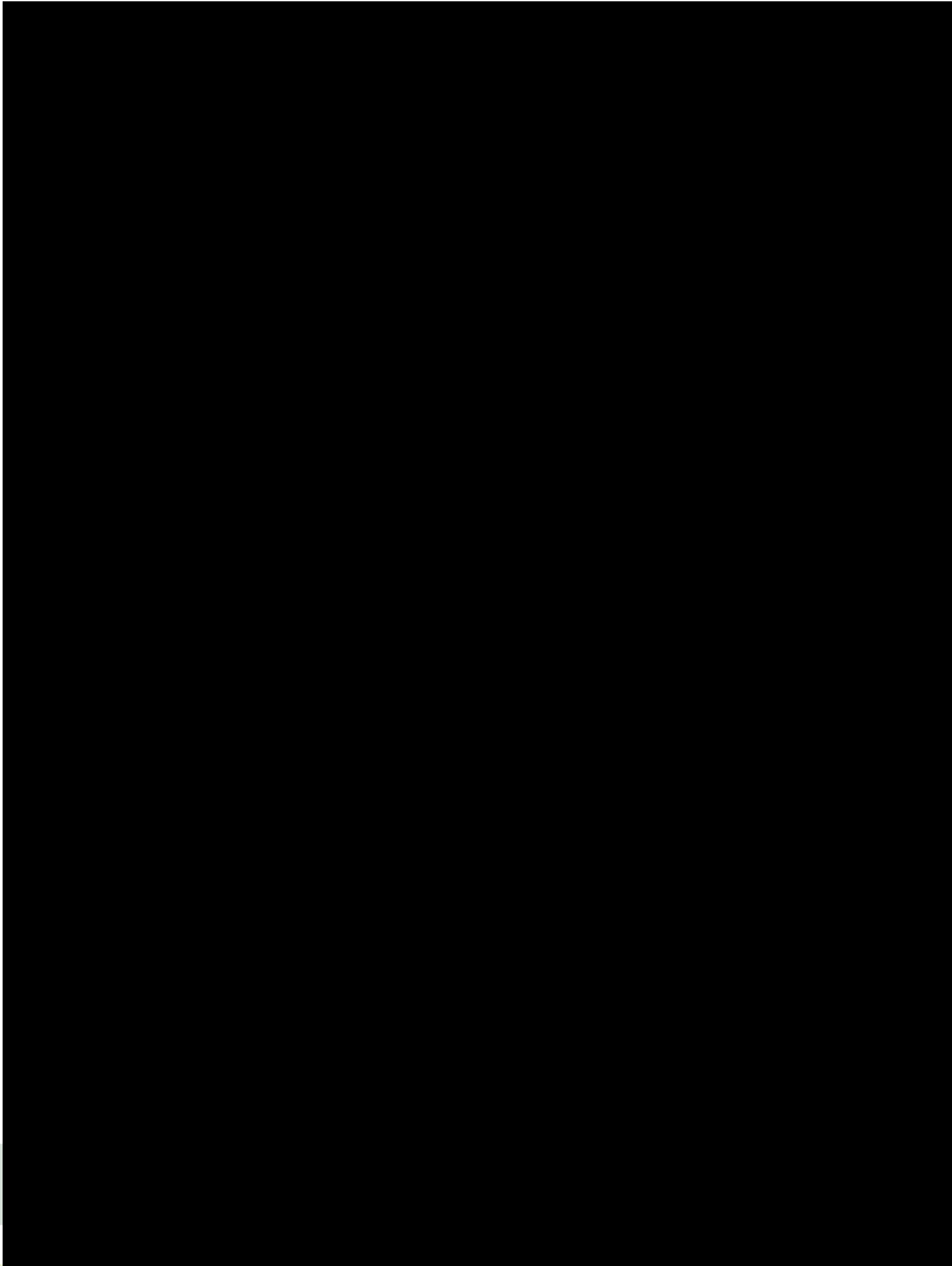












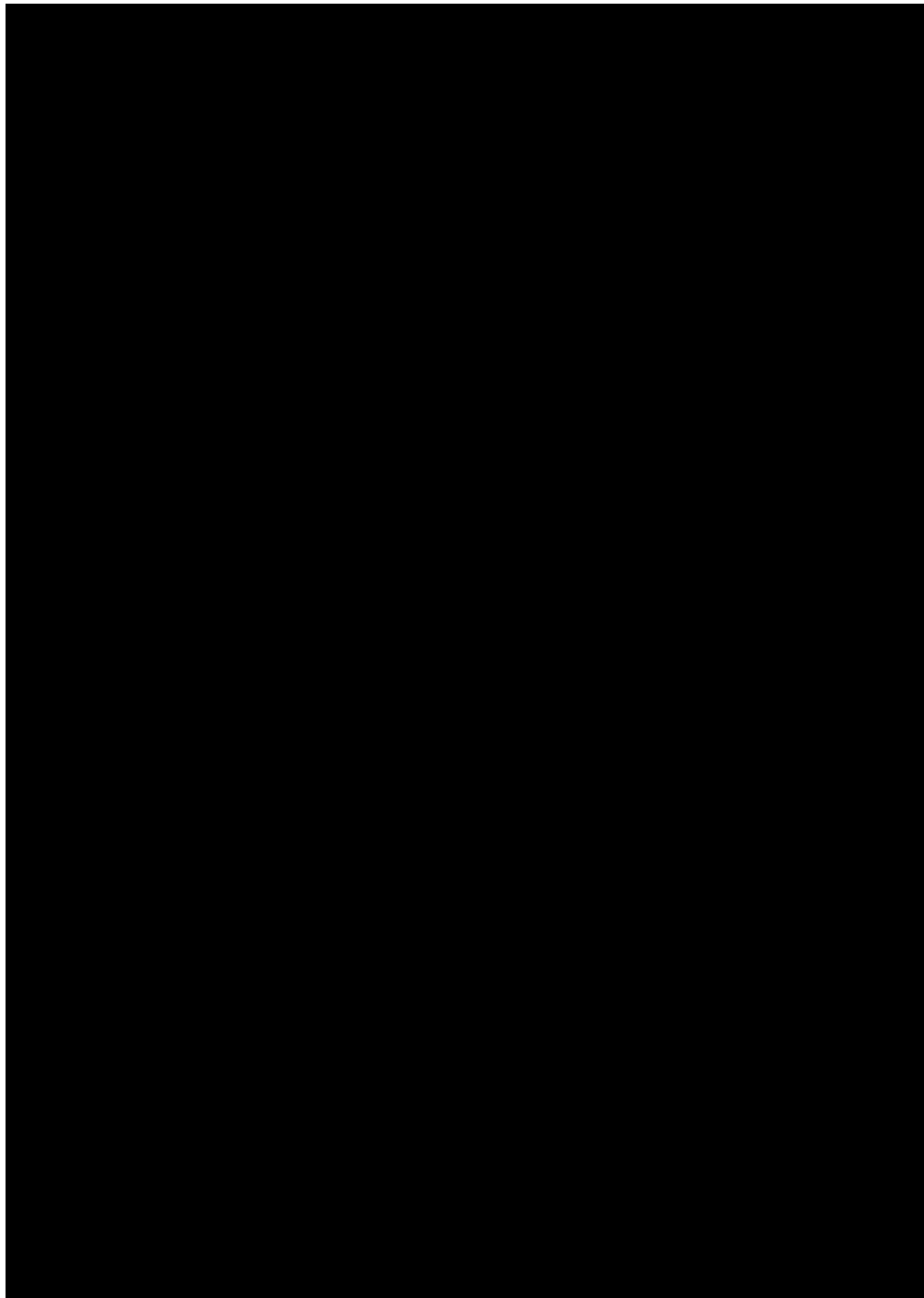
Triple Point
HEAT NETWORKS
INVESTMENT MANAGEMENT

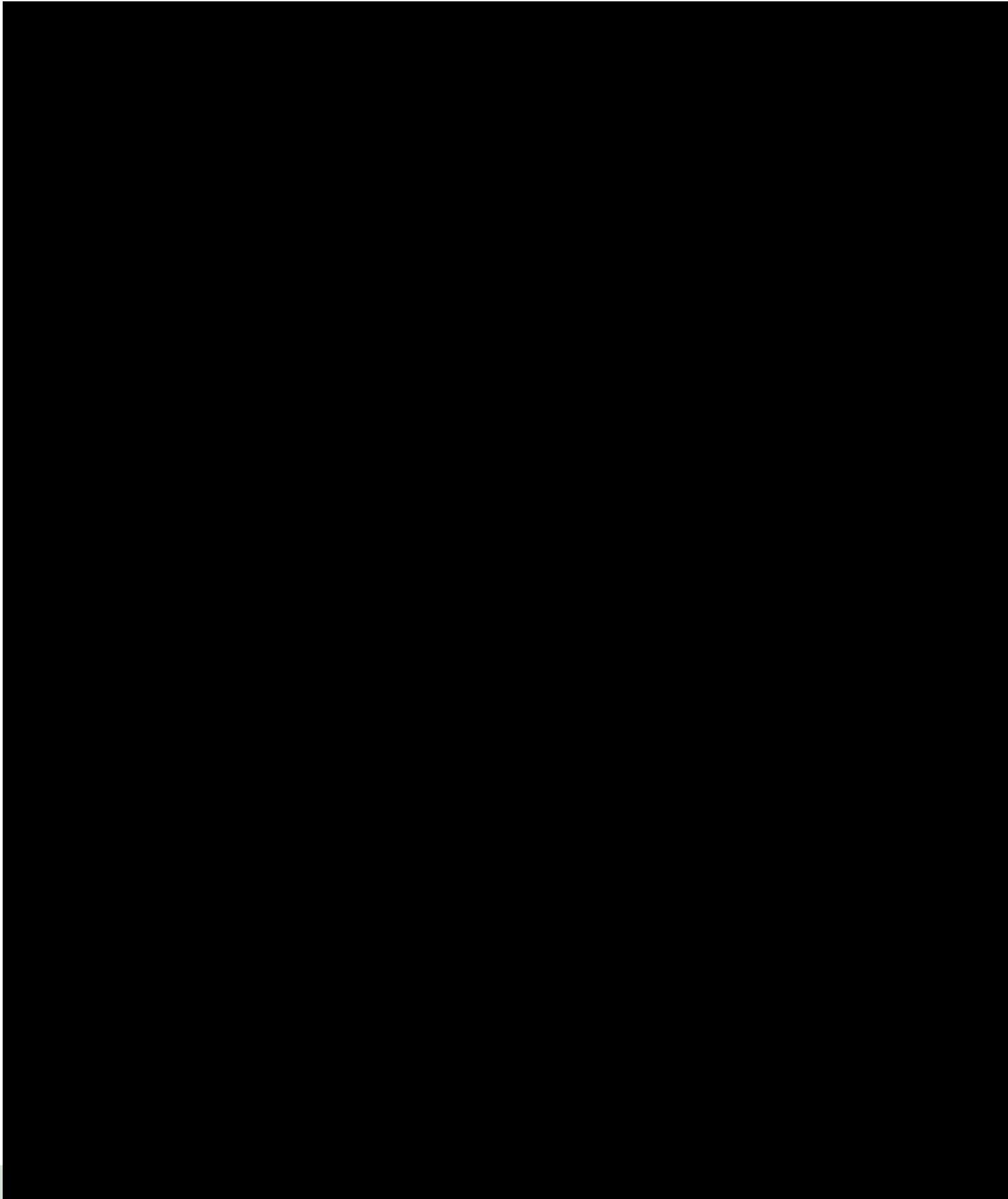
AECOM

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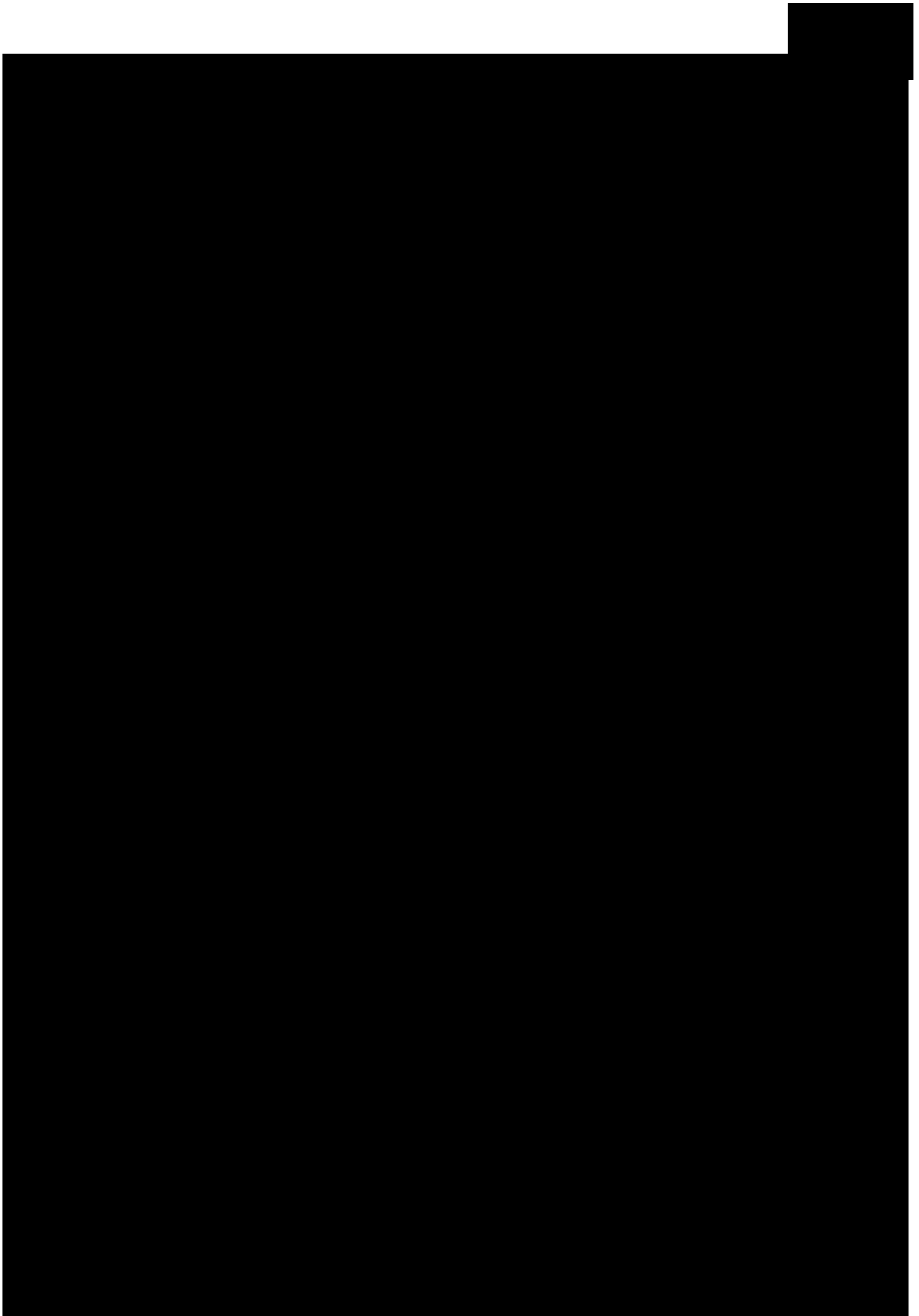
Triple Point
HEAT NETWORKS
INVESTMENT MANAGEMENT

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the 1990s, the number of people in the UK who are aged 65 and over has increased by 1.5 million, and the number of people aged 75 and over has increased by 1.2 million (Office for National Statistics 1999). The number of people aged 65 and over is projected to increase to 6.5 million by 2011, and the number of people aged 75 and over to 4.5 million (Office for National Statistics 1999).

There is a growing awareness of the need to address the health and social care needs of the ageing population. The Department of Health (1999) has identified the need to develop a new approach to the care of the ageing population, one that is based on a partnership between the health and social care sectors. The Department of Health (1999) has identified the need to develop a new approach to the care of the ageing population, one that is based on a partnership between the health and social care sectors.

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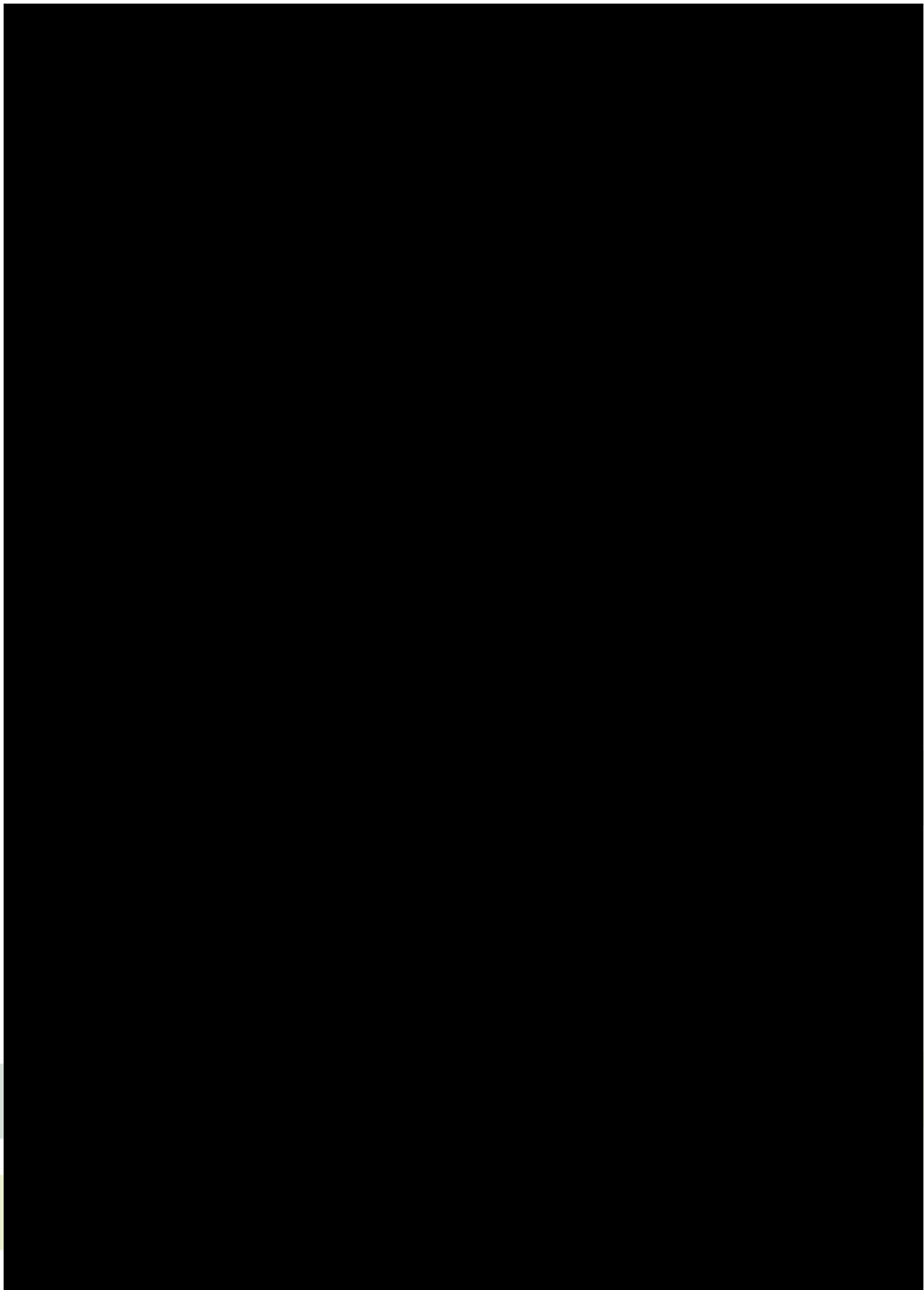
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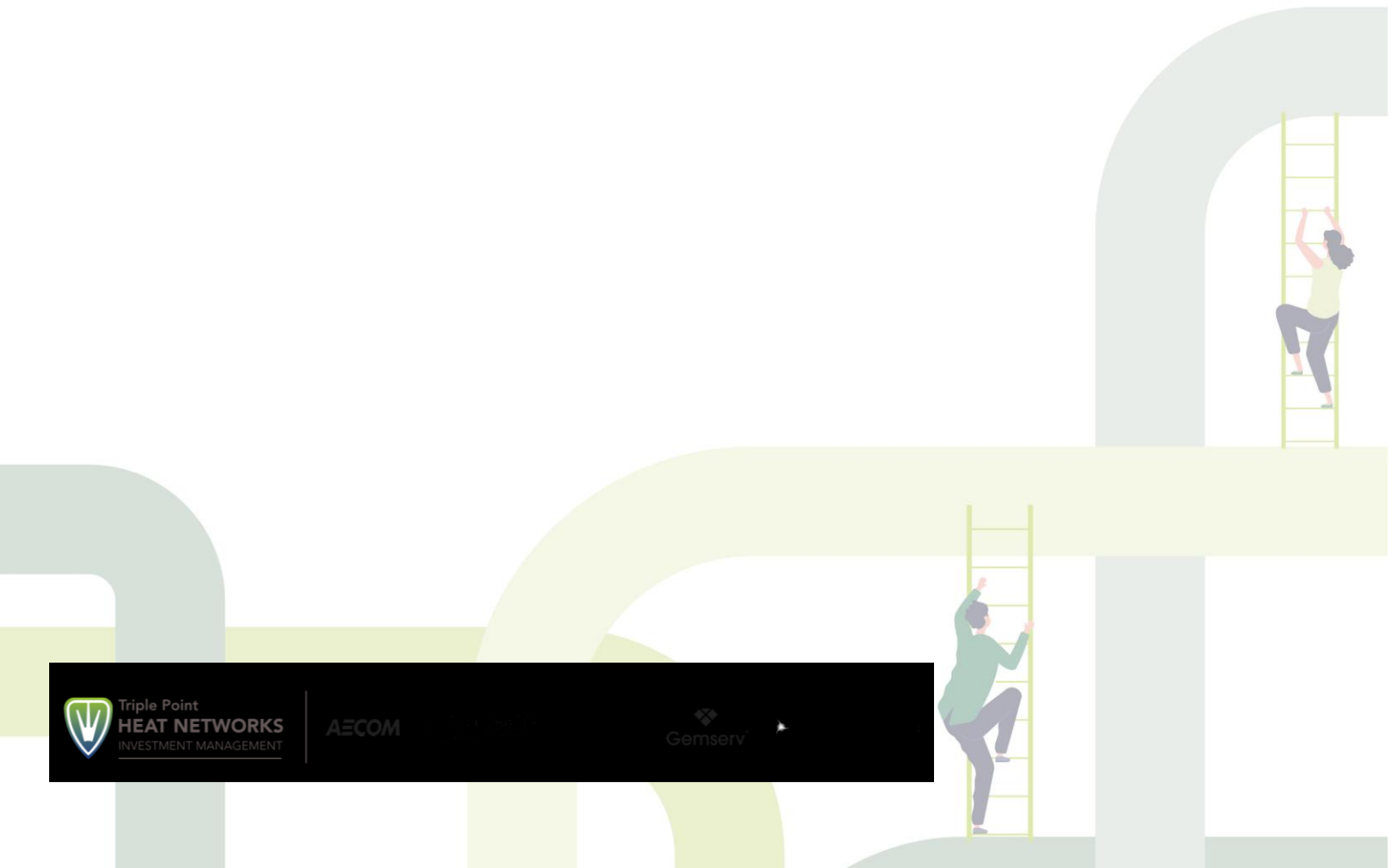
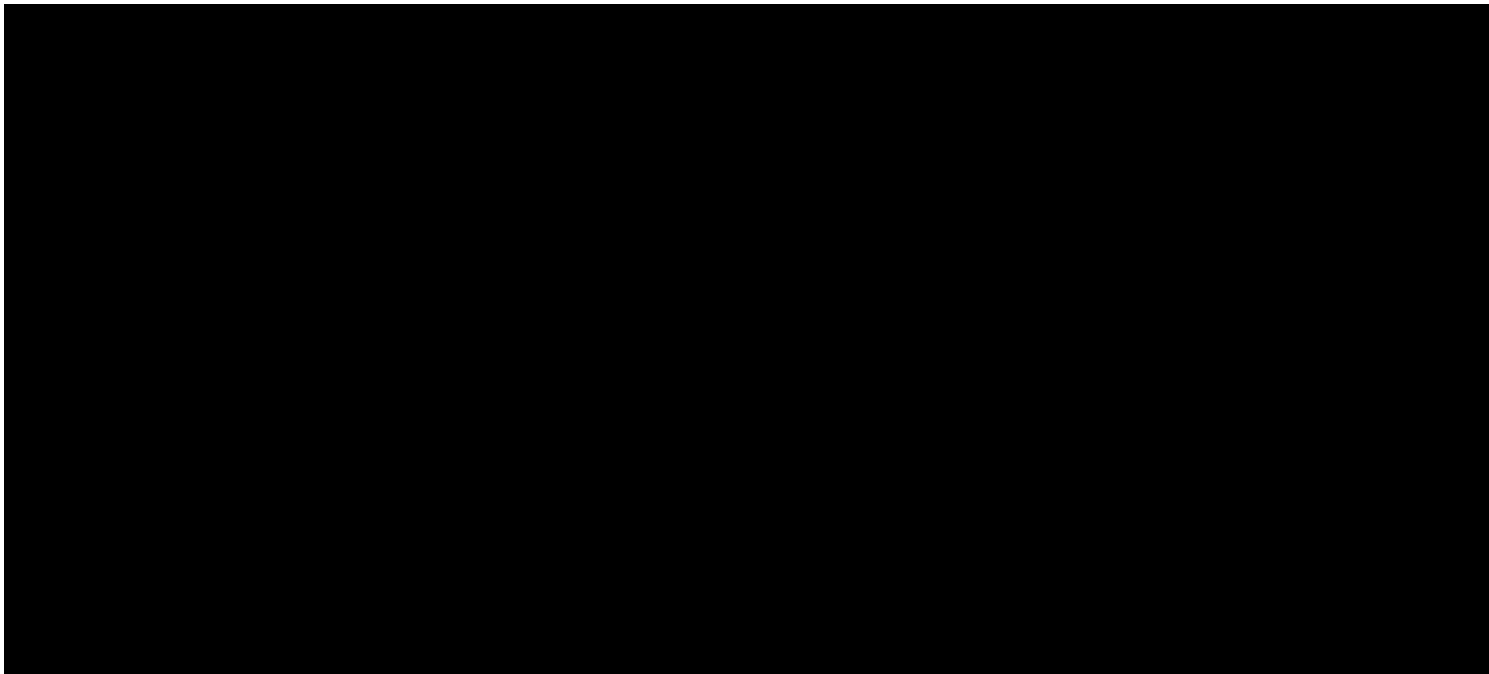
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Triple Point
HEAT NETWORKS
INVESTMENT MANAGEMENT

AECOM

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the 1990s, the incidence of *S. flexneri* has increased in the United Kingdom [10]. In the United States, *S. flexneri* has been reported as the most common serotype in children with acute bacterial dysentery [11]. In the United Kingdom, *S. flexneri* has been reported as the most common serotype in children with acute bacterial dysentery [12].

The purpose of this study was to determine the prevalence of *S. flexneri* in children with acute bacterial dysentery in the United Kingdom. The study was conducted in the United Kingdom, where the incidence of *S. flexneri* has increased in the 1990s [10].

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the 1990s, the number of people in the UK who are employed in the public sector has increased by 1.5 million, from 2.5 million in 1980 to 4 million in 1995. The public sector has become a major employer in the UK, and its growth has been a major factor in the overall growth of the economy.

The public sector has also become a major provider of social services, and its growth has been a major factor in the overall growth of the economy. The public sector has become a major provider of social services, and its growth has been a major factor in the overall growth of the economy.

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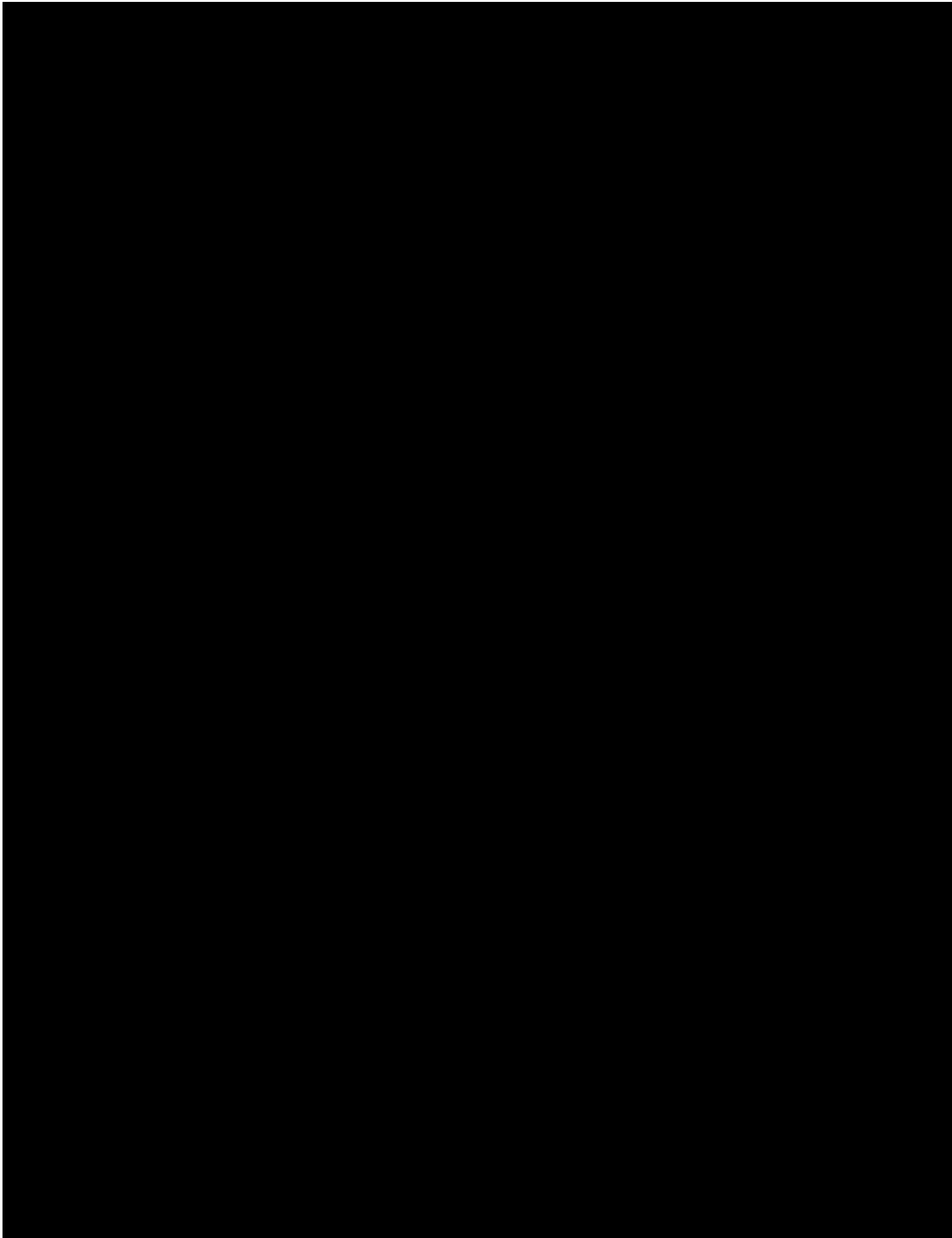
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the 1990s, the number of people in the UK who are aged 65 and over has increased by 1.5 million (1990–2000) and is projected to increase by a further 1.5 million by 2020 (Office for National Statistics 2001). The number of people aged 65 and over in the UK is projected to increase from 10.5 million in 1990 to 12.5 million in 2000, and to 14.5 million in 2020 (Office for National Statistics 2001).

There is a growing awareness of the need to develop strategies to meet the needs of the ageing population. The Department of Health (2000) has identified the need to develop a 'new paradigm' for the care of the elderly, which is based on the principles of 'active ageing' and 'positive ageing'. The Department of Health (2000) has identified the need to develop a 'new paradigm' for the care of the elderly, which is based on the principles of 'active ageing' and 'positive ageing'.

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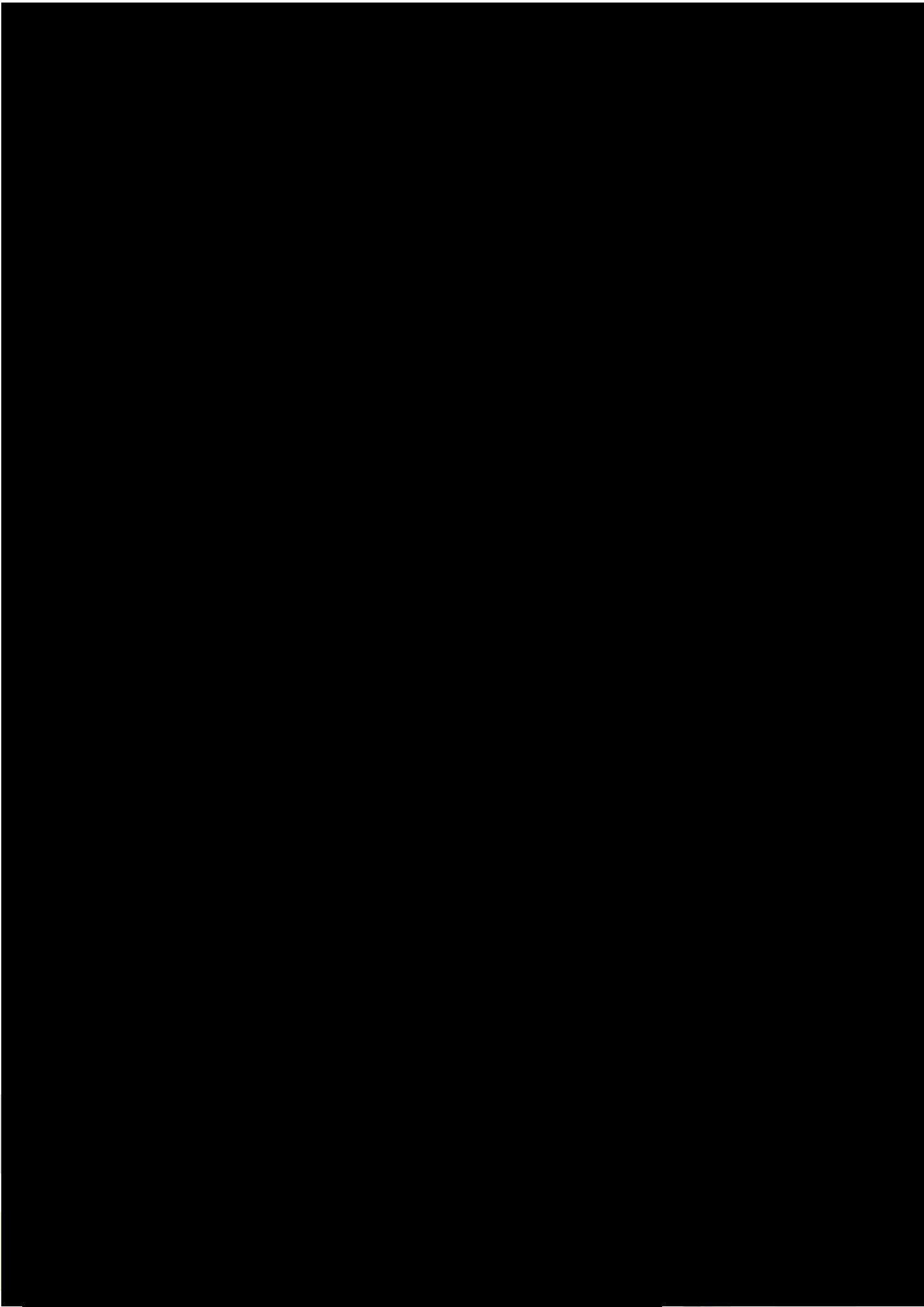
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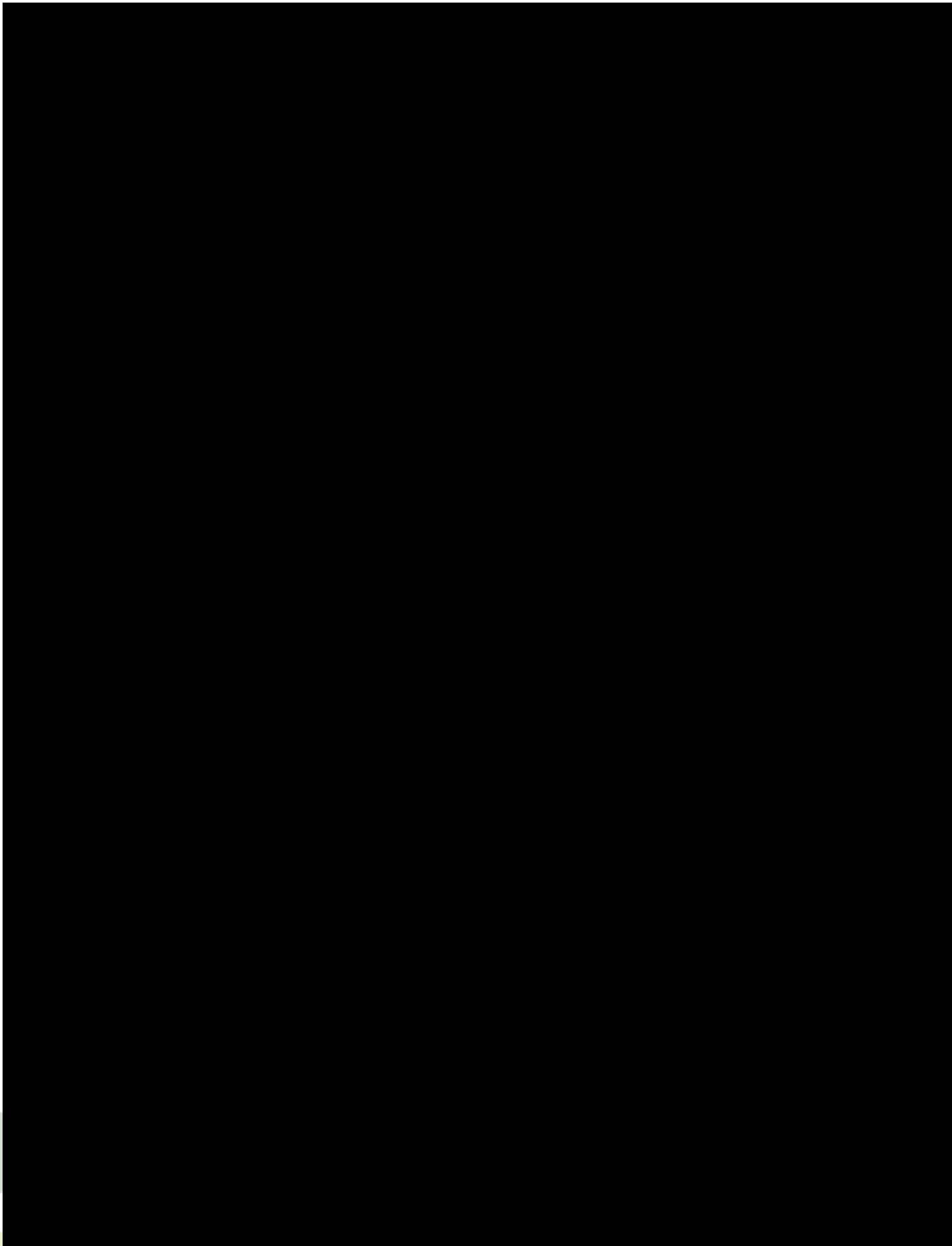
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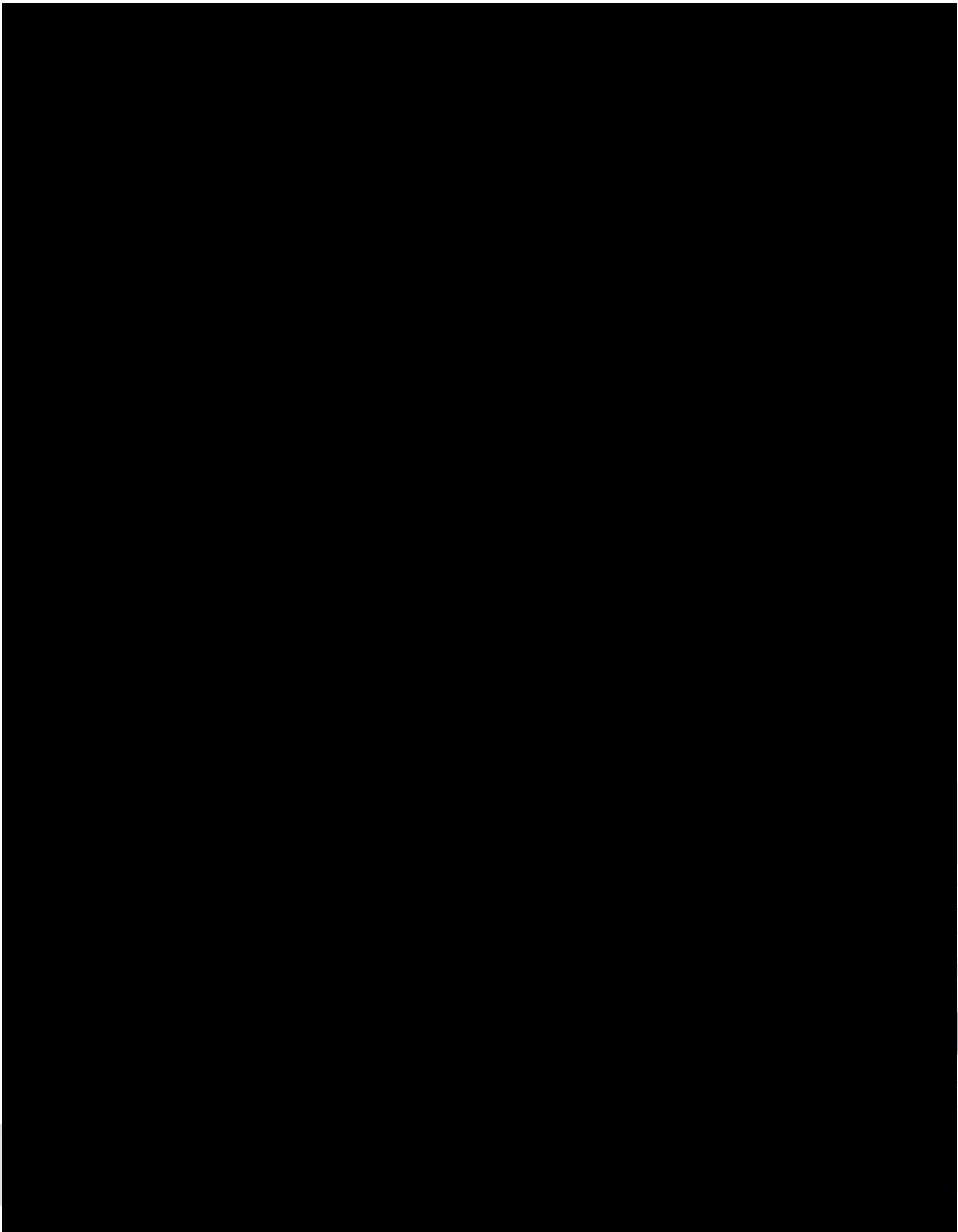
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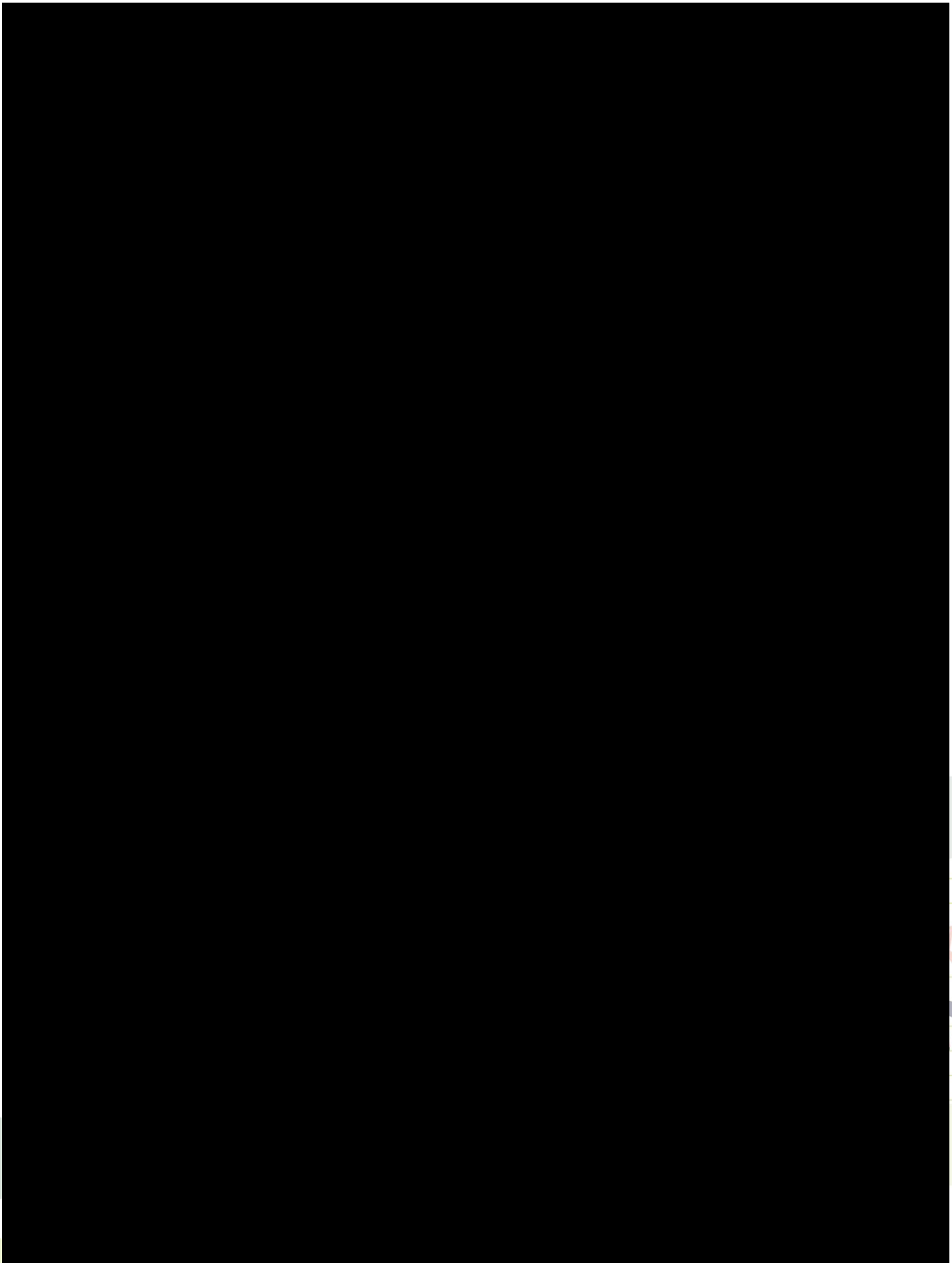
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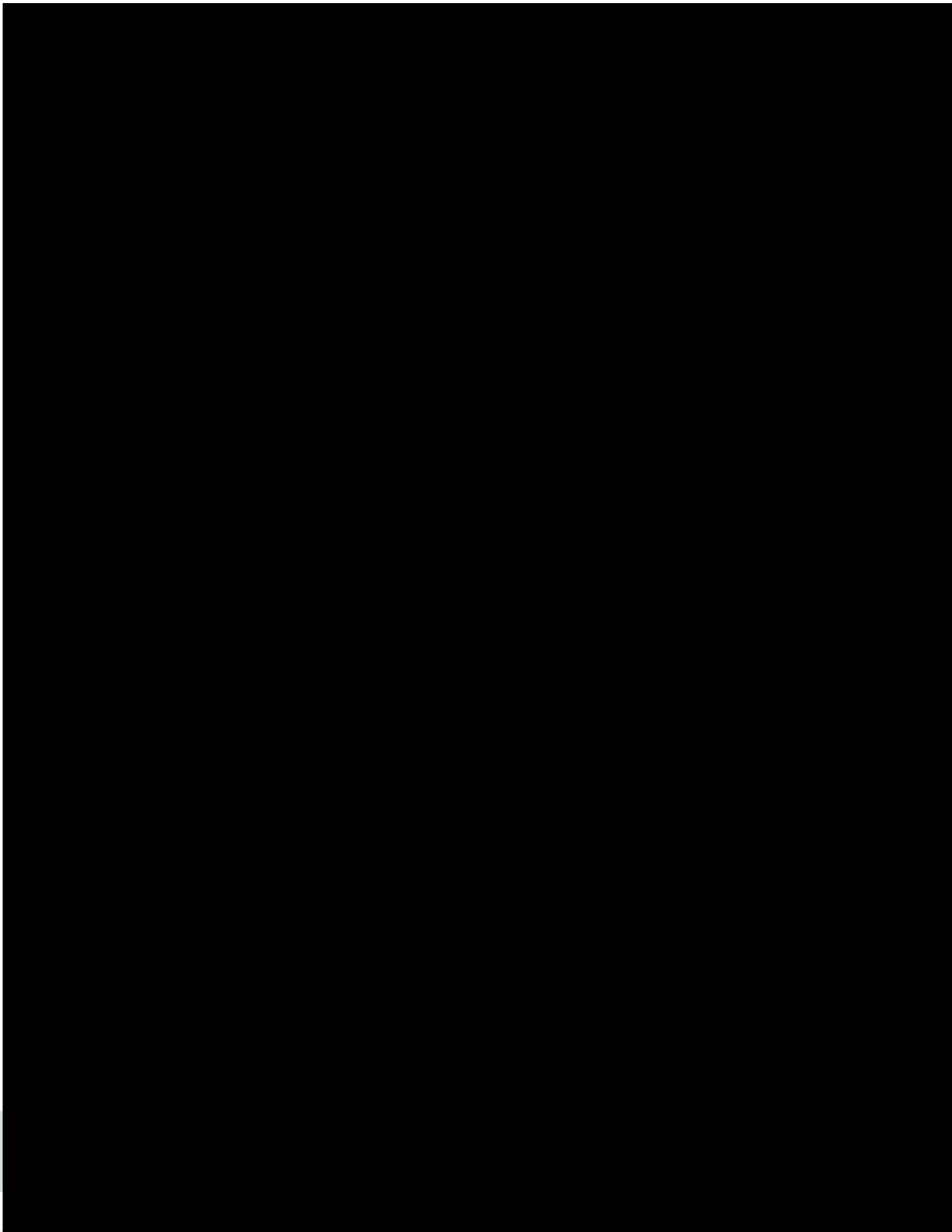
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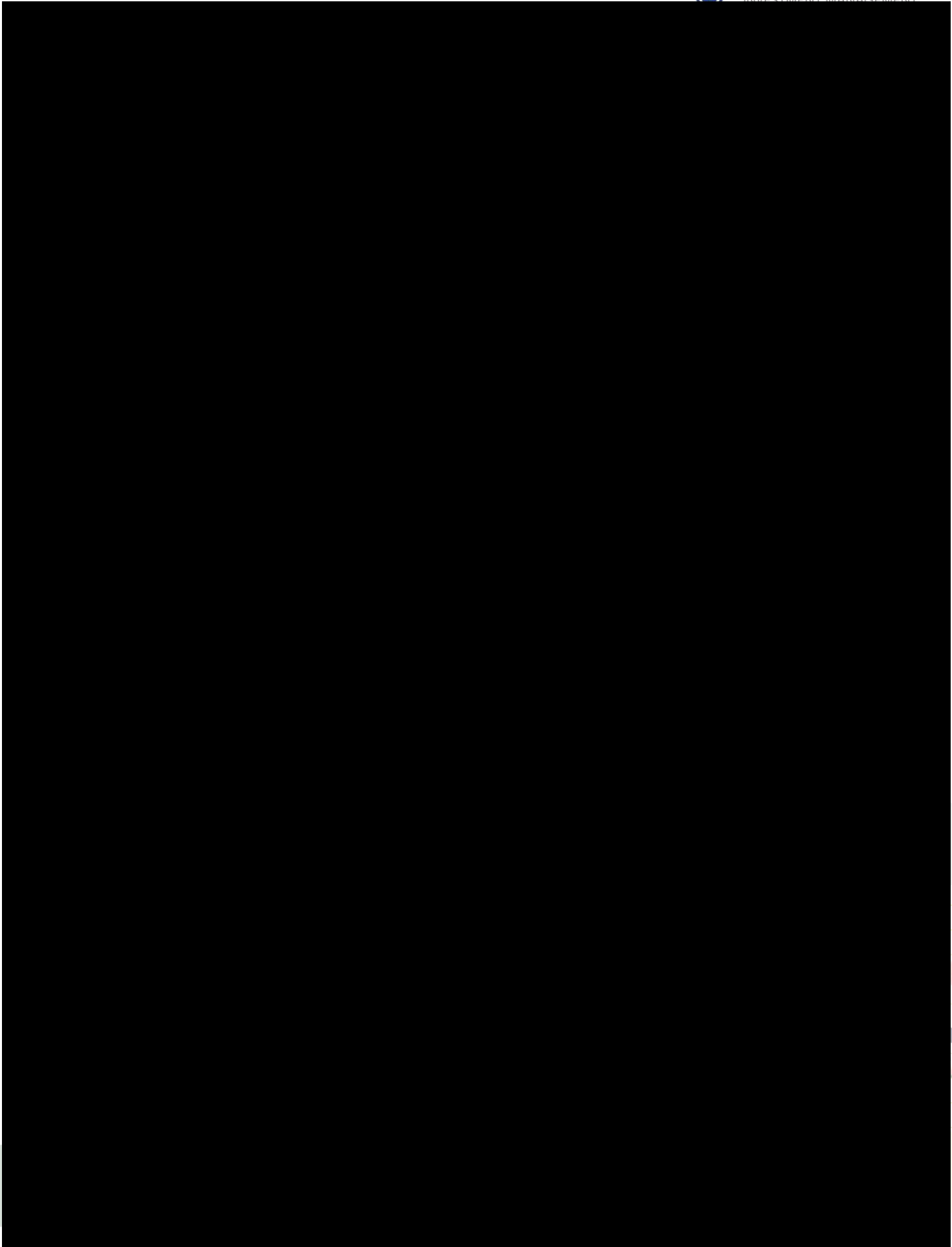


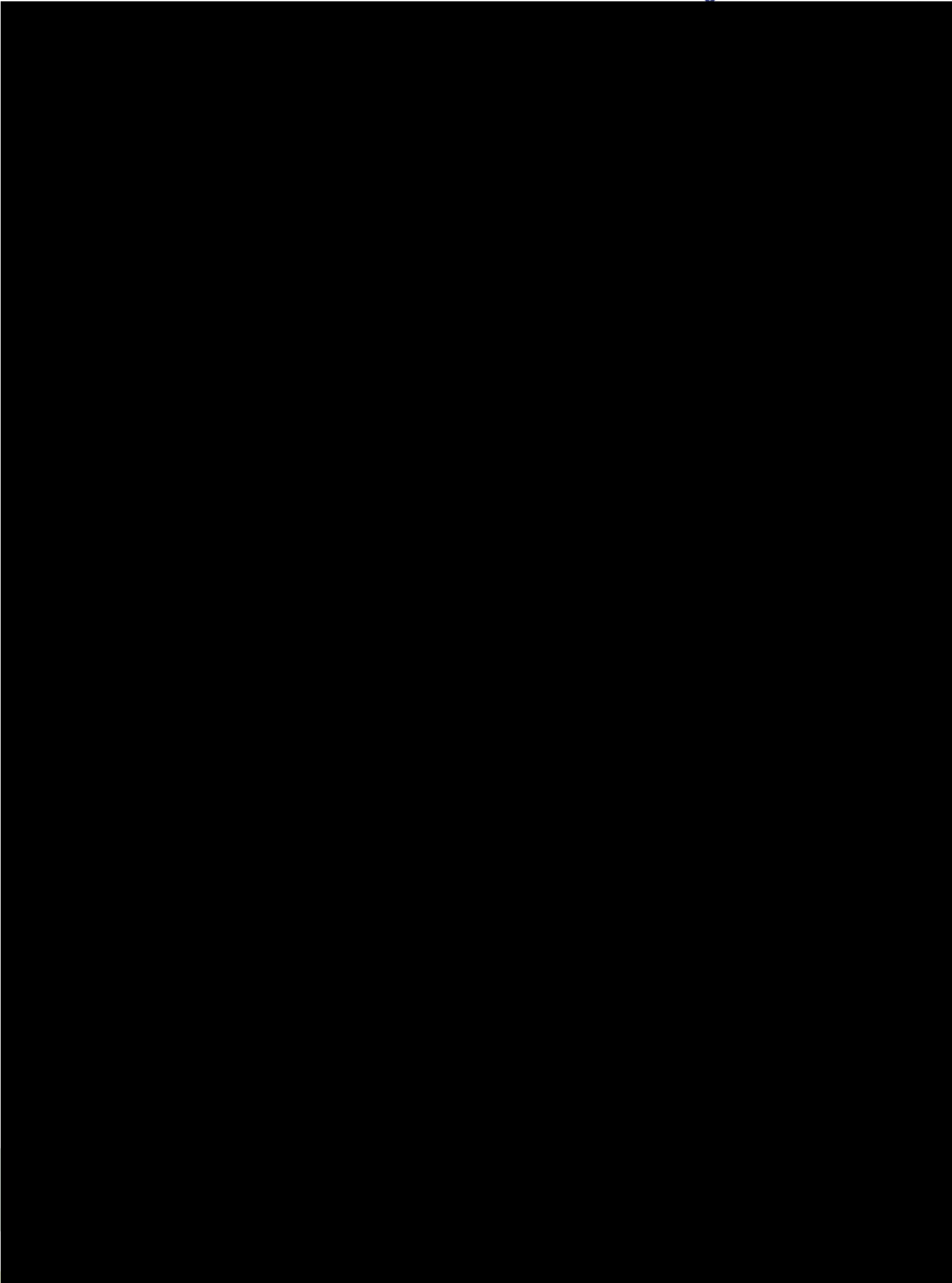


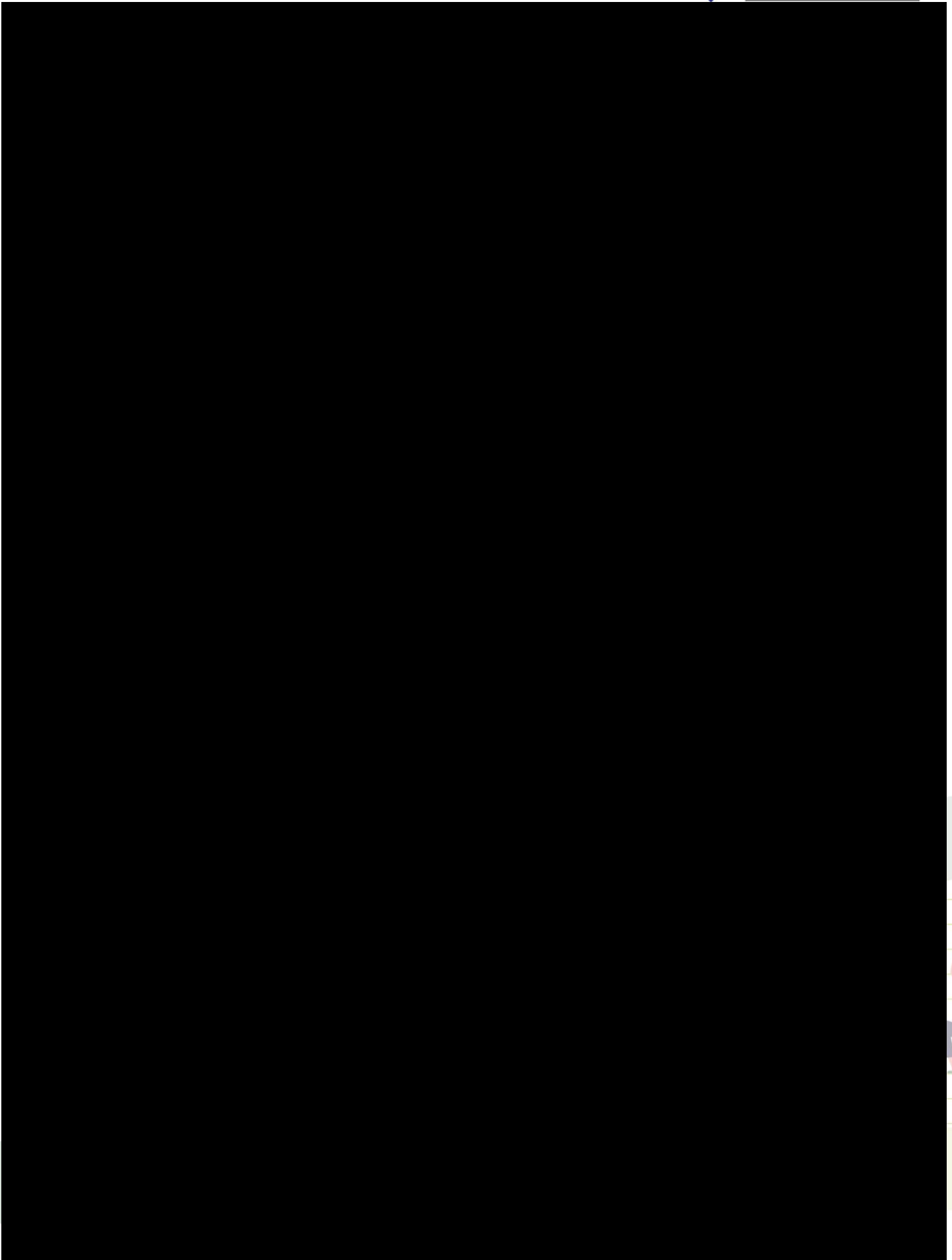


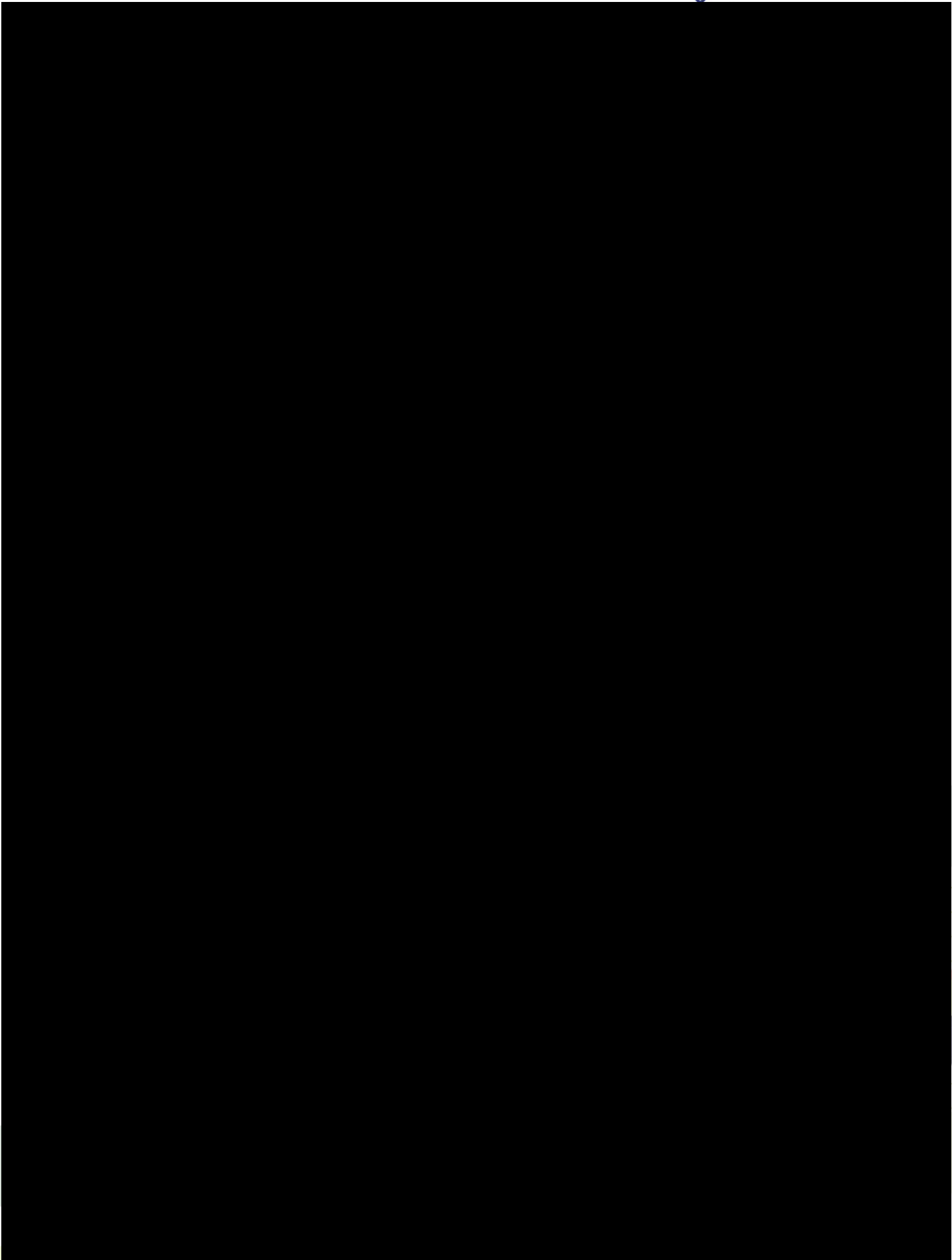


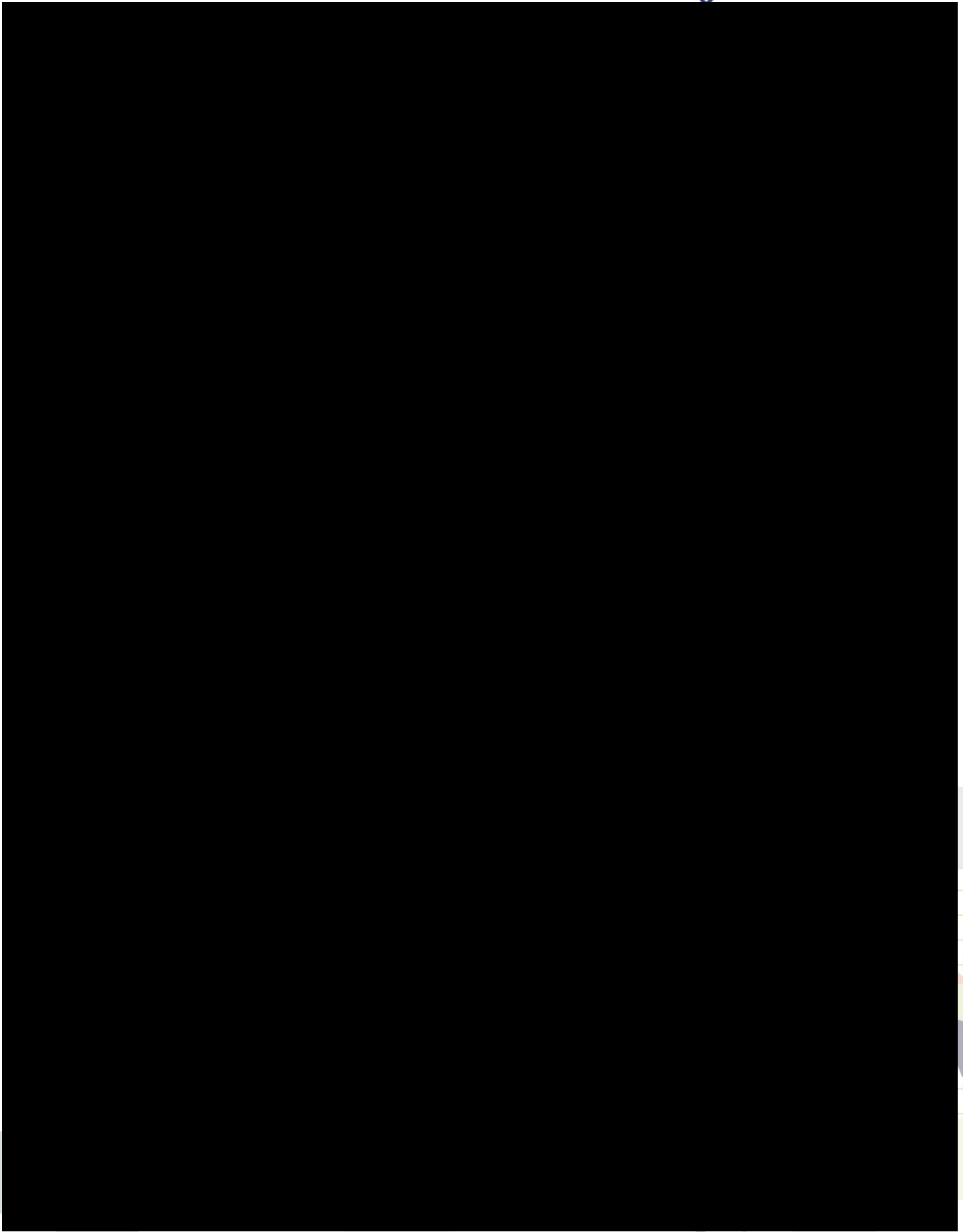


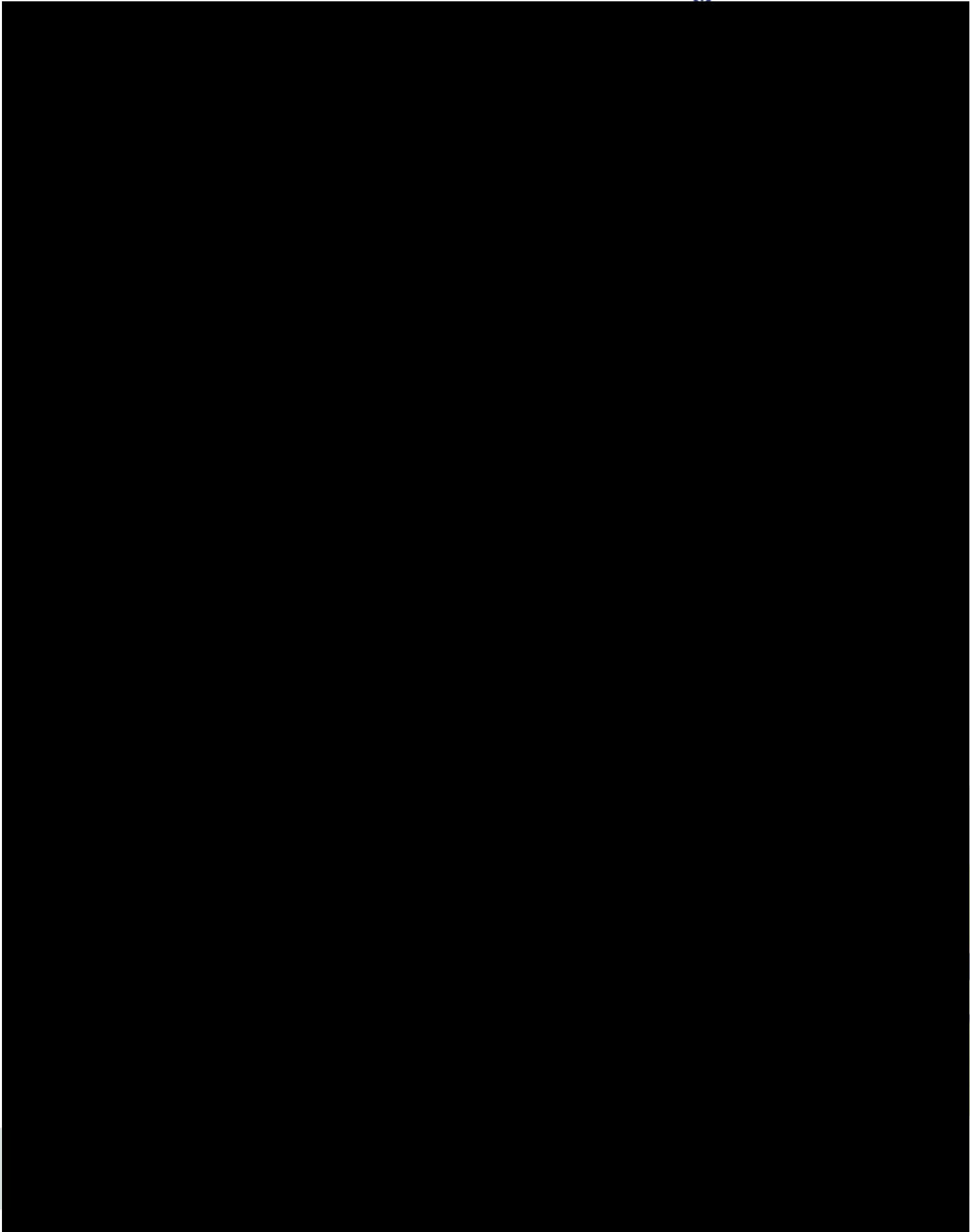


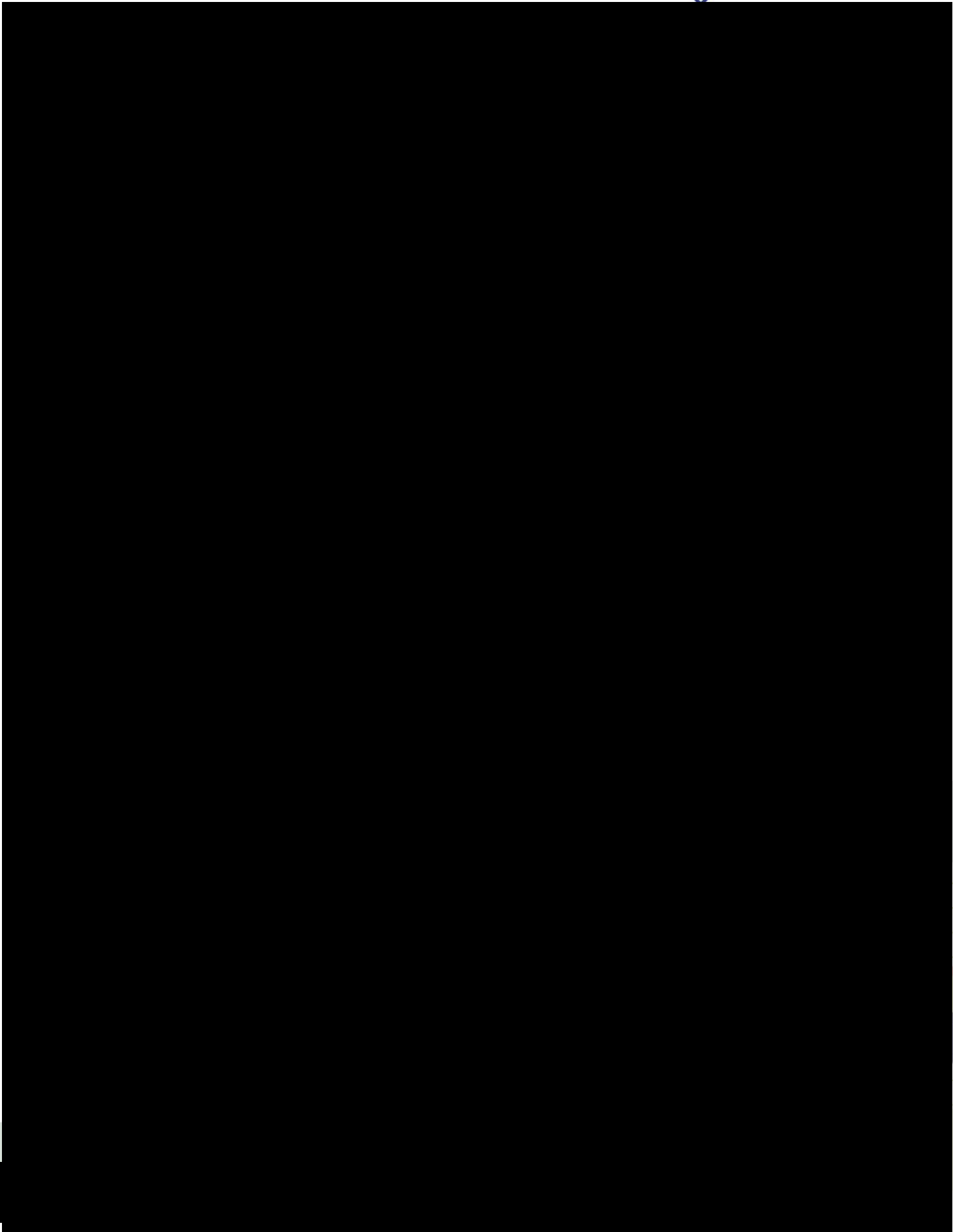




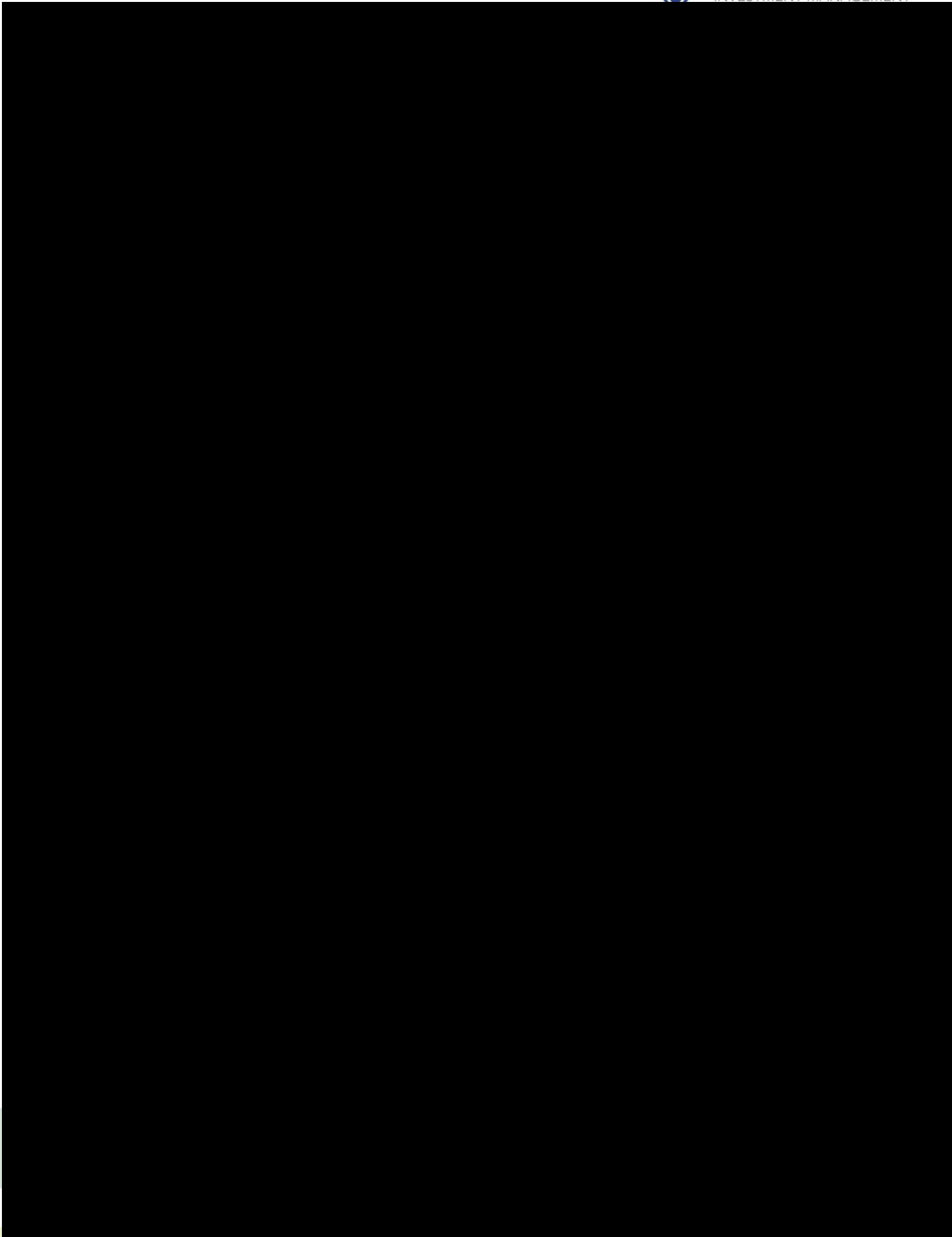


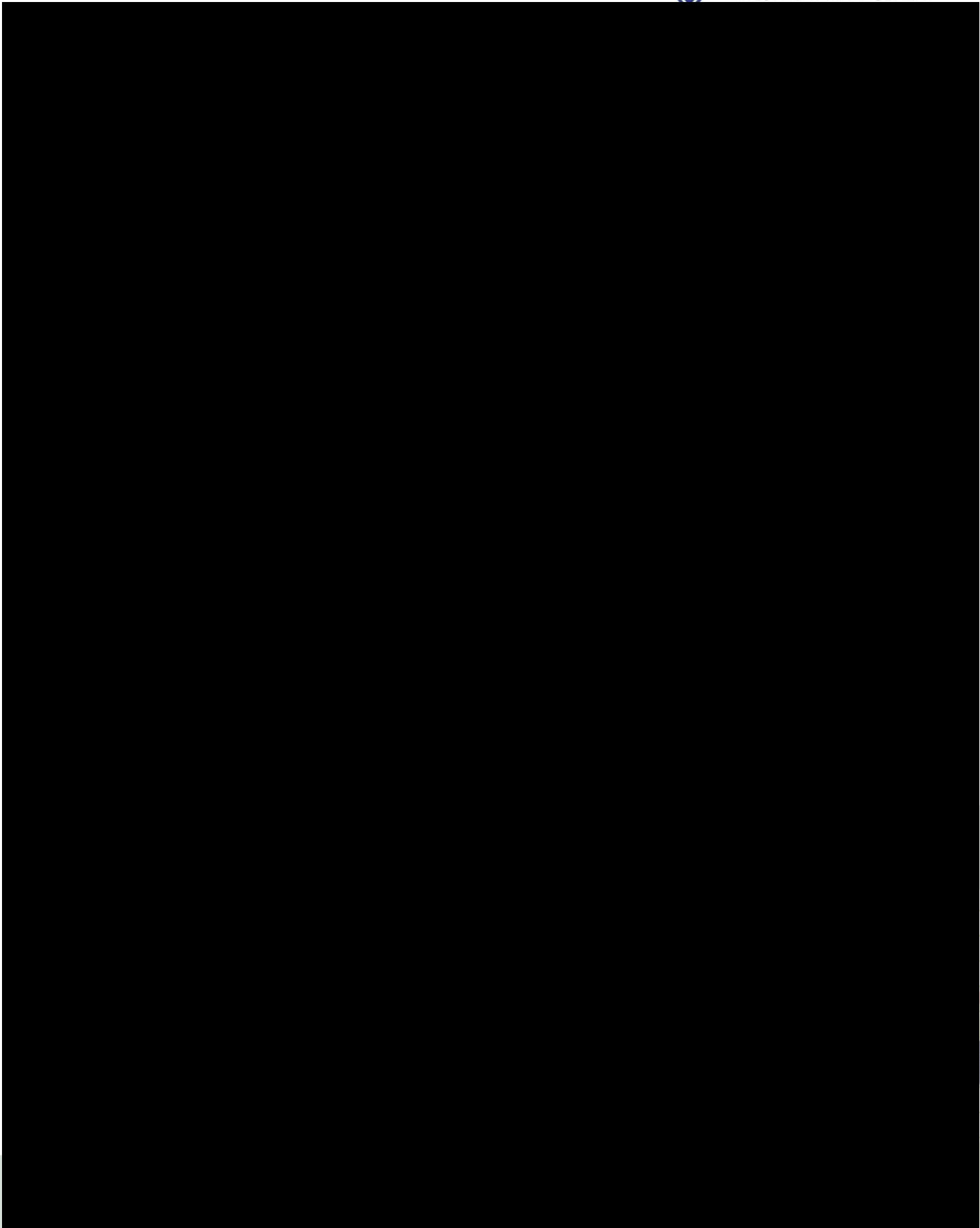


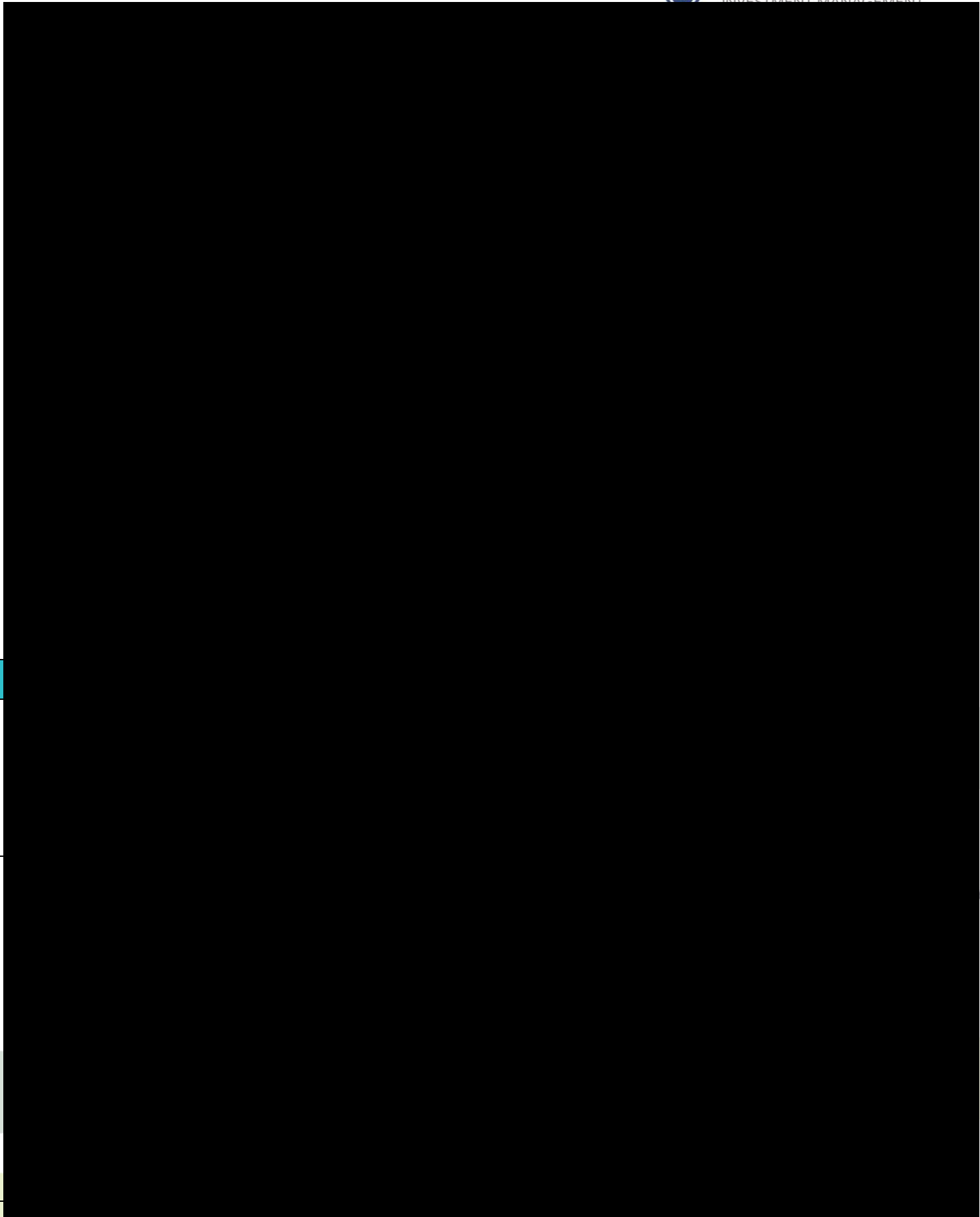


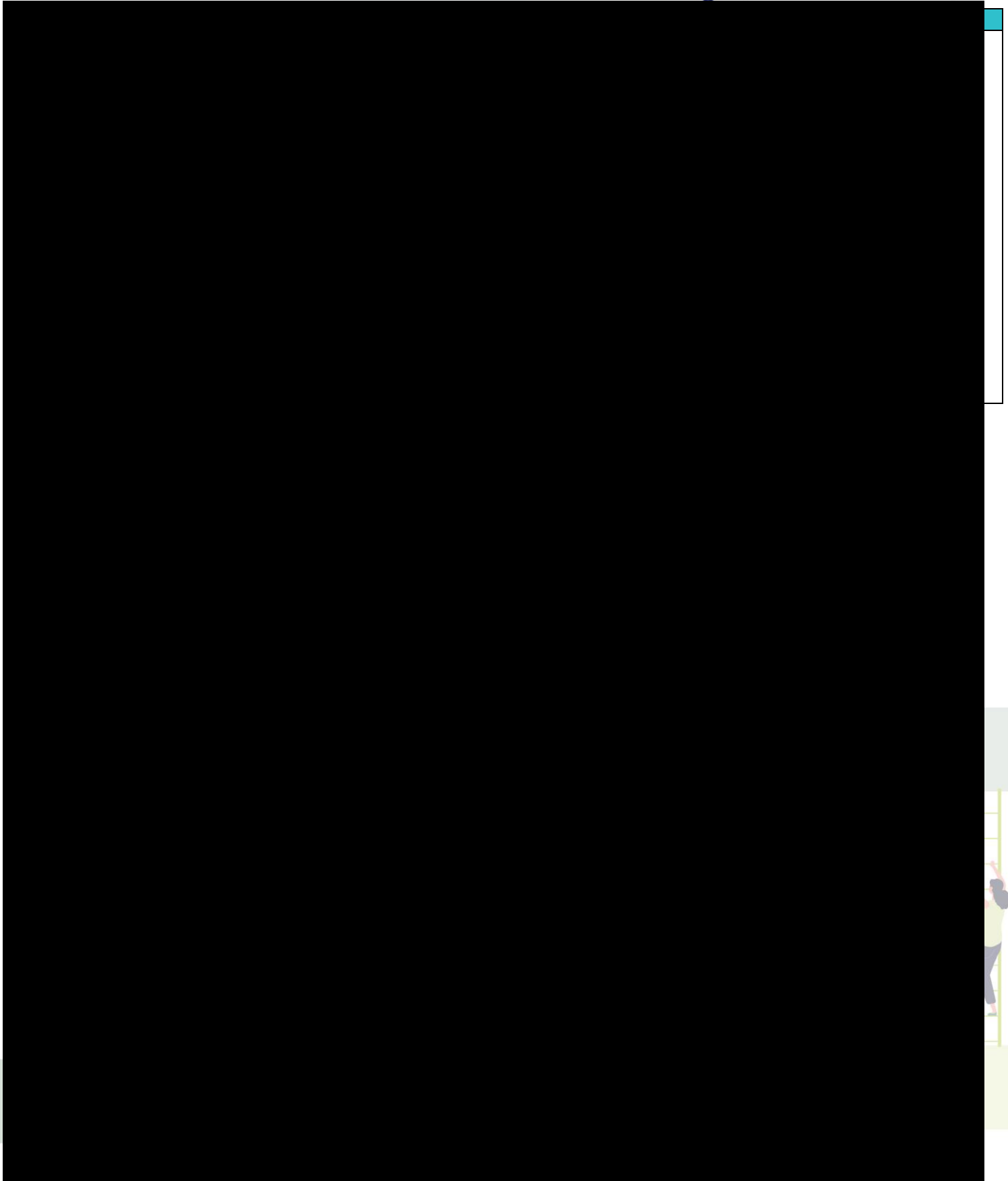


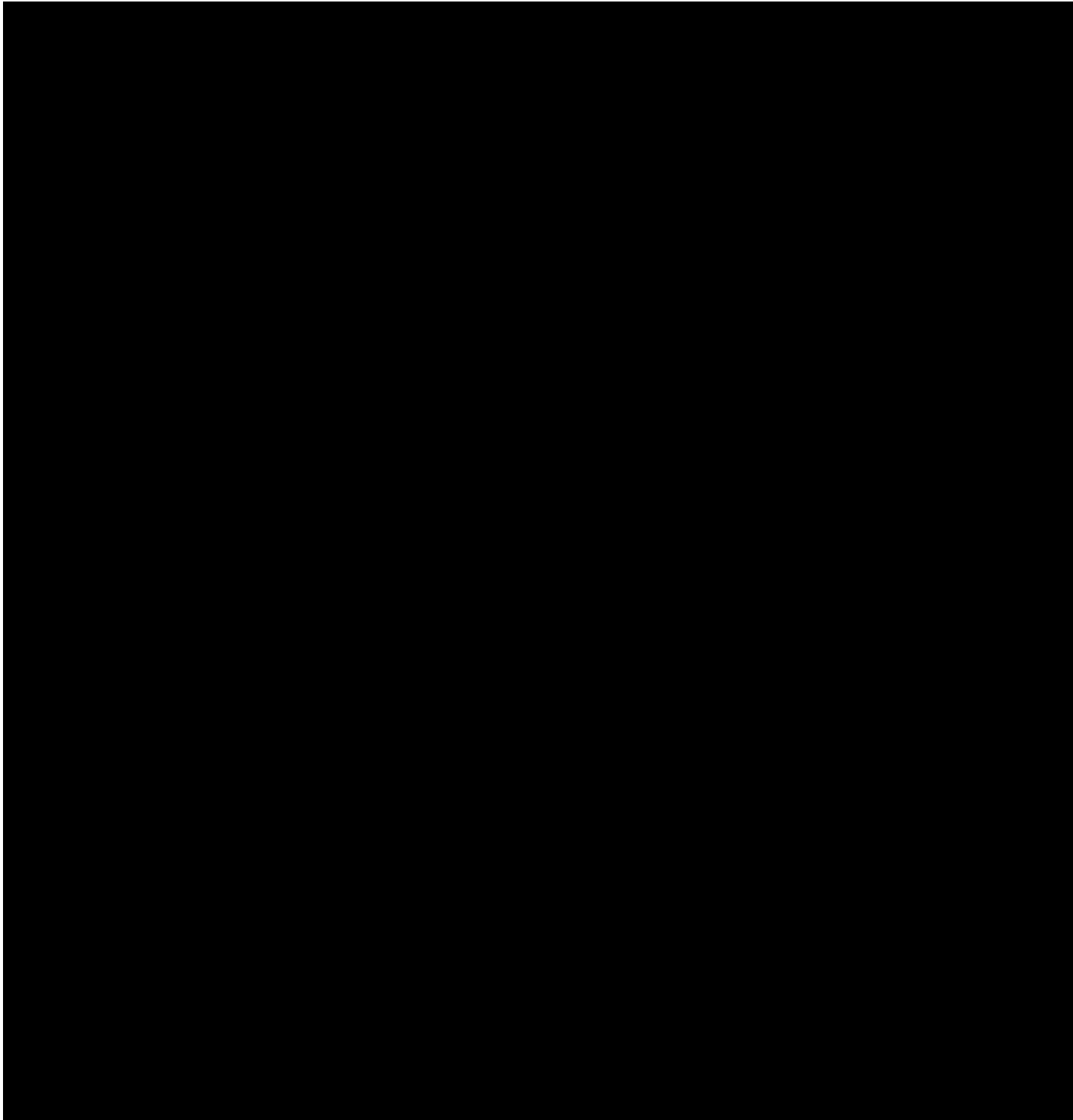






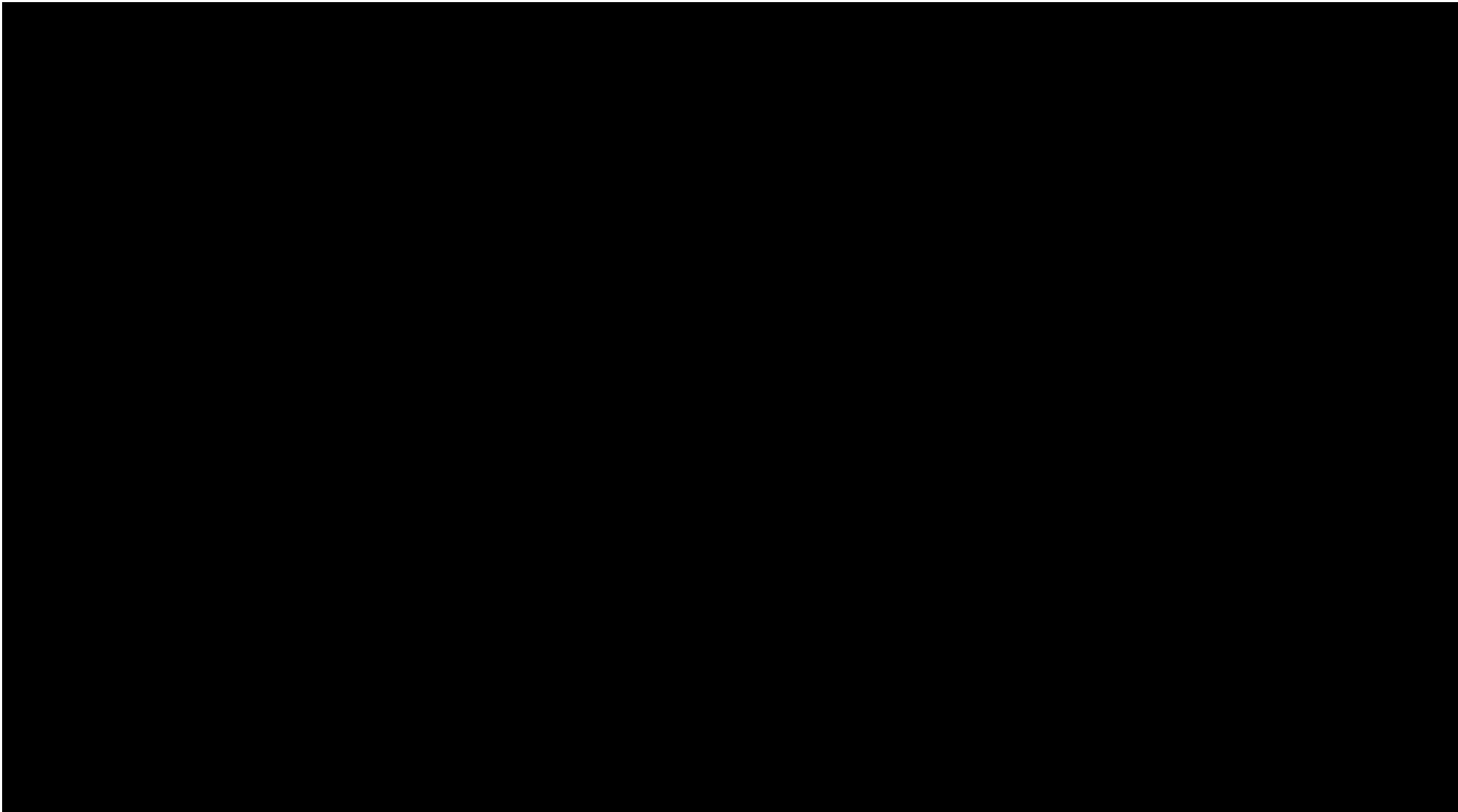






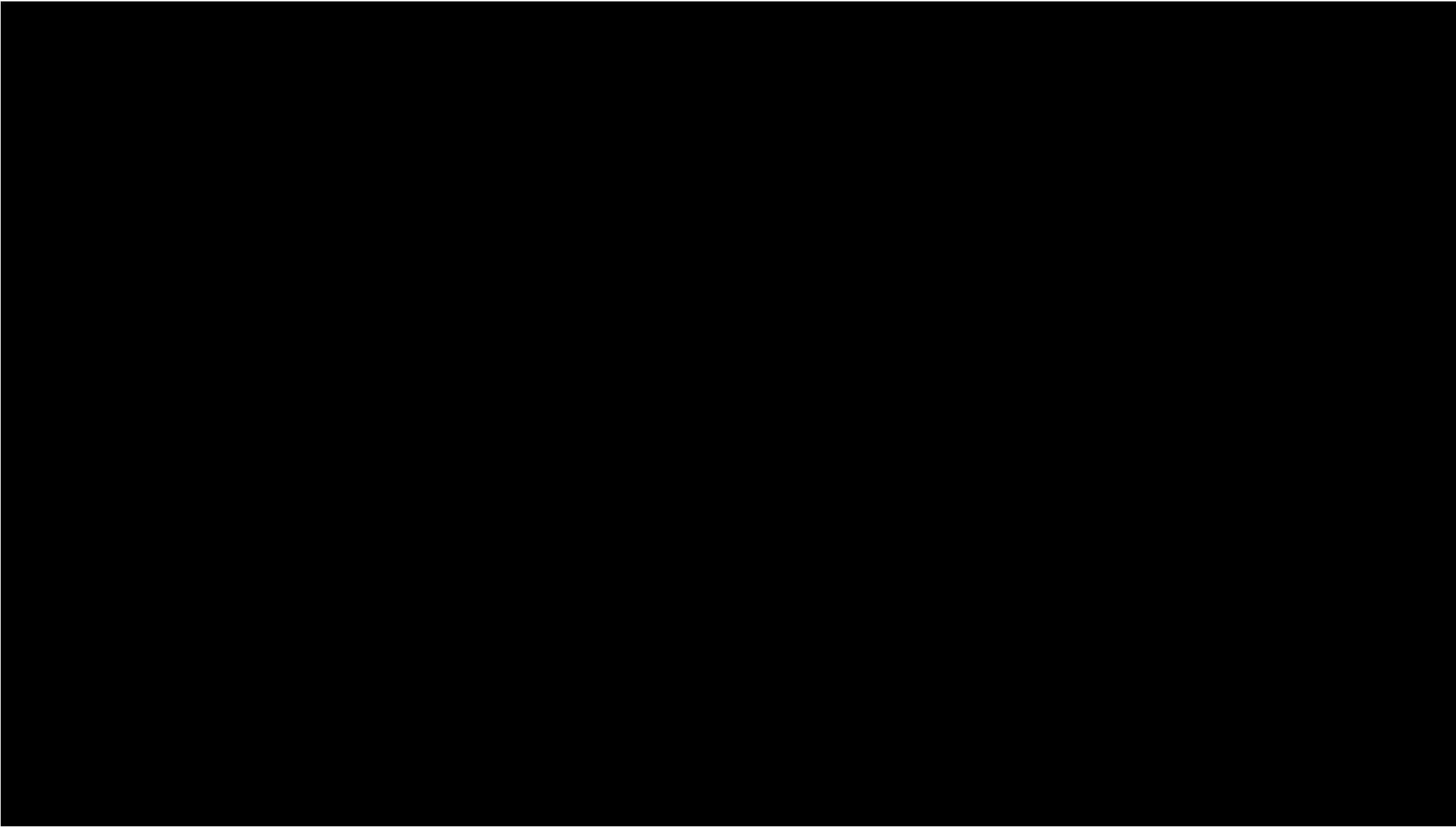
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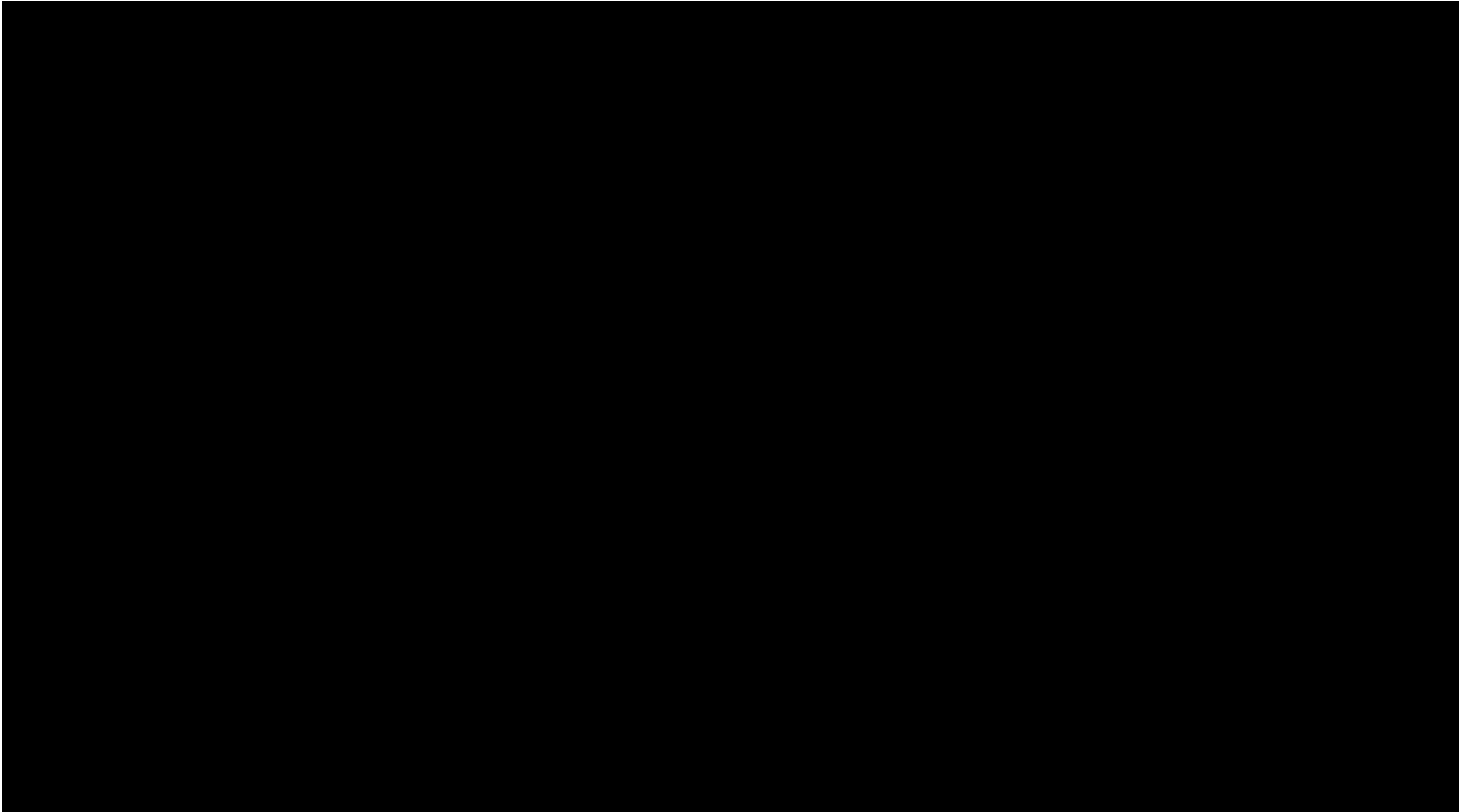
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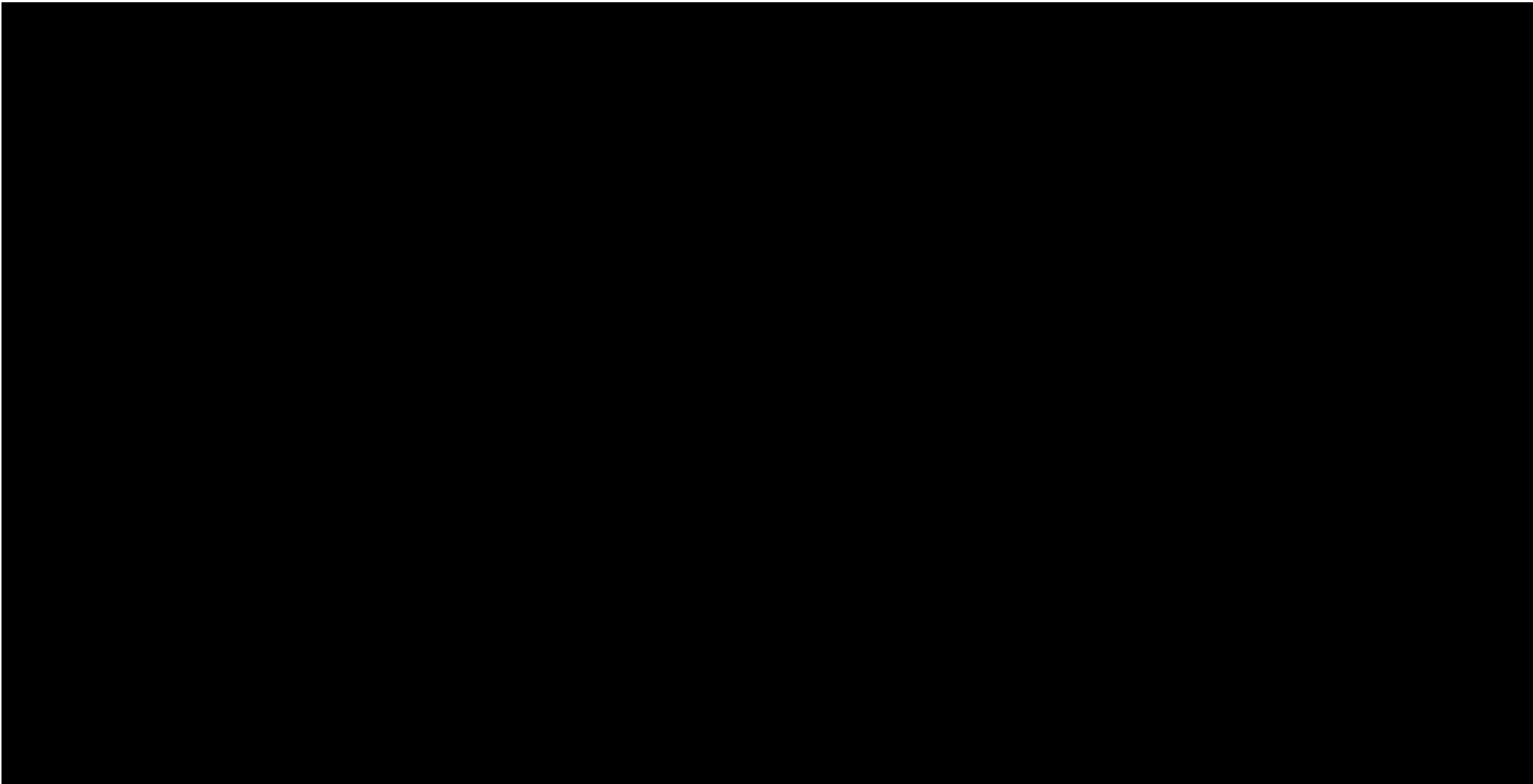
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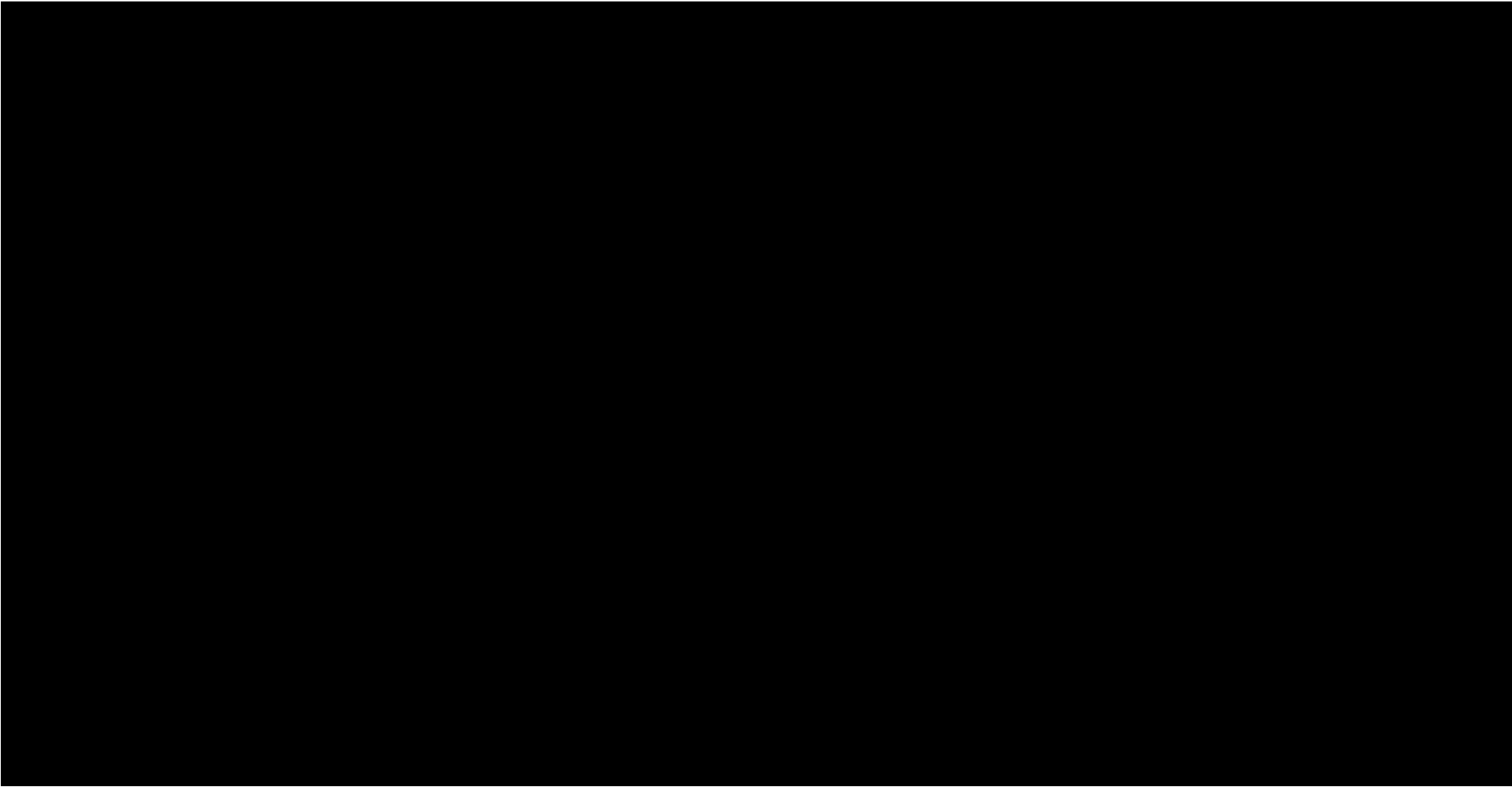
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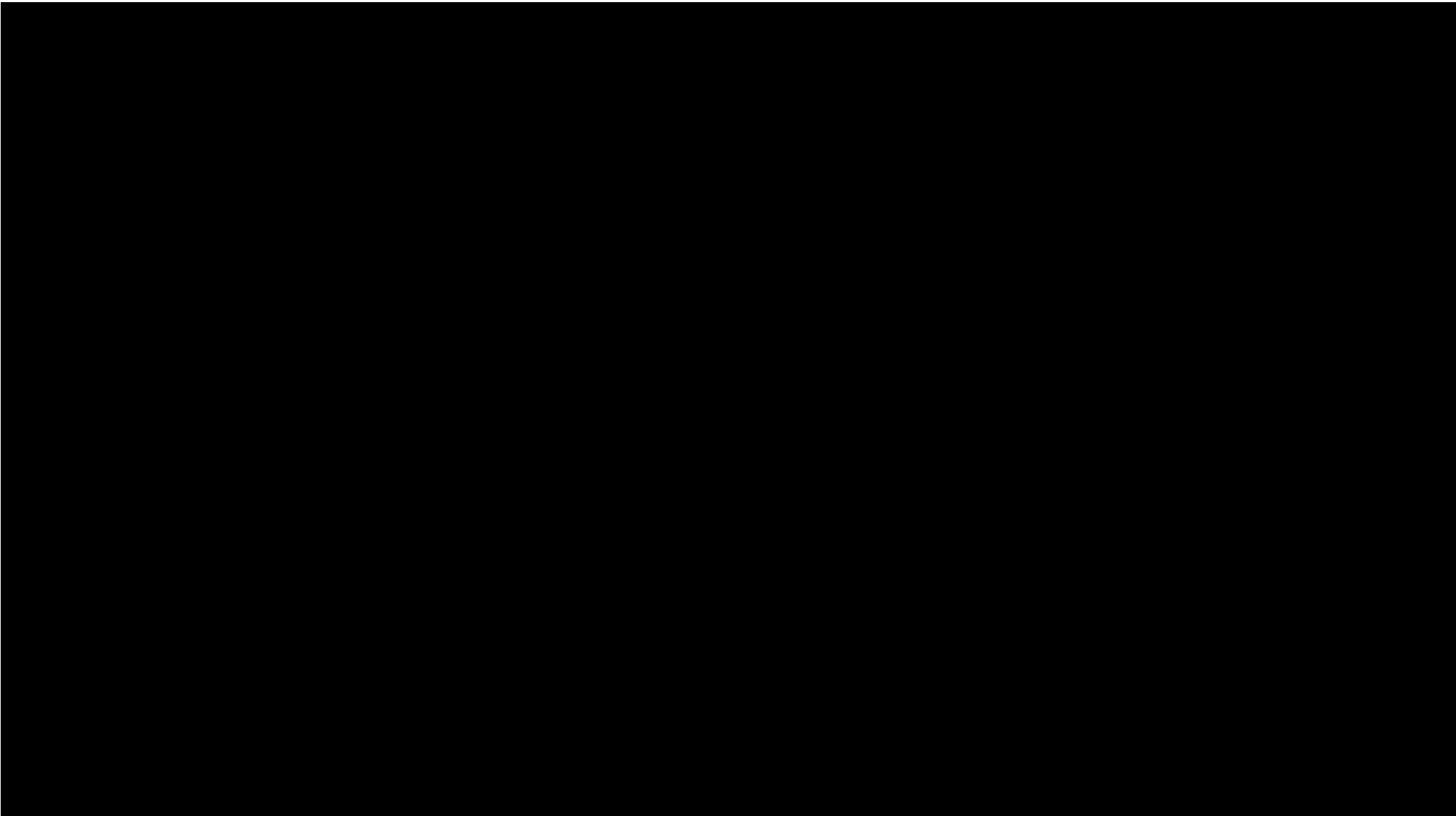
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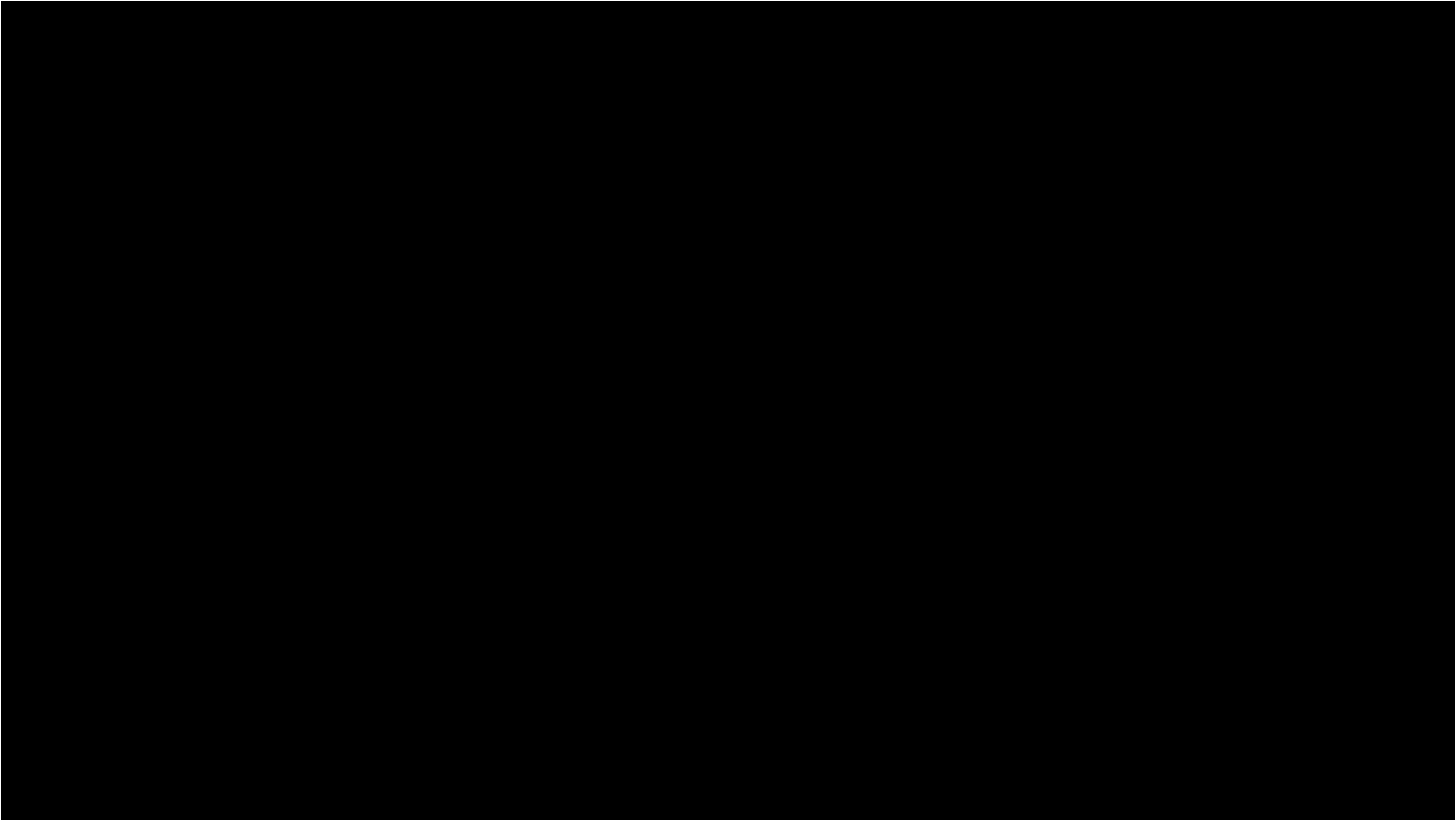
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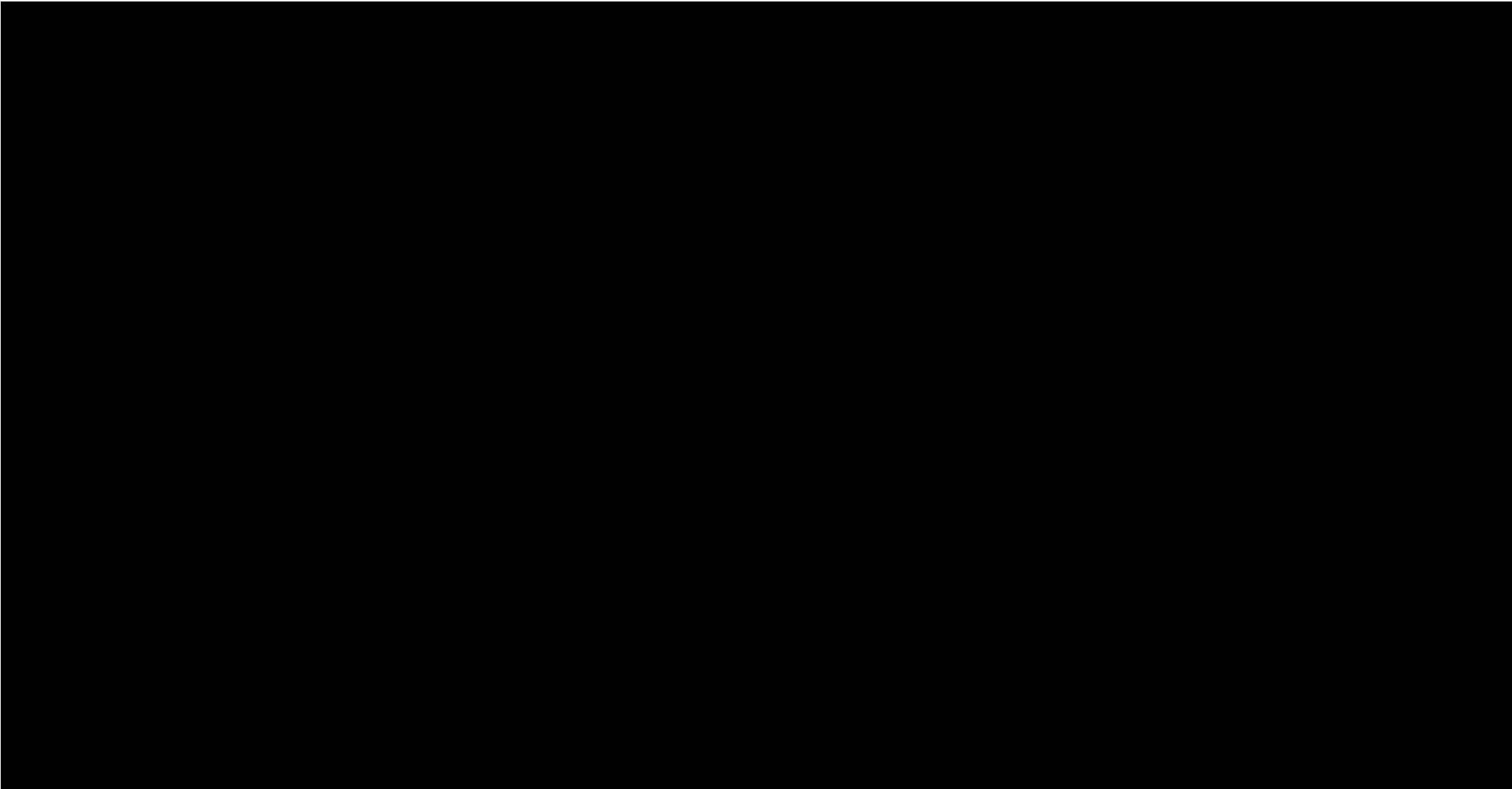
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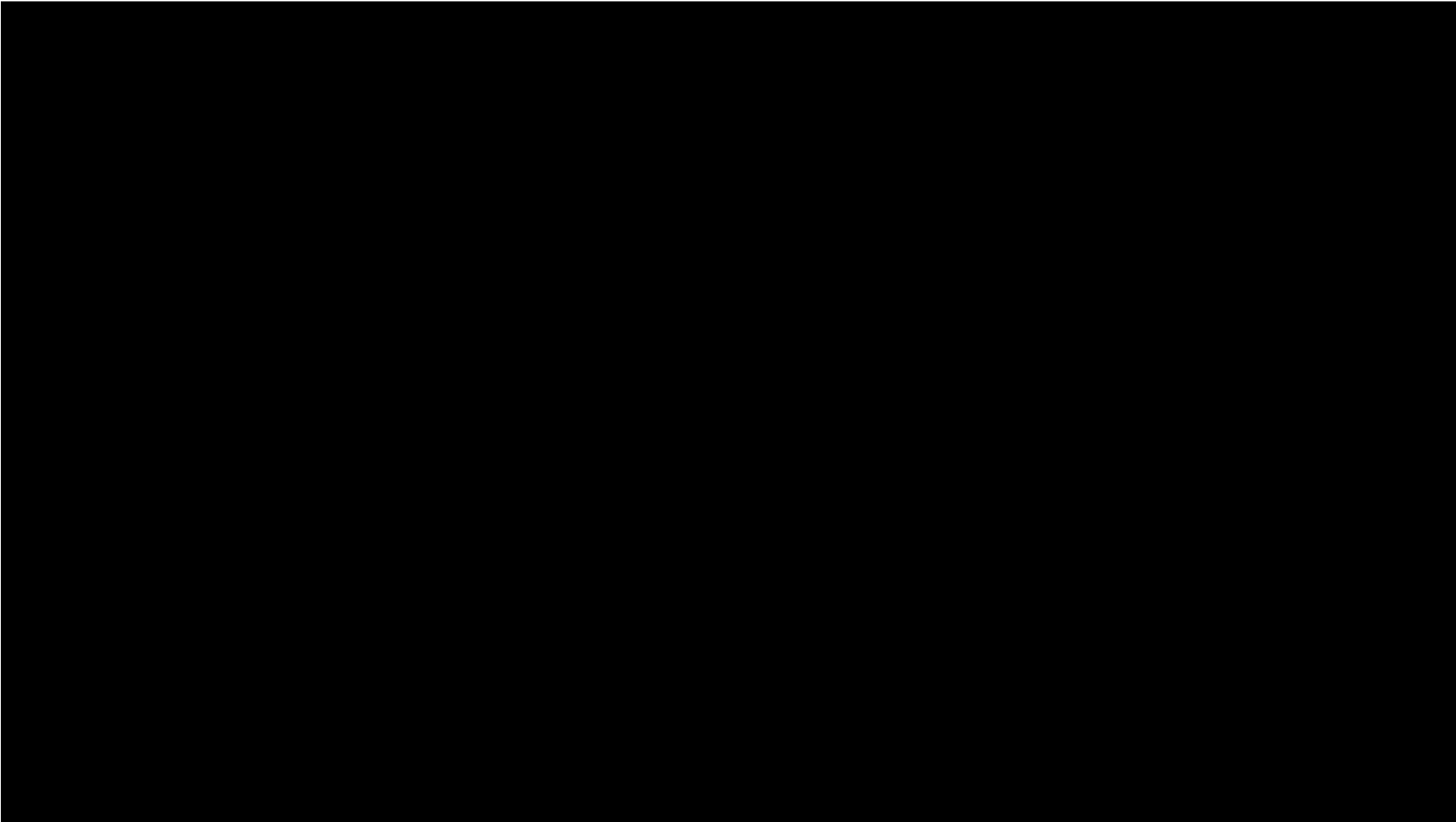
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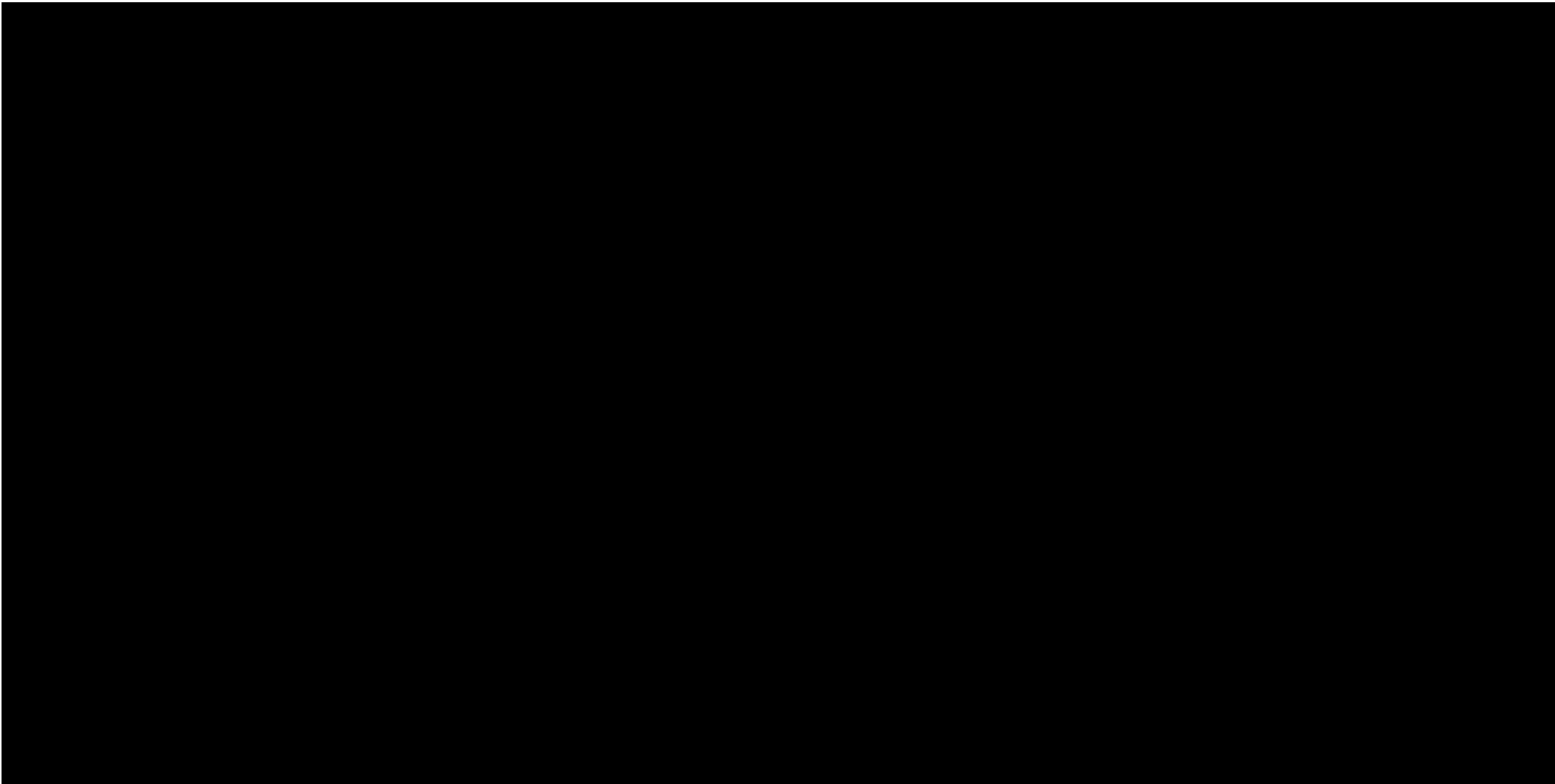
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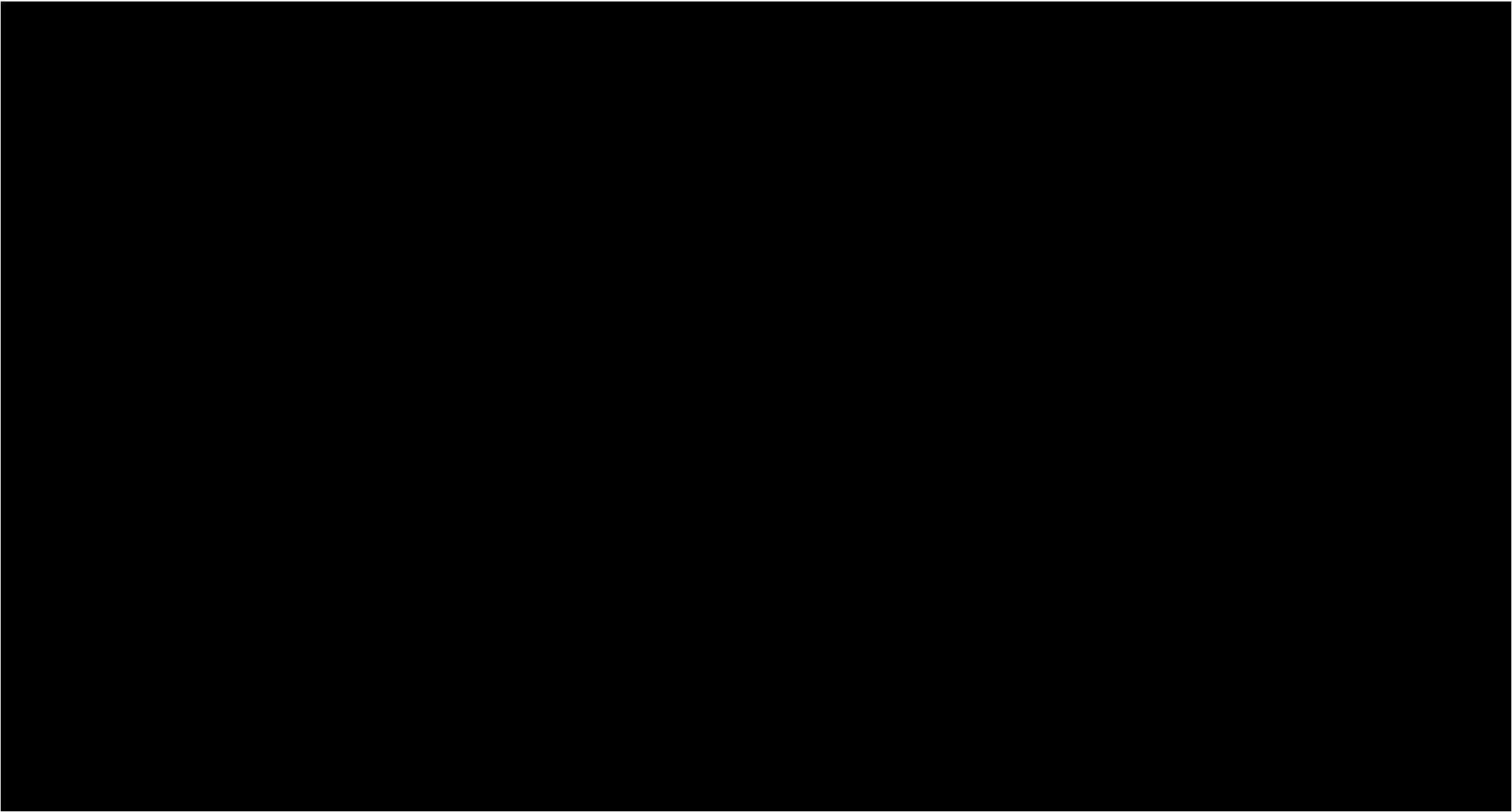
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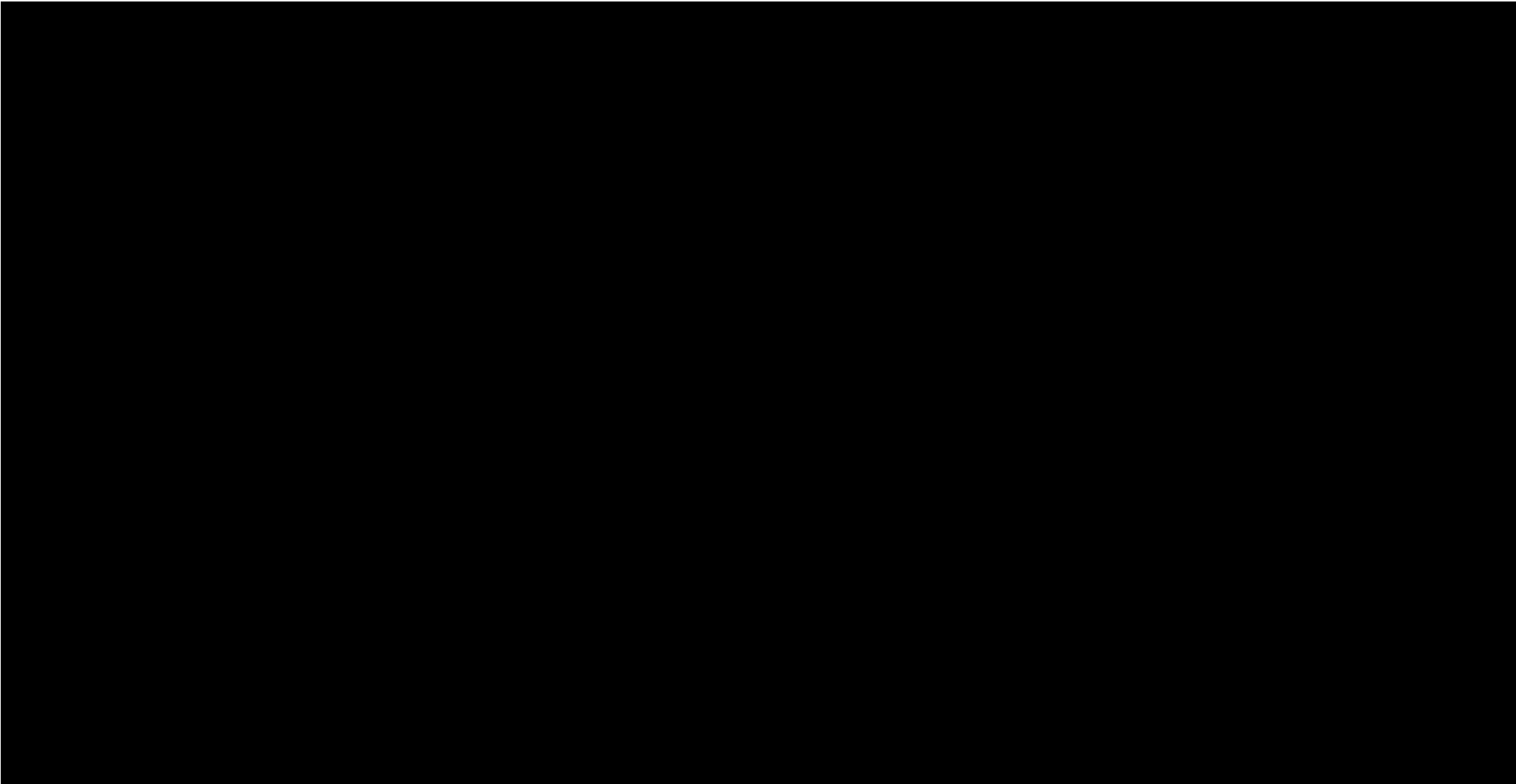
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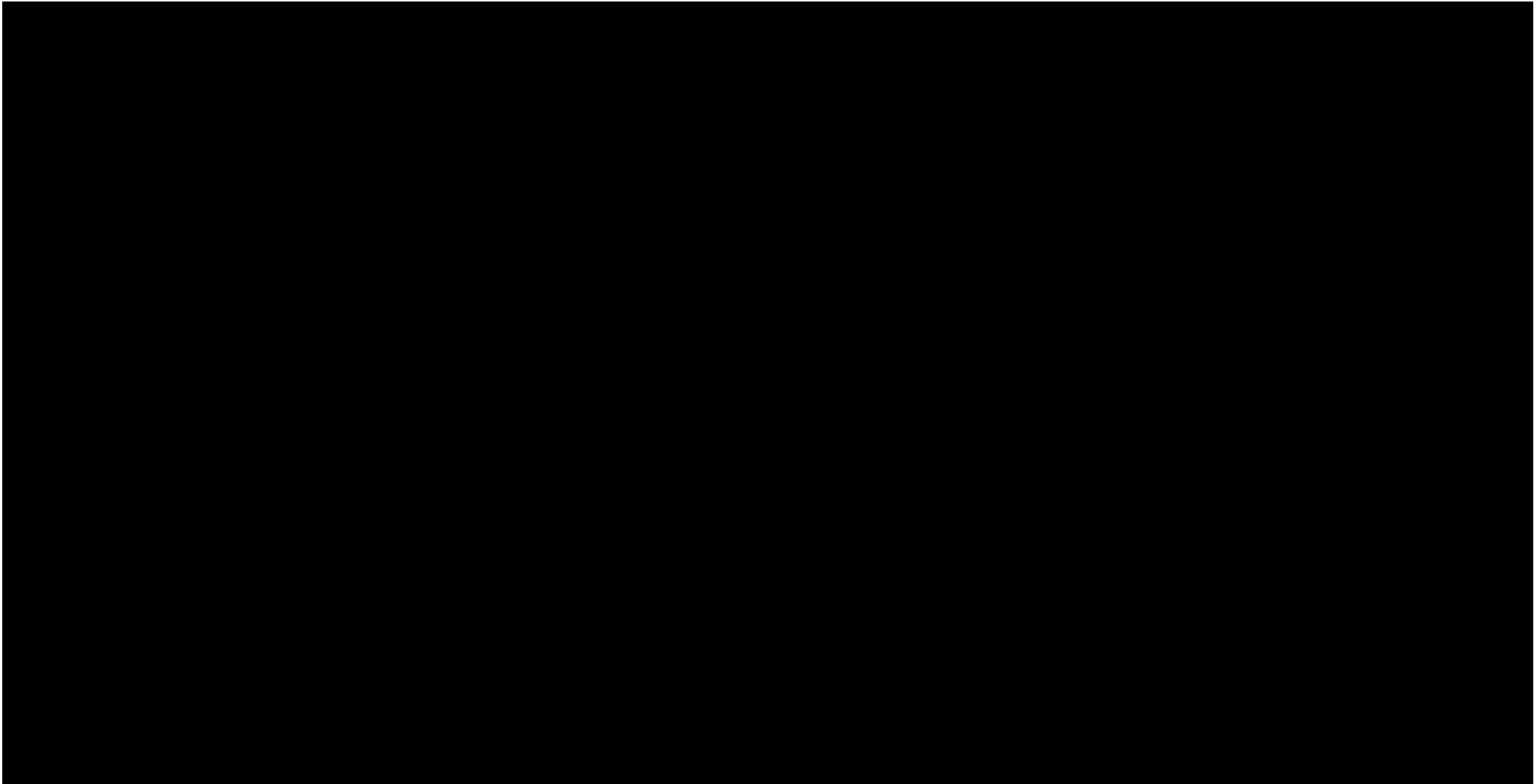
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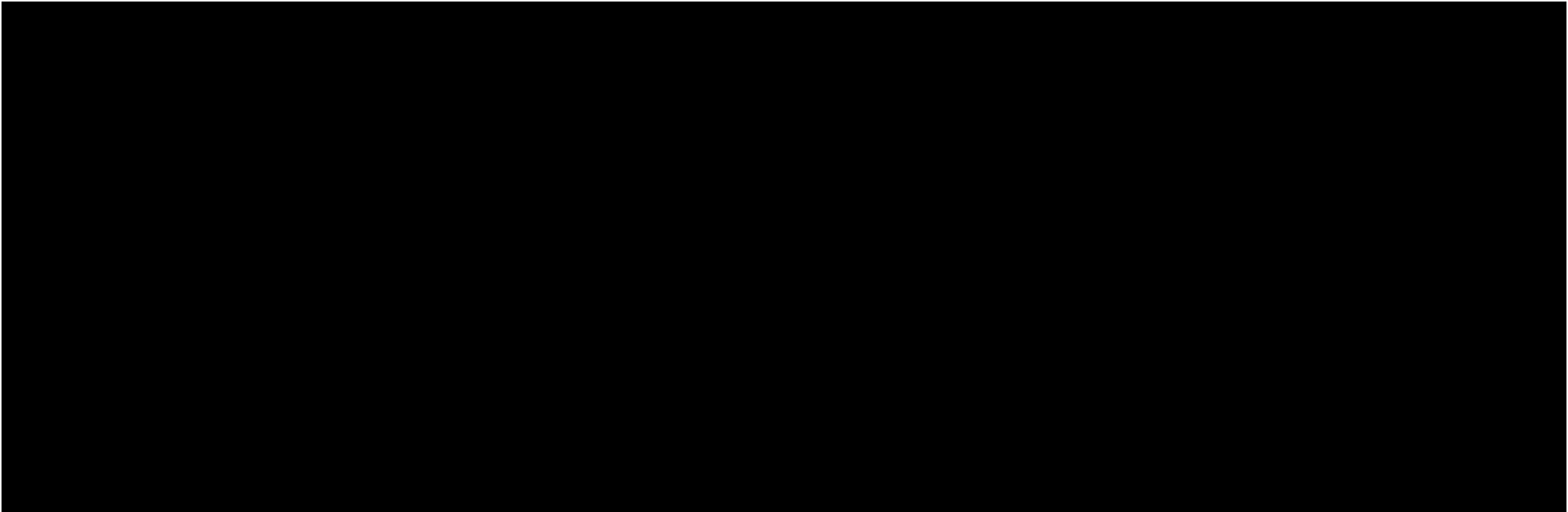
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Order Ref: prj_3226
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Order Schedule 5 (Pricing Details)

1 Definitions

1.1 In this Order Schedule the following definitions shall apply save where the context requires otherwise:

Actual Milestone Date	the actual date on which the relevant Milestone is Achieved.
Adjusted Milestone Payment	the Milestone Payment less any Delay Payment.
Appropriate	for the purposes of paragraph 7.6.1 appropriate Exit Fees are charges that could reasonably be expected to be incurred in the conduct of delivering the relevant Services pursuant to this Order Contract and that are capable of withstanding public scrutiny as to it being justifiable on this basis
Attributable	for the purposes of paragraph 7.6.2 attributable means Exit Fees that: (a) are wholly attributable to, and only incurred in direct pursuit of the aims of, the provision of Services under this Call Off Contract; (b) are necessary to deliver the requirements of this Order Contract; (c) are not being (and will not be) recovered in any way from another contract (whether past, existing or proposed) of the Supplier; (d) are consistent with generally accepted accounting principles; and (e) has a causal relationship with the delivery of this Order Contract.
Base Fee	the base fees to be paid by the Buyer to the Supplier and relating to delivery of the Base Services in accordance with the terms of this Order Schedule.
Base Services	means the services to be provided pursuant to: (a) Section C.2 (Independent Evaluation) (b) Section C.3 (Supplier Performance M&R) (c) Section C.4 (Quarterly Portfolio-Level M&R)

	(d) Section D.1 (PMO) (e) Section D.2 (Budget Management) (f) Section D.3 (Risk Management) (g) Section D.4 (Continuous Improvement) (h) Section D.5, (Data Management), and (i) Section D.6 (Supplier Resourcing) of Order Schedule 20 (Order Specification) or otherwise described or reasonably to be inferred from Order Schedule 20 (Order Specification).
Commercialisation Phase Grant	has the meaning given in paragraph 4.2(a) of this Order Schedule 5
Competition Costs	has the meaning given to it in paragraph 5.1 of this Order Schedule 5.
Competition Services	means the services to be provided pursuant to: (a) Section B.1 (Business Development Activities) (b) Section B.2 (GHNF Application Support) (c) Section B.3 (GHNF Application Assessment) (d) Section B.4 (SC Investment Committee) (e) Section B.5 (Funding) (f) Section C.1 (M&R of SC Projects) of Order Schedule 20 (Order Specification) or otherwise described or reasonably to be inferred from Order Schedule 20 (Order Specification).
Construction Phase Grant	has the meaning given in paragraph 4.2(b) of this Order Schedule 5:
Deployment Fee Percentage	A fixed percentage provided by the Supplier, calculated as follows: (a) the aggregate value of the Deployment Fee, divided by (a) the GHNF SC Fund Value
Deployment Fees	the aggregate total of the deployment fees more particularly described in Annex C (Deployment Fee) to be paid by the Buyer to the Supplier accordance with the terms of this Order Schedule relating to delivery of the Deployment Services.

Deployment Services	means the services to be provided pursuant to: (a) Section B.3 (GHNH Application Assessment) (b) Section B.4 (SC Investment Committee) (c) Section B.5 (Funding), and (d) Section C.1 (M&R of SC Projects) of Order Schedule 20 (Order Specification) or otherwise described or reasonably to be inferred from Order Schedule 20 (Order Specification).
Deployment Threshold	has the meaning given to it in paragraph 4.3 of this Order Schedule 5.
Disputed Amount	has the meaning given to it in paragraph 7.5.1 of this Order Schedule 5.
Exit Fee	the fee payable by the Buyer to the Supplier for providing the Termination Assistance during the Termination Assistance Period in accordance with clause 7.6, calculated by reference to the Rate Card and paragraph 5.2 of this Order Schedule 5.
Exit Price	the maximum price to be paid by the Buyer to the Supplier for Termination Assistance provided during the Termination Assistance Period as more particularly described in Annex E (Exit Price) to this Order Schedule.
FPCD	means the funding phase commencement date being the 1 July 2025
Funding Phase Fees	the Charges payable to the Supplier from the FPCD for the delivery of the Funding Phase Services (where applicable) being: (a) Deployment Fees (until the date of Termination) (b) Competition Costs as applicable in the Relevant Month.
Funding Phase Services	means the: (a) Deployment Services (b) Competition Services and references to a Funding Phase Service in this Order Contract shall be construed accordingly.

GHNH	the Green Heat Network Fund, a capital grant funding scheme intended to support deployment of new low and zero carbon heat networks and support existing heat networks to decarbonise through transition to low and zero carbon technologies.
GHNH Applicant	an applicant to the GHNH Scheme
GHNH Application	an application to the GHNH Scheme submitted by a GHNH Applicant. .
GHNH Application Approval Process	the application process for assessing and (where applicable) approving a GHNH Application.
GHNH Approved Project	a SC Project that has been approved pursuant to the terms of the GHNH Application Approval Process.
GHNH Grant Award	a grant to a GHNH Applicant following approval of the relevant GHNH Application pursuant to the GHNH Application Approval Process drawn down (or to be drawn down) from GHNH in accordance with the terms of the relevant Grant Agreement.
GHNH Project	a heat network project identified in a GHNH Application.
GHNH SC Fund Value	The capital funding to be deployed through the SC;
Grant Agreement	the grant funding agreement pursuant to which a GHNH Grant Award (or SC Grant) has been (or will be) made available to a GHNH Applicant following approval of the relevant GHNH Application pursuant to the terms of the GHNH Application Approval Process.
Milestone Payment	a payment identified in the Implementation Plan to be made following the issue of a Satisfaction Certificate and references to Milestone Payments shall be construed accordingly.
Monitoring and Reporting Phase Fees	the Charges payable by the Buyer to the Supplier from the MRCD for the delivery of the M&R Phase Services being: (a) the Base Fee (programme management). (b) the Base Fee ((M&R and change) as applicable in the Relevant Month.
Monthly Base Fee	the applicable Base Fee for the Relevant Month calculated in accordance with Annex A.

MRCD	means the monitoring and reporting commencement date being the 1 August 2025.
Rate Card	means the Rate Card set out in Annex D.
Reasonable	for the purposes of paragraph 7.6 reasonable means Exit Fees that: (a) does not exceed what might reasonably be expected to be incurred in all the circumstances in relation to the particular activity in question; (b) is consistent with available market benchmarks; (c) represents value for money for the UK taxpayer; and (d) can be evidenced on a sound, and preferably empirical, basis.
Relevant Month	means the Month in which the relevant Services are delivered provided always that the first Month shall commence on the Funding Phase Commencement Date and shall end on the last working day of the month
Relevant Quarter	means: (a) in respect of the first quarter only, the period commencing on the Funding Phase Commencement Date and ending 30 September 2025; and (b) in respect of each subsequent quarter, a period of three (3) consecutive Months.
SC	means 'Supplementary Contract'
SC Application Round	commences on the date of the round opening and concludes when an SC investment committee output report is approved by the Buyer. SC Application Rounds will be administered by the SC Supplier.
SC Grant	means funding awarded further to additional capital budget of the GHNF Scheme.
SC Implementation Period	the period commencing on the Order Start Date and expiring on the Actual Milestone Date of milestone 3 in Order Schedule 13, Annex 1 (Implementation Plan and Testing).

SC Project	a heat network project identified in a GHNF SC Application.
Service Level Failure	has the meaning given in paragraph 1.1 of Order Schedule 14 (Service Levels).
Service Period	means: (a) a Relevant Month; and/or (b) a Relevant Quarter, as the context so requires.
Supporting Documentation	sufficient information in writing to enable the Buyer reasonably to assess whether the Charges and/or other sums due from the Buyer detailed in the relevant invoice are properly payable, including copies of invoices, receipts, and/or any such other evidence to demonstrate that the Charges are payable by the Supplier together with such other information as the Buyer may reasonably require pursuant to Order Schedule 20.

2 Milestone Payments in the Implementation Period

- 2.1 During the Implementation Period, and subject to the remaining parts of this paragraph 2, the Supplier shall be paid the Milestone Payment on the Actual Milestone Date for the relevant Milestone.
- 2.2 The Supplier shall only be entitled to invoice for a Milestone Payment once the Supplier has received the Satisfaction Certificate in respect of that Milestone. Following receipt of the Satisfaction Certificate the Supplier shall be entitled to submit its invoice for payment of the Milestone Payment.
- 2.3 The terms of:
 - 2.3.1 clause 4 of the Core Terms; and
 - 2.3.2 the remaining provisions in this paragraph 2,
 shall apply to Milestone Payments.
- 2.4 Each invoice relating to a Milestone Payment shall be supported by a statement by the Supplier including:
 - 2.4.1 the value of the Milestone Payment;
 - 2.4.2 the value of any Deduction (including, without limitation, any Delay Payment) relating to the relevant Milestone;
 - 2.4.3 the Adjusted Milestone Payment (where applicable);
 - 2.4.4 a description of the Services provided in Achieving the Milestone;

- 2.4.5 a Satisfaction Certificate in respect of the Achievement of the Milestone; and
 - 2.4.6 details of any VAT or other sales tax payable in respect of the Milestone Payment or Adjusted Milestone Payment (as the case may be); and
 - 2.4.7 such other information as the Buyer (acting reasonably) may require.
- 2.5 Where the Supplier fails to Achieve the Milestone on or before the relevant Milestone Date, the Supplier shall pay the Delay Payment to the Buyer in accordance with the terms of this paragraph 2 and paragraph 6 of Order Schedule 13 (Implementation Plan and Testing). Achievement of a Milestone after the relevant Milestone Date shall not permit or entitle the Supplier to repayment or reimbursement of any Delay Payment applied in relation to the relevant Milestone.

3 Payment of the Base Fees

- 3.1 The Base Fee shall be payable from the MRCD until expiry or earlier termination of the Order Contract.
- 3.2 The Supplier shall be entitled to invoice for the Monthly Base Fees each Month in arrears. The Buyer shall pay to the Supplier the Monthly Base Fees less any Deductions applicable in the relevant Service Period.
- 3.3 Not used.
- 3.4 The Monthly Base Fees payable by the Buyer to the Supplier shall be calculated with reference to Annex A (Base Fees (A) Programme Management and (B) M&R and Change) applying in respect of the Relevant Month to which the invoice relates.

4 Payment of the Deployment Fees

- 4.1 The Deployment Fees shall be payable from the Funding Phase Commencement Date until expiry or earlier termination of the Order Contract. The Authority shall pay to the Supplier the relevant proportion of the Deployment Fees in arrears in accordance with the terms of this paragraph 3.4.
- 4.2 The Buyer and the Supplier acknowledge and agree that a GHNF Applicant may be awarded a SC Grant for either, or both:
 - (a) the commercialisation phase of the relevant SC Project (the **Commercialisation Phase Grant**);
 - (b) the construction phase of the relevant SC Project (the **Construction Phase Grant**); orand references to **Phase** or **Phases** shall be construed accordingly.
- 4.3 When a SC Project first draws down a minimum of one hundred thousand pounds (£100,000) of the Commercialisation Phase Grant or the Construction Phase Grant

(as the case may be (the Deployment Threshold)) then the proportion of the Deployment Fees payable by the Buyer to the Supplier shall be calculated as follows:

$DPF \times V$ = proportion of the Deployment Fees payable by the Buyer to the Supplier in respect of the Relevant Month,

Where:

DPF = the Deployment Fee Percentage; and

V = the value of Commercialisation Phase Grant or Construction Phase Grant (as the case may be) in respect of the relevant SC Project where the Deployment Threshold has been reached.

- 4.4 and the Buyer and the Supplier acknowledge and agree that the relevant proportion of the Deployment Fees shall be paid in full by the Buyer as calculated pursuant to this paragraph 4.3 (Payment of the Deployment Fees) as if all of the Commercialisation Phase Grant or all of the Construction Phase Grant (as the case may be) for the relevant GHNF Project had been drawn down in full. For SC Projects awarded a Commercialisation Phase Grant or Construction Phase Grant with a total value less than £100,000 the Deployment Threshold is reached when the full grant is drawn down. The Buyer and the Supplier acknowledge and agree that Deployment Fees shall only be paid by the Buyer to the Supplier in respect of the relevant Phase of the SC Grant drawn down in accordance with paragraph 4.3. The Supplier shall not be entitled to payment of Deployment Fees where the relevant Phase has not been drawn down by at least the Deployment Threshold.

- 4.5 Worked Example:

A SC Project is awarded the SC Grant of £9,000,000.00 (£9m) for construction – Construction Phase Grant.

Following execution of the Grant Agreement the SC Project draws down the first £100,000 of the Construction Phase Grant. The proportion of the Deployment Fees to be paid will be on the basis that all £9m of the construction grant had been drawn down. The proportion of the Deployment Fee payable shall be calculated as follows:

The fixed Deployment Fee Percentage provided in the successful bidder's pricing template = 0.40%.

As the Construction Phase Grant is £9m the proportion of Deployment Fee payable in the respect of the Relevant Month in which the Deployment Threshold on the Construction Phase Grant has been reached would be calculated as follows:

$$0.40\% \times £9m = £36,000.00$$

The proportion of the Deployment Fee payable by the Buyer to the Supplier for this SC Project in the Relevant Month that the Deployment Threshold is reached would be £36,000.00. No further Deployment Fee would be payable to the Supplier in the event that further drawdowns occur in relation to the Construction Phase Grant for this SC Project.

- 4.6 The Buyer and the Supplier acknowledge and agree that Deployment Fees shall not be paid or payable in respect of any drawdowns or prepayments in respect of a SC Project where such drawn downs or pre-payments have occurred before the relevant SC Project has satisfied all conditions to proceed to construction and the SC Grant for construction has been advanced.
- 4.7 The Buyer and the Supplier acknowledge and agree that the proportion of the Deployment Fees payable by the Buyer to the Supplier shall be calculated with reference to Annex C (Deployment Fee) in respect of the Relevant Month in which the Deployment Threshold has been reached in respect of the relevant Grant Agreements.
- 4.8 The Deployment Fees shall be payable from the Funding Phase Commencement Date until expiry or earlier termination of the Order Contract or upon reaching the Deployment Fee Cap. The Authority shall pay to the Supplier the relevant proportion of the Deployment Fees in arrears in accordance with the terms of this paragraph 3.4.

5 Competition Costs

- 5.1 The Competition Costs of the Supplier for delivering one SC Application Round are limited to those costs incurred pursuant to:
- (a) Section B.1 (Business Development Activity),
 - (b) Section B.2 (GHNF Application Support),
 - (c) Section B.3 (GHNF Application Assessment),
 - (d) Section B.4 (SC Investment Committee),
 - (e) Section B.5 (Funding)
 - (f) Section C.1 (M&R of Supplementary Projects)
- of Order Schedule 20 (Order Specification)
- 5.2 The Competition Costs are to be calculated in accordance with **Annex B**. The Competition Costs will only be paid to the Supplier upon SC investment committee decision and approval of the investment committee output report by the Buyer. The Competition Costs will be applied to delivery of future SC Application Rounds.

6 Exit Fees

- 6.1 During the Termination Assistance Period, the Supplier will be entitled to recover the Exit Fees up to the Exit Price, in accordance with the terms of this Order Schedule 5 and Order Schedule 10 (Exit Management) provided always that the Buyer has not terminated the Order Contract under clause 10.4 (When CCS or the buyer can end a contract) of the Core Terms.

7 Invoicing

- 7.1 The Supplier shall issue a single invoice each calendar month in relation to the preceding Month when it is entitled to do so under the terms of this Order Schedule 5 (Pricing Details).
- 7.2 The Supplier shall issue the invoice no later than the fifth (5th) Working Day of the Month following the Relevant Month.
- 7.3 The terms of:
- 7.3.1 clause 4 of the Core Terms; and
 - 7.3.2 the remaining provisions in this paragraph 7,
- shall apply to the Funding Phase Fees, Monitoring and Reporting Phase Fees, Competition Costs, Deployment Fees and the Exit Fees (as the case may be).
- 7.4 Each invoice relating in whole or in part to the payment of Funding Phase Fees, Monitoring and Reporting Phase Fees, Competition Costs, Deployment Fee or Exit Fees (as the case may be) shall be supported by:
- 7.4.1 a statement by the Supplier of the amount considered to be due and the basis upon which it is calculated including:
 - (a) a description of the Services (including Termination Assistance) provided in the applicable Service Period;
 - (b) the dates on which such Services (including Termination Assistance) were performed; and
 - (c) the Supplier's calculation of the Funding Phase Fees, Monitoring and Reporting Phase Fees, Competition Costs, Deployment Fee and Exit Fees calculated in accordance with the requirements of this Order Schedule 5 (Pricing Details);
 - 7.4.2 Supporting Documentation; and
 - 7.4.3 details of any VAT or other sales tax payable in respect of the Charges;
 - 7.4.4 the Supplier's calculation of:
 - (a) any Deductions;
 - (b) any entitlement of the Buyer to any other payment by the Supplier under this Order Contract;
 - (c) the entitlement of the Buyer to payment of any over-payment made to the Supplier; and
 - 7.4.5 a contact name and telephone number of a responsible person in the Supplier's finance department in the event of administrative queries.
- 7.5 If the Buyer disputes the Supplier's entitlement to any part of the amount claimed by the Supplier pursuant to this Order Schedule 5, in respect of any Service Period,

then, subject to paragraphs 7.2, 7.3 and 7.4 (Invoicing) of this Order Schedule 5, the provisions of this paragraph 7.5 (Invoicing) shall apply:

- 7.5.1 the Buyer shall notify the Supplier in writing within ten (10) Working Days of receipt by the Buyer of the relevant invoice and supporting material referenced in paragraph 7.4 (Invoicing) of this Order Schedule of that part of the amount (insofar as at the time of such notice the Buyer is reasonably able to quantify it) which the Buyer (acting in good faith) disputes (a **Disputed Amount**) and submit to the Supplier such supporting evidence as the Buyer may have; and
 - 7.5.2 the Buyer may withhold payment of any Disputed Amount pending agreement or determination of the Supplier's entitlement in relation to the Disputed Amount but shall pay on the due date any undisputed amounts.
- 7.6 The Supplier shall be entitled to be paid the Exit Fees (as the case may be) for the relevant Service Period provided and to the extent that such charges meet all of the following requirements:
- 7.6.1 the Exit Fees (as the case may be) are Appropriate;
 - 7.6.2 the Exit Fees (as the case may be) are Attributable; and
 - 7.6.3 the Exit Fees (as the case may be) are Reasonable.
- 7.7 The Supplier shall provide to the Buyer promptly on being requested to do so such Open Book Data or other information as the Buyer may reasonably request from time to time to verify that the Exit Fees (as the case may be) for which the Supplier is or may be seeking payment under this Order Contract meet the requirements of paragraph 7.6. Without prejudice to the generality of the foregoing, the Supplier shall ensure that any such invoice is presented with Supporting Documentation for the purpose of verifying that the Exit Fees (as the case may be).

8 Service Credits

- 8.1 Service Credits shall be calculated by reference to Annex A to Part A (Service Levels and Service Credits Table) to Order Schedule 14.
- 8.2 For each Service Period the Supplier shall:
 - 8.2.1 identify all Service Level Failures arising in the relevant Service Period; and
 - 8.2.2 aggregate the total Service Credits relating to such Service Level Failures identified pursuant to paragraph 8.2.1 by reference to Annex A to Part A to Order Schedule 14 (Service Levels); and
 - 8.2.3 comply with the terms of paragraph 7.4 of this Order Schedule 5 (Pricing Details).

- 8.3 Where the Supplier incurs Service Credits, the Supplier acknowledges and agrees that:
- 8.3.1 It shall not have recourse to the value of the Service Credit incurred;
 - 8.3.2 the Service Credit will not be repaid to the Supplier at a future date and the Supplier cannot earn back the revenues forfeited by way of Service Credits.

9 Double counting

- 9.1 There shall be no double counting by the Supplier in relation to the calculation of the Charges or parts thereof.

10 Pricing of Variations

- 10.1 The cost of any Variation pursuant to Contract Term 24 (Changing the contract) and Joint Schedule 2 (Variation Form) shall be calculated and, for the purposes of adjusting the Milestone Payments and/or the other Charges (as the case may be) to reflect such cost where necessary, an appropriate and proportionate adjustment shall be made to the basis on which such Milestone Payments and/or any other part of the Charges (as the case may be) are payable under Order Schedule 5 (Pricing Details).
- 10.2 The Supplier shall be entitled to increase the Milestone Payment or the relevant component of the Charges (as the case may be) only if it can demonstrate in the Impact Assessment that:
- 10.2.1 the proposed Variation requires additional resources or additional activity;
 - 10.2.2 any change to the Milestone Payments or the relevant component of the Charges (as the case may be) resulting from a Variation (whether the Variation will cause an increase or a decrease in the Milestone Payments or the relevant component of the Charges (as the case may be)) will be strictly proportionate to the requirements of the Variation and consistent with the approach of the Supplier in its tender submission set out in Order Schedule 4 (Order Tender) and priced on the basis of Annex D (Rate Card) to Order Schedule 5 (Pricing Details); and
 - 10.2.3 any increase or decrease in the level of resources or activity required for the provision of the Services as amended by the Variation shall:
 - (a) not result in an adjustment to the economic balance of this Order Contract in favour of the Supplier;
 - (b) not result in an increase to the Supplier Profit Margin;
 - (c) be priced using Annex D (Rate Card) to Order Schedule 5 (Pricing Details); and
 - (d) be subject to Audit and shall be treated as Open Book Data

11 Indexation

- 11.1 The pricing mechanism is fixed price although will be subject to increase on the second, fourth and sixth (if extended) anniversary of the contract start date. This means the price increase will take effect in contract years three, five and seven if the contract is extended. The rates that relate to staff wages in the pricing schedule may be amended in line with by the ONS (Office of National Statistics) Average Weekly Earnings via contract variation (Series ID: KAB9). The maximum increase will be calculated using 'AWE: Whole Economy Index: Seasonally Adjusted Total Pay Excluding Arrears' full unfiltered time series .xls document, calculating the percentage increase from the start date figure/ figure from the previous review to the most up to date available figure. The supplier will need to evidence that their wages relating to the contract have increased, and any increase may be up to their actual increase and not more than by the calculated percentage in order for the variation to apply

Annex A Total Cost

Total Bid Price	This sheet is for information only, Tenderers should not seek to amend/modify any part of this sheet. All inputs are required from tabs Part A - Implementation Fee, Part B - Base Fee (programme management), Part C - Base Fee (M&R and Change), Part D - Competition Costs, Part E - Exit Fee and Part F - Rate Card. For evaluation purposes we are assuming a contract length of 59 months, 6 Investment Committee's and up to £1bn funding (CDEL) being deployed. This is subject to change during the term of the contract.

Evaluation based on:	
Base Fee Term	59
Rounds	6
CDEL	£1,000,000,000

Fee Name	Status	Frequency	Bid Back	Cap	Fee Payable	% Contract Value	Link to OS20
Implementation Fee	Fixed	Per implementation milestone		£0.7m			A - Implementation Period A.1 - SC products (incl. Joint Delivery Plan, draft Exit Plan etc) and processes (incl. Risk Management, Change Control etc) A.2 - Information Handover A.3 - Working Groups + Operational Products (incl. data capture and management tool) A.4.1 - M&R templates + processes (Operations M&R + M&R of SC Projects) A.4.2 - Templates and processes for stakeholder engagement and comms, grant award A.5 - Resourcing requirements (N/A)

Base Fee - Sidecar Programme Management	Fixed	Monthly		None			C.2 - Independent GHNF Evaluation C.3 - Supplier Performance M&R D - Continuous Elements D.1 - PMO D.2 - Budget management D.3 - Risk Management D.4 - Continuous Improvement D.5 - Data management D.6 - Supplier resourcing
Base Fee - HNIP and GHNF Main Scheme Monitoring, Reporting and Change	Fixed	Monthly		None			C.4 - Operations M&R (incl. Project Change requested by projects other than SC Projects)
Competition Costs	Fixed (paid per IC)	Per funding round / IC		None			B - SC Application Period B.1 - Business Development Activities B.2 - Application Support B.3 - Application Assessment B.4 - SC Investment Committee B.5 - Funding C.1 - M&R of SC Projects (incl. Project Change requested by SC Projects)
Volume Based - Deployment	Variable	% of funds deployed		Can not be more than 35% of the total contract value			<i>Delivery Partner receives when a project draws down the first £100k of funding. DF paid as if the project has drawn down full grant funding.</i>
Exit Fee	Fixed	Monthly		£0.5m			E. Exit
Total =							

Annex B Implementation Fee

Part A - Implementation Fee

This relates to requirements as laid out in Order Schedule 20 (Order Specification) anticipated to take place between 30 April and end of July 2025:

A - Implementation Period

A.1 - Order Contract and SC Implementation

A.2 - Information Handover

A.3 - Finalising GHNF processes, structures, and products

A.4 - Run-up to Commencement Dates

A.5 - Supplier Resourcing (N/A)

This Schedule requires the required information to be submitted by the Tenderer in the yellow cells provided. The total implementation fee can amount to no more than £0.7m. Please list the direct and indirect costs below as required. These may include but are not restricted to:

Direct costs: Labour, Materials (inc. IT), Subcontract costs, Travel and Subsistence, Disbursements, Other)

Indirect costs: IT, Back-Office Services (e.g. HR and Admin Costs), Utilities, Office-related charges, e.g. leasehold or rent costs, Other.

As per the DPS, the maximum profit margin percentage should be no higher than **18%**.

Direct Costs	Milestone 1	Milestone 2	Milestone 3
Implementation Activities A1.1 to A1.4			
Implementation Activities A2.1 to A2.3			
Implementation Activities A3.1 to A 3.4			
Implementation Activities A4.1 to A 4.2			
Implementation Activities A5.1 to A 5.5			
Added Value activities			
Sub-Total			

Indirect Costs		Cost	Cost	Cost
Implementation Activities A1.1 to A1.4				
Implementation Activities A2.1 to A2.3				
Implementation Activities A3.1 to A 3.4				
Implementation Activities A4.1 to A 4.2				
Implementation Activities A5.1 to A 5.5				
Added Value activities				
Sub-Total				
Profit				
Total for each milestone				
Total				

Annex C Base Fees (A) Programme Management

Part B - Base Fee (Programme Management) This relates to the base costs incurred whilst managing this contract as per Order Schedule 20 (Order Specification). This is expected to start from August 2025 (MRCD), following the implementation period: C.2 - Independent Evaluation C.3 - Supplier Performance M&R D - Continuous Elements D.1 - PMO D.2 - Budget Management D.3 - Risk Management D.4 - Continuous Improvement D.5 - Data Management D.6 - Supplier Resourcing	This Schedule requires the required information to be submitted by the Tenderer in the yellow cells provided. These are monthly costs. Please list the direct and indirect costs below as required. These may include but are not restricted to: Direct costs: Labour, Materials (incl. IT), Subcontract Costs, Travel & subsistence, Disbursements, Other. (No further Travel & subsistence or expenses costs should be charged to the department other than what is included in this tab). Indirect costs: IT, Back-Office Services (e.g. HR and Admin Costs), Utilities, Office-related charges (e.g. leasehold or rent costs), Other. As per the DPS, the maximum profit margin percentage should be no higher than 18%.

Direct Costs	Year 1 - 2025/26							
	August	September	October	November	December	January	February	March
C.2 - Independent GHNF Evaluation								
C.2 - Independent GHNF Evaluation								
C.3 - Supplier Performance M&R								
C.3 - Supplier Performance M&R								
D - Continuous Elements								
D.1 - PMO								
D.1 - PMO								
D.2 - Budget management								
D.2 - Budget management								
D.3 - Risk Management								
D.3 - Risk Management								
D.4 - Continuous Improvement								

A solid black image with no visible content.

Year 2 - 2026/27											
April	May	June	July	August	September	October	November	December	January	February	March

D.1 - PMO	
D.2 - Budget management	
D.2 - Budget management	
D.3 - Risk Management	
D.3 - Risk Management	
D.4 - Continuous Improvement	
D.4 - Continuous Improvement	
D.5 - Data management	
D.5 - Data management	
D.6 - Supplier resourcing	
D.6 - Supplier resourcing	
Sub-Total	
Indirect Costs	
C.2 - Independent GHNF Evaluation	
C.3 - Supplier Performance M&R	
D - Continuous Elements	
D.2 - Budget Management	
D.3 - Risk Management	
D.4 - Continuous Improvement	
D.5 - Data management	
D.6 - Supplier resourcing	
Sub-Total	
Profit	10.9%
Monthly Total	

Year 3 - 2027/28												
Direct Costs	April	May	June	July	August	September	October	November	December	January	February	March
C.2 - Independent GHNH Evaluation												
C.2 - Independent GHNH Evaluation												
C.3 - Supplier Performance M&R												
C.3 - Supplier Performance M&R												
D - Continuous Elements												
D.1 - PMO												
D.1 - PMO												
D.2 - Budget management												
D.2 - Budget management												
D.3 - Risk Management												
D.3 - Risk Management												
D.4 - Continuous Improvement												
D.4 - Continuous Improvement												
D.5 - Data management												
D.5 - Data management												
D.6 - Supplier resourcing												
D.6 - Supplier resourcing												
Sub-Total												
Indirect Costs												
C.2 - Independent GHNH Evaluation												
C.3 - Supplier Performance M&R												
D - Continuous Elements												
D.2 - Budget management												
D.3 - Risk Management												
D.4 - Continuous Improvement												
D.5 - Data management												
D.6 - Supplier resourcing												

Sub-Total													
Profit													
Monthly Total													

	Year 4 - 2028/29											
Direct Costs	April	May	June	July	August	September	October	November	December	January	February	March
C.2 - Independent GHNF Evaluation												
C.2 - Independent GHNF Evaluation												
C.3 - Supplier Performance M&R												
C.3 - Supplier Performance M&R												
D - Continuous Elements												
D.1 - PMO												
D.1 - PMO												
D.2 - Budget management												
D.2 - Budget management												
D.3 - Risk Management												
D.3 - Risk Management												
D.4 - Continuous Improvement												
D.4 - Continuous Improvement												
D.5 - Data management												
D.5 - Data management												
D.6 - Supplier resourcing												
D.6 - Supplier resourcing												
Sub-Total												
Indirect Costs												
C.2 - Independent GHNF Evaluation												
C.3 - Supplier Performance M&R												
D - Continuous Elements												

D.2 - Budget management
D.3 - Risk Management
D.4 - Continuous Improvement
D.5 - Data management
D.6 - Supplier resourcing

Sub-Total	
Profit	
Monthly Total	

	Year 5 - 2029/30											
Direct Costs	April	May	June	July	August	September	October	November	December	January	February	March
C.2 - Independent GHNF Evaluation												
C.2 - Independent GHNF Evaluation												
C.3 - Supplier Performance M&R												
C.3 - Supplier Performance M&R												
D - Continuous Elements												
D.1 - PMO												
D.1 - PMO												
D.2 - Budget management												
D.2 - Budget management												
D.3 - Risk Management												
D.3 - Risk Management												
D.4 - Continuous Improvement												
D.4 - Continuous Improvement												
D.5 - Data management												
D.5 - Data management												
D.6 - Supplier resourcing												
D.6 - Supplier resourcing												

		£	-	£	-	£	-	£	-	£	-	£	-	£	-	£	-
Sub-Total																	
Indirect Costs																	
C.2 - Independent GHNF Evaluation																	
C.3 - Supplier Performance M&R																	
D - Continuous Elements																	
D.2 - Budget management																	
D.3 - Risk Management																	
D.4 - Continuous Improvement																	
D.5 - Data management																	
D.6 - Supplier resourcing																	
Sub-Total																	
Profit	0.109																
Monthly Total																	

Annex D Base Fees M&R and Change

Part C - Base Fee (M&R and Change)

This relates to the base costs incurred whilst managing this contract as per Order Schedule 20 (Order Specification) following the implementation period:

C.4 - Quarterly Portfolio-level M&R

This Schedule requires the required information to be submitted by the Tenderer in the yellow cells provided. These are monthly costs.

Please list the direct and indirect costs below as required. These may include but are not restricted to:

Direct costs: Labour, Materials (incl. IT), Subcontract Costs, Travel & subsistence, Disbursements, Other. (No further Travel & subsistence or expenses costs should be charged to the department other than what is included in this tab).

Indirect costs: IT, Back-Office Services (e.g. HR and Admin Costs), Utilities, Office-related charges (e.g. leasehold or rent costs), Other.

As per the DPS, the maximum profit margin percentage should be no higher than [REDACTED].

		Year 1 - 2025/26							
Direct Costs		August	September	October	November	December	January	February	March
C.4 - Quarterly Portfolio-level M&R									
C.4 - Quarterly Portfolio-level M&R									
Sub-Total									
Indirect Costs									
C.4 - Quarterly Portfolio-level M&R									
Sub-Total									
Profit									
Monthly Total									
Total									

		Year 2 - 2026/27											
Direct Costs		April	May	June	July	August	September	October	November	December	January	February	March
C.4 - Quarterly Portfolio-level M&R													
C.4 - Quarterly Portfolio-level M&R													
Sub-Total													
Indirect Costs													
C.4 - Quarterly Portfolio-level M&R													
Sub-Total													
Profit													
Monthly Total													

Year 3 - 2027/28												
Direct Costs	April	May	June	July	August	September	October	November	December	January	February	March
C.4 - Quarterly Portfolio-level M&R												
C.4 - Quarterly Portfolio-level M&R												
Sub-Total												
Indirect Costs												
C.4 - Quarterly Portfolio-level M&R												
Sub-Total												
Profit												
Monthly Total												

Year 4 - 2028/29												
Direct Costs	April	May	June	July	August	September	October	November	December	January	February	March
C.4 - Quarterly Portfolio-level M&R												
C.4 - Quarterly Portfolio-level M&R												
Sub-Total												
Indirect Costs												
C.4 - Quarterly Portfolio-level M&R												
Sub-Total												
Profit												
Monthly Total												

Year 5 - 2029/30												
Direct Costs	April	May	June	July	August	September	October	November	December	January	February	March
C.4 - Quarterly Portfolio-level M&R												
C.4 - Quarterly Portfolio-level M&R												
Sub-Total												
Indirect Costs												
C.4 - Quarterly Portfolio-level M&R												
Sub-Total												
Profit												
Monthly Total												

Annex E Competition Costs

Part D - Competition Costs

This relates to the cost incurred while managing an individual funding round as per Order Schedule 20 (Order Specification):

- B - SC Application Period
- B.1 - Business Development Activities
- B.2 - GHNF Application Support
- B.3 - GHNF Application Assessment
- B.4 - SC Investment Committee
- B.5 - Funding
- C.1 - M&R of SC Projects

This Schedule requires the required information to be submitted by the Tenderer in the yellow cells provided.

Please list the direct and indirect costs below as required. These may include but are not restricted to:

Direct costs: Labour, Materials (incl. IT), Subcontract Costs, Travel & subsistence, Disbursements, Other. (No further Travel & subsistence or expenses costs should be charged to the department other than what is included in this tab).

Indirect costs: IT, Back-Office Services (e.g. HR and Admin Costs), Utilities, Office-related charges (e.g. leasehold or rent costs), Other.

As per the DPS, the maximum profit margin percentage should be no higher than **18%**.

Direct Costs	Cost
B.1 - Business Development Activities	
Direct costs	£
Indirect Costs	£
B.2 - Application Support	
Direct costs	£
Indirect Costs	£
B.3 - Application Assessment	
Direct costs	£
Indirect Costs	£
B.4 - SC Investment Committee	

Direct costs	£		
Indirect Costs	£		
B5 - Funding			
Direct costs	£		
Indirect Costs	£		
C.1 - M&R of SC Projects			
Direct costs	£		
Indirect Costs	£		
Sub-Total	£		
Profit	£		
Total	£		

Annex F Deployment Fee

Part D - Deployment Fee	This Schedule requires the information to be submitted by the Tender in the yellow cells provided. The Deployment Fee cannot be more than 35% of the Total Bid Price (calculated on Total Bid Price tab).

For the purposes of determining the Deployment Fee for evaluation assume the GHNF SC Fund Value for this as:	Deployment Fee % (percentage of GHNF SC Fund Value received by the Supplier)	Deployment fee total for evaluation

Payment of Deployment Fee
The Deployment fee will be calculated and paid in accordance with Order Schedule 5, please refer to paragraph 4 of Order Schedule 5 for further detail.

Annex G Exit Fee**Part D - Exit Price**

The bidder is required to provide a fixed fee for exit costs as per Order Schedule 20 (Order Specification) - E. Exit and Order Schedule 10 (Exit Management).

This Schedule requires the required information to be submitted by the Tenderer in the yellow cells provided. The Exit Price must be below **£0.5m**.

Proposed Exit Price:

Annex H Rate Card

Staff Grade											
Director / Partner	£										
Managing Consultant/Regional Director	£										
Principal Consultant	£										
Senior Consultant	£										
Consultant	£										
Junior Consultant	£										
Trainee Consultant	£										

Order Schedule 6 (ICT Services)

1. Definitions

1.1. In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Buyer Property"	the property, other than real property and IPR, including the Buyer System, any equipment issued or made available to the Supplier by the Buyer in connection with this Contract;
"Buyer Software"	any software which is owned by or licensed to the Buyer and which is or will be used by the Supplier for the purposes of providing the Deliverables;
"Buyer System"	the Buyer's computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Buyer or the Supplier in connection with this Contract which is owned by or licensed to the Buyer by a third party and which interfaces with the Supplier System or which is necessary for the Buyer to receive the Deliverables;
"Commercial off the shelf Software" or "COTS Software"	non-customised software where the IPR may be owned and licensed either by the Supplier or a third party depending on the context, and which is commercially available for purchase and subject to standard licence terms;
"Defect"	any of the following: a) any error, damage or defect in the manufacturing of a Deliverable; or b) any error or failure of code within the Software which causes a Deliverable to malfunction or to produce unintelligible or incorrect results; or c) any failure of any Deliverable to provide the performance, features and functionality specified in the requirements of the Buyer or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant

Order Schedule 6 (ICT Services)

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Deliverable from passing any Test required under this Order Contract; or

- d) any failure of any Deliverable to operate in conjunction with or interface with any other Deliverable in order to provide the performance, features and functionality specified in the requirements of the Buyer or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant Deliverable from passing any Test required under this Contract;

"Emergency Maintenance"

ad hoc and unplanned maintenance provided by the Supplier where either Party reasonably suspects that the ICT Environment or the Services, or any part of the ICT Environment or the Services, has or may have developed a fault;

"ICT Environment"

the Buyer System and the Supplier System;

"Licensed Software"

all and any Software licensed by or through the Supplier, its Sub-Contractors or any third party to the Buyer for the purposes of or pursuant to this Order Contract, including any COTS Software;

"Maintenance Schedule"

has the meaning given to it in paragraph 8 of this Schedule;

"Malicious Software"

any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence;

"New Release"

an item produced primarily to extend, alter or improve the Software and/or any Deliverable by providing additional functionality or performance enhancement (whether or not defects in the Software and/or Deliverable are also corrected) while still retaining the original designated purpose of that item;

"Open Source Software"

computer software that has its source code made available subject to an open-source licence under which the owner of the copyright and other IPR in

such software provides the rights to use, study, change and distribute the software to any and all persons and for any and all purposes free of charge;

"Operating Environment"

means the Buyer System and any premises (including the Buyer Premises, the Supplier's premises or third party premises) from, to or at which:

- a) the Deliverables are (or are to be) provided; or
- b) the Supplier manages, organises or otherwise directs the provision or the use of the Deliverables; or
- c) where any part of the Supplier System is situated;

"Permitted Maintenance"

has the meaning given to it in paragraph 8.2 of this Schedule;

"Quality Plans"

has the meaning given to it in paragraph 6.1 of this Schedule;

"Sites"

has the meaning given to it in Joint Schedule 1 (Definitions), and for the purposes of this Order Schedule shall also include any premises from, to or at which physical interface with the Buyer System takes place;

"Software"

Specially Written Software, COTS Software and non-COTS Supplier and third party Software;

"Software Supporting Materials"

has the meaning given to it in paragraph 9.1 of this Schedule;

"Source Code"

computer programs and/or data in eye-readable form and in such form that it can be compiled or interpreted into equivalent binary code together with all related design comments, flow charts, technical information and documentation necessary for the use, reproduction, maintenance, modification and enhancement of such software;

"Specially Written Software"

any software (including database software, linking instructions, test scripts, compilation instructions and test instructions) created by the Supplier (or by a Sub-Contractor or other third party on behalf of the Supplier) specifically for the purposes of this Contract, including any modifications or

enhancements to COTS Software. For the avoidance of doubt Specially Written Software does not constitute New IPR;

"Supplier System"

the information and communications technology system used by the Supplier in supplying the Deliverables, including the COTS Software, the Supplier Equipment, configuration and management utilities, calibration and testing tools and related cabling (but excluding the Buyer System).

2. When this Schedule should be used

- 2.1. This Schedule is designed to provide additional provisions necessary to facilitate the provision of ICT Services which are part of the Deliverables.

3. Buyer due diligence requirements

- 3.1. The Supplier shall satisfy itself of all relevant details, including but not limited to, details relating to the following;
- 3.1.1. suitability of the existing and (to the extent that it is defined or reasonably foreseeable at the Start Date) future Operating Environment;
 - 3.1.2. operating processes and procedures and the working methods of the Buyer;
 - 3.1.3. ownership, functionality, capacity, condition and suitability for use in the provision of the Deliverables of the Buyer Assets; and
 - 3.1.4. existing contracts (including any licences, support, maintenance and other contracts relating to the Operating Environment) referred to in the Due Diligence Information which may be novated to, assigned to or managed by the Supplier under this Contract and/or which the Supplier will require the benefit of for the provision of the Deliverables.
- 3.2. The Supplier confirms that it has advised the Buyer in writing of:
- 3.2.1. each aspect, if any, of the Operating Environment that is not suitable for the provision of the ICT Services;
 - 3.2.2. the actions needed to remedy each such unsuitable aspect; and
 - 3.2.3. a timetable for and the costs of those actions.

4. Licensed software warranty

- 4.1. The Supplier represents and warrants that:

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- 4.1.1. it has and shall continue to have all necessary rights in and to the Licensed Software made available by the Supplier (and/or any Sub-Contractor) to the Buyer which are necessary for the performance of the Supplier's obligations under this Contract including the receipt of the Deliverables by the Buyer;
- 4.1.2. all components of the Specially Written Software shall:
 - 4.1.2.1. be free from material design and programming errors;
 - 4.1.2.2. perform in all material respects in accordance with the relevant specifications contained in Order Schedule 14 (Service Levels) and Documentation; and
 - 4.1.2.3. not infringe any IPR.

5. Provision of ICT Services

5.1. The Supplier shall:

- 5.1.1. ensure that the release of any new COTS Software in which the Supplier owns the IPR, or upgrade to any Software in which the Supplier owns the IPR complies with the interface requirements of the Buyer and (except in relation to new Software or upgrades which are released to address Malicious Software) shall notify the Buyer three (3) Months before the release of any new COTS Software or Upgrade;
- 5.1.2. ensure that all Software including upgrades, updates and New Releases used by or on behalf of the Supplier are currently supported versions of that Software and perform in all material respects in accordance with the relevant specification;
- 5.1.3. ensure that the Supplier System will be free of all encumbrances;
- 5.1.4. ensure that the Deliverables are fully compatible with any Buyer Software, Buyer System, or otherwise used by the Supplier in connection with this Contract;
- 5.1.5. minimise any disruption to the Services and the ICT Environment and/or the Buyer's operations when providing the Deliverables;

6. Standards and Quality Requirements

- 6.1. The Supplier shall develop, in the timescales specified in the Order Form, quality plans that ensure that all aspects of the Deliverables are the subject of quality management systems and are consistent with BS EN ISO 9001 or any equivalent standard which is generally recognised as having replaced it ("**Quality Plans**").
- 6.2. The Supplier shall seek Approval from the Buyer (not be unreasonably withheld or delayed) of the Quality Plans before implementing them. Approval shall not act as an endorsement of the Quality Plans and shall not relieve the Supplier of its responsibility for ensuring that the Deliverables are provided to the standard required by this Contract.

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- 6.3. Following the approval of the Quality Plans, the Supplier shall provide all Deliverables in accordance with the Quality Plans.
- 6.4. The Supplier shall ensure that the Supplier Personnel shall at all times during the Order Contract Period:
 - 6.4.1. be appropriately experienced, qualified and trained to supply the Deliverables in accordance with this Contract;
 - 6.4.2. apply all due skill, care, diligence in faithfully performing those duties and exercising such powers as necessary in connection with the provision of the Deliverables; and
 - 6.4.3. obey all lawful instructions and reasonable directions of the Buyer (including, if so required by the Buyer, the ICT Policy) and provide the Deliverables to the reasonable satisfaction of the Buyer.

7. ICT Audit

- 7.1. The Supplier shall allow any auditor access to the Supplier premises to:
 - 7.1.1. inspect the ICT Environment and the wider service delivery environment (or any part of them);
 - 7.1.2. review any records created during the design and development of the Supplier System and pre-operational environment such as information relating to Testing;
 - 7.1.3. review the Supplier's quality management systems including all relevant Quality Plans.

8. Maintenance of the ICT Environment

- 8.1. If specified by the Buyer in the Order Form, the Supplier shall create and maintain a rolling schedule of planned maintenance to the ICT Environment ("**Maintenance Schedule**") and make it available to the Buyer for Approval in accordance with the timetable and instructions specified by the Buyer.
- 8.2. Once the Maintenance Schedule has been Approved, the Supplier shall only undertake such planned maintenance (which shall be known as "**Permitted Maintenance**") in accordance with the Maintenance Schedule.
- 8.3. The Supplier shall give as much notice as is reasonably practicable to the Buyer prior to carrying out any Emergency Maintenance.
- 8.4. The Supplier shall carry out any necessary maintenance (whether Permitted Maintenance or Emergency Maintenance) where it reasonably suspects that the ICT Environment and/or the Services or any part thereof has or may have developed a fault. Any such maintenance shall be carried out in such a manner and at such times so as to avoid (or where this is not possible so as to minimise) disruption to the ICT Environment and the provision of the Deliverables.

9. Intellectual Property Rights in ICT

9.1. Assignments granted by the Supplier: Specially Written Software

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9.1.1. The Supplier assigns (by present assignment of future rights to take effect immediately on it coming into existence) to the Buyer with full guarantee (or shall procure assignment to the Buyer), title to and all rights and interest in the Specially Written Software together with and including:

9.1.1.1. the Documentation, Source Code and the Object Code of the Specially Written Software; and

9.1.1.2. all build instructions, test instructions, test scripts, test data, operating instructions and other documents and tools necessary for maintaining and supporting the Specially Written Software and the New IPR (together the "**Software Supporting Materials**").

9.1.2. The Supplier shall:

9.1.2.1. inform the Buyer of all Specially Written Software or New IPRs that are a modification, customisation, configuration or enhancement to any COTS Software;

9.1.2.2. deliver to the Buyer the Specially Written Software and any computer program elements of the New IPRs in both Source Code and Object Code forms together with relevant Documentation and all related Software Supporting Materials within seven days of completion or, if a relevant Milestone has been identified in an Implementation Plan, Achievement of that Milestone and shall provide updates of them promptly following each new release of the Specially Written Software, in each case on media that is reasonably acceptable to the Buyer and the Buyer shall become the owner of such media upon receipt; and

9.1.2.3. without prejudice to paragraph 9.1.2.2, provide full details to the Buyer of any of the Supplier's Existing IPRs or Third Party IPRs which are embedded or which are an integral part of the Specially Written Software or New IPR and the Supplier hereby grants to the Buyer and shall procure that any relevant third party licensor shall grant to the Buyer a perpetual, irrevocable, non-exclusive, assignable, royalty-free licence to use, sub-license and/or commercially exploit such Supplier's Existing IPRs and Third Party IPRs to the extent that it is necessary to enable the Buyer to obtain the full benefits of ownership of the Specially Written Software and New IPRs.

9.1.3. The Supplier shall promptly execute all such assignments as are required to ensure that any rights in the Specially Written Software and New IPRs are properly transferred to the Buyer.

9.2. **Licences for non-COTS IPR from the Supplier and third parties to the Buyer**

- 9.2.1. Unless the Buyer gives its Approval the Supplier must not use any:
- a) of its own Existing IPR that is not COTS Software;
 - b) third party software that is not COTS Software
- 9.2.2. Where the Buyer Approves the use of the Supplier's Existing IPR that is not COTS Software the Supplier shall grant to the Buyer a perpetual, royalty-free and non-exclusive licence to use, adapt, and sub-license the same for any purpose relating to the Deliverables (or substantially equivalent deliverables) or for any purpose relating to the exercise of the Buyer's (or, if the Buyer is a Central Government Body, any other Central Government Body's) business or function including the right to load, execute, store, transmit, display and copy (for the purposes of archiving, backing-up, loading, execution, storage, transmission or display) for the Call Off Contract Period and after expiry of the Contract to the extent necessary to ensure continuity of service and an effective transition of Services to a Replacement Supplier.
- 9.2.3. Where the Buyer Approves the use of third party Software that is not COTS Software the Supplier shall procure that the owners or the authorised licensors of any such Software grant a direct licence to the Buyer on terms at least equivalent to those set out in Paragraph 9.2.2. If the Supplier cannot obtain such a licence for the Buyer it shall:
- 9.2.3.1. notify the Buyer in writing giving details of what licence terms can be obtained and whether there are alternative software providers which the Supplier could seek to use; and
 - 9.2.3.2. only use such third party IPR as referred to at paragraph 9.2.3.1 if the Buyer Approves the terms of the licence from the relevant third party.
- 9.2.4. Where the Supplier is unable to provide a license to the Supplier's Existing IPR in accordance with Paragraph 9.2.2 above, it must meet the requirement by making use of COTS Software or Specially Written Software.
- 9.2.5. The Supplier may terminate a licence granted under paragraph 9.2.1 by giving at least thirty (30) days' notice in writing if there is an Authority Cause which constitutes a material Default which, if capable of remedy, is not remedied within twenty (20) Working Days after the Supplier gives the Buyer written notice specifying the breach and requiring its remedy.
- 9.3. Licenses for COTS Software by the Supplier and third parties to the Buyer**
- 9.3.1. The Supplier shall either grant, or procure that the owners or the authorised licensors of any COTS Software grant, a direct licence to the Buyer on terms no less favourable than those standard

commercial terms on which such software is usually made commercially available.

9.3.2. Where the Supplier owns the COTS Software it shall make available the COTS software to a Replacement Supplier at a price and on terms no less favourable than those standard commercial terms on which such software is usually made commercially available.

9.3.3. Where a third party is the owner of COTS Software licensed in accordance with this Paragraph 9.3 the Supplier shall support the Replacement Supplier to make arrangements with the owner or authorised licensee to renew the license at a price and on terms no less favourable than those standard commercial terms on which such software is usually made commercially available.

9.3.4. The Supplier shall notify the Buyer within seven (7) days of becoming aware of any COTS Software which in the next thirty-six (36) months:

9.3.4.1. will no longer be maintained or supported by the developer;
or

9.3.4.2. will no longer be made commercially available

9.4. Buyer's right to assign/novate licences

9.4.1. The Buyer may assign, novate or otherwise transfer its rights and obligations under the licences granted pursuant to paragraph 9.2 to:

9.4.1.1. a Central Government Body; or

9.4.1.2. to any body (including any private sector body) which performs or carries on any of the functions and/or activities that previously had been performed and/or carried on by the Buyer.

9.4.2. If the Buyer ceases to be a Central Government Body, the successor body to the Buyer shall still be entitled to the benefit of the licences granted in paragraph 9.2.

9.5. Licence granted by the Buyer

9.5.1. The Buyer grants to the Supplier a royalty-free, non-exclusive, non-transferable licence during the Contract Period to use the Buyer Software and the Specially Written Software solely to the extent necessary for providing the Deliverables in accordance with this Contract, including the right to grant sub-licences to Sub-Contractors provided that any relevant Sub-Contractor has entered into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 15 (Confidentiality).

9.6. Open Source Publication

9.6.1. Unless the Buyer otherwise agrees in advance in writing (and subject to paragraph 9.6.3) all Specially Written Software and computer program elements of New IPR shall be created in a format, or able to

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be converted (in which case the Supplier shall also provide the converted format to the Buyer) into a format, which is:

9.6.1.1. suitable for publication by the Buyer as Open Source; and

9.6.1.2. based on Open Standards (where applicable),

and the Buyer may, at its sole discretion, publish the same as Open Source.

9.6.2. The Supplier hereby warrants that the Specially Written Software and the New IPR:

9.6.2.1. are suitable for release as Open Source and that the Supplier has used reasonable endeavours when developing the same to ensure that publication by the Buyer will not enable a third party to use them in any way which could reasonably be foreseen to compromise the operation, running or security of the Specially Written Software, New IPRs or the Buyer System;

9.6.2.2. have been developed using reasonable endeavours to ensure that their publication by the Buyer shall not cause any harm or damage to any party using them;

9.6.2.3. do not contain any material which would bring the Buyer into disrepute;

9.6.2.4. can be published as Open Source without breaching the rights of any third party;

9.6.2.5. will be supplied in a format suitable for publication as Open Source ("**the Open Source Publication Material**") no later than the date notified by the Buyer to the Supplier; and

9.6.2.6. do not contain any Malicious Software.

9.6.3. Where the Buyer has Approved a request by the Supplier for any part of the Specially Written Software or New IPRs to be excluded from the requirement to be in an Open Source format due to the intention to embed or integrate Supplier Existing IPRs and/or Third Party IPRs (and where the Parties agree that such IPRs are not intended to be published as Open Source), the Supplier shall:

9.6.3.1. as soon as reasonably practicable, provide written details of the nature of the IPRs and items or Deliverables based on IPRs which are to be excluded from Open Source publication; and

9.6.3.2. include in the written details and information about the impact that inclusion of such IPRs or Deliverables based on such IPRs, will have on any other Specially Written Software and/or New IPRs and the Buyer's ability to publish such other items or Deliverables as Open Source.

9.7. Malicious Software

- 9.7.1. The Supplier shall, throughout the Contract Period, use the latest versions of anti-virus definitions and software available from an industry accepted anti-virus software vendor to check for, contain the spread of, and minimise the impact of Malicious Software.
- 9.7.2. If Malicious Software is found, the Parties shall co-operate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Government Data, assist each other to mitigate any losses and to restore the provision of the Deliverables to its desired operating efficiency.
- 9.7.3. Any cost arising out of the actions of the Parties taken in compliance with the provisions of paragraph 9.7.2 shall be borne by the Parties as follows:
 - 9.7.3.1. by the Supplier, where the Malicious Software originates from the Supplier Software, the third party Software supplied by the Supplier or the Government Data (whilst the Government Data was under the control of the Supplier) unless the Supplier can demonstrate that such Malicious Software was present and not quarantined or otherwise identified by the Buyer when provided to the Supplier; and
 - 9.7.3.2. by the Buyer, if the Malicious Software originates from the Buyer Software or the Government Data (whilst the Government Data was under the control of the Buyer).

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10. Supplier-Furnished Terms

10.1. Software Licence Terms

10.1.1.1. Terms for licensing of non-COTS third party software in accordance with Paragraph 9.2.3 are detailed in Order Schedule 9 (Security)

10.1.1.2. Terms for licensing of COTS software in accordance with Paragraph 9.3 are detailed in Order Schedule 9 (Security)

10.2. Software as a Service Terms

10.2.1.1. Additional terms for provision of a Software as a Service solution are detailed in Order Schedule 9 (Security)

10.3. Software Support & Maintenance Terms

10.3.1.1. Additional terms for provision of Software Support & Maintenance Services are detailed in Order Schedule 9 (Security)

Order Schedule 7 (Key Supplier Staff)

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Order Schedule 7 (Key Supplier Staff)

- 1.1 The Order Form lists the key roles (“**Key Roles**”) and names of the persons who the Supplier shall appoint to fill those Key Roles at the Start Date.
- 1.2 The Supplier shall ensure that the Key Staff fulfil the Key Roles at all times during the Contract Period.
- 1.3 The Buyer may identify any further roles as being Key Roles and, following agreement to the same by the Supplier, the relevant person selected to fill those Key Roles shall be included on the list of Key Staff.
- 1.4 The Supplier shall not and shall procure that any Subcontractor shall not remove or replace any Key Staff unless:
 - 1.4.1 requested to do so by the Buyer or the Buyer Approves such removal or replacement (not to be unreasonably withheld or delayed);
 - 1.4.2 the person concerned resigns, retires or dies or is on maternity or long-term sick leave; or
 - 1.4.3 the person’s employment or contractual arrangement with the Supplier or Subcontractor is terminated for material breach of contract by the employee.
- 1.5 The Supplier shall:
 - 1.5.1 notify the Buyer promptly of the absence of any Key Staff (other than for short-term sickness or holidays of two (2) weeks or less, in which case the Supplier shall ensure appropriate temporary cover for that Key Role);
 - 1.5.2 ensure that any Key Role is not vacant for any longer than ten (10) Working Days;
 - 1.5.3 give as much notice as is reasonably practicable of its intention to remove or replace any member of Key Staff and, except in the cases of death, unexpected ill health or a material breach of the Key Staff’s employment contract, this will mean at least three (3) Months’ notice;
 - 1.5.4 ensure that all arrangements for planned changes in Key Staff provide adequate periods during which incoming and outgoing staff work together to transfer responsibilities and ensure that such change does not have an adverse impact on the provision of the Deliverables; and
 - 1.5.5 ensure that any replacement for a Key Role has a level of qualifications and experience appropriate to the relevant Key Role and is fully

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competent to carry out the tasks assigned to the Key Staff whom he or she has replaced.

- 1.6 The Buyer may require the Supplier to remove or procure that any Subcontractor shall remove any Key Staff that the Buyer considers in any respect unsatisfactory. The Buyer shall not be liable for the cost of replacing any Key Staff.

Order Schedule 8 (Business Continuity and Disaster Recovery)

1. Definitions

- 1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Annual Revenue"	means, for the purposes of determining whether an entity is a Public Sector Dependent Supplier, the audited consolidated aggregate revenue (including share of revenue of joint ventures and Associates) reported by the Supplier or, as appropriate, the Supplier Group in its most recent published accounts, subject to the following methodology: figures for accounting periods of other than 12 months should be scaled pro rata to produce a proforma figure for a 12 month period; and 1 where the Supplier, the Supplier Group and/or their joint ventures and Associates report in a foreign currency, revenue should be converted to British Pound Sterling at the closing exchange rate on the Accounting Reference Date;
"Appropriate Authority" or "Appropriate Authorities"	2 means the Buyer and the Cabinet Office Markets and Suppliers Team or, where the Supplier is a Strategic Supplier, the Cabinet Office Markets and Suppliers Team;
"Associates"	3 means, in relation to an entity, an undertaking in which the entity owns, directly or indirectly, between 20% and 50% of the voting rights and exercises a degree of control sufficient for the undertaking to be treated as an associate under generally accepted accounting principles;
"BCDR Plan"	4 has the meaning given to it in Paragraph 2.2 of this Schedule;
"Business Continuity Plan"	5 has the meaning given to it in Paragraph 2.3.2 of this Schedule;
"Class 1 Transaction"	6 has the meaning set out in the listing rules issued by the UK Listing Authority;
"Control"	7 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;

**“Corporate
Change Event”**

means:

- (1) any change of Control of the Supplier or a Parent Undertaking of the Supplier;
- (2) any change of Control of any member of the Supplier Group which, in the reasonable opinion of the Buyer, could have a material adverse effect on the Deliverables;
- (3) any change to the business of the Supplier or any member of the Supplier Group which, in the reasonable opinion of the Buyer, could have a material adverse effect on the Deliverables;
- (4) a Class 1 Transaction taking place in relation to the shares of the Supplier or any Parent Undertaking of the Supplier whose shares are listed on the main market of the London Stock Exchange plc;
- (5) an event that could reasonably be regarded as being equivalent to a Class 1 Transaction taking place in respect of the Supplier or any Parent Undertaking of the Supplier;
- (6) payment of dividends by the Supplier or the ultimate Parent Undertaking of the Supplier Group exceeding 25% of the Net Asset Value of the Supplier or the ultimate Parent Undertaking of the Supplier Group respectively in any 12 month period;
- (7) an order is made or an effective resolution is passed for the winding up of any member of the Supplier Group;
- (8) any member of the Supplier Group stopping payment of its debts generally or becoming unable to pay its debts within the meaning of section 123(1) of the Insolvency Act 1986 or any member of the Supplier Group ceasing to carry on all or substantially all its business, or any compromise, composition, arrangement or

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agreement being made with creditors of any member of the Supplier Group;

- (9) the appointment of a receiver, administrative receiver or administrator in respect of or over all or a material part of the undertaking or assets of any member of the Supplier Group; and/or

8 any process or events with an effect analogous to those in paragraphs (e) to (g) inclusive above occurring to a member of the Supplier Group in a jurisdiction outside England and Wales;

“Critical National Infrastructure”

means those critical elements of UK national infrastructure (namely assets, facilities, systems, networks or processes and the essential workers that operate and facilitate them), the loss or compromise of which could result in:

major detrimental impact on the availability, integrity or delivery of essential services – including those services whose integrity, if compromised, could result in significant loss of life or casualties – taking into account significant economic or social impacts; and/or

9 significant impact on the national security, national defence, or the functioning of the UK;

“Critical Service Contract”

10 a service contract which the Buyer has categorised as a Gold Contract using the Cabinet Office Contract Tiering Tool or which the Buyer otherwise considers should be classed as a Critical Service Contract;

“CRP Information”

means, together, the:

Group Structure Information and Resolution Commentary; and

11 UK Public Sector and CNI Contract Information;

“Dependent Parent Undertaking”

12 means any Parent Undertaking which provides any of its Subsidiary Undertakings and/or Associates, whether directly or indirectly, with any financial, trading, managerial or other assistance of whatever nature, without which the Supplier would be unable to continue the day to day conduct and operation of its business in the same manner as carried on at the time of entering into the Contract, including for the avoidance of doubt the provision of the Deliverables in accordance with the terms of the Contract;

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	13
"Disaster"	14 the occurrence of one or more events which, either separately or cumulatively, mean that the Deliverables, or a material part thereof will be unavailable (or could reasonably be anticipated to be unavailable);
"Disaster Recovery Deliverables"	15 the Deliverables embodied in the processes and procedures for restoring the provision of Deliverables following the occurrence of a Disaster;
"Disaster Recovery Plan"	16 has the meaning given to it in Paragraph 2.3.3 of this Schedule;
"Disaster Recovery System"	17 the system embodied in the processes and procedures for restoring the provision of Deliverables following the occurrence of a Disaster;
"Group Structure Information and Resolution Commentary"	18 means the information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs 2 to 4 and Appendix 1 to Part B;
"Parent Undertaking"	19 has the meaning set out in section 1162 of the Companies Act 2006;
"Public Sector Dependent Supplier"	20 means a supplier where that supplier, or that supplier's group has Annual Revenue of £50 million or more of which over 50% is generated from UK Public Sector Business;
"Related Supplier"	21 any person who provides Deliverables to the Buyer which are related to the Deliverables from time to time;
"Review Report"	22 has the meaning given to it in Paragraph 6.3 of this Schedule; and
"Strategic Supplier"	means those suppliers to government listed at 23 https://www.gov.uk/government/publications/strategic-suppliers ;
"Subsidiary Undertaking"	24 has the meaning set out in section 1162 of the Companies Act 2006;
"Supplier Group"	25 means the Supplier, its Dependent Parent Undertakings and all Subsidiary Undertakings and Associates of such Dependent Parent Undertakings;
"Supplier's Proposals"	26 has the meaning given to it in Paragraph 6.3 of this Schedule;

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“UK Public Sector Business”

27 means any goods, service or works provision to UK public sector bodies, including Central Government Departments and their arm's length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police, fire and rescue, education bodies and devolved administrations; and

“UK Public Sector / CNI Contract Information”

28 means the information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs 2 to 4 and Appendix 2 of Part B;

Part A: BCDR Plan

1. BCDR Plan

1.1 The Buyer and the Supplier recognise that, where specified in DPS Schedule 4 (DPS Management), CCS shall have the right to enforce the Buyer's rights under this Schedule.

1.2 At least ninety (90) Working Days prior to the Start Date the Supplier shall prepare and deliver to the Buyer for the Buyer's written approval a plan (a **“BCDR Plan”**), which shall detail the processes and arrangements that the Supplier shall follow to:

1.2.1 ensure continuity of the business processes and operations supported by the Services following any failure or disruption of any element of the Deliverables; and

1.2.2 the recovery of the Deliverables in the event of a Disaster

1.3 The BCDR Plan shall be divided into four sections:

1.3.1 Section 1 which shall set out general principles applicable to the BCDR Plan;

1.3.2 Section 2 which shall relate to business continuity (the **“Business Continuity Plan”**);

1.3.3 Section 3 which shall relate to disaster recovery (the **“Disaster Recovery Plan”**); and

1.3.4 Section 4 which shall relate to an Insolvency Event of the Supplier, and Key Subcontractors and/or any Supplier Group member (the **“Insolvency Continuity Plan”**).

1.2 Following receipt of the draft BCDR Plan from the Supplier, the Parties shall use reasonable endeavours to agree the contents of the BCDR Plan. If the Parties are unable to agree the contents of the BCDR Plan within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

2. General Principles of the BCDR Plan (Section 1)

2.1 Section 1 of the BCDR Plan shall:

- 2.1.1 set out how the business continuity and disaster recovery elements of the BCDR Plan link to each other;
- 2.1.2 provide details of how the invocation of any element of the BCDR Plan may impact upon the provision of the Deliverables and any goods and/or services provided to the Buyer by a Related Supplier;
- 2.1.3 contain an obligation upon the Supplier to liaise with the Buyer and any Related Suppliers with respect to business continuity and disaster recovery;
- 2.1.4 detail how the BCDR Plan interoperates with any overarching disaster recovery or business continuity plan of the Buyer and any of its other Related Supplier in each case as notified to the Supplier by the Buyer from time to time;
- 2.1.5 contain a communication strategy including details of an incident and problem management service and advice and help desk facility which can be accessed via multiple channels;
- 2.1.6 contain a risk analysis, including:
 - (a) failure or disruption scenarios and assessments of likely frequency of occurrence;
 - (b) identification of any single points of failure within the provision of Deliverables and processes for managing those risks;
 - (c) identification of risks arising from the interaction of the provision of Deliverables with the goods and/or services provided by a Related Supplier; and
 - (d) a business impact analysis of different anticipated failures or disruptions;
- 2.1.7 provide for documentation of processes, including business processes, and procedures;
- 2.1.8 set out key contact details for the Supplier (and any Subcontractors) and for the Buyer;
- 2.1.9 identify the procedures for reverting to "normal service";
- 2.1.10 set out method(s) of recovering or updating data collected (or which ought to have been collected) during a failure or disruption to minimise data loss;
- 2.1.11 identify the responsibilities (if any) that the Buyer has agreed it will assume in the event of the invocation of the BCDR Plan;
- 2.1.12 provide for the provision of technical assistance to key contacts at the Buyer as required by the Buyer to inform decisions in support of the Buyer's business continuity plans;

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- 2.1.13 set out how the business continuity and disaster recovery elements of the BCDR Plan link to the Insolvency Continuity Plan, and how the Insolvency Continuity Plan links to the business continuity and disaster recovery elements of the BCDR Plan;
 - 2.1.14 contain an obligation upon the Supplier to liaise with the Buyer and (at the Buyer's request) any Related Supplier with respect to issues concerning insolvency continuity where applicable; and
 - 2.1.15 detail how the BCDR Plan links and interoperates with any overarching and/or connected insolvency continuity plan of the Buyer and any of its other Related Suppliers in each case as notified to the Supplier by the Buyer from time to time.
- 2.2 The BCDR Plan shall be designed so as to ensure that:
- 2.2.1 the Deliverables are provided in accordance with this Contract at all times during and after the invocation of the BCDR Plan;
 - 2.2.2 the adverse impact of any Disaster is minimised as far as reasonably possible;
 - 2.2.3 it complies with the relevant provisions of ISO/IEC 27002; ISO22301/ISO22313 and all other industry standards from time to time in force; and
 - 2.2.4 it details a process for the management of disaster recovery testing.
- 2.3 The BCDR Plan shall be upgradeable and sufficiently flexible to support any changes to the Deliverables and the business operations supported by the provision of Deliverables.
- 2.4 The Supplier shall not be entitled to any relief from its obligations under the Performance Indicators (PI's) or Service Levels, or to any increase in the Charges to the extent that a Disaster occurs as a consequence of any breach by the Supplier of this Contract.

3. Business Continuity (Section 2)

- 3.1 The Business Continuity Plan shall set out the arrangements that are to be invoked to ensure that the business processes facilitated by the provision of Deliverables remain supported and to ensure continuity of the business operations supported by the Services including:
- 3.1.1 the alternative processes, options and responsibilities that may be adopted in the event of a failure in or disruption to the provision of Deliverables; and
 - 3.1.2 the steps to be taken by the Supplier upon resumption of the provision of Deliverables in order to address the effect of the failure or disruption.
- 3.2 The Business Continuity Plan shall:
- 3.2.1 address the various possible levels of failures of or disruptions to the provision of Deliverables;

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- 3.2.2 set out the goods and/or services to be provided and the steps to be taken to remedy the different levels of failures of and disruption to the Deliverables;
- 3.2.3 specify any applicable Performance Indicators with respect to the provision of the Business Continuity Services and details of any agreed relaxation to the Performance Indicators (PI's) or Service Levels in respect of the provision of other Deliverables during any period of invocation of the Business Continuity Plan; and
- 3.2.4 set out the circumstances in which the Business Continuity Plan is invoked.

4. Disaster Recovery (Section 3)

- 4.1 The Disaster Recovery Plan (which shall be invoked only upon the occurrence of a Disaster) shall be designed to ensure that upon the occurrence of a Disaster the Supplier ensures continuity of the business operations of the Buyer supported by the Services following any Disaster or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.
- 4.2 The Supplier's BCDR Plan shall include an approach to business continuity and disaster recovery that addresses the following:
 - 4.2.1 loss of access to the Buyer Premises;
 - 4.2.2 loss of utilities to the Buyer Premises;
 - 4.2.3 loss of the Supplier's helpdesk or CAFM system;
 - 4.2.4 loss of a Subcontractor;
 - 4.2.5 emergency notification and escalation process;
 - 4.2.6 contact lists;
 - 4.2.7 staff training and awareness;
 - 4.2.8 BCDR Plan testing;
 - 4.2.9 post implementation review process;
 - 4.2.10 any applicable Performance Indicators (PI's) with respect to the provision of the disaster recovery services and details of any agreed relaxation to the Performance Indicators (PI's) or Service Levels in respect of the provision of other Deliverables during any period of invocation of the Disaster Recovery Plan;
 - 4.2.11 details of how the Supplier shall ensure compliance with security standards ensuring that compliance is maintained for any period during which the Disaster Recovery Plan is invoked;
 - 4.2.12 access controls to any disaster recovery sites used by the Supplier in relation to its obligations pursuant to this Schedule; and
 - 4.2.13 testing and management arrangements.

5. Insolvency Continuity Plan (Section 4)

- 5.1 The Insolvency Continuity Plan shall be designed by the Supplier to permit continuity of the business operations of the Buyer supported by the Deliverables through continued provision of the Deliverables following an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member with, as far as reasonably possible, minimal adverse impact.
- 5.2 The Insolvency Continuity Plan shall include the following:
 - 5.2.1 communication strategies which are designed to minimise the potential disruption to the provision of the Deliverables, including key contact details in respect of the supply chain and key contact details for operational and contract Supplier Staff, Key Subcontractor personnel and Supplier Group member personnel;
 - 5.2.2 identification, explanation, assessment and an impact analysis of risks in respect of dependencies between the Supplier, Key Subcontractors and Supplier Group members where failure of those dependencies could reasonably have an adverse impact on the Deliverables;
 - 5.2.3 plans to manage and mitigate identified risks;
 - 5.2.4 details of the roles and responsibilities of the Supplier, Key Subcontractors and/or Supplier Group members to minimise and mitigate the effects of an Insolvency Event of such persons on the Deliverables;
 - 5.2.5 details of the recovery team to be put in place by the Supplier (which may include representatives of the Supplier, Key Subcontractors and Supplier Group members); and
 - 5.2.6 sufficient detail to enable an appointed insolvency practitioner to invoke the plan in the event of an Insolvency Event of the Supplier.

6. Review and changing the BCDR Plan

- 6.1 The Supplier shall review the BCDR Plan:
 - 6.1.1 on a regular basis and as a minimum once every six (6) Months;
 - 6.1.2 within three (3) calendar Months of the BCDR Plan (or any part) having been invoked pursuant to Paragraph 8; and
 - 6.1.3 where the Buyer requests in writing any additional reviews (over and above those provided for in Paragraphs 6.1.1 and 6.1.2 of this Schedule) whereupon the Supplier shall conduct such reviews in accordance with the Buyer's written requirements. Prior to starting its review, the Supplier shall provide an accurate written estimate of the total costs payable by the Buyer for the Buyer's approval. The costs of both Parties of any such additional reviews shall be met by the Buyer except that the Supplier shall not be entitled to charge the Buyer for any costs that it may incur above any estimate without the Buyer's prior written approval.

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- 6.2 Each review of the BCDR Plan pursuant to Paragraph 6.1 shall assess its suitability having regard to any change to the Deliverables or any underlying business processes and operations facilitated by or supported by the Services which have taken place since the later of the original approval of the BCDR Plan or the last review of the BCDR Plan, and shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the BCDR Plan. The review shall be completed by the Supplier within such period as the Buyer shall reasonably require.
- 6.3 The Supplier shall, within twenty (20) Working Days of the conclusion of each such review of the BCDR Plan, provide to the Buyer a report (a "**Review Report**") setting out the Supplier's proposals (the "**Supplier's Proposals**") for addressing any changes in the risk profile and its proposals for amendments to the BCDR Plan.
- 6.4 Following receipt of the Review Report and the Supplier's Proposals, the Parties shall use reasonable endeavours to agree the Review Report and the Supplier's Proposals. If the Parties are unable to agree Review Report and the Supplier's Proposals within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 6.5 The Supplier shall as soon as is reasonably practicable after receiving the approval of the Supplier's Proposals effect any change in its practices or procedures necessary so as to give effect to the Supplier's Proposals. Any such change shall be at the Supplier's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Deliverables.

7. Testing the BCDR Plan

- 7.1 The Supplier shall test the BCDR Plan:
 - 7.1.1 regularly and in any event not less than once in every Contract Year;
 - 7.1.2 in the event of any major reconfiguration of the Deliverables
 - 7.1.3 at any time where the Buyer considers it necessary (acting in its sole discretion).
- 7.2 If the Buyer requires an additional test of the BCDR Plan, it shall give the Supplier written notice and the Supplier shall conduct the test in accordance with the Buyer's requirements and the relevant provisions of the BCDR Plan. The Supplier's costs of the additional test shall be borne by the Buyer unless the BCDR Plan fails the additional test in which case the Supplier's costs of that failed test shall be borne by the Supplier.
- 7.3 The Supplier shall undertake and manage testing of the BCDR Plan in full consultation with and under the supervision of the Buyer and shall liaise with the Buyer in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Buyer.

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- 7.4 The Supplier shall ensure that any use by it or any Subcontractor of "live" data in such testing is first approved with the Buyer. Copies of live test data used in any such testing shall be (if so required by the Buyer) destroyed or returned to the Buyer on completion of the test.
- 7.5 The Supplier shall, within twenty (20) Working Days of the conclusion of each test, provide to the Buyer a report setting out:
- 7.5.1 the outcome of the test;
 - 7.5.2 any failures in the BCDR Plan (including the BCDR Plan's procedures) revealed by the test; and
 - 7.5.3 the Supplier's proposals for remedying any such failures.
- 7.6 Following each test, the Supplier shall take all measures requested by the Buyer to remedy any failures in the BCDR Plan and such remedial activity and re-testing shall be completed by the Supplier, at its own cost, by the date reasonably required by the Buyer.

8. Invoking the BCDR Plan

- 8.1 In the event of a complete loss of service or in the event of a Disaster, the Supplier shall immediately invoke the BCDR Plan (and shall inform the Buyer promptly of such invocation). In all other instances the Supplier shall invoke or test the BCDR Plan only with the prior consent of the Buyer.
- 8.2 The Insolvency Continuity Plan element of the BCDR Plan, including any linked elements in other parts of the BCDR Plan, shall be invoked by the Supplier:
- 8.2.1 Where an Insolvency Event of a Key Sub-contractor and/or Supplier Group member (other than the Supplier) could reasonably be expected to adversely affect delivery of the Deliverables; and/or
 - 8.2.2 Where there is an Insolvency Event of the Supplier and the insolvency arrangements enable the Supplier to invoke the plan.

9. Circumstances beyond your control

- 9.1 The Supplier shall not be entitled to relief under Clause 20 (Circumstances beyond your control) if it would not have been impacted by the Force Majeure Event had it not failed to comply with its obligations under this Schedule.

10. Amendments to this Schedule in respect of Bronze Contracts

10.1 Where a Buyer's Order Contract is a Bronze Contract, if specified in the Order Form, the following provisions of this Order Schedule 8, shall be disapplied in respect of that Contract:

10.1.1 Paragraph 1.3.4 of Part A so that the BCDR plan shall only be required to be split into the three sections detailed in paragraphs 1.3.1 to 1.3.3 inclusive;

10.1.2 Paragraphs 2.1.13 to 2.1.15 of Part A, inclusive;

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10.1.3 Paragraph 5 (Insolvency Continuity Plan) of Part A;

10.1.4 Paragraph 8.2 of Part A; and

10.1.5 The entirety of Part B of this Schedule.

10.2 Where a Buyer's Order Contract is a Bronze Contract, if specified in the Order Form, the following definitions in Paragraph 1 of this Order Schedule 8, shall be deemed to be deleted:

10.2.1 Annual Review;

10.2.2 Appropriate Authority or Appropriate Authorities;

10.2.3 Associates;

10.2.4 Class 1 Transaction;

10.2.5 Control;

10.2.6 Corporate Change Event;

10.2.7 Critical National Infrastructure;

10.2.8 Critical Service Contract;

10.2.9 CRP Information;

10.2.10 Dependent Parent Undertaking;

10.2.11 Group Structure Information and Resolution Commentary;

10.2.12 Parent Undertaking;

10.2.13 Public Sector Dependent Supplier;

10.2.14 Subsidiary Undertaking;

10.2.15 Supplier Group;

10.2.16 UK Public Sector Business; and

10.2.17 UK Public Sector/CNI Contract Information.

Part B: Corporate Resolution Planning

1. Service Status and Supplier Status

- 1.1 This Contract is a Critical Service Contract.
- 1.2 The Supplier shall notify the Buyer in writing within 5 Working Days of the Effective Date and throughout the Order Contract Period within 120 days after each Accounting Reference Date as to whether or not it is a Public Sector Dependent Supplier.

2. Provision of Corporate Resolution Planning Information

- 2.1 Paragraphs 2 to 4 of this Part B shall apply if the Contract has been specified as a Critical Service Contract under Paragraph 1.1 of this Part B or the Supplier is or becomes a Public Sector Dependent Supplier.
- 2.2 Subject to Paragraphs 2.6, 2.10 and 2.11 of this Part B:
 - 2.2.1 where the Contract is a Critical Service Contract, the Supplier shall provide the Appropriate Authority or Appropriate Authorities with the CRP Information within 60 days of the Effective Date; and
 - 2.2.2 except where it has already been provided, where the Supplier is a Public Sector Dependent Supplier, it shall provide the Appropriate Authority or Appropriate Authorities with the CRP Information within 60 days of the date of the Appropriate Authority's or Appropriate Authorities' request.
- 2.3 The Supplier shall ensure that the CRP Information provided pursuant to Paragraphs 2.2, 2.8 and 2.9 of this Part B:
 - 2.3.1 is full, comprehensive, accurate and up to date;
 - 2.3.2 is split into two parts:
 - (a) Group Structure Information and Resolution Commentary;
 - (b) UK Public Service / CNI Contract Information and is structured and presented in accordance with the requirements and explanatory notes set out at Annex I of the latest published version of the Resolution Planning Guidance published by the Cabinet Office Government Commercial Function and available at <https://www.gov.uk/government/publications/the-outsourcingplaybook> and contains the level of detail required (adapted as necessary to the Supplier's circumstances);
 - 2.3.3 incorporates any additional commentary, supporting documents and evidence which would reasonably be required by the Appropriate Authority or Appropriate Authorities to understand and consider the information for approval;
 - 2.3.4 provides a clear description and explanation of the Supplier Group members that have agreements for goods, services or works provision

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- in respect of UK Public Sector Business and/or Critical National Infrastructure and the nature of those agreements; and
- 2.3.5 complies with the requirements set out at Appendix 1 (Group Structure Information and Resolution Commentary) and Appendix 2 (UK Public Sector / CNI Contract Information) respectively.
- 2.4 Following receipt by the Appropriate Authority or Appropriate Authorities of the CRP Information pursuant to Paragraphs 2.2, 2.8 and 2.9 of this Part B, the Buyer shall procure that the Appropriate Authority or Appropriate Authorities shall discuss in good faith the contents of the CRP Information with the Supplier and no later than 60 days after the date on which the CRP Information was delivered by the Supplier either provide an Assurance to the Supplier that the Appropriate Authority or Appropriate Authorities approves the CRP Information or that the Appropriate Authority or Appropriate Authorities rejects the CRP Information.
- 2.5 If the Appropriate Authority or Appropriate Authorities rejects the CRP Information:
- 2.5.1 the Buyer shall (and shall procure that the Cabinet Office Markets and Suppliers Team shall) inform the Supplier in writing of its reasons for its rejection; and
- 2.5.2 the Supplier shall revise the CRP Information, taking reasonable account of the Appropriate Authority's or Appropriate Authorities' comments, and shall re-submit the CRP Information to the Appropriate Authority or Appropriate Authorities for approval within 30 days of the date of the Appropriate Authority's or Appropriate Authorities' rejection. The provisions of paragraph 2.3 to 2.5 of this Part B shall apply again to any resubmitted CRP Information provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure under Clause 34 of the Core Terms at any time.
- 2.6 Where the Supplier or a member of the Supplier Group has already provided CRP Information to a Department or the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely to the Cabinet Office Markets and Suppliers Team) and has received an Assurance of its CRP Information from that Department and the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely from the Cabinet Office Markets and Suppliers Team), then provided that the Assurance remains Valid (which has the meaning in paragraph 2.7 below) on the date by which the CRP Information would otherwise be required, the Supplier shall not be required to provide the CRP Information under Paragraph 2.2 if it provides a copy of the Valid Assurance to the Appropriate Authority or Appropriate Authorities on or before the date on which the CRP Information would otherwise have been required.
- 2.7 An Assurance shall be deemed Valid for the purposes of Paragraph 2.6 of this Part B if:
- 2.7.1 the Assurance is within the validity period stated in the Assurance (or, if no validity period is stated, no more than 12 months has elapsed since

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it was issued and no more than 18 months has elapsed since the Accounting Reference Date on which the CRP Information was based); and

- 2.7.2 no Corporate Change Events or Financial Distress Events (or events which would be deemed to be Corporate Change Events or Financial Distress Events if the Contract had then been in force) have occurred since the date of issue of the Assurance.
- 2.8 If the Contract is a Critical Service Contract, the Supplier shall provide an updated version of the CRP Information (or, in the case of Paragraph 2.8.3 of this Part B its initial CRP Information) to the Appropriate Authority or Appropriate Authorities:
- 2.8.1 within 14 days of the occurrence of a Financial Distress Event (along with any additional highly confidential information no longer exempted from disclosure under Paragraph 2.11 of this Part B) unless the Supplier is relieved of the consequences of the Financial Distress Event under Paragraph 7.1 of Joint Schedule 7 (Financial Distress) (if applicable);
- 2.8.2 within 30 days of a Corporate Change Event unless not required pursuant to Paragraph 2.10;
- 2.8.3 within 30 days of the date that:
- (a) the credit rating(s) of each of the Supplier and its Parent Undertakings fail to meet any of the criteria specified in Paragraph 2.10; or
 - (b) none of the credit rating agencies specified at Paragraph 2.10 hold a public credit rating for the Supplier or any of its Parent Undertakings; and
- 2.8.4 in any event, within 6 months after each Accounting Reference Date or within 15 months of the date of the previous Assurance received from the Appropriate Authority (whichever is the earlier), unless:
- (a) updated CRP Information has been provided under any of Paragraphs 2.8.1 2.8.2 or 2.8.3 since the most recent Accounting Reference Date (being no more than 12 months previously) within the timescales that would ordinarily be required for the provision of that information under this Paragraph 2.8.4; or
 - (b) unless not required pursuant to Paragraph 2.10.
- 2.9 Where the Supplier is a Public Sector Dependent Supplier and the Contract is not a Critical Service Contract, then on the occurrence of any of the events specified in Paragraphs 2.8.1 to 2.8.4 of this Part B, the Supplier shall provide at the request of the Appropriate Authority or Appropriate Authorities and within the applicable timescales for each event as set out in Paragraph 2.8 (or such longer timescales as may be notified to the Supplier by the Buyer), the CRP Information to the Appropriate Authority or Appropriate Authorities.

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

2.10.1 Aa3 or better from Moody's;

2.10.2 AA- or better from Standard and Poors;

2.10.3 AA- or better from Fitch;

the Supplier will not be required to provide any CRP Information unless or until either (i) a Financial Distress Event occurs (unless the Supplier is relieved of the consequences of the Financial Distress Event under Paragraph 7.1 to Joint Schedule 7 (Financial Distress), if applicable) or (ii) the Supplier and its Parent Undertakings cease to fulfil the criteria set out in this Paragraph 2.10, in which cases the Supplier shall provide the updated version of the CRP Information in accordance with paragraph 2.8.

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

3. Termination Rights

- 3.1 The Buyer shall be entitled to terminate the Contract if the Supplier is required to provide CRP Information under Paragraph 2 of this Part B and either:

3.1.1 the Supplier fails to provide the CRP Information within 4 months of the Effective Date if this is a Critical Service Contract or otherwise within 4 months of the Appropriate Authority's or Appropriate Authorities' request; or

3.1.2 the Supplier fails to obtain an Assurance from the Appropriate Authority or Appropriate Authorities within 4 months of the date that it was first required to provide the CRP Information under the Contract,

which shall be deemed to be an event to which Clause 10.4.1 of the Core Terms applies and Clauses 10.6.1 and 10.6.2 of the Core Terms shall apply accordingly.

4. Confidentiality and usage of CRP Information

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

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- 4.2 Where the Appropriate Authority is the Cabinet Office Markets and Suppliers Team, at the Supplier's request, the Buyer shall use reasonable endeavours to procure that the Cabinet Office enters into a confidentiality and usage agreement with the Supplier containing terms no less stringent than those placed on the Buyer under paragraph 4.1 of this Part B and Clause 15 of the Core Terms.
- 4.3 The Supplier shall use reasonable endeavours to obtain consent from any third party which has restricted the disclosure of the CRP Information to enable disclosure of that information to the Appropriate Authority or Appropriate Authorities pursuant to Paragraph 2 of this Part B subject, where necessary, to the Appropriate Authority or Appropriate Authorities entering into an appropriate confidentiality agreement in the form required by the third party.
- 4.4 Where the Supplier is unable to procure consent pursuant to Paragraph 4.3 of this Part B, the Supplier shall use all reasonable endeavours to disclose the CRP Information to the fullest extent possible by limiting the amount of information it withholds including by:
 - 4.4.1 redacting only those parts of the information which are subject to such obligations of confidentiality;
 - 4.4.2 providing the information in a form that does not breach its obligations of confidentiality including (where possible) by:
 - (a) summarising the information;
 - (b) grouping the information;
 - (c) anonymising the information; and
 - (d) presenting the information in general terms
- 4.5 The Supplier shall provide the Appropriate Authority or Appropriate Authorities with contact details of any third party which has not provided consent to disclose CRP Information where that third party is also a public sector body and where the Supplier is legally permitted to do so.

Appendix 1: Group structure information and resolution commentary

1. The Supplier shall:
 - 1.1 provide sufficient information to allow the Appropriate Authority to understand the implications on the Supplier Group's UK Public Sector Business and CNI contracts listed pursuant to Appendix 2 if the Supplier or another member of the Supplier Group is subject to an Insolvency Event;
 - 1.2 ensure that the information is presented so as to provide a simple, effective and easily understood overview of the Supplier Group; and
 - 1.3 provide full details of the importance of each member of the Supplier Group to the Supplier Group's UK Public Sector Business and CNI contracts listed pursuant to Appendix 2 and the dependencies between each.

Appendix 2: UK Public Sector / CNI Contract Information

1. The Supplier shall:
 - 1.1 provide details of all agreements held by members of the Supplier Group where those agreements are for goods, services or works provision and:
 - 1.1.1 are with any UK public sector bodies including: central Government departments and their arms-length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police fire and rescue, education bodies and the devolved administrations;
 - 1.1.2 are with any private sector entities where the end recipient of the service, goods or works provision is any of the bodies set out in paragraph 1.1.1 of this Appendix 2 and where the member of the Supplier Group is acting as a key sub-contractor under the agreement with the end recipient; or
 - 1.1.3 involve or could reasonably be considered to involve CNI;
 - 1.2 provide the Appropriate Authority with a copy of the latest version of each underlying contract worth more than £5m per contract year and their related key sub-contracts, which shall be included as embedded documents within the CRP Information or via a directly accessible link.

Order Schedule 9 (Security)

Part A: NOT USED

Part B: Long Form Security Requirements

1. Definitions

1.1 In this Schedule the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Breach of Security"

1 means the occurrence of:

- a) any unauthorised access to or use of the Goods and/or Deliverables, the Sites and/or any Information and Communication Technology ("ICT"), information or data (including the Confidential Information and the Government Data) used by the Buyer and/or the Supplier in connection with this Contract; and/or
- b) the loss and/or unauthorised disclosure of any information or data (including the Confidential Information and the Government Data), including any copies of such information or data, used by the Buyer and/or the Supplier in connection with this Contract,

2 in either case as more particularly set out in the security requirements in the Security Policy where the Buyer has required compliance therewith in accordance with paragraph 3.4.3 d;

"ISMS"

3 the information security management system and process developed by the Supplier in accordance with Paragraph 3 (ISMS) as updated from time to time in accordance with this Schedule; and

"Security Tests"

4 tests to validate the ISMS and security of all relevant processes, systems, incident response plans, patches to vulnerabilities and mitigations to Breaches of Security.

2. Security Requirements

2.1 The Buyer and the Supplier recognise that, where specified in DPS Schedule 4 (DPS Management), CCS shall have the right to enforce the Buyer's rights under this Schedule.

2.2 The Parties acknowledge that the purpose of the ISMS and Security Management Plan are to ensure a good organisational approach to security under which the specific requirements of this Contract will be met.

2.3 The Parties shall each appoint a security representative to be responsible for Security. The initial security representatives of the Parties are:

2.3.1

[REDACTED]

Chief Information Security Officer

[REDACTED]

[REDACTED]

2.3.2

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2.4 The Buyer shall clearly articulate its high level security requirements so that the Supplier can ensure that the ISMS, security related activities and any mitigations are driven by these fundamental needs.

2.5 Both Parties shall provide a reasonable level of access to any members of their staff for the purposes of designing, implementing and managing security.

2.6 The Supplier shall use as a minimum Good Industry Practice in the day to day operation of any system holding, transferring or processing Government Data and any system that could directly or indirectly have an impact on that information, and shall ensure that Government Data remains under the effective control of the Supplier at all times.

2.7 The Supplier shall ensure the up-to-date maintenance of a security policy relating to the operation of its own organisation and systems and on request shall supply this document as soon as practicable to the Buyer.

2.8 The Buyer and the Supplier acknowledge that information security risks are shared between the Parties and that a compromise of either the Supplier or the Buyer's security provisions represents an unacceptable risk to the Buyer requiring immediate communication and co-operation between the Parties.

3. Information Security Management System (ISMS)

- 3.1 The Supplier shall develop and submit to the Buyer, within twenty (20) Working Days after the Start Date, an information security management system for the purposes of this Contract and shall comply with the requirements of Paragraphs 3.4 to 3.6.
- 3.2 The Supplier acknowledges that the Buyer places great emphasis on the reliability of the performance of the Deliverables, confidentiality, integrity and availability of information and consequently on the security provided by the ISMS and that the Supplier shall be responsible for the effective performance of the ISMS.
- 3.3 The Buyer acknowledges that;
- 3.3.1 If the Buyer has not stipulated during a Further Competition that it requires a bespoke ISMS, the ISMS provided by the Supplier may be an extant ISMS covering the Services and their implementation across the Supplier's estate; and
- 3.3.2 Where the Buyer has stipulated that it requires a bespoke ISMS then the Supplier shall be required to present the ISMS for the Buyer's Approval.
- 3.4 The ISMS shall:
- 3.4.1 if the Buyer has stipulated that it requires a bespoke ISMS, be developed to protect all aspects of the Deliverables and all processes associated with the provision of the Deliverables, including the Buyer Premises, the Sites, the Supplier System, the Buyer System (to the extent that it is under the control of the Supplier) and any ICT, information and data (including the Buyer's Confidential Information and the Government Data) to the extent used by the Buyer or the Supplier in connection with this Contract;
- 3.4.2 meet the relevant standards in ISO/IEC 27001 and ISO/IEC27002 in accordance with Paragraph 7;
- 3.4.3 at all times provide a level of security which:
- (a) is in accordance with the Law and this Contract;
 - (b) complies with the Baseline Security Requirements;
 - (c) as a minimum demonstrates Good Industry Practice;
 - (d) where specified by a Buyer that has undertaken a Further Competition - complies with the Security Policy and the ICT Policy;
 - (e) complies with at least the minimum set of security measures and standards as determined by the Security Policy Framework (Tiers 1-4)(<https://www.gov.uk/government/publications/security-policy-framework/hmg-security-policy-framework>)
 - (f) takes account of guidance issued by the Centre for Protection of National Infrastructure <https://www.cpni.gov.uk/>

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- (g) complies with HMG Information Assurance Maturity Model and Assurance Framework (<https://www.ncsc.gov.uk/articles/hmg-ia-maturity-model-iamm>);
 - (h) meets any specific security threats of immediate relevance to the ISMS, the Deliverables and/or Government Data;
 - (i) addresses issues of incompatibility with the Supplier's own organisational security policies; and
 - (j) complies with ISO/IEC27001 and ISO/IEC27002 in accordance with Paragraph 7;
- 3.4.4 document the security incident management processes and incident response plans;
- 3.4.5 document the vulnerability management policy including processes for identification of system vulnerabilities and assessment of the potential impact on the Deliverables of any new threat, vulnerability or exploitation technique of which the Supplier becomes aware, prioritisation of security patches, testing of security patches, application of security patches, a process for Buyer approvals of exceptions, and the reporting and audit mechanism detailing the efficacy of the patching policy; and
- 3.4.6 be certified by (or by a person with the direct delegated authority of) a Supplier's main board representative, being the "Chief Security Officer", "Chief Information Officer", "Chief Technical Officer" or "Chief Financial Officer" (or equivalent as agreed in writing by the Buyer in advance of issue of the relevant Security Management Plan).
- 3.5 Subject to Paragraph 2 the references to Standards, guidance and policies contained or set out in Paragraph 3.3 shall be deemed to be references to such items as developed and updated and to any successor to or replacement for such standards, guidance and policies, as notified to the Supplier from time to time.
- 3.6 In the event that the Supplier becomes aware of any inconsistency in the provisions of the standards, guidance and policies set out in Paragraph 3.3, the Supplier shall immediately notify the Buyer Representative of such inconsistency and the Buyer Representative shall, as soon as practicable, notify the Supplier as to which provision the Supplier shall comply with.
- 3.7 If the bespoke ISMS submitted to the Buyer pursuant to Paragraph 3.1 is Approved by the Buyer, it shall be adopted by the Supplier immediately and thereafter operated and maintained in accordance with this Schedule. If the ISMS is not Approved by the Buyer, the Supplier shall amend it within ten (10) Working Days of a notice of non-approval from the Buyer and re-submit it to the Buyer for Approval. The Parties shall use all reasonable endeavours to ensure that the Approval process takes as little time as possible and in any event no longer than fifteen (15) Working Days from the date of the first submission of the ISMS to the Buyer. If the Buyer does not Approve the ISMS following its resubmission, the matter shall be resolved in accordance

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with the Dispute Resolution Procedure. No Approval to be given by the Buyer pursuant to this Paragraph 3 may be unreasonably withheld or delayed. However any failure to approve the ISMS on the grounds that it does not comply with any of the requirements set out in Paragraphs 3.4 to 3.6 shall be deemed to be reasonable.

3.8 Approval by the Buyer of the ISMS pursuant to Paragraph 3.6 or of any change to the ISMS shall not relieve the Supplier of its obligations under this Schedule.

4. Security Management Plan

4.1 Within twenty (20) Working Days after the Start Date, the Supplier shall prepare and submit to the Buyer for Approval in accordance with Paragraph 4 fully developed, complete and up-to-date Security Management Plan which shall comply with the requirements of Paragraph 4.2.

4.2 The Security Management Plan shall:

- 4.2.1 be based on the initial Security Management Plan set out in Annex 2 (Security Management Plan);
- 4.2.2 comply with the Baseline Security Requirements and, where specified by the Buyer in accordance with paragraph 3.4.3 d, the Security Policy;
- 4.2.3 identify the necessary delegated organisational roles defined for those responsible for ensuring this Schedule is complied with by the Supplier;
- 4.2.4 detail the process for managing any security risks from Subcontractors and third parties authorised by the Buyer with access to the Goods and/or Services, processes associated with the delivery of the Goods and/or Services, the Buyer Premises, the Sites, the Supplier System, the Buyer System (to the extent that it is under the control of the Supplier) and any ICT, Information and data (including the Buyer's Confidential Information and the Government Data) and any system that could directly or indirectly have an impact on that information, data and/or the Deliverables;
- 4.2.5 unless otherwise specified by the Buyer in writing, be developed to protect all aspects of the Deliverables and all processes associated with the delivery of the Deliverables, including the Buyer Premises, the Sites, the Supplier System, the Buyer System (to the extent that it is under the control of the Supplier) and any ICT, Information and data (including the Buyer's Confidential Information and the Government Data) to the extent used by the Buyer or the Supplier in connection with this Contract or in connection with any system that could directly or indirectly have an impact on that Information, data and/or the Deliverables;
- 4.2.6 set out the security measures to be implemented and maintained by the Supplier in relation to all aspects of the Deliverables and all processes associated with the delivery of the Deliverables and at all times comply with and specify security measures and procedures which are sufficient to ensure that the Deliverables comply with the provisions of this Schedule (including the requirements set out in Paragraph 3.4);

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- 4.2.7 demonstrate that the Supplier's approach to delivery of the Deliverables has minimised the Buyer and Supplier effort required to comply with this Schedule through consideration of available, appropriate and practicable pan-government accredited services (for example, 'platform as a service' offering from the G-Cloud catalogue);
 - 4.2.8 set out the plans for transitioning all security arrangements and responsibilities from those in place at the Start Date to those incorporated in the ISMS within the timeframe agreed between the Parties;
 - 4.2.9 set out the scope of the Buyer System that is under the control of the Supplier;
 - 4.2.10 be structured in accordance with ISO/IEC27001 and ISO/IEC27002, cross-referencing if necessary to other Schedules which cover specific areas included within those standards; and
 - 4.2.11 be written in plain English in language which is readily comprehensible to the staff of the Supplier and the Buyer engaged in the Deliverables and shall reference only documents which are in the possession of the Parties or whose location is otherwise specified in this Schedule.
- 4.3 If the Security Management Plan submitted to the Buyer pursuant to Paragraph 4.1 is Approved by the Buyer, it shall be adopted by the Supplier immediately and thereafter operated and maintained in accordance with this Schedule. If the Security Management Plan is not approved by the Buyer, the Supplier shall amend it within ten (10) Working Days of a notice of non-approval from the Buyer and re-submit it to the Buyer for Approval. The Parties shall use all reasonable endeavours to ensure that the Approval process takes as little time as possible and in any event no longer than fifteen (15) Working Days from the date of the first submission to the Buyer of the Security Management Plan. If the Buyer does not Approve the Security Management Plan following its resubmission, the matter shall be resolved in accordance with the Dispute Resolution Procedure. No Approval to be given by the Buyer pursuant to this Paragraph may be unreasonably withheld or delayed. However any failure to approve the Security Management Plan on the grounds that it does not comply with the requirements set out in Paragraph 4.2 shall be deemed to be reasonable.
- 4.4 Approval by the Buyer of the Security Management Plan pursuant to Paragraph 4.3 or of any change or amendment to the Security Management Plan shall not relieve the Supplier of its obligations under this Schedule.

5. Amendment of the ISMS and Security Management Plan

- 5.1 The ISMS and Security Management Plan shall be fully reviewed and updated by the Supplier and at least annually to reflect:
- 5.1.1 emerging changes in Good Industry Practice;
 - 5.1.2 any change or proposed change to the Supplier System, the Deliverables and/or associated processes;
 - 5.1.3 any new perceived or changed security threats;

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5.1.4 where required in accordance with paragraph 3.4.3 d, any changes to the Security Policy;

5.1.5 any new perceived or changed security threats; and

5.1.6 any reasonable change in requirement requested by the Buyer.

5.2 The Supplier shall provide the Buyer with the results of such reviews as soon as reasonably practicable after their completion and amend the ISMS and Security Management Plan at no additional cost to the Buyer. The results of the review shall include, without limitation:

5.2.1 suggested improvements to the effectiveness of the ISMS;

5.2.2 updates to the risk assessments;

5.2.3 proposed modifications to the procedures and controls that affect information security to respond to events that may impact on the ISMS; and

5.2.4 suggested improvements in measuring the effectiveness of controls.

5.3 Subject to Paragraph 5.4, any change which the Supplier proposes to make to the ISMS or Security Management Plan (as a result of a review carried out pursuant to Paragraph 5.1, a Buyer request, a change to Annex 1 (Security) or otherwise) shall be subject to the Variation Procedure and shall not be implemented until Approved in writing by the Buyer.

5.4 The Buyer may, acting reasonably, Approve and require changes or amendments to the ISMS or Security Management Plan to be implemented on timescales faster than set out in the Variation Procedure but, without prejudice to their effectiveness, all such changes and amendments shall thereafter be subject to the Variation Procedure for the purposes of formalising and documenting the relevant change or amendment.

6. Security Testing

6.1 The Supplier shall conduct Security Tests from time to time (and at least annually across the scope of the ISMS) and additionally after any change or amendment to the ISMS (including security incident management processes and incident response plans) or the Security Management Plan. Security Tests shall be designed and implemented by the Supplier so as to minimise the impact on the delivery of the Deliverables and the date, timing, content and conduct of such Security Tests shall be agreed in advance with the Buyer. Subject to compliance by the Supplier with the foregoing requirements, if any Security Tests adversely affect the Supplier's ability to deliver the Deliverables so as to meet the KPIs, the Supplier shall be granted relief against any resultant under-performance for the period of the Security Tests.

6.2 The Buyer shall be entitled to send a representative to witness the conduct of the Security Tests. The Supplier shall provide the Buyer with the results of such Security Tests (in a form approved by the Buyer in advance) as soon as practicable after completion of each Security Test.

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- 6.3 Without prejudice to any other right of audit or access granted to the Buyer pursuant to this Contract, the Buyer and/or its authorised representatives shall be entitled, at any time upon giving reasonable notice to the Supplier, to carry out such tests (including penetration tests) as it may deem necessary in relation to the ISMS and the Supplier's compliance with the ISMS and the Security Management Plan. The Buyer may notify the Supplier of the results of such tests after completion of each such test. If any such Buyer's test adversely affects the Supplier's ability to deliver the Deliverables so as to meet the KPIs, the Supplier shall be granted relief against any resultant under-performance for the period of the Buyer's test.
- 6.4 Where any Security Test carried out pursuant to Paragraphs 6.2 or 6.3 reveals any actual or potential Breach of Security or weaknesses (including un-patched vulnerabilities, poor configuration and/or incorrect system management), the Supplier shall promptly notify the Buyer of any changes to the ISMS and to the Security Management Plan (and the implementation thereof) which the Supplier proposes to make in order to correct such failure or weakness. Subject to the Buyer's prior written Approval, the Supplier shall implement such changes to the ISMS and the Security Management Plan and repeat the relevant Security Tests in accordance with the timetable agreed with the Buyer or, otherwise, as soon as reasonably possible. For the avoidance of doubt, where the change to the ISMS or Security Management Plan is to address a non-compliance with the Security Policy or security requirements (as set out in Annex 1 (Baseline Security Requirements) to this Schedule) or the requirements of this Schedule, the change to the ISMS or Security Management Plan shall be at no cost to the Buyer.
- 6.5 If any repeat Security Test carried out pursuant to Paragraph 6.4 reveals an actual or potential Breach of Security exploiting the same root cause failure, such circumstance shall constitute a material Default of this Contract.

7. Complying with the ISMS

- 7.1 The Buyer shall be entitled to carry out such security audits as it may reasonably deem necessary in order to ensure that the ISMS maintains compliance with the principles and practices of ISO 27001 and/or the Security Policy where such compliance is required in accordance with paragraph 3.4.3 d.
- 7.2 If, on the basis of evidence provided by such security audits, it is the Buyer's reasonable opinion that compliance with the principles and practices of ISO/IEC 27001 and/or, where relevant, the Security Policy are not being achieved by the Supplier, then the Buyer shall notify the Supplier of the same and give the Supplier a reasonable time (having regard to the extent and criticality of any non-compliance and any other relevant circumstances) to implement and remedy. If the Supplier does not become compliant within the required time then the Buyer shall have the right to obtain an independent audit against these standards in whole or in part.

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7.3 If, as a result of any such independent audit as described in Paragraph the Supplier is found to be non-compliant with the principles and practices of ISO/IEC 27001 and/or, where relevant, the Security Policy then the Supplier shall, at its own expense, undertake those actions required in order to achieve the necessary compliance and shall reimburse in full the costs incurred by the Buyer in obtaining such audit.

8. Security Breach

8.1 Either Party shall notify the other in accordance with the agreed security incident management process as defined by the ISMS upon becoming aware of any breach of security or any potential or attempted Breach of Security.

8.2 Without prejudice to the security incident management process, upon becoming aware of any of the circumstances referred to in Paragraph 8.1, the Supplier shall:

8.2.1 immediately take all reasonable steps (which shall include any action or changes reasonably required by the Buyer) necessary to:

- (a) minimise the extent of actual or potential harm caused by any Breach of Security;
- (b) remedy such Breach of Security or any potential or attempted Breach of Security in order to protect the integrity of the Buyer Property and/or Buyer Assets and/or ISMS to the extent that this is within the Supplier's control;
- (c) apply a tested mitigation against any such Breach of Security or attempted Breach of Security and provided that reasonable testing has been undertaken by the Supplier, if the mitigation adversely affects the Supplier's ability to provide the Deliverables so as to meet the relevant Service Level Performance Indicators, the Supplier shall be granted relief against any resultant under-performance for such period as the Buyer, acting reasonably, may specify by written notice to the Supplier;
- (d) prevent a further Breach of Security or any potential or attempted Breach of Security in the future exploiting the same root cause failure; and
- (e) supply any requested data to the Buyer (or the Computer Emergency Response Team for UK Government ("GovCertUK")) on the Buyer's request within two (2) Working Days and without charge (where such requests are reasonably related to a possible incident or compromise); and

- (f) as soon as reasonably practicable provide to the Buyer full details (using the reporting mechanism defined by the ISMS) of the Breach of Security or attempted Breach of Security, including a root cause analysis where required by the Buyer.

8.3 In the event that any action is taken in response to a Breach of Security or potential or attempted Breach of Security that demonstrates non-compliance of the ISMS with the Security Policy (where relevant) or the requirements of this Schedule, then any required change to the ISMS shall be at no cost to the Buyer.

9. Vulnerabilities and fixing them

- 9.1 The Buyer and the Supplier acknowledge that from time to time vulnerabilities in the ICT Environment will be discovered which unless mitigated will present an unacceptable risk to the Buyer's information.
- 9.2 The severity of threat vulnerabilities for COTS Software shall be categorised by the Supplier as 'Critical', 'Important' and 'Other' by aligning these categories to the vulnerability scoring according to the agreed method in the ISMS and using the appropriate vulnerability scoring systems including:
 - 9.2.1 the 'National Vulnerability Database' 'Vulnerability Severity Ratings': 'High', 'Medium' and 'Low' respectively (these in turn are aligned to CVSS scores as set out by NIST <http://nvd.nist.gov/cvss.cfm>); and
 - 9.2.2 Microsoft's 'Security Bulletin Severity Rating System' ratings 'Critical', 'Important', and the two remaining levels ('Moderate' and 'Low') respectively.
- 9.3 The Supplier shall procure the application of security patches to vulnerabilities within a maximum period from the public release of such patches with those vulnerabilities categorised as 'Critical' within 14 days of release, 'Important' within 30 days of release and all 'Other' within 60 Working Days of release, except where:
 - 9.3.1 the Supplier can demonstrate that a vulnerability is not exploitable within the context of any Service (e.g. because it resides in a software component which is not running in the service) provided vulnerabilities which the Supplier asserts cannot be exploited within the context of a Service must be remedied by the Supplier within the above timescales if the vulnerability becomes exploitable within the context of the Service;
 - 9.3.2 the application of a 'Critical' or 'Important' security patch adversely affects the Supplier's ability to deliver the Services in which case the Supplier shall be granted an extension to such timescales of 5 days, provided the Supplier had followed and continues to follow the security patch test plan agreed with the Buyer; or
 - 9.3.3 the Buyer agrees a different maximum period after a case-by-case consultation with the Supplier under the processes defined in the ISMS.
- 9.4 The Specification and Mobilisation Plan (if applicable) shall include provisions for major version upgrades of all COTS Software to be upgraded

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within 6 Months of the release of the latest version, such that it is no more than one major version level below the latest release (normally codified as running software no older than the 'n-1 version') throughout the Term unless:

- 9.4.1 where upgrading such COTS Software reduces the level of mitigations for known threats, vulnerabilities or exploitation techniques, provided always that such upgrade is made within 12 Months of release of the latest version; or
- 9.4.2 is agreed with the Buyer in writing.

9.5 The Supplier shall:

- 9.5.1 implement a mechanism for receiving, analysing and acting upon threat information supplied by GovCertUK, or any other competent Central Government Body;
- 9.5.2 ensure that the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) is monitored to facilitate the detection of anomalous behaviour that would be indicative of system compromise;
- 9.5.3 ensure it is knowledgeable about the latest trends in threat, vulnerability and exploitation that are relevant to the ICT Environment by actively monitoring the threat landscape during the Contract Period;
- 9.5.4 pro-actively scan the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) for vulnerable components and address discovered vulnerabilities through the processes described in the ISMS as developed under Paragraph 3.3.5;
- 9.5.5 from the date specified in the Security Management Plan provide a report to the Buyer within five (5) Working Days of the end of each Month detailing both patched and outstanding vulnerabilities in the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) and any elapsed time between the public release date of patches and either time of application or for outstanding vulnerabilities the time of issue of such report;
- 9.5.6 propose interim mitigation measures to vulnerabilities in the ICT Environment known to be exploitable where a security patch is not immediately available;
- 9.5.7 remove or disable any extraneous interfaces, services or capabilities that are not needed for the provision of the Services (in order to reduce the attack surface of the ICT Environment); and
- 9.5.8 inform the Buyer when it becomes aware of any new threat, vulnerability or exploitation technique that has the potential to affect the security of the ICT Environment and provide initial indications of possible mitigations.

9.6 If the Supplier is unlikely to be able to mitigate the vulnerability within the timescales under this Paragraph 9, the Supplier shall immediately notify the Buyer.

9.7 A failure to comply with Paragraph 9.3 shall constitute a Default, and the Supplier shall comply with the Rectification Plan Process.

Part B – Annex 1:

Baseline security requirements

1. Handling Classified information

- 1.1 The Supplier shall not handle Buyer information classified SECRET or TOP SECRET except if there is a specific requirement and in this case prior to receipt of such information the Supplier shall seek additional specific guidance from the Buyer.

2. End user devices

- 2.1 When Government Data resides on a mobile, removable or physically uncontrolled device it must be stored encrypted using a product or system component which has been formally assured through a recognised certification process of the National Cyber Security Centre ("NCSC") to at least Foundation Grade, for example, under the NCSC Commercial Product Assurance scheme ("CPA").
- 2.2 Devices used to access or manage Government Data and services must be under the management authority of Buyer or Supplier and have a minimum set of security policy configuration enforced. These devices must be placed into a 'known good' state prior to being provisioned into the management authority of the Buyer. Unless otherwise agreed with the Buyer in writing, all Supplier devices are expected to meet the set of security requirements set out in the End User Devices Security Guidance (<https://www.ncsc.gov.uk/guidance/end-user-device-security>). Where the guidance highlights shortcomings in a particular platform the Supplier may wish to use, then these should be discussed with the Buyer and a joint decision shall be taken on whether the residual risks are acceptable. Where the Supplier wishes to deviate from the NCSC guidance, then this should be agreed in writing on a case by case basis with the Buyer.

3. Data Processing, Storage, Management and Destruction

- 3.1 The Supplier and Buyer recognise the need for the Buyer's information to be safeguarded under the UK Data Protection regime or a similar regime. To that end, the Supplier must be able to state to the Buyer the physical locations in which data may be stored, processed and managed from, and what legal and regulatory frameworks Government Data will be subject to at all times.
- 3.2 The Supplier shall agree any change in location of data storage, processing and administration with the Buyer in accordance with Clause 14 (Data protection).

3.3 The Supplier shall:

- 3.3.1 provide the Buyer with all Government Data on demand in an agreed open format;
- 3.3.2 have documented processes to guarantee availability of Government Data in the event of the Supplier ceasing to trade;
- 3.3.3 securely destroy all media that has held Government Data at the end of life of that media in line with Good Industry Practice; and
- 3.3.4 securely erase any or all Government Data held by the Supplier when requested to do so by the Buyer.

4. Ensuring secure communications

- 4.1 The Buyer requires that any Government Data transmitted over any public network (including the Internet, mobile networks or un-protected enterprise network) or to a mobile device must be encrypted using a product or system component which has been formally assured through a certification process recognised by NCSC, to at least Foundation Grade, for example, under CPA.
- 4.2 The Buyer requires that the configuration and use of all networking equipment to provide the Services, including those that are located in secure physical locations, are at least compliant with Good Industry Practice.

5. Security by design

- 5.1 The Supplier shall apply the 'principle of least privilege' (the practice of limiting systems, processes and user access to the minimum possible level) to the design and configuration of IT systems which will process or store Government Data.
- 5.2 When designing and configuring the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) the Supplier shall follow Good Industry Practice and seek guidance from recognised security professionals with the appropriate skills and/or NCSC certification (<https://www.ncsc.gov.uk/section/products-services/ncsc-certification>) for all bespoke or complex components of the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier).

6. Security of Supplier Staff

- 6.1 Supplier Staff shall be subject to pre-employment checks that include, as a minimum: identity, unspent criminal convictions and right to work.
- 6.2 The Supplier shall agree on a case by case basis Supplier Staff roles which require specific government clearances (such as 'SC') including system administrators with privileged access to IT systems which store or process Government Data.

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- 6.3 The Supplier shall prevent Supplier Staff who are unable to obtain the required security clearances from accessing systems which store, process, or are used to manage Government Data except where agreed with the Buyer in writing.
- 6.4 All Supplier Staff that have the ability to access Government Data or systems holding Government Data shall undergo regular training on secure information management principles. Unless otherwise agreed with the Buyer in writing, this training must be undertaken annually.
- 6.5 Where the Supplier or Subcontractors grants increased ICT privileges or access rights to Supplier Staff, those Supplier Staff shall be granted only those permissions necessary for them to carry out their duties. When staff no longer need elevated privileges or leave the organisation, their access rights shall be revoked within one (1) Working Day.

7. Restricting and monitoring access

- 7.1 The Supplier shall operate an access control regime to ensure all users and administrators of the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) are uniquely identified and authenticated when accessing or administering the Services. Applying the 'principle of least privilege', users and administrators shall be allowed access only to those parts of the ICT Environment that they require. The Supplier shall retain an audit record of accesses.

8. Audit

- 8.1 The Supplier shall collect audit records which relate to security events in the systems or that would support the analysis of potential and actual compromises. In order to facilitate effective monitoring and forensic readiness such Supplier audit records should (as a minimum) include:
- 8.1.1 Logs to facilitate the identification of the specific asset which makes every outbound request external to the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier). To the extent the design of the Deliverables allows such logs shall include those from DHCP servers, HTTP/HTTPS proxy servers, firewalls and routers.
- 8.1.2 Security events generated in the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) and shall include: privileged account log-on and log-off events, the start and termination of remote access sessions, security alerts from desktops and server operating systems and security alerts from third party security software.
- 8.2 The Supplier and the Buyer shall work together to establish any additional audit and monitoring requirements for the ICT Environment.
- 8.3 The Supplier shall retain audit records collected in compliance with this Paragraph 8 for a period of at least 6 Months.

Part B – Annex 2 - Security Management Plan

Introduction	Provides an introduction to the document describing its purpose along with the document's intended audience, scope, structure, references to other documents as well as the acronyms, abbreviations, and terms used throughout the document.
Security Requirements	Provides an overview of the Baseline Security Requirements and organisational requirements as set out by the Buyer, and proposed by international best practices.
Security Controls	Sets out the security controls to be implemented and maintained by the Supplier in relation to all aspects of the Services and all processes associated with the delivery of the Services.
Security Activities Roadmap	Depicts the security activities roadmap, and identifies the necessary delegated organisational roles which will be responsible for ensuring that this Schedule will be in compliance with the Buyer's requirements.
Risk Management	Provides an overview of the process for managing any security risks from Subcontractors of the Supplier and third parties authorised by the Buyer with access to the system, Services, and data.
Supporting Tools	Lists the potential tools to be used by the security experts during the security assessment.
Standard and Methodologies	Enumerates the standards and methodologies to be used.
Annexes	A data-sharing process map and a data protection policy which sets out inter alia how the Supplier will protect the personal and commercially sensitive applicant data they hold. A Data Sharing Agreement (DSA) setting out the approach to data transfer between the Supplier to the Buyer.

Order Schedule 10 (Exit Management)

1. Definitions

1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Exclusive Assets"	1 Supplier Assets used exclusively by the Supplier or a Key Subcontractor in the provision of the Deliverables;
"Exit Information"	2 has the meaning given to it in Paragraph 3.1 of this Schedule;
"Exit Manager"	3 the person appointed by each Party to manage their respective obligations under this Schedule;
"Exit Plan"	4 the plan produced and updated by the Supplier during the Initial Period in accordance with Paragraph 4 of this Schedule;
"Net Book Value"	5 the current net book value of the relevant Supplier Asset(s) calculated in accordance with the DPS Application or Order Tender (if stated) or (if not stated) the depreciation policy of the Supplier (which the Supplier shall ensure is in accordance with Good Industry Practice);
"Non-Exclusive Assets"	6 those Supplier Assets used by the Supplier or a Key Subcontractor in connection with the Deliverables but which are also used by the Supplier or Key Subcontractor for other purposes;
"Registers"	7 the register and configuration database referred to in Paragraph 2.2 of this Schedule;
"Replacement Goods"	8 any goods which are substantially similar to any of the Goods and which the Buyer receives in substitution for any of the Goods following the End Date, whether those goods are provided by the Buyer internally and/or by any third party;
"Replacement Services"	9 any services which are substantially similar to any of the Services and which the Buyer receives in substitution for any of the Services following the End Date,

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	whether those goods are provided by the Buyer internally and/or by any third party;
"Termination Assistance"	10 the activities to be performed by the Supplier pursuant to the Exit Plan, and other assistance required by the Buyer pursuant to the Termination Assistance Notice;
"Termination Assistance Notice"	11 has the meaning given to it in Paragraph 5.1 of this Schedule;
"Termination Assistance Period"	12 the period specified in a Termination Assistance Notice for which the Supplier is required to provide the Termination Assistance as such period may be extended pursuant to Paragraph 5.2 of this Schedule;
"Transferable Assets"	13 Exclusive Assets which are capable of legal transfer to the Buyer;
"Transferable Contracts"	14 Sub-Contracts, licences for Supplier's Software, licences for Third Party Software or other agreements which are necessary to enable the Buyer or any Replacement Supplier to provide the Deliverables or the Replacement Goods and/or Replacement Services, including in relation to licences all relevant Documentation;
"Transferring Assets"	15 has the meaning given to it in Paragraph 8.2.1 of this Schedule;
"Transferring Contracts"	16 has the meaning given to it in Paragraph 8.2.3 of this Schedule.

2. Supplier must always be prepared for contract exit

2.1 The Supplier shall within 30 days from the Start Date provide to the Buyer a copy of its depreciation policy to be used for the purposes of calculating Net Book Value.

2.2 During the Contract Period, the Supplier shall promptly:

- 2.2.1 create and maintain a detailed register of all Supplier Assets (including description, condition, location and details of ownership and status as either Exclusive Assets or Non-Exclusive Assets and Net Book Value) and Sub-contracts and other relevant agreements required in connection with the Deliverables; and

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- 2.2.2 create and maintain a configuration database detailing the technical infrastructure and operating procedures through which the Supplier provides the Deliverables

("Registers").

2.3 The Supplier shall:

- 2.3.1 ensure that all Exclusive Assets listed in the Registers are clearly physically identified as such; and
 - 2.3.2 procure that all licences for Third Party Software and all Sub-Contracts shall be assignable and/or capable of novation (at no cost or restriction to the Buyer) at the request of the Buyer to the Buyer (and/or its nominee) and/or any Replacement Supplier upon the Supplier ceasing to provide the Deliverables (or part of them) and if the Supplier is unable to do so then the Supplier shall promptly notify the Buyer and the Buyer may require the Supplier to procure an alternative Subcontractor or provider of Deliverables.
- 2.4 Each Party shall appoint an Exit Manager within three (3) Months of the Start Date. The Parties' Exit Managers will liaise with one another in relation to all issues relevant to the expiry or termination of this Contract.

3. Assisting re-competition for Deliverables

- 3.1 The Supplier shall, on reasonable notice, provide to the Buyer and/or its potential Replacement Suppliers (subject to the potential Replacement Suppliers entering into reasonable written confidentiality undertakings), such information (including any access) as the Buyer shall reasonably require in order to facilitate the preparation by the Buyer of any invitation to tender and/or to facilitate any potential Replacement Suppliers undertaking due diligence (the "**Exit Information**").
- 3.2 The Supplier acknowledges that the Buyer may disclose the Supplier's Confidential Information (excluding the Supplier's or its Subcontractors' prices or costs) to an actual or prospective Replacement Supplier to the extent that such disclosure is necessary in connection with such engagement.
- 3.3 The Supplier shall provide complete updates of the Exit Information on an as-requested basis as soon as reasonably practicable and notify the Buyer within five (5) Working Days of any material change to the Exit Information which may adversely impact upon the provision of any Deliverables (and shall consult the Buyer in relation to any such changes).
- 3.4 The Exit Information shall be accurate and complete in all material respects and shall be sufficient to enable a third party to prepare an informed offer for those Deliverables; and not be disadvantaged in any procurement process compared to the Supplier.

4. Exit Plan

- 4.1 The Supplier shall, within three (3) Months after the Start Date, deliver to the Buyer an Exit Plan which complies with the requirements set out in

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Paragraph 4.3 of this Schedule and is otherwise reasonably satisfactory to the Buyer.

4.2 The Parties shall use reasonable endeavours to agree the contents of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within twenty (20) Working Days of the latest date for its submission pursuant to Paragraph 4.1, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

4.3 The Exit Plan shall set out, as a minimum:

- 4.3.1 a detailed description of both the transfer and cessation processes, including a timetable;
- 4.3.2 how the Deliverables will transfer to the Replacement Supplier and/or the Buyer;
- 4.3.3 details of any contracts which will be available for transfer to the Buyer and/or the Replacement Supplier upon the Expiry Date together with any reasonable costs required to effect such transfer;
- 4.3.4 proposals for the training of key members of the Replacement Supplier's staff in connection with the continuation of the provision of the Deliverables following the Expiry Date;
- 4.3.5 proposals for providing the Buyer or a Replacement Supplier copies of all documentation relating to the use and operation of the Deliverables and required for their continued use;
- 4.3.6 proposals for the assignment or novation of all services utilised by the Supplier in connection with the supply of the Deliverables;
- 4.3.7 proposals for the identification and return of all Buyer Property in the possession of and/or control of the Supplier or any third party;
- 4.3.8 proposals for the disposal of any redundant Deliverables and materials;
- 4.3.9 how the Supplier will ensure that there is no disruption to or degradation of the Deliverables during the Termination Assistance Period; and
- 4.3.10 any other information or assistance reasonably required by the Buyer or a Replacement Supplier.

4.4 The Supplier shall:

- 4.4.1 maintain and update the Exit Plan (and risk management plan) no less frequently than:
 - (a) every twelve (12) months] throughout the Contract Period; and
 - (b) no later than twenty (20) Working Days after a request from the Buyer for an up-to-date copy of the Exit Plan;
 - (c) as soon as reasonably possible following a Termination Assistance Notice, and in any event no

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later than ten (10) Working Days after the date of the Termination Assistance Notice;

- (d) as soon as reasonably possible following, and in any event no later than twenty (20) Working Days following, any material change to the Deliverables (including all changes under the Variation Procedure); and

4.4.2 jointly review and verify the Exit Plan if required by the Buyer and promptly correct any identified failures.

4.5 Only if (by notification to the Supplier in writing) the Buyer agrees with a draft Exit Plan provided by the Supplier under Paragraph 4.2 or 4.4 (as the context requires), shall that draft become the Exit Plan for this Contract.

4.6 A version of an Exit Plan agreed between the parties shall not be superseded by any draft submitted by the Supplier.

5. Termination Assistance

5.1 The Buyer shall be entitled to require the provision of Termination Assistance at any time during the Contract Period by giving written notice to the Supplier (a "**Termination Assistance Notice**") at least four (4) Months prior to the Expiry Date or as soon as reasonably practicable (but in any event, not later than one (1) Month) following the service by either Party of a Termination Notice. The Termination Assistance Notice shall specify:

5.1.1 the nature of the Termination Assistance required; and

5.1.2 the start date and initial period during which it is anticipated that Termination Assistance will be required, which shall continue no longer than twelve (12) Months after the End Date.

5.2 The Buyer shall have an option to extend the Termination Assistance Period beyond the initial period specified in the Termination Assistance Notice in one or more extensions, in each case provided that:

5.2.1 no such extension shall extend the Termination Assistance Period beyond the date twelve (12) Months after the End Date; and

5.2.2 the Buyer shall notify the Supplier of any such extension no later than twenty (20) Working Days prior to the date on which the Termination Assistance Period is otherwise due to expire.

5.3 The Buyer shall have the right to terminate its requirement for Termination Assistance by serving not less than (20) Working Days' written notice upon the Supplier.

5.4 In the event that Termination Assistance is required by the Buyer but at the relevant time the parties are still agreeing an update to the Exit Plan pursuant to Paragraph 4, the Supplier will provide the Termination Assistance in good faith and in accordance with the principles in this Schedule and the last Buyer approved version of the Exit Plan (insofar as it still applies).

6. Termination Assistance Period

6.1 Throughout the Termination Assistance Period the Supplier shall:

- 6.1.1 continue to provide the Deliverables (as applicable) and otherwise perform its obligations under this Contract and, if required by the Buyer, provide the Termination Assistance;
- 6.1.2 provide to the Buyer and/or its Replacement Supplier any reasonable assistance and/or access requested by the Buyer and/or its Replacement Supplier including assistance and/or access to facilitate the orderly transfer of responsibility for and conduct of the Deliverables to the Buyer and/or its Replacement Supplier;
- 6.1.3 use all reasonable endeavours to reallocate resources to provide such assistance without additional costs to the Buyer;
- 6.1.4 subject to Paragraph 6.3, provide the Deliverables and the Termination Assistance at no detriment to the Performance Indicators (PI's) or Service Levels, the provision of the Management Information or any other reports nor to any other of the Supplier's obligations under this Contract;
- 6.1.5 at the Buyer's request and on reasonable notice, deliver up-to-date Registers to the Buyer;
- 6.1.6 seek the Buyer's prior written consent to access any Buyer Premises from which the de-installation or removal of Supplier Assets is required.

6.2 If it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in Paragraph 6.1.2 without additional costs to the Buyer, any additional costs incurred by the Supplier in providing such reasonable assistance shall be subject to the Variation Procedure.

6.3 If the Supplier demonstrates to the Buyer's reasonable satisfaction that the provision of the Termination Assistance will have a material, unavoidable adverse effect on the Supplier's ability to meet one or more particular Service Levels, the Parties shall vary the relevant Service Levels and/or the applicable Service Credits accordingly.

7. Obligations when the contract is terminated

7.1 The Supplier shall comply with all of its obligations contained in the Exit Plan.

7.2 Upon termination or expiry or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Deliverables and the Termination Assistance), the Supplier shall:

- 7.2.1 vacate any Buyer Premises;
- 7.2.2 remove the Supplier Equipment together with any other materials used by the Supplier to supply the Deliverables and shall leave the Sites in a clean, safe and tidy condition. The Supplier is solely responsible for making good any damage to the Sites or any objects contained thereon, other than fair wear and tear, which is caused by the Supplier;

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7.2.3 provide access during normal working hours to the Buyer and/or the Replacement Supplier for up to twelve (12) Months after expiry or termination to:

- (a) such information relating to the Deliverables as remains in the possession or control of the Supplier; and
- (b) such members of the Supplier Staff as have been involved in the design, development and provision of the Deliverables and who are still employed by the Supplier, provided that the Buyer and/or the Replacement Supplier shall pay the reasonable costs of the Supplier actually incurred in responding to such requests for access.

7.3 Except where this Contract provides otherwise, all licences, leases and authorisations granted by the Buyer to the Supplier in relation to the Deliverables shall be terminated with effect from the end of the Termination Assistance Period.

8. Assets, Sub-contracts and Software

8.1 Following notice of termination of this Contract and during the Termination Assistance Period, the Supplier shall not, without the Buyer's prior written consent:

8.1.1 terminate, enter into or vary any Sub-contract or licence for any software in connection with the Deliverables; or

8.1.2 (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Supplier Assets or acquire any new Supplier Assets.

8.2 Within twenty (20) Working Days of receipt of the up-to-date Registers provided by the Supplier, the Buyer shall notify the Supplier setting out:

8.2.1 which, if any, of the Transferable Assets the Buyer requires to be transferred to the Buyer and/or the Replacement Supplier ("**Transferring Assets**");

8.2.2 which, if any, of:

- (a) the Exclusive Assets that are not Transferable Assets; and
- (b) the Non-Exclusive Assets,

the Buyer and/or the Replacement Supplier requires the continued use of; and

8.2.3 which, if any, of Transferable Contracts the Buyer requires to be assigned or novated to the Buyer and/or the Replacement Supplier (the "**Transferring Contracts**"),

in order for the Buyer and/or its Replacement Supplier to provide the Deliverables from the expiry of the Termination Assistance Period. The

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Supplier shall provide all reasonable assistance required by the Buyer and/or its Replacement Supplier to enable it to determine which Transferable Assets and Transferable Contracts are required to provide the Deliverables or the Replacement Goods and/or Replacement Services.

8.3 With effect from the expiry of the Termination Assistance Period, the Supplier shall sell the Transferring Assets to the Buyer and/or the Replacement Supplier for their Net Book Value less any amount already paid for them through the Charges.

8.4 Risk in the Transferring Assets shall pass to the Buyer or the Replacement Supplier (as appropriate) at the end of the Termination Assistance Period and title shall pass on payment for them.

8.5 Where the Buyer and/or the Replacement Supplier requires continued use of any Exclusive Assets that are not Transferable Assets or any Non-Exclusive Assets, the Supplier shall as soon as reasonably practicable:

8.5.1 procure a non-exclusive, perpetual, royalty-free licence for the Buyer and/or the Replacement Supplier to use such assets (with a right of sub-licence or assignment on the same terms); or failing which

8.5.2 procure a suitable alternative to such assets, the Buyer or the Replacement Supplier to bear the reasonable proven costs of procuring the same.

8.6 The Supplier shall as soon as reasonably practicable assign or procure the novation of the Transferring Contracts to the Buyer and/or the Replacement Supplier. The Supplier shall execute such documents and provide such other assistance as the Buyer reasonably requires to effect this novation or assignment.

8.7 The Buyer shall:

8.7.1 accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and

8.7.2 once a Transferring Contract is novated or assigned to the Buyer and/or the Replacement Supplier, discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract, or as applicable, procure that the Replacement Supplier does the same.

8.8 The Supplier shall hold any Transferring Contracts on trust for the Buyer until the transfer of the relevant Transferring Contract to the Buyer and/or the Replacement Supplier has taken place.

8.9 The Supplier shall indemnify the Buyer (and/or the Replacement Supplier, as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to the Buyer (and/or Replacement Supplier) pursuant to Paragraph 8.6 in relation to any matters arising prior to the date of assignment or novation of such Transferring Contract. Clause 19 (Other people's rights in this contract) shall not apply to this Paragraph 8.9 which is intended to be enforceable by Third Parties Beneficiaries by virtue of the CRTPA.

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9. No charges

9.1 Unless otherwise stated, the Buyer shall not be obliged to pay for costs incurred by the Supplier in relation to its compliance with this Schedule.

10. Dividing the bills

10.1 All outgoings, expenses, rents, royalties and other periodical payments receivable in respect of the Transferring Assets and Transferring Contracts shall be apportioned between the Buyer and/or the Replacement and the Supplier as follows:

10.1.1 the amounts shall be annualised and divided by 365 to reach a daily rate;

10.1.2 the Buyer or Replacement Supplier (as applicable) shall be responsible for or entitled to (as the case may be) that part of the value of the invoice pro rata to the number of complete days following the transfer, multiplied by the daily rate; and

10.1.3 the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice.

Order Schedule 13 (Implementation Plan and Testing)

Part A - Implementation

1. definitions

- 1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Delay"	a) a delay in the Achievement of a Milestone by its Milestone Date; or b) a delay in the design, development, testing or implementation of a Deliverable by the relevant date set out in the Implementation Plan;
"Deliverable Item"	1 an item or feature in the supply of the Deliverables delivered or to be delivered by the Supplier at or before a Milestone Date listed in the Implementation Plan;
"Implementation Period"	2 has the meaning given to it in Paragraph 7.1;
"Milestone Payment"	3 a payment identified in the Implementation Plan to be made following the issue of a Satisfaction Certificate in respect of Achievement of the relevant Milestone.

4

2. Agreeing and following the Implementation Plan

- 2.1 A draft of the Implementation Plan is set out in the Annex to this Schedule. The Supplier shall provide a further draft Implementation Plan to the Buyer within five (5) Working Days of the Order Start Date.
- 2.2 The draft Implementation Plan:
- 2.2.1 must contain information at the level of detail necessary to manage the implementation stage effectively and as the Buyer may otherwise require; and
 - 2.2.2 it shall take account of all dependencies known to, or which should reasonably be known to, the Supplier.
- 2.3 Following receipt of the draft Implementation Plan from the Supplier, the Parties shall use reasonable endeavours to agree the contents of

the Implementation Plan. If the Parties are unable to agree the contents of the Implementation Plan within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

- 2.4 The Supplier shall provide each of the Deliverable Items identified in the Implementation Plan by the date assigned to that Deliverable Item in the Implementation Plan so as to ensure that each Milestone identified in the Implementation Plan is Achieved on or before its Milestone Date.
- 2.5 The Supplier shall monitor its performance against the Implementation Plan and Milestones (if any) and report to the Buyer on such performance.

3. Reviewing and changing the Implementation Plan

- 3.1 Subject to Paragraph 4.3, the Supplier shall keep the Implementation Plan under review in accordance with the Buyer's instructions and ensure that it is updated on a regular basis.
- 3.2 The Buyer shall have the right to require the Supplier to include any reasonable changes or provisions in each version of the Implementation Plan.
- 3.3 Changes to any Milestones, Milestone Payments and Delay Payments shall only be made in accordance with the Variation Procedure.
- 3.4 Time in relation to compliance with the Implementation Plan shall be of the essence and failure of the Supplier to comply with the Implementation Plan shall be a material Default.

4. Security requirements before the Start Date

- 4.1 The Supplier shall note that it is incumbent upon them to understand the lead-in period for security clearances and ensure that all Supplier Staff have the necessary security clearance in place before the Order Start Date. The Supplier shall ensure that this is reflected in their Implementation Plans.
- 4.2 The Supplier shall ensure that all Supplier Staff and Subcontractors do not access the Buyer's IT systems, or any IT systems linked to the Buyer, unless they have satisfied the Buyer's security requirements.
- 4.3 The Supplier shall be responsible for providing all necessary information to the Buyer to facilitate security clearances for Supplier Staff and Subcontractors in accordance with the Buyer's requirements.
- 4.4 The Supplier shall provide the names of all Supplier Staff and Subcontractors and inform the Buyer of any alterations and additions as they take place throughout the Order Contract.

- 4.5 The Supplier shall ensure that all Supplier Staff and Subcontractors requiring access to the Buyer Premises have the appropriate security clearance. It is the Supplier's responsibility to establish whether or not the level of clearance will be sufficient for access. Unless prior approval has been received from the Buyer, the Supplier shall be responsible for meeting the costs associated with the provision of security cleared escort services.
- 4.6 If a property requires Supplier Staff or Subcontractors to be accompanied by the Buyer's Authorised Representative, the Buyer must be given reasonable notice of such a requirement, except in the case of emergency access.

5. What to do if there is a Delay

- 5.1 If the Supplier becomes aware that there is, or there is reasonably likely to be, a Delay under this Contract it shall:
 - 5.1.1 notify the Buyer as soon as practically possible and no later than within two (2) Working Days from becoming aware of the Delay or anticipated Delay;
 - 5.1.2 include in its notification an explanation of the actual or anticipated impact of the Delay;
 - 5.1.3 comply with the Buyer's instructions in order to address the impact of the Delay or anticipated Delay; and
 - 5.1.4 use all reasonable endeavours to eliminate or mitigate the consequences of any Delay or anticipated Delay.

6. Compensation for a Delay

- 6.1 If Delay Payments have been included in the Implementation Plan and a Milestone has not been achieved by the relevant Milestone Date, the Supplier shall pay to the Buyer such Delay Payments (calculated as set out by the Buyer in the Implementation Plan) and the following provisions shall apply:
 - 6.1.1 the Supplier acknowledges and agrees that any Delay Payment is a price adjustment and not an estimate of the Loss that may be suffered by the Buyer as a result of the Supplier's failure to Achieve the corresponding Milestone;
 - 6.1.2 Delay Payments shall be the Buyer's exclusive financial remedy for the Supplier's failure to Achieve a Milestone by its Milestone Date except where:
 - (a) the Buyer is otherwise entitled to or does terminate this Contract pursuant to Clause 10.4 (When CCS or the Buyer can end this contract); or
 - (b) the delay exceeds the number of days (the "**Delay Period Limit**") specified in the Implementation Plan commencing on the relevant Milestone Date;

Order Schedule 13: (Implementation Plan and Testing)

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- 6.1.3 the Delay Payments will accrue on a daily basis from the relevant Milestone Date until the date when the Milestone is Achieved;
- 6.1.4 no payment or other act or omission of the Buyer shall in any way affect the rights of the Buyer to recover the Delay Payments or be deemed to be a waiver of the right of the Buyer to recover any such damages; and
- 6.1.5 Delay Payments shall not be subject to or count towards any limitation on liability set out in Clause 11 (How much you can be held responsible for).

7. Implementation Plan

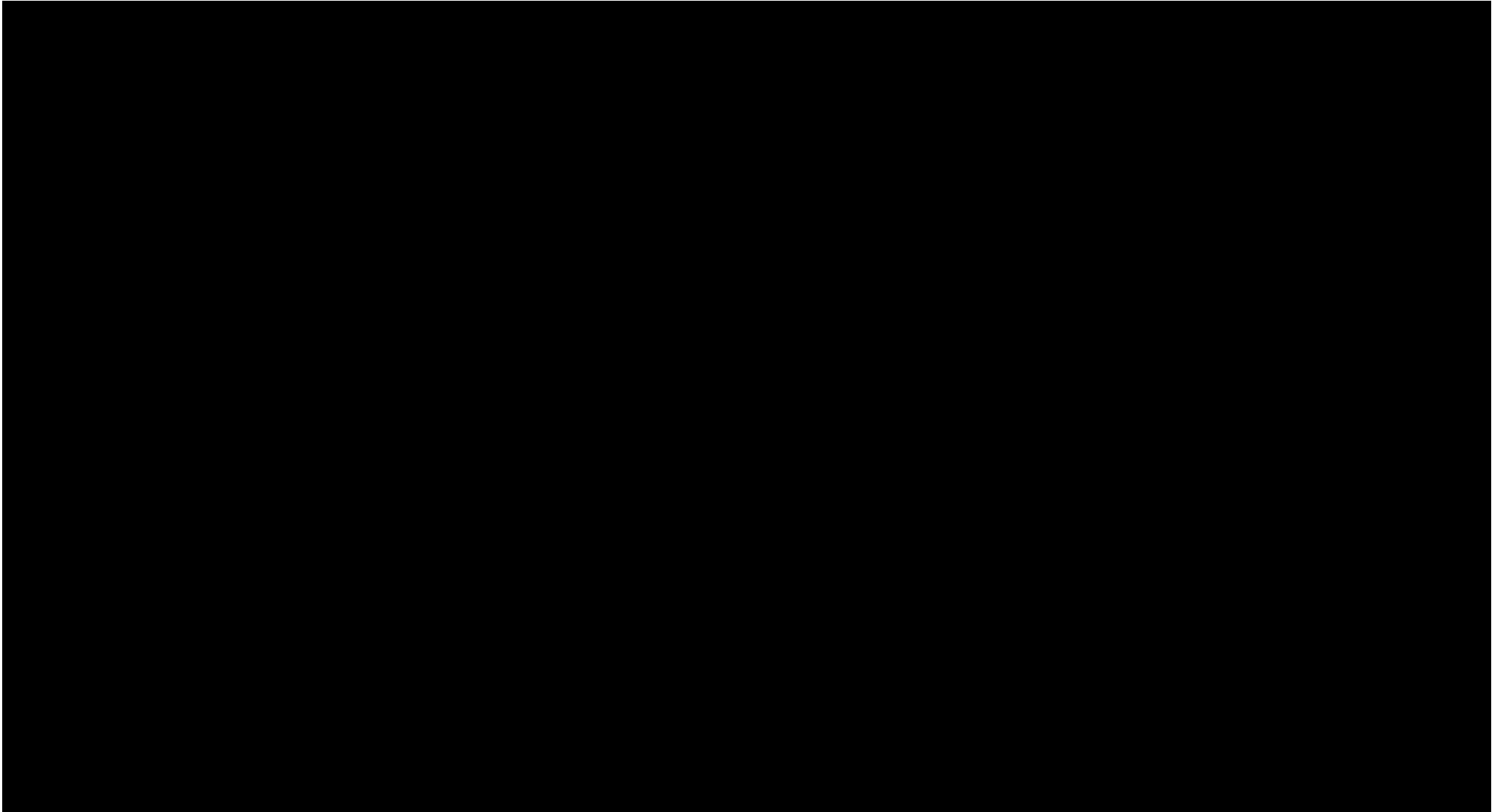
- 7.1 The Implementation Period will be a three (3) Month period.
- 7.2 Not used
- 7.3 In accordance with the Implementation Plan, the Supplier shall:
 - 7.3.1 work cooperatively and in partnership with the Buyer, incumbent supplier, and other DPS Supplier(s), where applicable, to understand the scope of Services to ensure a mutually beneficial handover of the Services;
 - 7.3.2 work with the incumbent supplier and Buyer to assess the scope of the Services and prepare a plan which demonstrates how they will mobilise the Services; and
 - 7.3.3 Not used.
 - 7.3.4 produce an Implementation Plan, to be agreed by the Buyer, for carrying out the requirements within the Implementation Period including, key Milestones and dependencies.
- 7.4 Not used.
 - 7.4.1 Not used
 - 7.4.2 a communications plan, to be produced and implemented by the Supplier, but to be agreed with the Buyer, including the frequency, responsibility for and nature of communication with the Buyer and end users of the Services.
- 7.5 In addition, the Supplier shall:
 - 7.5.1 appoint a Supplier Authorised Representative who shall be responsible for the management of the Implementation Period, to ensure that the Implementation Period is planned and resourced adequately, and who will act as a point of contact for the Buyer;
 - 7.5.2 mobilise all the Services specified in the Specification within the Order Contract;
 - 7.5.3 Not used.

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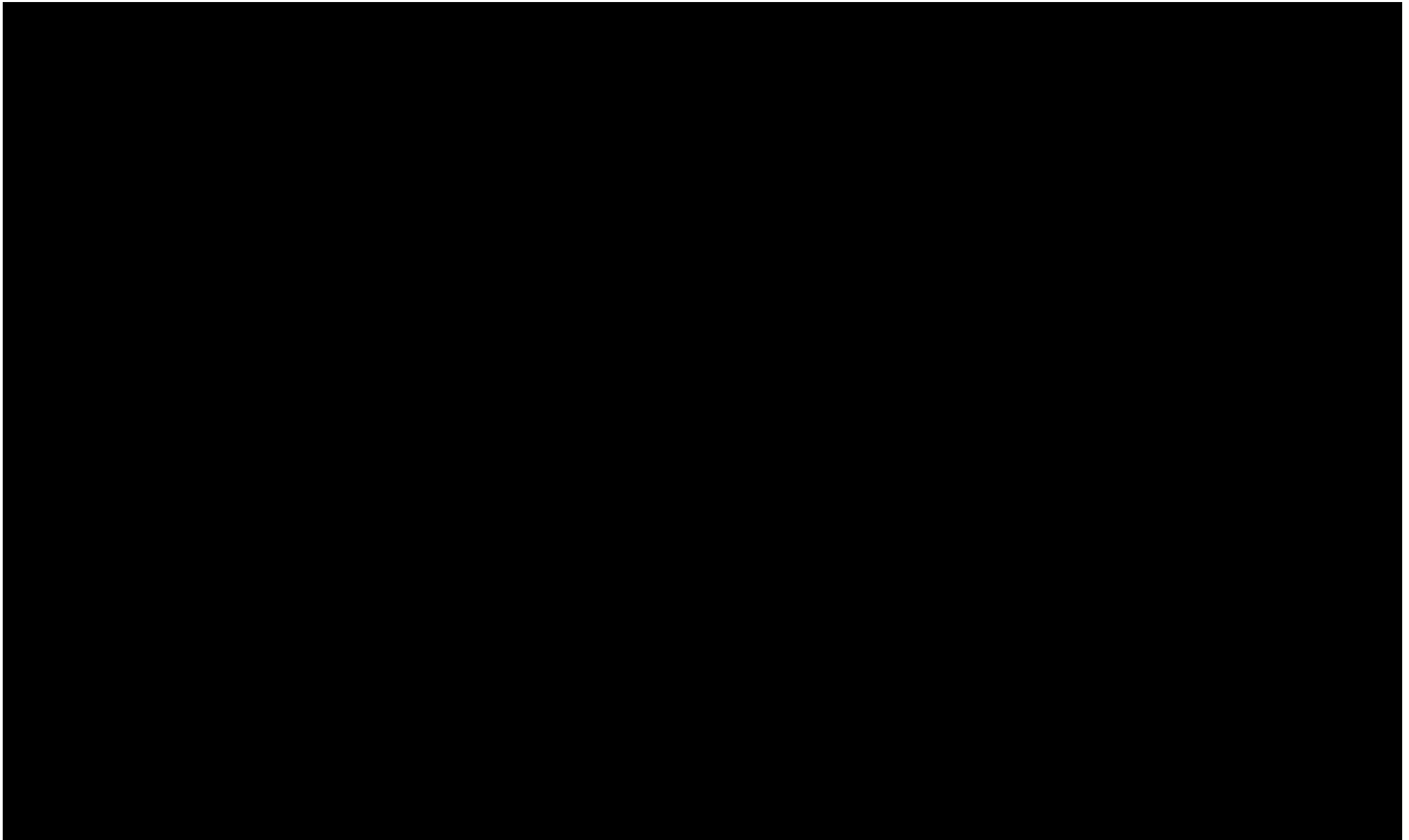
- 7.5.4 manage and report progress against the Implementation Plan;
- 7.5.5 construct and maintain a Implementation risk and issue register in conjunction with the Buyer detailing how risks and issues will be effectively communicated to the Buyer in order to mitigate them;
- 7.5.6 attend progress meetings (frequency of such meetings shall be as set out in the Order Form) in accordance with the Buyer's requirements during the Implementation Period. Implementation meetings shall be chaired by the Buyer and all meeting minutes shall be kept and published by the Supplier; and
- 7.5.7 Not used.

Annex 1: Implementation Plan



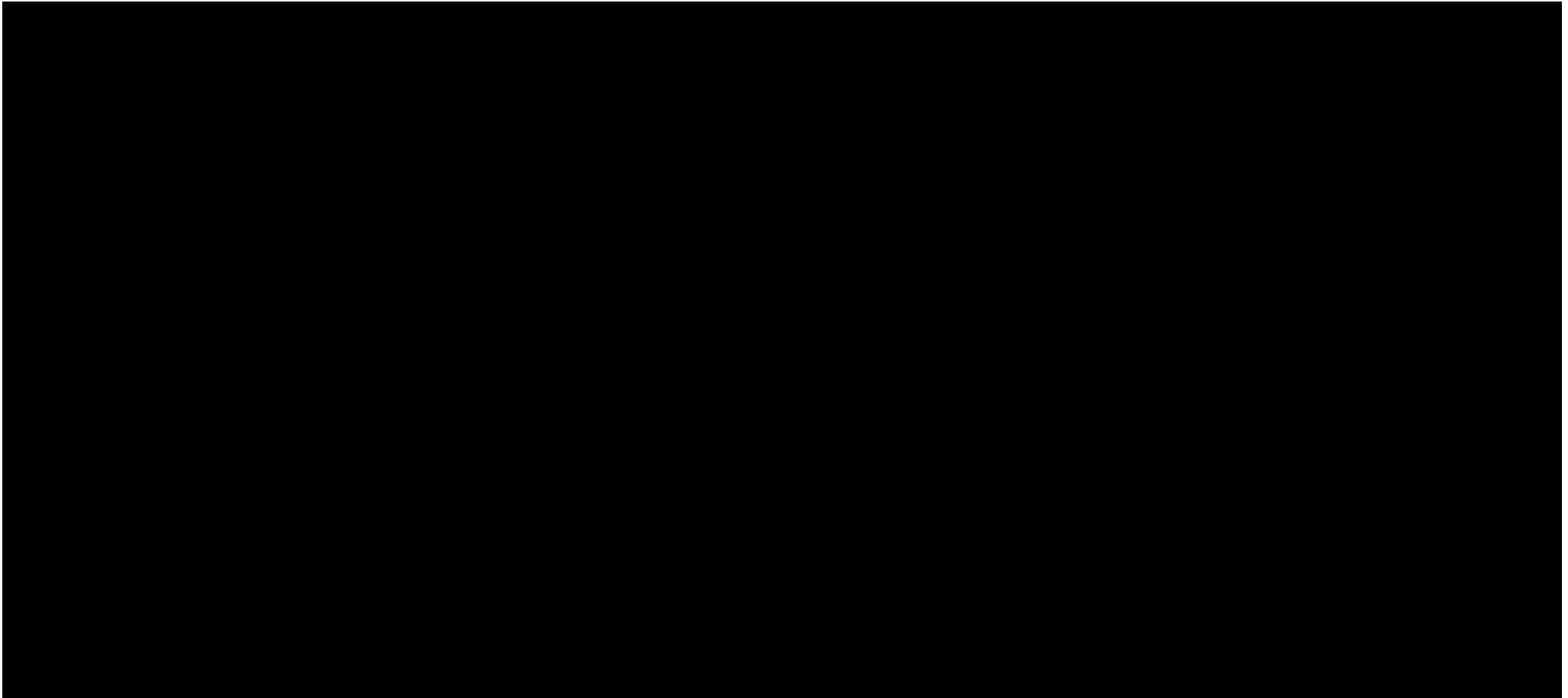
Order Schedule 13: (Implementation Plan and Testing)

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Part B - Testing

1. Definitions

- 1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Component"	5 any constituent parts of the Deliverables;
"Material Test Issue"	6 a Test Issue of Severity Level 1 or Severity Level 2;
"Satisfaction Certificate"	7 a certificate materially in the form of the document contained in Annex 2 issued by the Buyer when a Deliverable and/or Milestone has satisfied its relevant Test Success Criteria;
"Severity Level"	8 the level of severity of a Test Issue, the criteria for which are described in Annex 1;
"Test Issue Management Log"	9 a log for the recording of Test Issues as described further in Paragraph 8.1 of this Schedule;
"Test Issue Threshold"	10 in relation to the Tests applicable to a Milestone, a maximum number of Severity Level 3, Severity Level 4 and Severity Level 5 Test Issues as set out in the relevant Test Plan;
"Test Reports"	11 the reports to be produced by the Supplier setting out the results of Tests;
"Test Specification"	12 the specification that sets out how Tests will demonstrate that the Test Success Criteria have been satisfied, as described in more detail in Paragraph 6 of this Schedule;
"Test Strategy"	13 a strategy for the conduct of Testing as described further in Paragraph 3 of this Schedule;
"Test Success Criteria"	14 in relation to a Test, the test success criteria for that Test as

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	referred to in Paragraph 5 of this Schedule;
"Test Witness"	15 any person appointed by the Buyer pursuant to Paragraph 9 of this Schedule; and
"Testing Procedures"	16 the applicable testing procedures and Test Success Criteria set out in this Schedule.

2. How testing should work

- 2.1 All Tests conducted by the Supplier shall be conducted in accordance with the Test Strategy, Test Specification and the Test Plan.
- 2.2 The Supplier shall not submit any Deliverable for Testing:
 - 2.2.1 unless the Supplier is reasonably confident that it will satisfy the relevant Test Success Criteria;
 - 2.2.2 until the Buyer has issued a Satisfaction Certificate in respect of any prior, dependant Deliverable(s); and
 - 2.2.3 until the Parties have agreed the Test Plan and the Test Specification relating to the relevant Deliverable(s).
- 2.3 The Supplier shall use reasonable endeavours to submit each Deliverable for Testing or re-Testing by or before the date set out in the Implementation Plan for the commencement of Testing in respect of the relevant Deliverable.
- 2.4 Prior to the issue of a Satisfaction Certificate, the Buyer shall be entitled to review the relevant Test Reports and the Test Issue Management Log.

3. Planning for testing

- 3.1 The Supplier shall develop the final Test Strategy as soon as practicable after the Start Date but in any case no later than twenty (20) Working Days after the Start Date.
- 3.2 The final Test Strategy shall include:
 - 3.2.1 an overview of how Testing will be conducted in relation to the Implementation Plan;
 - 3.2.2 the process to be used to capture and record Test results and the categorisation of Test Issues;
 - 3.2.3 the procedure to be followed should a Deliverable fail a Test, fail to satisfy the Test Success Criteria or where the Testing of a Deliverable produces unexpected results, including a procedure for the resolution of Test Issues;
 - 3.2.4 the procedure to be followed to sign off each Test;

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- 3.2.5 the process for the production and maintenance of Test Reports and a sample plan for the resolution of Test Issues;
- 3.2.6 the names and contact details of the Buyer and the Supplier's Test representatives;
- 3.2.7 a high level identification of the resources required for Testing including Buyer and/or third party involvement in the conduct of the Tests;
- 3.2.8 the technical environments required to support the Tests; and
- 3.2.9 the procedure for managing the configuration of the Test environments.

4. Preparing for Testing

- 4.1 The Supplier shall develop Test Plans and submit these for Approval as soon as practicable but in any case no later than twenty (20) Working Days prior to the start date for the relevant Testing as specified in the Implementation Plan.
- 4.2 Each Test Plan shall include as a minimum:
 - 4.2.1 the relevant Test definition and the purpose of the Test, the Milestone to which it relates, the requirements being Tested and, for each Test, the specific Test Success Criteria to be satisfied; and
 - 4.2.2 a detailed procedure for the Tests to be carried out.
- 4.3 The Buyer shall not unreasonably withhold or delay its approval of the Test Plan provided that the Supplier shall implement any reasonable requirements of the Buyer in the Test Plan.

5. Passing Testing

- 5.1 The Test Success Criteria for all Tests shall be agreed between the Parties as part of the relevant Test Plan pursuant to Paragraph 4.

6. How Deliverables will be tested

- 6.1 Following approval of a Test Plan, the Supplier shall develop the Test Specification for the relevant Deliverables as soon as reasonably practicable and in any event at least 10 Working Days prior to the start of the relevant Testing (as specified in the Implementation Plan).
- 6.2 Each Test Specification shall include as a minimum:
 - 6.2.1 the specification of the Test data, including its source, scope, volume and management, a request (if applicable) for relevant Test data to be provided by the Buyer and the extent to which it is equivalent to live operational data;
 - 6.2.2 a plan to make the resources available for Testing;

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- 6.2.3 Test scripts;
- 6.2.4 Test pre-requisites and the mechanism for measuring them;
and
- 6.2.5 expected Test results, including:
 - (a) a mechanism to be used to capture and record Test results; and
 - (b) a method to process the Test results to establish their content.

7. Performing the tests

- 7.1 Before submitting any Deliverables for Testing the Supplier shall subject the relevant Deliverables to its own internal quality control measures.
- 7.2 The Supplier shall manage the progress of Testing in accordance with the relevant Test Plan and shall carry out the Tests in accordance with the relevant Test Specification. Tests may be witnessed by the Test Witnesses in accordance with Paragraph 9.
- 7.3 The Supplier shall notify the Buyer at least 10 Working Days in advance of the date, time and location of the relevant Tests and the Buyer shall ensure that the Test Witnesses attend the Tests.
- 7.4 The Buyer may raise and close Test Issues during the Test witnessing process.
- 7.5 The Supplier shall provide to the Buyer in relation to each Test:
 - 7.5.1 a draft Test Report not less than 2 Working Days prior to the date on which the Test is planned to end; and
 - 7.5.2 the final Test Report within 5 Working Days of completion of Testing.
- 7.6 Each Test Report shall provide a full report on the Testing conducted in respect of the relevant Deliverables, including:
 - 7.6.1 an overview of the Testing conducted;
 - 7.6.2 identification of the relevant Test Success Criteria that have/have not been satisfied together with the Supplier's explanation of why any criteria have not been met;
 - 7.6.3 the Tests that were not completed together with the Supplier's explanation of why those Tests were not completed;
 - 7.6.4 the Test Success Criteria that were satisfied, not satisfied or which were not tested, and any other relevant categories, in each case grouped by Severity Level in accordance with Paragraph 8.1; and

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- 7.6.5 the specification for any hardware and software used throughout Testing and any changes that were applied to that hardware and/or software during Testing.
- 7.7 When the Supplier has completed a Milestone it shall submit any Deliverables relating to that Milestone for Testing.
- 7.8 Each party shall bear its own costs in respect of the Testing. However, if a Milestone is not Achieved the Buyer shall be entitled to recover from the Supplier, any reasonable additional costs it may incur as a direct result of further review or re-Testing of a Milestone.
- 7.9 If the Supplier successfully completes the requisite Tests, the Buyer shall issue a Satisfaction Certificate as soon as reasonably practical following such successful completion. Notwithstanding the issuing of any Satisfaction Certificate, the Supplier shall remain solely responsible for ensuring that the Deliverables are implemented in accordance with this Contract.

8. Discovering Problems

- 8.1 Where a Test Report identifies a Test Issue, the Parties shall agree the classification of the Test Issue using the criteria specified in Annex 1 and the Test Issue Management Log maintained by the Supplier shall log Test Issues reflecting the Severity Level allocated to each Test Issue.
- 8.2 The Supplier shall be responsible for maintaining the Test Issue Management Log and for ensuring that its contents accurately represent the current status of each Test Issue at all relevant times. The Supplier shall make the Test Issue Management Log available to the Buyer upon request.
- 8.3 The Buyer shall confirm the classification of any Test Issue unresolved at the end of a Test in consultation with the Supplier. If the Parties are unable to agree the classification of any unresolved Test Issue, the Dispute shall be dealt with in accordance with the Dispute Resolution Procedure using the Expedited Dispute Timetable.

9. Test witnessing

- 9.1 The Buyer may, in its sole discretion, require the attendance at any Test of one or more Test Witnesses selected by the Buyer, each of whom shall have appropriate skills to fulfil the role of a Test Witness.
- 9.2 The Supplier shall give the Test Witnesses access to any documentation and Testing environments reasonably necessary and requested by the Test Witnesses to perform their role as a Test Witness in respect of the relevant Tests.

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9.3 The Test Witnesses:

- 9.3.1 shall actively review the Test documentation;
 - 9.3.2 will attend and engage in the performance of the Tests on behalf of the Buyer so as to enable the Buyer to gain an informed view of whether a Test Issue may be closed or whether the relevant element of the Test should be re-Tested;
 - 9.3.3 shall not be involved in the execution of any Test;
 - 9.3.4 shall be required to verify that the Supplier conducted the Tests in accordance with the Test Success Criteria and the relevant Test Plan and Test Specification;
 - 9.3.5 may produce and deliver their own, independent reports on Testing, which may be used by the Buyer to assess whether the Tests have been Achieved;
 - 9.3.6 may raise Test Issues on the Test Issue Management Log in respect of any Testing; and
- 9.4 may require the Supplier to demonstrate the modifications made to any defective Deliverable before a Test Issue is closed.

10. Auditing the quality of the test

- 10.1 The Buyer or an agent or contractor appointed by the Buyer may perform on-going quality audits in respect of any part of the Testing (each a "**Testing Quality Audit**") subject to the provisions set out in the agreed Quality Plan.
- 10.2 The Supplier shall allow sufficient time in the Test Plan to ensure that adequate responses to a Testing Quality Audit can be provided.
- 10.3 The Buyer will give the Supplier at least 5 Working Days' written notice of the Buyer's intention to undertake a Testing Quality Audit.
- 10.4 The Supplier shall provide all reasonable necessary assistance and access to all relevant documentation required by the Buyer to enable it to carry out the Testing Quality Audit.
- 10.5 If the Testing Quality Audit gives the Buyer concern in respect of the Testing Procedures or any Test, the Buyer shall prepare a written report for the Supplier detailing its concerns and the Supplier shall, within a reasonable timeframe, respond in writing to the Buyer's report.
- 10.6 In the event of an inadequate response to the written report from the Supplier, the Buyer (acting reasonably) may withhold a Satisfaction Certificate until the issues in the report have been addressed to the reasonable satisfaction of the Buyer.

11. Outcome of the testing

- 11.1 The Buyer will issue a Satisfaction Certificate when the Deliverables satisfy the Test Success Criteria in respect of that Test without any Test Issues.
- 11.2 If the Deliverables (or any relevant part) do not satisfy the Test Success Criteria then the Buyer shall notify the Supplier and:
 - 11.2.1 the Buyer may issue a Satisfaction Certificate conditional upon the remediation of the Test Issues;
 - 11.2.2 the Buyer may extend the Test Plan by such reasonable period or periods as the Parties may reasonably agree and require the Supplier to rectify the cause of the Test Issue and re-submit the Deliverables (or the relevant part) to Testing; or
 - 11.2.3 where the failure to satisfy the Test Success Criteria results, or is likely to result, in the failure (in whole or in part) by the Supplier to meet a Milestone, then without prejudice to the Buyer's other rights and remedies, such failure shall constitute a material Default.
- 11.3 The Buyer shall be entitled, without prejudice to any other rights and remedies that it has under this Contract, to recover from the Supplier any reasonable additional costs it may incur as a direct result of further review or re-Testing which is required for the Test Success Criteria for that Deliverable to be satisfied.
- 11.4 The Buyer shall issue a Satisfaction Certificate in respect of a given Milestone as soon as is reasonably practicable following:
 - 11.4.1 the issuing by the Buyer of Satisfaction Certificates and/or conditional Satisfaction Certificates in respect of all Deliverables related to that Milestone which are due to be Tested; and
 - 11.4.2 performance by the Supplier to the reasonable satisfaction of the Buyer of any other tasks identified in the Implementation Plan as associated with that Milestone.
- 11.5 The grant of a Satisfaction Certificate shall entitle the Supplier to the receipt of a payment in respect of that Milestone in accordance with the provisions of any Implementation Plan and Clause 4 (Pricing and payments).
- 11.6 If a Milestone is not Achieved, the Buyer shall promptly issue a report to the Supplier setting out the applicable Test Issues any other reasons for the relevant Milestone not being Achieved.
- 11.7 If there are Test Issues but these do not exceed the Test Issues Threshold, then provided there are no Material Test Issues, the Buyer shall issue a Satisfaction Certificate.

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- 11.8 If there is one or more Material Test Issue(s), the Buyer shall refuse to issue a Satisfaction Certificate and, without prejudice to the Buyer's other rights and remedies, such failure shall constitute a material Default.
- 11.9 If there are Test Issues which exceed the Test Issues Threshold but there are no Material Test Issues, the Buyer may at its discretion (without waiving any rights in relation to the other options) choose to issue a Satisfaction Certificate conditional on the remediation of the Test Issues in accordance with an agreed Rectification Plan provided that:
 - 11.9.1 any Rectification Plan shall be agreed before the issue of a conditional Satisfaction Certificate unless the Buyer agrees otherwise (in which case the Supplier shall submit a Rectification Plan for approval by the Buyer within 10 Working Days of receipt of the Buyer's report pursuant to Paragraph 10.5); and
 - 11.9.2 where the Buyer issues a conditional Satisfaction Certificate, it may (but shall not be obliged to) revise the failed Milestone Date and any subsequent Milestone Date.

12. Risk

- 12.1 The issue of a Satisfaction Certificate and/or a conditional Satisfaction Certificate shall not:
 - 12.1.1 operate to transfer any risk that the relevant Deliverable or Milestone is complete or will meet and/or satisfy the Buyer's requirements for that Deliverable or Milestone; or
 - 12.1.2 affect the Buyer's right subsequently to reject all or any element of the Deliverables and/or any Milestone to which a Satisfaction Certificate relates.

Annex 1: Test Issues – Severity Levels

1. Severity 1 Error

- 1.1 This is an error that causes non-recoverable conditions, e.g. it is not possible to continue using a Component.

2. Severity 2 Error

- 2.1 This is an error for which, as reasonably determined by the Buyer, there is no practicable workaround available, and which:
 - 2.1.1 causes a Component to become unusable;
 - 2.1.2 causes a lack of functionality, or unexpected functionality, that has an impact on the current Test; or
 - 2.1.3 has an adverse impact on any other Component(s) or any other area of the Deliverables;

3. Severity 3 Error

- 3.1 This is an error which:
 - 3.1.1 causes a Component to become unusable;
 - 3.1.2 causes a lack of functionality, or unexpected functionality, but which does not impact on the current Test; or
 - 3.1.3 has an impact on any other Component(s) or any other area of the Deliverables;but for which, as reasonably determined by the Buyer, there is a practicable workaround available;

4. Severity 4 Error

- 4.1 This is an error which causes incorrect functionality of a Component or process, but for which there is a simple, Component based, workaround, and which has no impact on the current Test, or other areas of the Deliverables; and

5. Severity 5 Error

- 5.1 This is an error that causes a minor problem, for which no workaround is required, and which has no impact on the current Test, or other areas of the Deliverables.

Annex 2: Satisfaction Certificate

To: [insert name of Supplier]

From: [insert name of Buyer]

[insert Date dd/mm/yyyy]

Dear Sirs,

Satisfaction Certificate

Deliverable/Milestone(s): [Insert relevant description of the agreed Deliverables/Milestones].

We refer to the agreement ("**Order Contract**") [insert Order Contract reference number] relating to the provision of the [insert description of the Deliverables] between the [insert Buyer name] ("**Buyer**") and [insert Supplier name] ("**Supplier**") dated [insert Order Start Date dd/mm/yyyy].

The definitions for any capitalised terms in this certificate are as set out in the Order Contract.

[We confirm that all the Deliverables relating to [insert relevant description of Deliverables/agreed Milestones and/or reference number(s) from the Implementation Plan] have been tested successfully in accordance with the Test Plan [or that a conditional Satisfaction Certificate has been issued in respect of those Deliverables that have not satisfied the relevant Test Success Criteria].

[OR]

[This Satisfaction Certificate is granted on the condition that any Test Issues are remedied in accordance with the Rectification Plan attached to this certificate.]

[You may now issue an invoice in respect of the Milestone Payment associated with this Milestone in accordance with Clause 4 (Pricing and payments)].

Yours faithfully

[insert Name]

[insert Position]

acting on behalf of [insert name of Buyer]

Order Schedule 14 (Service Levels)

1. Definitions

1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

	1
"Critical Service Level Failure"	2 has the meaning given to it in the Order Form;
"Service Credits"	3 any service credits specified in the Annex to Part A of this Schedule being payable by the Supplier to the Buyer in respect of any failure by the Supplier to meet one or more Service Levels;
"Service Credit Cap"	4 has the meaning given to it in the Order Form;
"Service Level Failure"	5 means a failure to meet the Service Level Performance Measure in respect of a Service Level;
"Service Level Performance Measure"	6 shall be as set out against the relevant Service Level in the Annex to Part A of this Schedule; and
"Service Level Threshold"	7 shall be as set out against the relevant Service Level in the Annex to Part A of this Schedule.

2. What happens if you don't meet the Service Levels

- 2.1 The Supplier shall at all times provide the Deliverables to meet or exceed the Service Level Performance Measure for each Service Level.
- 2.2 The Supplier acknowledges that any Service Level Failure shall entitle the Buyer to the rights set out in Part A of this Schedule including the right to any Service Credits and that any Service Credit is a price adjustment and not an estimate of the Loss that may be suffered by the Buyer as a result of the Supplier's failure to meet any Service Level Performance Measure.
- 2.3 The Supplier shall send Performance Monitoring Reports to the Buyer detailing the level of service which was achieved in accordance with the provisions of Part B (Performance Monitoring) of this Schedule.
- 2.4 A Service Credit shall be the Buyer's exclusive financial remedy for a Service Level Failure except where:
- 2.4.1 the Supplier has over the previous (twelve) 12 Month period exceeded the Service Credit Cap; and/or
- 2.4.2 the Service Level Failure:

- (a) exceeds the relevant Service Level Threshold;
 - (b) has arisen due to a Prohibited Act or wilful Default by the Supplier;
 - (c) results in the corruption or loss of any Government Data; and/or
 - (d) results in the Buyer being required to make a compensation payment to one or more third parties; and/or
- 2.4.3 the Buyer is otherwise entitled to or does terminate this Contract pursuant to Clause 10.4 (When CCS and Buyer can end a contract).
- 2.5 Not more than once in each Contract Year, the Buyer may, on giving the Supplier at least three (3) Months' notice, change the weighting of Service Level Performance Measure in respect of one or more Service Levels and the Supplier shall not be entitled to object to, or increase the Charges as a result of such changes, provided that:
 - 2.5.1 the total number of Service Levels for which the weighting is to be changed does not exceed the number applicable as at the Start Date;
 - 2.5.2 the principal purpose of the change is to reflect changes in the Buyer's business requirements and/or priorities or to reflect changing industry standards; and
 - 2.5.3 there is no change to the Service Credit Cap.

3. Critical Service Level Failure

On the occurrence of a Critical Service Level Failure:

- 3.1 any Service Credits that would otherwise have accrued during the relevant Service Period shall not accrue; and
- 3.2 the Buyer shall (subject to the Service Credit Cap) be entitled to withhold and retain as compensation a sum equal to any Charges which would otherwise have been due to the Supplier in respect of that Service Period ("**Compensation for Critical Service Level Failure**"),
provided that the operation of this paragraph 3 shall be without prejudice to the right of the Buyer to terminate this Contract and/or to claim damages from the Supplier for material Default.

Part A: Service Levels and Service Credits

1. Service Levels

If the level of performance of the Supplier:

- 1.1 is likely to or fails to meet any Service Level Performance Measure; or
- 1.2 is likely to cause or causes a Critical Service Failure to occur,

the Supplier shall immediately notify the Buyer in writing and the Buyer, in its absolute discretion and without limiting any other of its rights, may:

- 1.2.1 require the Supplier to immediately take all remedial action that is reasonable to mitigate the impact on the Buyer and to rectify or prevent a Service Level Failure or Critical Service Level Failure from taking place or recurring;
- 1.2.2 instruct the Supplier to comply with the Rectification Plan Process;
- 1.2.3 if a Service Level Failure has occurred, deduct the applicable Service Level Credits payable by the Supplier to the Buyer; and/or
- 1.2.4 if a Critical Service Level Failure has occurred, exercise its right to Compensation for Critical Service Level Failure (including the right to terminate for material Default).

2. Service Credits

- 2.1 The Buyer shall use the Performance Monitoring Reports supplied by the Supplier to verify the calculation and accuracy of the Service Credits, if any, applicable to each Service Period.
- 2.2 Service Credits are a reduction of the amounts payable in respect of the Deliverables and do not include VAT. The Supplier shall set-off the value of any Service Credits against the appropriate invoice in accordance with calculation formula in the Annex to Part A of this Schedule.

Annex A to Part A: Services Levels and Service Credits Table

Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Bands	Service Level Threshold	Service Credit for each Service Period	Publishable KPI*
SL1 - Application Assessment submission timeliness (Quarterly - note 1)	Timelines	SL1 assesses the difference between the sum of the count of Applications that are assessed within 29 working days, commencing on the first working day after the application window closes in the Relevant Quarter and the count of Applications assessed in the Relevant Quarter	Met	0 count difference	0.00%	Yes
			Marginal Miss	1 count difference	-6.00%	
			Moderate miss	2 count difference	-15.00%	
			Not met	Greater than 2 count difference	-20.00%	
SL 2 - Quality of Investment Committee submissions (Quarterly - note 1)	Quality	Sum of the count of assessed applications deemed to be of insufficient standard for Investment Committee decision making due to mistakes, errors or lack of clarity or detail within final Investment Committee Input Report	Met	0 count difference	0.00%	Yes
			Marginal Miss	1 count difference	-6.00%	
			Moderate miss	2 count difference	-15.00%	
			Not met	Greater than 2 count difference	-20.00%	
SL 3 - Reporting - milestone accuracy (Monthly)	Accuracy/Timeliness	Average working day variance between actual milestone dates in the Relevant Month and the milestone dates per the baselined Joint Delivery Plan (as defined in Order Schedule 20 (Order Specification) and the agreed reporting schedule.	Met	0 days	0.00%	Yes
			Marginal Miss	Greater than 0 days and less than or equal to 5 days average difference	-4.00%	
			Moderate miss	Greater than 5 days and less than or equal to 10 days average difference	-10.00%	
			Not met	Greater than 10 days average difference	-13.33%	
SL4 - Reported Financial Position (CDEL) (Monthly)	Accuracy	% variance between the forecast CDEL budget in the Relevant Month and the actual distribution of CDEL funding in the Relevant Month	Met	0% under budget or any variance over budget	0.00%	Yes
			Marginal Miss	Greater than 0% under budget and less than or equal to 5% under budget	-6.00%	
			Moderate miss	Greater than 5% under budget and less than or equal to 10% under budget	-15.00%	
			Not met	Greater than 10% under budget	-20.00%	
SL5 - Supplier Portfolio Level M&R Data Reporting to the Buyer	Accuracy/Timeliness	Difference between sum of the count of reports not submitted in the preceding quarter vs the sum of the count of reports to be submitted as per the	Met	0 count	0.00%	Yes
			Marginal Miss	Greater than 0 count and less than or equal to 1 count	-6.00%	
			Moderate miss	Greater than 1 count and less	-15.00%	

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(Quarterly - Note 1)		reporting schedule in the relevant quarter.		than or equal to 2 count		
			Not met	Greater than 2 count	-20.00%	
SL 6 - Supplier rectification performance in event of non-submission of HN project M&R reports to schedule. (Quarterly Note 1, 2 & 3)	Timeliness	Compliance with rectification Tiers 1-3 in the event of project M&R reports not being submitted to the Supplier by the project on schedule	Met	0 count	0.00%	Yes
			Marginal Miss	Greater than 0 count and less than or equal to 5 count difference	0.00%	
			Moderate miss	Greater than 5 count and less than or equal to 10 count difference	-5.00%	
			Not met	Greater than 10 count	-6.67%	
Social Value KPI 1 - Tackling Economic Inequality (Quarterly)	Create opportunities for entrepreneurship and help new organisations to grow, supporting economic growth and business creation.	Scope, reporting and performance thresholds to be agreed with supplier during implementation			0.00%	Yes
Social Value KPI 2 - Tackling Economic Inequality (Quarterly)	Support the development of scalable and future-proofed new methods to modernise delivery and increase productivity	Scope, reporting and performance thresholds to be agreed with supplier during implementation			0.00%	Yes

*All the Service Levels and Social Value KPIs are publishable, however we will agree with the supplier three Service Levels and one Social Value to publish via Cabinet Office. Service Credits will not be applied to social values.

Note 1 - These reflect Service Levels where activities are assessed across a Relevant Quarter and complete Service Level calculation data will only be available in the final Month of the Relevant Quarter. Two of the three months in the Relevant Quarter will have no data and the Service Level cannot therefore be applied in those two months. Should the data in the third Month result in a Service Credit, the Service Credit calculated for the final Month of the Relevant Quarter shall be multiplied by three. The Service Credit (as multiplied) is then to be deducted from the monthly combined SC Base Fee claimed for the Relevant Month.

Note 2 – SL6 relates to section C.4.1.1 of OS20 about M&R report submissions by projects to the supplier and supplier performance in the event of non-submission of reports and actions taken to rectify the problem using Tiers 1-3. It measures compliance with those tiers.

A project M&R reporting schedule will be agreed during implementation to show how many reports are due each month and by what date. The Supplier can provide a self-declaration of how many reports were not submitted on time and their rectification actions re T1-3.

The buyer is open to discussing the exact reporting method of this SL.

Note 3 – For SL6, a marginal miss will be recorded in the relevant Performance Management Report however it will not attract a service credit. Service credits for SL6 begin with service level band 'moderate miss'.

Illustrative Worked Example:

The Service Credits shall be calculated on the basis of the following formula:

Invoice = Combined Base Fee – ((Sum of service credit % per banding per Service Level) multiplied by Service Credit maximum £))

- Combined Base Fees = £1,500
- Service credit % = minus 10%
- Service Credit maximum £ = minus £150
- Sum of Service Credit % = one fail of Application Assessment submissions timeliness @ 23.08%
- Multiplied by Service Credit maximum £ = 23.08% of minus £150 = minus £34.62
- Invoice = £1500 minus £34.62 = £1,465.38

Part B: Performance Monitoring

1. Performance Monitoring and Performance Review

- 1.1 Within twenty (20) Working Days of the Start Date the Supplier shall provide the Buyer with details of how the process in respect of the monitoring and reporting of Service Levels will operate between the Parties and the Parties will endeavour to agree such process as soon as reasonably possible.
- 1.2 The Supplier shall provide the Buyer with performance monitoring reports ("**Performance Monitoring Reports**") in accordance with the process and timescales agreed pursuant to paragraph 1.1 of Part B of this Schedule which shall contain, as a minimum, the following information in respect of the relevant Service Period just ended:
 - 1.2.1 for each Service Level, the actual performance achieved over the Service Level for the relevant Service Period;
 - 1.2.2 a summary of all failures to achieve Service Levels that occurred during that Service Period;
 - 1.2.3 details of any Critical Service Level Failures;
 - 1.2.4 for any repeat failures, actions taken to resolve the underlying cause and prevent recurrence;
 - 1.2.5 the Service Credits to be applied in respect of the relevant period indicating the failures and Service Levels to which the Service Credits relate; and
 - 1.2.6 such other details as the Buyer may reasonably require from time to time.
- 1.3 The Parties shall attend meetings to discuss Performance Monitoring Reports ("**Performance Review Meetings**") on a Monthly basis. The Performance Review Meetings will be the forum for the review by the Supplier and the Buyer of the Performance Monitoring Reports. The Performance Review Meetings shall:
 - 1.3.1 take place within one (1) week of the Performance Monitoring Reports being issued by the Supplier at such location and time (within normal business hours) as the Buyer shall reasonably require;
 - 1.3.2 be attended by the Supplier's Representative and the Buyer's Representative; and
 - 1.3.3 be fully minuted by the Supplier and the minutes will be circulated by the Supplier to all attendees at the relevant meeting and also to the Buyer's Representative and any other recipients agreed at the relevant meeting.
- 1.4 The minutes of the preceding Month's Performance Review Meeting will be agreed and signed by both the Supplier's Representative and the Buyer's Representative at each meeting.

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- 1.5 The Supplier shall provide to the Buyer such documentation as the Buyer may reasonably require in order to verify the level of the performance by the Supplier and the calculations of the amount of Service Credits for any specified Service Period.

2. Satisfaction Surveys

- 2.1 The Buyer may undertake satisfaction surveys in respect of the Supplier's provision of the Deliverables. The Buyer shall be entitled to notify the Supplier of any aspects of their performance of the provision of the Deliverables which the responses to the Satisfaction Surveys reasonably suggest are not in accordance with this Contract.

Order Schedule 15 (Order Contract Management)

1. Definitions

1.1 In this Schedule, the following words shall have the following meanings, and they shall supplement Joint Schedule 1 (Definitions):

Operations Board	the board established in accordance with paragraph 4.1 of this Schedule;
Project Manager	the manager appointed in accordance with paragraph 2.1 of this Schedule.

2. Project Management

2.1 The Supplier and the Buyer shall each appoint a Project Manager for the purposes of this Contract through whom the provision of the Services and the Deliverables shall be managed day-to-day.

2.2 The Parties shall ensure that appropriate resource is made available on a regular basis such that the aims, objectives and specific provisions of this Contract can be fully realised.

2.3 Without prejudice to paragraph 4 below, the Parties agree to operate the boards specified as set out in the Annexes to this Schedule.

3. Role of the Supplier Contract Manager

3.1 The Supplier's Contract Manager shall be:

- 3.1.1 the primary point of contact to receive communication from the Buyer and will also be the person primarily responsible for providing information to the Buyer;
- 3.1.2 able to delegate his position to another person at the Supplier but must inform the Buyer before proceeding with the delegation and it will be the delegated person's responsibility to fulfil the Contract Manager's responsibilities and obligations;
- 3.1.3 able to cancel any delegation and recommence the position himself; and
- 3.1.4 replaced only after the Buyer has received and approved notification of the proposed change.

3.2 The Buyer may provide revised instructions to the Supplier's Contract Manager in regards to the Contract and it will be the Supplier's Contract Manager's responsibility to ensure the information is provided to the Supplier and the actions implemented.

3.3 Receipt of communication from the Supplier's Contract Manager by the Buyer does not absolve the Supplier from its responsibilities, obligations or liabilities under the Contract.

4. Role of the Operations Board

- 4.1 The Operations Board shall be established by the Buyer for the purposes of this Contract on which the Supplier and the Buyer shall be represented.
- 4.2 The Operations Board members, frequency and location of board meetings and planned start date by which the board shall be established are set out in the Order Form.
- 4.3 In the event that either Party wishes to replace any of its appointed board members, that Party shall notify the other in writing for approval by the other Party (such approval not to be unreasonably withheld or delayed). Each Buyer board member shall have at all times a counterpart Supplier board member of equivalent seniority and expertise.
- 4.4 Each Party shall ensure that its board members shall make all reasonable efforts to attend board meetings at which that board member's attendance is required. If any board member is not able to attend a board meeting, that person shall use all reasonable endeavours to ensure that a delegate attends the Operations Board meeting in his/her place (wherever possible) and that the delegate is properly briefed and prepared and that he/she is debriefed by such delegate after the board meeting.
- 4.5 The purpose of the Operations Board meetings will be to review the Supplier's performance under this Contract. The agenda for each meeting shall be set by the Buyer and communicated to the Supplier in advance of that meeting.

5. Contract Risk Management

- 5.1 Both Parties shall proactively manage risks attributed to them under the terms of this Order Contract.
- 5.2 The Supplier shall develop, operate, maintain and amend, as agreed with the Buyer, processes for:
 - 5.2.1 the identification and management of risks;
 - 5.2.2 the identification and management of issues; and
 - 5.2.3 monitoring and controlling project plans.
- 5.3 The Supplier allows the Buyer to inspect at any time within working hours the accounts and records which the Supplier is required to keep.
- 5.4 The Supplier will maintain a risk register of the risks relating to the Order Contract which the Buyer and the Supplier have identified.

Annex: Contract Boards

The Parties agree to operate the following boards at the locations and at the frequencies set out below:

Annex 1: Contract Board and SC Investment Committee

1. Operations Board

- 1.1 The Operations Board shall be established by the Buyer.
- 1.2 In relation to the Operations Board the:
 - 1.2.1 Buyer's members of the Operations Board;
 - 1.2.2 Supplier's members of the Operations Board;
 - 1.2.3 frequency that the Operations Board shall meet (unless otherwise agreed between the Parties);
 - 1.2.4 location of the Operations Board's meetings; and
 - 1.2.5 planned start date by which the Operations Board shall be established, shall be as set out in Annex 2.
- 1.3 In the event that either Party wishes to replace any of its appointed members of the Operations Board, that Party shall notify the other in writing of the proposed change for agreement by the other Party (such agreement not to be unreasonably withheld or delayed). Notwithstanding the foregoing it is intended that each Buyer member of the Operations Board has at all times a counterpart Supplier member of the Operations Board of equivalent seniority and expertise.
- 1.4 Each Party shall ensure that its Operations Board members shall make all reasonable efforts to attend Board meetings at which that Operation Board member's attendance is required. If any Operations Board member is not able to attend a Operations Board meeting, that person shall use all reasonable endeavours to ensure that:
 - 1.4.1 a delegate attends the relevant Operations Board meeting in his/her place who (wherever possible) is properly briefed and prepared; and
 - 1.4.2 that he/she is debriefed by such delegate after the relevant meeting.
- 1.5 A chairperson shall be appointed by the Buyer for the Operations Board as identified in Annex 2. The chairperson shall be responsible for:
 - 1.5.1 scheduling Operations Board meetings;
 - 1.5.2 setting the agenda for the Operations Board meetings and circulating to all attendees in advance of such meeting;

- 1.5.3 chairing the Operations Board meetings;
- 1.5.4 monitoring the progress of any follow up tasks and activities agreed to be carried out following Operations Board meetings;
- 1.5.5 ensuring that minutes for Operations Board meetings are recorded and disseminated electronically to the appropriate persons and to all Operations Board meeting participants within seven (7) Working Days after the Operations Board meeting; and
- 1.5.6 facilitating the process or procedure by which any decision agreed at any Operations Board meeting is given effect in the appropriate manner.
- 1.6 Operations Board meetings shall be quorate as long as at least two (2) representatives from each Party are present.
- 1.7 The Parties shall ensure, as far as reasonably practicable, that the Operations Board shall as soon as reasonably practicable resolve the issues and achieve the objectives placed before them. Each Party shall endeavour to ensure that Operations Board members are empowered to make relevant decisions or have access to empowered individuals for decisions to be made to achieve this.

2. Role of the Operations Board

- 2.1 The Operations Board shall:
 - 2.1.1 provide senior level guidance, leadership and strategy for the overall delivery of the Services;
 - 2.1.2 assess the performance of the Supplier against its obligations under this Order Contract including, without limitation, Service Levels;
 - 2.1.3 ensure that this Order Contract is operated throughout the Order Initial Term and the Order Optional Extension Period (as the case may be) in a manner which optimises the value for money and operational benefit derived by the Buyer;
 - 2.1.4 identify and manage any risks;
 - 2.1.5 ensure compliance with the requirements of this Order Contract;
 - 2.1.6 receive and review reports on technology, service and other developments that offer potential for improving the benefit that the Buyer is receiving, in particular value for money;
 - 2.1.7 review Transparency Reports;
 - 2.1.8 determine strategy and provide guidance on policy matters which may impact on the implementation of the Services; and
 - 2.1.9 provide guidance on relevant Variations.

3. Supplementary Contract Investment Committee

3.1 The Supplementary Contract (SC) Investment Committee shall be established by the Parties for the purposes of this Agreement.

3.2 Through the Investment Committee, the Buyer will make funding decisions in line with the Investment Mandate and with the advice of the Supplier.

3.3 The initial form of the Investment Mandate is set in Annex 3 to this Order Schedule and may be amended in accordance with the terms set out therein.

3.4 All Investment Committee members (**Committee Members**) must have sufficient and appropriate seniority and experience in order to be appointed as a Committee Member. Two (2) Committee Members will be appointed by the Buyer. The Buyer reserves the right (in its absolute discretion) to procure the appointment of a member who shall be independent of either Party (the **Independent Committee Member**). The remaining Committee Members will be appointed by the Supplier shall have commercial, technical, project development and/or infrastructure finance expertise and be able to make informed decisions on high-value funding awards, Each such appointee must, as a minimum, meet the following requirements:

3.4.1 be directly employed by the Supplier or a Key Sub-Contractor (as the case may be); and

3.4.2 have not less than five (5) years' experience in infrastructure investment; or

3.4.3 have a professional finance or accounting qualification (CFA/ACA/ACCA or similar); or

3.4.4 have an appropriate qualification in engineering or able to demonstrate technical competency in matters relating to engineering and heat networks.

It is envisioned that each Committee Member will be responsible for representing specific parts of the GHNF Application Approval Process (e.g. one Committee Member could represent the technical and carbon aspects of the relevant Application). This shall be agreed by the Buyer and the Supplier during the Implementation Period.

3.5 In the event that the:

3.5.1 Buyer intends to replace its appointed Committee Member, the Buyer shall notify the Supplier in writing of the change and the effective date of the change; and

3.5.2 Supplier proposes to replace a Committee Member Approved pursuant to Paragraph 5.3, the Supplier shall notify the Buyer of the reasons for the proposed change to the membership of the

SC Investment Committee and the name and relevant experience of any proposed replacement.

Any proposed replacement must meet each requirement set out in Paragraph 3.4 above.

3.6 Each Committee Member shall:

- 3.6.1 agree to act in accordance with Approved terms of reference;
- 3.6.2 at all times act in accordance with the principles governing the actions of the Investment Committee;
- 3.6.3 act impartially and avoid any Conflicts of Interest; and
- 3.6.4 sign a non-disclosure agreement in relation to any information relating to any Project received as a result of their membership of the Investment Committee.

3.7 A Chairperson is to be agreed by the Supplier and the Buyer from the list of proposed members of the SC Investment Committee including those members appointed by the Buyer pursuant Paragraph 3.4. The chairperson shall be responsible for:

- 3.7.1 scheduling Investment Committee meetings;
- 3.7.2 setting the agenda and circulating the agenda together with all necessary papers for Investment Committee meetings to all attendees in advance of such meeting;
- 3.7.3 chairing the Investment Committee meetings;
- 3.7.4 monitoring the progress of any follow up tasks and activities agreed to be carried out following Investment Committee meetings;
- 3.7.5 ensuring that minutes for Investment Committee meetings are recorded and disseminated electronically to the appropriate persons and to all Investment Committee meeting participants within five (5) Working Days after the Investment Committee meeting; and
- 3.7.6 facilitating the process or procedure by which any decision agreed at any Operations Board meeting is given effect in the appropriate manner

ANNEX 2: BOARD STRUCTURES

Operations Board

Representation and Structure

Buyer Members of the Operations Board		DESNZ (Heat Networks)	Head of Capital Projects	Core
		DESNZ (Heat Networks)	GHNF Project Director	Core
		DESNZ (Heat Networks)	Head of Heat Networks Finance and Investment	Core
		DESNZ (Heat Networks)	GHNF Delivery Manager	Core
		DESNZ (Heat Networks)	GHNF Deputy Delivery Manager	Core
		DESNZ (Heat Networks)	GHNF Contract Manager	Core
		DESNZ (Heat Networks)	GHNF Project Support	Core
		DESNZ (Heat Networks)	HNIP Delivery Manager & Comms Lead	Core
		DESNZ (Heat Networks)	HNTF Project Manager	Invite only
		DESNZ (Commercial)	Commercial Advisor (G6)	Invite only
		DESNZ (Heat Networks)	HNDU Head of Projects	Invite only
		DESNZ (Heat Networks)	Lead Analyst - Heat Networks	Invite only
		DESNZ (Heat Networks)	Head of Market Growth	Invite only
		DESNZ (Data Security)	Security Accreditor	Invite only
		DESNZ (Heat Networks)	Heat Networks Strategic Engagement Manager	Invite only

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Supplier Members of the Operations Board				
Start Date for the Operations Board meetings	TBC			
Frequency of the Operations Board meetings	Monthly			
Location of Operations Board meetings	the Buyer's offices (if unavailable the Supplier's offices), MS Teams Meeting			

ANNEX 3: INVESTMENT MANDATE

1. SUMMARY

- 1.1 The intention of the GHNF is aimed at capitalising on the progress and development made by the Heat Networks Investment Project (HNIP) with a focus on low-carbon technologies. Without additional support heat network projects taken forward are unlikely to opt for low-carbon heating solutions when gas CHP is available. It is crucial that the GHNF facilitates a seamless transition in support from HNIP and delivers low and zero carbon heating solutions at scale, helping to bring their cost down and underpin an expanding pipeline of projects that are economically viable.

By increasing the deployment of low-carbon technologies at scale, the GHNF will tackle some of the most prominent barriers to decarbonisation of heat networks. Large scale deployment will help bring down the upfront capital costs of low-carbon technology due to increased standardisation. Increased utilisation of low-carbon technology will help bring down operating costs in the long-term as well upscale the skills and knowledge required to operate low-carbon heat networks. The upscaling of the supply chain, skills, procurement and increasing the overall competition that will take place as a result of the GHNF are all crucial if the market is to become both self-sustaining and low carbon. The GHNF is therefore critical in order to lay the groundwork for a healthy thriving low-carbon heat network industry that is well prepared for the future carbon budgets in the late 2020s and ready to grow even further in order to meet the carbon budgets in the 2030s.

- 1.2 This Investment Mandate forms the basis for putting in place sufficient protection for the Accounting Officer over funding decisions by the SC Investment Committee.
- 1.3 This Investment Mandate defines those key points on which the Buyer, through the SC Investment Committee has the authority to make funding decisions. For actions outside of the Investment Mandate the SC Investment Committee must seek the approval of the Heat Networks Transformation Programme Board.
- 1.4 The Supplier shall be responsible for:
- 1.4.1 establishing the SC Investment Committee and arranging meetings and maintaining the records of the SC Investment Committee;
 - 1.4.2 ranking and scoring projects in accordance with the GHNF scoring methodology and proposing (in its sole and absolute discretion) which Applicants for GHNF and the relevant projects will be presented to the SC Investment Committee for consideration by the SC Investment Committee;
 - 1.4.3 notifying the SC Investment Committee of any formal review requests received from an applicant. The SC Investment

Committee will be responsible for undertaking a review and provide the outcomes to the Applicant; and

- 1.4.4 providing advice to the Buyer on investment decisions as part of the SC Investment Committee.
- 1.5 Notwithstanding any statement to the contrary in this Order Contract only the Committee Members of the SC Investment Committee (in accordance with their terms of appointment) shall decide which of the projects presented to them by the Supplier pursuant to paragraph 1.4.2 will be offered an SC Grant. The SC Investment Committee shall base their decisions on the final assessment and scoring/ranking of projects by reference to the evaluation criteria (including any clarification question responses), GHNF scoring methodology applied to the relevant project (or batch of projects), and the strategic fit of the project to GHNF objectives.
- 1.6 Following the SC Investment Committee's decision pursuant to Paragraph 1.5 above, the Supplier shall be responsible for implementing the SC Investment Committee's decision in accordance with the terms of the relevant Grant Funding Agreement for the relevant project.

2. INVESTMENT MANDATE

- 2.1 Through the SC Investment Committee the Buyer has the authority to award SC Grants to district heating projects in England that have applied for funding via the GHNF Application Approval Process for late-stage Commercialisation Phase Grant and/or Construction Phase Grant with the advice of the Supplier, subject to the following investment restrictions:
 - 2.1.1 any SC Grant Award per project must be within the follow limits:
 - (a) the SC Grant that can be awarded to any one SC Project is unlimited provided always that:
 - (i) any part of any SC Grant awarded to a SC Project relating to commercialisation activities shall under no circumstances exceed £1m; and
 - (ii) the relevant SC Project complies with the requirements of this paragraph 2.1.
 - 2.1.2 SC Grant awards must be less than:
 - (a) 50% of the capital expenditure to be incurred for the construction of the relevant district heating project;
 - (b) or less than 4.5p/kWh over 15 years (to be kept under regular review)
 - 2.1.3 forecast investor returns must be limited as follows:

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- (a) any individual Investor return, in any form, may not exceed the GHNF IRR Ceiling (the Buyer may (in its absolute discretion) elect to disclose this metric to the Investment Committee);
- 2.1.4 the Supplier cannot provide an award to a GHNF Application which fails any assessment on the assessment gated metrics (except where approved contingent evidence has been submitted), or fails to achieve a minimum score in the deliverability metrics;
- 2.1.5 no award can be made by the Supplier in respect of any projects or transactions which are (or might reasonably be held to be) novel or contentious; and
- 2.2 Matters that must be referred to the Buyer for Approval
 - 2.2.1 for any matters outside of the investment restrictions set out in Paragraph 2.1 above, the SC Investment Committee must seek the explicit written approval of the Buyer. The Buyer will manage any matter raised in line with department policy.
 - 2.2.2 for any commercialisation funding exceeding £1 million
 - 2.2.3 for any SC Grant exceeding £10m
- 2.3 SC Investment Committee
 - 2.3.1 SC Investment Committee meetings shall be quorate as long as at least five (5) Committee Members are present and include:
 - (a) the chairperson; and
 - (b) the Buyer's two (2) Committee Members;
 - (c) the Supplier's two (2) Committee Members;
 - 2.3.2 there must be no conflict of interest between a member of the SC Investment Committee and any GHNF application being considered;
 - 2.3.3 the SC Investment Committee shall, at all times, use the GHNF scoring methodology, whilst ensuring the strategic fit of the project to GHNF objectives
 - 2.3.4 the Buyer must be provided with a complete set of all papers being considered at all meetings of the SC Investment Committee, not less than ten (10) Working Days prior to any meeting;
 - 2.3.5 the Supplier will prepare the Investment Committee Output Report for consideration by the Buyer and the SC Operations Board as soon as reasonably practical following an Investment Committee meeting and in any event not later than five (5) Working Days prior to the next SC Operations Board meeting; and

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- 2.3.6 the Supplier must at all times comply with the terms of the Order Contract.
- 2.4 Investment Period
 - 2.4.1 the Supplier shall arrange to accept and assess GHNF Applications over the SC Application Period. GHNF Applications should be batched for the SC Investment Committee to decide awards such that funding can be announced on a quarterly basis; and
 - 2.4.2 GHNF Capital Funding will be available in sums notified to the Supplier, the final sums are subject to HMT budget confirmation and future spending reviews.
- 2.5 General terms and conditions to be satisfied in relation to each GHNF application:
 - 2.5.1 all GHNF applications must be processed using the GHNF Application approval process set out in the agreement as agreed and varied from time to time by the Parties;
 - 2.5.2 all funds must be used for the approved purpose in the relevant SC Project;
 - 2.5.3 all applicants must be approved during the investment period;
 - 2.5.4 all funds must be drawn before the end of funding availability date;
 - 2.5.5 the Supplier must operate with regularity and propriety;
 - 2.5.6 the Supplier must conduct sufficient and appropriate due diligence as part of the GHNF Application Approval Process such that it satisfies itself that the GHNF Applicant and the GHNF Application is not fraudulent or misrepresents the SC Project;
 - 2.5.7 GHNF is subject to subsidy control. Subsidy control compliance rests with GHNF Applicants. The Supplier shall check and confirm the subsidy control calculations and evidence that the calculations are true and fair;
 - 2.5.8 all SC Grant shall be documented by way of a Grant Agreement. No changes to the terms in the Grant Agreement will be accepted without the prior written approval of the Buyer provided always that the Investment Committee, (based on the GHNF Application Process and the GHNF scoring methodology) will set project specific conditions precedent for each Grant Agreement.
- 2.6 Changes to the Investment Mandate:
 - 2.6.1 the Buyer shall review the terms of the Investment Mandate on each anniversary of the Effective Date;

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- 2.6.2 the Supplier shall be permitted to provide advice to the Buyer on the operation of the Investment Mandate; and
- 2.6.3 any Variation to the Investment Mandate shall be subject to the Variation Procedure.

Order Schedule 18 (Background Checks)

1. When you should use this Schedule

This Schedule should be used where Supplier Staff must be vetted before working on the Contract.

2. Definitions

“Relevant Conviction” means any conviction listed in Annex 1 to this Schedule.

3. Relevant Convictions

- 3.1 The Supplier must ensure that no person who discloses that they have a Relevant Conviction, or a person who is found to have any Relevant Convictions (whether as a result of a police check or through the procedure of the Disclosure and Barring Service (DBS) or otherwise), is employed or engaged in any part of the provision of the Deliverables without Approval.
- 3.2 Notwithstanding Paragraph 3.1 for each member of Supplier Staff who, in providing the Deliverables, has, will have or is likely to have access to children, vulnerable persons or other members of the public to whom the Buyer owes a special duty of care, the Supplier must (and shall procure that the relevant Sub-Contractor must):
 - (a) carry out a check with the records held by the Department for Education (DfE);
 - (b) conduct thorough questioning regarding any Relevant Convictions; and
 - (c) ensure a police check is completed and such other checks as may be carried out through the Disclosure and Barring Service (DBS),

and the Supplier shall not (and shall ensure that any Sub-Contractor shall not) engage or continue to employ in the provision of the Deliverables any person who has a Relevant Conviction or an inappropriate record.

Annex 1 – Relevant Convictions

Annex 1 – Relevant Convictions

Relevant Convictions

Means the following offences and any having equivalence in any other jurisdiction where applicable:

Fraud Offences:

- Fraud by false representation, fraud by failing to disclose information, fraud by abuse of position, Fraud Act 2006 (section 1);
- Conspiracy to defraud, Common law;
- False accounting, Theft Act 1968 (section 17); and
- Fraud by false representation, fraud by failing to disclose information, fraud by abuse of position, Fraud Act 2006 (section 1)

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Order Schedule 20 (Order Specification)

This Schedule sets out the characteristics of the Deliverables that the Supplier will be required to make to the Buyer under this Order Contract

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Purpose of this document

This section of the ITT documentation provides:

- A summary of the Buyer's requirements; and
- What is required of the Supplier to deliver these requirements.

Following the introduction which summarises the Green Heat Network Fund (GHNF) and provides a glossary of key terms, this document is structured into five sections to reflect the high-level phase plan for the Supplier involvement with GHNF:

A – GHNF Supplementary Contract (SC) Implementation

B – SC Application Period

C – Monitoring and Reporting (M&R)

D – Continuous Elements

E – Exit

Each of the five sections is set out with a brief summary, followed by a high-level requirements table for that section setting out the sub-sections for the phase. Each sub-section then provides a summary, table of key outputs and outcomes and detailed requirements.

This document refers to several reporting documents throughout. You can find a table in Annex A of this document, detailing which document or template has been issued as part of the ITT. This is not an exhaustive list and should not be relied upon.

Definitions

A glossary is provided for key definitions throughout this document. The following definitions are used to describe the elements of the GHNF:

- Scheme: GHNF has the meaning given to it in Order Schedule 5 (Pricing Details);
- Programme: refers to the Supplier's management of the GHNF SC through a programme of activity;
- GHNF Project: has the meaning given in Order Schedule 5 (Pricing Details).
- SC Project: has the meaning given in Order Schedule 5 (Pricing Details).

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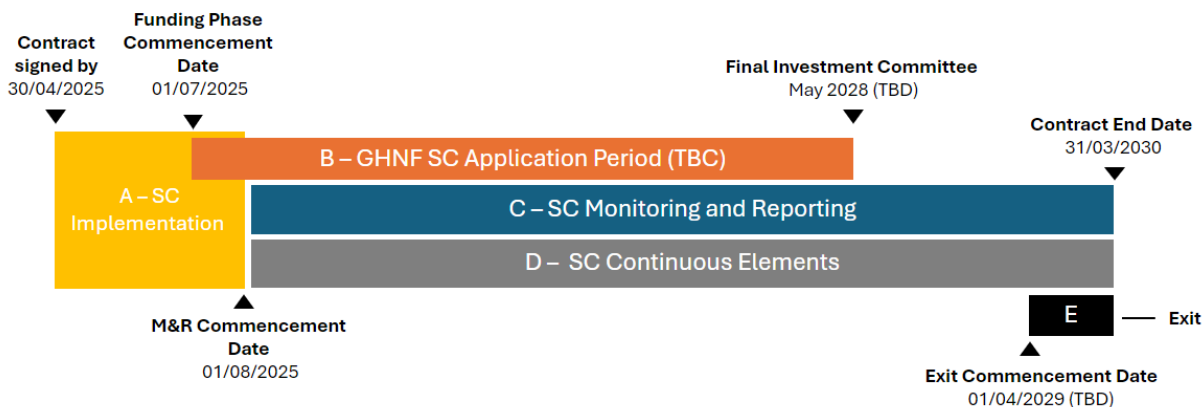
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High-level phase plan

The Supplier will deliver the requirements throughout the Contract Period. These requirements have been grouped into five phases as set out in Figure 1.

Figure 1 High-level phase plan for the Supplier involvement with the GHNF scheme

**A – SC Implementation**

From contract award target date of **31/03/2025** (noting Contract Signed by **30/04/2025**) to SC Monitoring and Reporting Commencement Date (MRCD) on **01/08/2025**.

The Supplier will be required to:

- Review and agree GHNF governance and processes and finalise the products that will be used from MRCD to manage the SC.
- Deliver and agree with the Buyer all products and processes needed to successfully deliver the SC and GHNF scheme. This includes products and processes for data capture, management, and transfer. The Buyer has various products (e.g. reporting templates) that are currently used to deliver GHNF scheme and is looking to collaborate with the Supplier, through a series of Working Groups, to improve and finalise these products and related processes, where appropriate. These Working Groups may be also attended by members of the GHNF Delivery Partner team.
- Participate in various handovers from GHNF Delivery Partner and Knowledge Transfer (KT) to the Supplier, including of M&R information of projects funded by the Heat Networks Investment Project (HNIP) and GHNF Projects funded to date.

Key Supplier roles during this phase include a Project Management Office (PMO), along with teams responsible for delivering all essential services and functions outlined in the SC.

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B – SC Application Period

The SC Application Period applies only if additional capital budget for the GHNF is approved.

Funding Phase Commencement Date (FPCD) of **01/07/2025** will apply **should additional capital budget for the GHNF scheme be approved** by 30/04/2025.

Should additional capital budget be approved after this date, an alternative FPCD will be agreed between the Supplier and Buyer. If it is confirmed by the Buyer that there will be no additional capital budget approved, FPCD will not apply.

The Buyer reserves the right to re-allocate any amount of any additional funding that may be approved for the GHNF scheme to be administered under a contract other than this Order Contract.

Starting from FPCD, SC Application Period is the period in which SC Applications are accepted for each funding round. It will include the submission by applicants, receipt, processing, and assessment of SC Applications, and SC Project contracting by the Supplier.

Following FPCD to the end of the assessment period for the last SC Application Round, the Supplier will be required to:

- Deliver various business development activities, including the promotion of GHNF scheme and funding in in-person and online workshops and events, promotional material, newsletters. and on social media.
- Proactively engage with potential GHNF Applicants before, during and after their application to GHNF scheme via the Supplier's Business Development function. Business Development Managers (BDMs) will be required to assist GHNF Applicants in preparing for application to GHNF scheme and support with GHNF Application Form completion.
- Assess applications to GHNF scheme, proactively engage with GHNF Applicants to answer questions from SC Application Assessors and SC Investment Committee (IC) members, deliver appropriate Quality Assurance (QA) and Due Diligence (DD).
- Deliver the IC Secretariat function, resource the SC IC with Supplier's IC members and chairperson, advise IC members in writing via IC Input Reports and IC Update Report and in-person in IC meetings. Deliver IC Output Report capturing investment decisions and Conditions Precedent and Subsequent.
- In collaboration with the Buyer and successful GHNF Applicants, finalise Funding Agreements and manage the contracting of SC Projects.

Key Supplier roles during the SC Implementation Period include BDMs and SC Application Assessors with relevant technical and commercial experience.

C – Monitoring and Reporting

Following MRCD on 01/08/2025 to the end of the Order Contract. The Supplier will be required to:

- Monitor the progress of the SC and provide evidence to support the performance monitoring of the Supplier.

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- Monitor and report on progress of SC Projects seeking and receiving grants, should additional capital budget be approved for GHNF scheme.
- Perform quarterly portfolio-level reporting of HNIP and GHNF-funded projects that have completed GHNF/HNIP funding drawdown.
- Transfer all project-level M&R and application data to the Buyer quarterly.
- Operate Project Change requests from SC Projects, as well as those included in quarterly portfolio-level M&R.
- Participate in the Independent Evaluation of GHNF scheme.

Key Supplier roles during this phase include the PMO, M&R and data management teams.

D – Continuous Elements

Following MRCD to the end of the Order Contract, the Supplier will be required to:

- Operate the agreed processes, systems, and products to effectively manage and govern the SC.
- High-level requirements include management and governance of the SC and GHNF scheme delivery, budget management, risk management, continuous improvement, data management, and supplier resourcing.

Key Supplier roles and capabilities during this phase include a PMO, scheme administration (i.e. forecasting and budget management) and communications.

E – Exit

The Supplier shall comply with its obligations pursuant to Order Schedule 10 (Exit Management).

Key Supplier roles during this phase include the PMO, along with teams responsible for delivering all essential services and functions outlined in the SC.

Key SC Activity

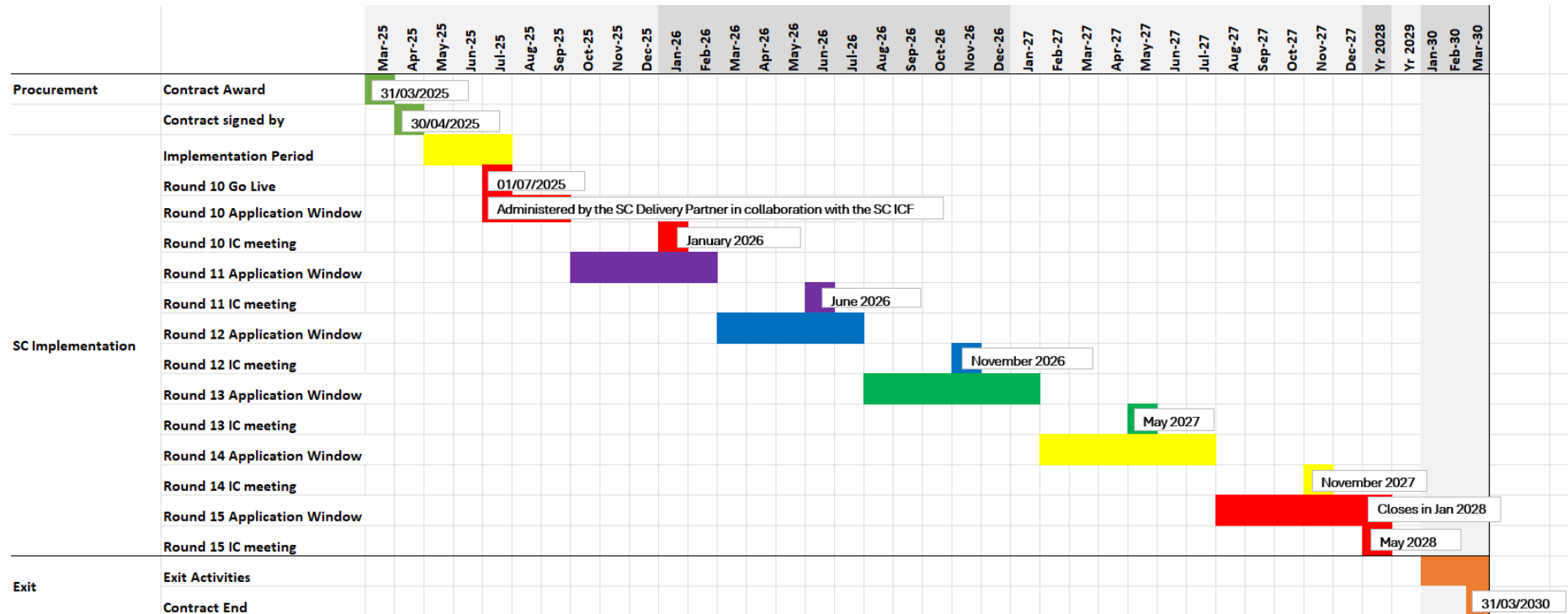
Following FPCD and unless the Buyer decides otherwise, there will be (approximately) six-monthly funding rounds. Each application assessment period will be completed within approximately 12 weeks from an application window close to the IC meeting.

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Figure 2 sets out the Key GHNF activity for the Order Contract.

Figure 2 Key activity for the GHNF

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Implementation Milestones

The Deliverables and Milestone dates for Implementation may be subject to change but currently are:

Table 1 Implementation Deliverables and Milestones

Implementation Deliverables /Milestones	Dates
Contract award	31/03/2025
Contract signed by	30/04/2025
Kick-off meetings	01-02/05/2025
Implementation Plan and SC Operations Board Terms of Reference (ToR) and membership accepted by the Buyer	09/05/2025
Deliverable 1: SC Investment Committee (IC) ToR and membership submitted to the Buyer	12/05/2025
Deliverable 2: Security Management Plan submitted to the Supplier and Buyer	26/05/2025
Deliverable 3: Joint Delivery Plan submitted to the Buyer	26/05/2025
Milestone 1: Deliverables 1-3 approved by the Buyer	02/06/2025
Deliverable 4: Updated products and processes submitted to the Buyer for review	09/06/2025
Deliverable 5: Online content for the GHNF page submitted to the Buyer for review	09/06/2025
Final application documents for Round 10 IC (incl. GHNF webpage/brochure) submitted to the Buyer	16/06/2025
Deliverable 6: Final application documents (for Round 10 IC) are approved by the Buyer and are ready to be made available to applicants (incl. GHNF webpage/brochure).	23/06/2025
Milestone 2: Deliverables 4-6 complete and approved by the Buyer where applicable. Deliverables 5 and 6 apply only if additional capital budget is approved for the GHNF scheme.	30/06/2025
Data, systems (incl. data capture and management tool) and internal processes made available to the Buyer for review	07/07/2025
Deliverable 7: Quarterly Portfolio-level M&R template submitted to the Buyer for review	07/07/2025
Deliverable 8: Data, systems (incl. data capture and management tool) and internal processes approved by the Buyer and ready for MRCD	31/07/2025
Milestone 3: Deliverables 7 and 8 complete and approved by the Buyer	31/07/2025

Summary of the GHNF scheme

The GHNF scheme is a capital grant fund that supports development of new and existing Low or Zero-Carbon (LZC) Heat Networks in England. It offers grant funding to public, private and third-sector Heat Network developers to support their commercialisation and

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construction activities. The GHNF scheme was allocated a capital budget for the period of 2022-2028, with funding allocations to date awarded to successful applicants through application rounds 1-9 by the GHNF Delivery Partner (Triple Point Heat Networks Investment Management Ltd), who are also responsible for M&R of these projects until they complete drawdown of this capital budget. The GHNF was established following the end of the Heat Networks Investment Project (HNIP) (see Box 2 for further details) and the conclusion of the GHNF Transition Scheme. The SC will be delivered in parallel to the existing GHNF Delivery Partner contract between years 2024-2028. Round 9 will be the last application window administered by the incumbent GHNF Delivery Partner.

Should additional capital budget for the GHNF scheme be approved, the Round 10 application window is expected to open on 01/07/2025. It will be administered by the SC Delivery Partner in collaboration with the Department for Energy Security and Net Zero (DESNZ) SC Intelligent Client Function (ICF). Round 10 is also referred to as SC Application Round 1. The SC Fund Value to be administered under this contract is **to be confirmed and is subject to future Government spending decisions and allocations**. For the purposes of this Invitation to Tender the fund value is assumed to be up to one billion pounds (£1,000,000,000).

The SC Delivery Partner will be responsible for administering application windows from Round 11 (SC Application Round 2) onwards, **should additional capital budget for the GHNF scheme be approved**.

The GHNF scheme provides funding for commercialisation (Commercialisation Phase Grants) and construction (Construction Phase Grants). Commercialisation Phase Grants and Construction Phase Grants can be awarded separately or as part of a single award. Based on Round 1 – Round 7 awards, the average Commercialisation Phase Grant is c. £780,000, the average Construction Phase Grant is c. £11m, and the average total award per a single IC is c. £80m.

Although it is envisaged that grants will continue to be the primary GHNF support mechanism, the Buyer would want to work with the Supplier to deliver innovations/flexibility in how we deploy funding and support the heat networks sector, particularly given the proposed length of the SC. Suppliers are asked to keep this in mind during delivery and be open to working with the Buyer to deliver any agreed innovations or to aid funding flexibility. A variation of contract would need to be drafted and agreed prior to implementation of any agreed changes.

Additional mechanisms for deploying funding are to be determined and subject to further work by the Buyer, but possible options could include (but not limited to):

1. A repayable grant product, i.e. a grant that would become repayable upon certain conditions being met by the Grant Recipient;
2. A concessional loan offered to those determined suitable, the loan could be offered on concessional terms and rates.

Further detail can be found in Section B.2 and Order Schedule 15.

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Service Levels

Please refer to DPS Order Schedule 14 (Service Levels) for details on the performance regime including the applicable Service Levels and Service Credits.

Summary of GHNF objectives

The primary aim of the GHNF scheme is to deliver more LZC heat networks in the UK, through the following objectives:

- Achieve carbon savings and decreases in the carbon intensity of heat supplied.
- Increase the total amount of low-carbon heat utilisation in Heat Networks (both retrofitted and new Heat Networks).
- Contribute towards market transformations across the investment landscape and supply chain that will better prepare the Heat Network sector for further decarbonisation.

As part of the Heat Network Transformation Programme (HNTP), the GHNF scheme contributes towards market transformations by increasing investment leveraged in the market for further deployment of LZC Heat Networks. The GHNF scheme aims to leverage its capital investment to achieve at least 55% of external funding by the time it closes, however the minimum tolerance threshold for achieving this objective is 50% external funding leveraged.

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Summary of Benefits**Primary GHNF benefits** include quantifiable and non-financial benefits.

These are:

- Volume of thermal energy delivered - an increased volume of thermal energy supplied from ZLC sources;
- A decrease in the carbon intensity of thermal energy delivered by GHNF-supported Heat Network projects - the carbon emitted per unit of heat delivered to customers.
- Monetised value of the benefits that the GHNF scheme brings in terms of both carbon savings and air quality improvements; and
- Increased investment in the UK Heat Network market - the percentage of GHNF and non-GHNF share of funding for projects supported by the scheme.

Secondary benefits include:

- Increased use of recovered heat in Heat Networks funded via GHNF;
- Increased investor confidence;
- Increased supply chain capability and capacity in the UK;
- Greater innovation in Heat Networks; and
- Energy system benefits:
 - Number of Heat Networks providing wider energy system benefits;
 - Efficiency of heat delivered (%).

Glossary

Acronym	Term	Definition
AVE	Advertising Value Equivalent	Used to measure the advantage (ad value) that a PR campaign has had for a business.
BDM	Business Development Manager	BDMs involvement with a SC project is to provide guidance only and will never be in the form of advice. The prospective applicant is under no obligation to follow the guidance provided but should be mindful that the guidance provided would be expected to always follow published GHNF guidance. BDMs will be on hand at all stages of the application process to communicate timelines, provide feedback on SC Applications and clarify questions on the assessment methodology. Internal controls will be required to ensure that any conflicts of interest between SC Application Assessors and BDMs are managed. SC Projects will never be discussed by BDMs with SC Application

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Acronym	Term	Definition
		Assessors. BDMs will only inform SC management of likely timings of prospective SC Applications and anticipated grant requests to assist with budget forecasting and resourcing needs.
BEIS	Department for Business, Energy and Industrial Strategy	The department previously responsible for the GHNF and heat networks policy generally. BEIS existed until 2023, when it was split to form three new departments, incl. DESNZ.
	Buyer	Buyer has the meaning given in the Order Contract (Joint Schedule 1).
CAPEX	Capital Expenditure	Project Capital Expenditure. GHNF has defined project size groups for the purposes of classifying projects by size for the application of Market Transformation Commitment (MTCs).
CDEL	Capital Departmental Expenditure Limit	The government budget that is allocated to and spent by government departments is known as the Departmental Expenditure Limit (DEL). This amount, and how it is split between government departments, is set at Spending Reviews. CDEL is allocated to be spent on investment.
CHP	Combined Heat and Power	Process in which the heat that is created as a by-product of power generation is captured and used rather than simply being wasted.
	Commercialisation	A heat network project development stage in which the Project Sponsor contractually secures investment and future revenues. A partner is procured and appointed (where required) and relevant permissions and permits are obtained. Following financial and contractual negotiations, any technical changes are made, to develop a full business case for the heat network project. This may include detailed design if delivery were to be contracted as a build (and operate).
	Conditions Precedent	Conditions placed on the SC Grant (or GHNF Grant Award) that must be achieved before SC Grant (or GHNF Grant Award) is released to SC Project (or GHNF Project).

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Acronym	Term	Definition
	Conditions Subsequent	If the applicant has received written (electronic or hardcopy) confirmation that outstanding Conditions Precedent can be fulfilled subsequent to receipt of funds. Conditions placed on the SC Grant (or GHNF Grant Award) that must be achieved after the SC Grant (or GHNF Grant Award) is realised to SC Project (or GHNF Project) which must be satisfied by a future agreed date.
COI	Conflict of Interest	A situation in which an individual, or organisation, has opposing interests or loyalties. In the case of an individual, the conflict of interest could compromise or appear to compromise their decisions if it is not properly managed. Refer to DPS Joint Schedule 1 (Definitions) and the ITT for further detail.
CPD	Continuing Professional Development	The learning activities professionals engage in to develop and enhance their abilities. Involves maintaining and enhancing knowledge, skills and experience related to professional activities following completion of formal training.
DD	Due Diligence	Due diligence is an investigation or audit of a potential investment or product to confirm all facts and assess risks, such as reviewing all financial records, plus anything else deemed material.
DESNZ	Department for Energy Security and Net Zero	DESNZ is the department which is responsible for the GHNF and heat networks policy more widely. It is one of the departments that emerged from BEIS after a machinery of government change in 2023.
DSA	Data Sharing Agreement	Sets out the purpose of the data sharing, covers what happens to the data at each stage, sets standards, helps all the parties involved in sharing data and clarifying their roles and responsibilities (see Order Schedule 9 for more information).
FPCD	Funding Phase Commencement Date	Has the meaning given in Order Schedule 5 (Pricing Details)

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Acronym	Term	Definition
GAAMS	GHNF Applications and Assessment Management System	GAAMS - existing GHNF data capture and management tool which facilitates the assessment process and supports the M&R review process and reporting into DESNZ.
	Gaming	Gaming is the act of exploiting scheme rules and/or the absence of rules, to maximise the benefit of a party, against the objectives and spirit of the GHNF.
GFA	Grant Funding Agreement	the grant funding agreement pursuant to which a GHNF Grant Award (or SC Grant) has been (or will be) made available to a GHNF Applicant following approval of the relevant GHNF Application pursuant to the terms of the GHNF Application Approval Process.
GHNF	Green Heat Network Fund	Has the meaning given in Order Schedule 5 (Pricing Details)
	GHNF Applicant	Has the meaning given in Order Schedule 5 (Pricing Details)
	GHNF Application	Has the meaning given in Order Schedule 5 (Pricing Details)
	GHNF Application Approval Process	Has the meaning given in Order Schedule 5 (Pricing Details).
	GHNF Delivery Partner	GHNF Delivery Partner is responsible for delivery of the GHNF scheme from application round 1 to 9; it has on-going responsibilities for M&R of projects selected through those nine rounds until the projects have finished drawing down their GHNF awards.
	GHNF Grant Award	Has the meaning given in Order Schedule 5 (Pricing Details)
	GHNF Project	Has the meaning given in Order Schedule 5 (Pricing Details)
	GHNF Transition Scheme	The GHNF Transition Scheme was a one-off £10m capital grant fund to provide Commercialisation Phase Grants to both public and private sector applicants in England. It ran in 2021/22 only.
	Grant Agreement	Has the meaning given in Order Schedule 5 (Pricing Details)

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Acronym	Term	Definition
	Grant Recipient	An entity to whom a SC Grant Award has been awarded by the SC Investment Committee.
	Heat Network	A network that distributes thermal energy from a central source through a network to multiple buildings or sites for the use of space or process heating, cooling or hot water.
HNDU	Heat Networks Delivery Unit	The Heat Networks Delivery Unit provides grant funding and guidance to local authorities in England and Wales for Heat Network project development.
HNIP	Heat Networks Investment Project	HNIP main scheme preceded the GHNF, It was a £281 government funding programme that provided both grants and loans to heat network projects in England and Wales. The HNIP objectives were to: – Increase the number of Heat Networks being built – Deliver carbon savings – Help create the conditions necessary for a sustainable Heat Network market to develop – HNIP closed for applications in January 2022.
HNIP Pilot	Heat Networks Investment Project Pilot	The HNIP pilot scheme was a £39m scheme that was developed to test how the £281m HNIP main scheme might be designed. It ran from October 2016 to March 2017 and awarded over £24m in grants. There are 6 extant projects which were supported under the HNIP Pilot, and which are submitting regular monitoring reports.
HNTB Board	Heat Network Transformation Programme Board	DESNZ internal Heat Network Transformation Programme Board, which governs the GHNF scheme.
IC	Investment Committee	The IC reviews and approves recommendations made by the delivery partner, who are responsible for assessing and scoring applications. The IC decides on the recommendation of funding amount to applicants to the GHNF scheme and determines whether 'Conditions Precedent/Subsequent' are required for awards. The IC is chaired by the Supplier.

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Acronym	Term	Definition
		There are two kinds of Investment Committees: - GHNF Investment Committee reviewed and approved recommendations put forward by the GHNF Delivery Partner, and - SC Investment Committee that will review and approve recommendation put forward by the SC Delivery Partner should additional capital budget be approved for the scheme.
	Joint Delivery Plan	The Joint Delivery Plan will be developed by the Supplier and is akin to a Programme Initiation Document. It will include a detailed SC Project Programme (Gantt chart format) with the identification of a critical path. The Joint Delivery Plan will set out how the Supplier will operate the SC. It will include the Risk Management Strategy, Stakeholder and Communications Engagement Plan, and Continuous Improvement Plan of the GHNF scheme and its administration, either as annexes or within the document itself. Further detail is set out in A.1.1.
LZC	Low or Zero-Carbon	A source of energy generation from renewable energy sources or a low carbon source.
MTC	Market Transformation Commitment	Policy objective and a GHNF scheme-wide strategy to promote the value and self-sustaining presence of energy-efficient technologies in the marketplace.
MoU	Memorandum of Understanding	A document describing the broad outlines of an agreement between a project selected for GHNF investment and DESNZ. It sets out the grant terms and the government's objectives in relation to the grant.
MHCLG	Ministry of Housing, Communities and Local Government	MHCLG is a ministerial department. It is central to the mission-driven government, from fixing the foundations of an affordable home to handing power back to communities and rebuilding local governments.
M&R	Monitoring and Reporting	The process by which GHNF and SC project information forming the basis of the award of funding from the GHNF scheme is tracked and confirmed at critical stages in the Heat Network project development

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Acronym	Term	Definition
		(commercialisation, construction) and during its operation. This also provides critical data for the development of a sustainable Heat Networks market; tracking progress against GHNF scheme-wide benefits and collecting data for GHNF scheme-wide evaluation.
MRCD	Monitoring and Reporting Commencement Date	Has the meaning given in Order Schedule 5 (Pricing Details)
NWF	National Wealth Fund	It builds on the success of the former UK Infrastructure Bank. It will have a broader mandate, extending beyond infrastructure to support delivery of the wider industrial strategy in areas where there is an undersupply in private finance.
PMR	Performance Monitoring Report	Performance progress and evaluation reporting format used to collect performance information from recipients of funds awarded under programs.
	Project Change	GHNF applicants can request a Project Change, which is a change to their project that requires an approval of at least one member of the relevant (GHNF/SC) Investment Committee. Some examples of a Project Change which would trigger a request might be the use of a different heat source to the one originally planned, an alteration to the route of the network or a change to the planned key customers of the network (which are known as “anchor loads”). Change Requests are formally requested by the SC Delivery Partner on behalf of the relevant SC Project. Such requests include a change to the project’s forecast benefits, change to a grant award from GHNF scheme, or change of the Grant Recipient). SC Delivery Partner will be required to consider and process Project Change requests also from projects that are subject to M&R within the scope of this Order Contract.
PMO	Project Management Office	Defines, maintains and ensures project management standards across an organisation/ programme.

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Acronym	Term	Definition
	Public Contracts, Utilities Contracts and Concession Contracts Regulations	Specific regulations that govern, particularly Local Authorities, in how their interaction with a project is regulated. Public Contracts Regulations or Utility Contracts Regulations routes need to be considered carefully by Local Authorities if they are procuring Design Build Operate Maintain contracts. If they are procuring a concession, then Public Contracts Regulations or Concession Contracts Regulations need to be considered.
PSED	Public Sector Equality Duty	Public sector equality duty, s.149 of the Equality Act 2010.
QA	Quality Assurance	Monitoring and evaluation of the various aspects of the programme, service, or facility to ensure that standards of quality are being met.
RDEL	Resource Departmental Expenditure Limit	The government budget that is allocated to and spent by government departments is known as the Departmental Expenditure Limit (DEL). This amount, and how it is split between government departments, is set at Spending Reviews. RDEL is allocated to be spent on public services, grants and administration.
SC	Supplementary Contract	Has the meaning given in Order Schedule 5 (Pricing Details)
	SC Application Assessor	SC Application Assessor is a specific role to review and technically assess submitted SC Applications and determine if the application meets the minimum requirements of the GHNF SC Application Assessors are members of the Supplier's team for this Order Contract that are responsible for delivery of a variety of assessments of GHNF Applications received through SC Application Rounds. They are also required to deliver IC Input Report on each such GHNF Application for review and consideration by the SC Investment Committee. They also produce the IC Update Report.
	SC Application Period	Period between FPCD and the date when the last SC Application Round closes to applicants.

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Acronym	Term	Definition
	SC Application Round	Has the meaning given in Order Schedule 5 (Pricing Details)
	SC Grant	means funding awarded further to additional capital budget of the GHNF Scheme.
SC ICF	SC Intelligent Client Function	The SC ICF will act as the primary interface between the Supplier and DESNZ and other Buyer stakeholders that the Supplier will need to interact with.
	SC Projects	Has the meaning given in Order Schedule 5 (Pricing Details).
	SC Public Privacy Notice	An external document that specifies to the public how their data will be handled, their rights, and duties of the Supplier and Buyer. The notice outlines how that personal data will be processed and how data protection principles will be applied throughout the SC.
SOMS	Sales, Operations and Maintenance Sets	A set of standardised contract templates that the Buyer commissioned the GHNF Delivery Partner to produce. These are available to download from the Heat Network section of the gov.uk website.
	SharePoint (or equivalent)	The Buyer's preferred method of shared document storage where the documents reside on the Buyer's server. At present Microsoft SharePoint is used by the Buyer. Should a system migration to an equivalent data storing facility occur during the period of the contract, such a transition will be managed by the Buyer.
SOPs	Standard Operating Procedures	Step-by-step instructions to help workers carry out routine operations to achieve efficiency, quality output and uniformity of performance whilst reducing miscommunication and failure to comply with industry regulations. SOPs should take account of regulatory requirements and security practices.
	Supplier	The supplier has the meaning given in the Order Contract (Joint Schedule 1).
ToR	Terms of Reference	The scope and limitations of an activity.
	Working Group	A group with membership from the Buyer and Supplier appointed to provide insights

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Acronym	Term	Definition
		and make recommendations on matters in their area of expertise during SC Implementation. The Working Groups will be used to test the Implementation Deliverables and Milestones in accordance with Order Schedule 13.

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List of Schedule 20 Annexes

Key Annexes – appended to this Order Schedule		
Annex Ref.	Annex Title	Contents
A	Supplier Reporting Requirements	Includes: – Indicative reporting and governance quarterly cycle – Additional SC reports – SC Reporting Products – Required Reporting Metrics
B	High-Level Implementation Timeline	Sets out Supplier-lead and Buyer-lead activities during the SC Implementation Period.
C	High-Level Governance and Reporting	Shows the relationship between different governance and reporting groups that will be implemented for the SC, highlighting the purpose and attendance of each.
D	SC Implementation Deliverables	Identifies deliverables and processes required during the SC Implementation Period and sets out the responsibilities of drafts for each.
Additional Annexes – enclosed as separate documents		
D.A	Draft SC IC ToR	PDF
D.B, D.C	Not used	N/A
D.D	GHNF Project Plan	PDF
E.A	GHNF Application Form Guidance	PDF
E.B, E.C	Not used	N/A
E.D	GAAMS Description and Handover Arrangements	PDF
E.E	Draft SC High-level Process Map	PDF
E.F	GHNF Application Form	Excel
E.G, E.H	Not used	N/A
E.I	GHNF Commercialisation/Construction M&R Report Template	Excel
E.J	HNIP & GHNF Operations M&R Report Template	Excel
E.K	HNIP Commercialisation/Construction M&R Report Template	Excel
G	Not used	N/A
H.A	STG_APP_MR_KEY_VALUE_1 json schema	Word
H.B	STG_APP_MR_KEY_VALUE_2 json schema	Word
H.C	STG_APP_MR_TXN_DETAILS json schema	Word
H.D	APP_APPLICATION_STATUS_V.docx	Word
H.E	STG_APP_KEY_VALUE.docx	Word
H.F	STG_APP_TIME_SERIES.docx	Word
I	Overview of GHNF Projects selected through Application Rounds 1-7	PDF

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A. SC Implementation

The SC Implementation Period is split into the following groups of activities: (Section A.1) Order Contract and SC Implementation; (Section A.2) Information handover; (Section A.3) Finalising SC processes and products; (Section A.4.1) M&R Commencement Date (MRCD) Run-up; (Section A.4.2) FPCD Run-up (**subject to additional capital budget being approved for the GHNH scheme**), and (Section A.5) Supplier Resourcing.

SC Implementation intends to ensure that agreed products and processes are in place to successfully operate the SC from the MRCD (**01/08/2025**) and the FPCD **should additional capital budget be approved**.

There are several Deliverables during the SC Implementation Period as set out in Table 1. These must be accepted by the Buyer before completion of the SC Implementation Period and MRCD. A high-level implementation timeline is included in Annex B of this Order Schedule.

Please refer to Order Schedule 13 (Implementation Plan and Testing) for details on the Implementation Milestones, payments, testing and applicable Delay Payments.

Once activities have been agreed in the kick-off meetings, they will be incorporated into the finalised SC Implementation Plan. All activities in the SC Implementation Plan will be in-scope of the service as described in the Supplier's proposal and will fall within the overall budget envelope.

A. SC Implementation - High-level requirements table*Table 2 SC Implementation High-Level Requirements*

Ref	Section	Ref	Subsection
A.1	Order Contract and SC Implementation	A.1.1	Order Contract Implementation
		A.1.2	Order Contract and Project Governance
		A.1.3	Project Management Artefacts
		A.1.4	Continuous Elements
A.2	Information Handover	A.2.1	Kick-off Meeting Series
		A.2.2	Information Handover
		A.2.3	Data Handover
A.3	Finalising GHNH processes, structures, and products	A.3.1	Acceptance Process
		A.3.2	SC Structures
		A.3.3	Operational Processes
		A.3.4	Operational Products
A.4	Run-up to Commencement Dates	A.4.1	M&R Commencement Date Run-up
		A.4.2	FPCD Run-up
A.5	Supplier Resourcing	A.5.1	Supplier Skills and Experience
		A.5.2	Skills and capability requirements for BDMs
		A.5.3	Skills and capability requirements for SC Application Assessors

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		A.5.4	Skills and Capability Requirements for SC Investment Committee
		A.5.5	Skills and Experience vs Requirements Matrix

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A.1 – Order Contract and SC Implementation*Table 3 Implementation Order Contract and SC Implementation Key Outputs and Outcomes*

Ref	Key Outputs /Outcomes (not exhaustive)
A.1.1 Order Contract and Project Governance	Processes and structures: – Scheduling fortnightly SC Operations Boards¹ and weekly Progress Meetings² – Appropriate governance structures to support the decision-making process for the SC getting agreed – Structures for Performance Monitoring Report (PMR) to the Buyer designed and agreed Products: – The Joint Delivery Plan – Exit Plan – PMR
A.1.2 Project Management Artefacts	– Project Change control process – Change Control Log developed and agreed – Contents of the SC Project Programme (MS Project) agreed – SC Dashboard (PowerPoint) template agreed – Risk Management Strategy agreed – Continuous Improvement log agreed
A.1.3 Continuous Elements	– COI management regime – Resource and Training Plan – Gaming and fraud mitigation – Risk management approach – Budget management approach – Approach to Improvement Management Planning

Post contract award, no new terms or obligations will be introduced.

The Buyer will share the latest products and processes (some of which will be in draft) with the Supplier during information handover (Section A.2).

The Supplier will review, discuss and finalise the products and processes for (Section A.1.2) Order Contract and Project Governance in collaboration with the Buyer in an SC Project Management Working Group. This will include a Joint Delivery Plan and an Order Contract Exit Plan.

The Supplier will review and agree on the products and processes for (Section A.1.3) Project Management with the Buyer in weekly Progress Meetings.

¹ Operations Boards to be fortnightly during the SC Implementation Period, followed by monthly post MRCD

² Progress Meetings to be weekly during the SC Implementation Period, followed by fortnightly post MRCD.

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The Supplier will create a PMO function for the SC and set up and host a Secretariat for the SC IC **should additional capital be approved for the GHNF Scheme**. See Annex D.A (separate to this document) for information on the role and responsibilities of the IC Secretariat.

The SC Implementation Period has three Milestones, linked to the acceptance of Key Deliverables by the Buyer. The Supplier will agree any changes to the timing of the Deliverables in Table 1 (Implementation Deliverables and Milestones) with the Buyer in a kick-off meeting series during Information Handover (Section A.2) noting that there will be no changes to the Implementation Milestones. For further detail, refer to Order Schedule 13.

A.1 Detailed Requirements**A.1.1 Order Contract and Project Governance**

The Supplier, in relation to key arrangements for governing the SC and reporting to the Buyer, will:

- Produce a Governance Map and a defined Framework for Escalations through the layers of governance. This should be in a flow chart format and agreed with the Buyer during the SC Implementation Period. It will build on the high-level governance diagram provided in Annex C.
- Establish a SC IC that will include the Buyer as a voting member, and may, at the discretion of the Buyer, include an independent member. See Annex D.A (separate to this document) for information on the IC ToR.

The Supplier and Buyer will agree the ToRs for the SC Operations Board during the SC Implementation Period. The Terms of Reference and membership will be finalised during the kick-off meetings and will subsequently be approved by the Buyer and Heat Network Project Board (see Annex C for the high-level governance diagram).

The Supplier will develop a Joint Delivery Plan and submit it to the Buyer for approval as set out in the Implementation Deliverables and Milestones (Table 1).

The Joint Delivery Plan will be developed by the Supplier and is akin to a Programme Initiation Document. It will include, either as annexes or within the document itself, the following:

- Detailed SC Project Programme (Gantt Chart Format in MS Project), to cover the delivery of the SC. Following MRCD, this will be updated regularly to include key SC activities).
- Continuous Improvement Plan
- Stakeholder Engagement and Communications Plan (which will be updated through the quarterly Stakeholder Engagement and Communications Report and Plan)
- Resource and Training Plan
- Risk Management Strategy
- Conflicts of Interest (COI) Management Plan
- Information Security Management Plan as part of Security Management Plan
- Gaming and fraud mitigation strategy
- Budget management approach

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The Supplier will agree with the Buyer on the contents of the Performance Monitoring Report (PMR).

The Supplier will have to provide an Order Contract Exit Plan which complies with the requirements of DPS Order Schedule 10 of the Order Contract, refer to Section E of this document for more information.

A.1.2 Project Management Artefacts

The Supplier will be required to create a PMO to deliver the SC. The PMO will ensure the adoption of a standardised set of project management tools and processes across SC as well as SC Projects supported by the GHNF scheme **should additional capital budget be approved for the GHNF scheme.**

The Supplier will be responsible for establishing and coordinating a temporary Governance and Project Management Working Group to agree and finalise processes, structures, and products set out in this section. For detailed reporting requirements, refer to Annex A.

The Joint Delivery Plan will be developed by the Supplier and is akin to a Programme Initiation Document. Refer to A.1.1 for further detail. The Project Management artefacts set out in this requirement section will support the Joint Delivery Plan and once agreed during the SC Implementation Period will be managed through the duration of the Order Contract as Continuous Elements (see Section D).

The Supplier will develop a Change Control Process to be agreed with the Buyer during the SC Implementation Period to consider and approve or reject proposed changes to successful projects benefits, cost, time, and scope during delivery. The process will provide a framework for the assessment of the potential impact of implementing a change. **Should additional capital budget be approved for the scheme**, this could include whether or not project-level changes are required to undergo a separate approval by the IC which will be in conjunction with Section C.1.4.1 (additional funding /Project Change requests). The Supplier will be also responsible to processing Project Change requests from projects that have completed draw down of GHNF/HNIP funding and are subject to quarterly portfolio-level M&R. As part of the process, the Supplier will develop a Change Control Log to be agreed upon with the Buyer during the SC Implementation Period.

The Supplier will be required to refine and agree a SC Dashboard template (initially drafted by the Buyer) with the Supplier to be used for monthly programme reporting. The dashboard will capture items such as key risks, benefits, finance, and activity milestones, as well as highlights from projects within quarterly portfolio-level M&R. **Should additional capital budget be approved**, it would also include highlight updates from M&R reports submitted by GHNF-funded SC Projects. The Supplier will complete the dashboard each month post-MRCD and share it with the Buyer to be reviewed at the monthly SC Operations Board.

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The Supplier PMO will be required to produce key project management products and processes to ensure the effective management of the SC. Further detail on Reporting Requirements (purpose, scope, frequency and format) is set out in Annex A of this Order Schedule. These products include:

- PMR
- SC Dashboard
- SC Project Programme
- SC Risk Register
- Continuous Improvement Log and Report
- Change Control Log
- Quarterly Financial Report
- IC Update Report (should additional capital budget be approved)
- SC Annual Benefits Report (should additional capital budget be approved)
- SC Funded Projects Report (should additional capital budget be approved)
- Information Security Management Plan as part of Security Management Plan
- Quarterly Stakeholder Engagement and Communications Report and Plan (**should additional capital budget be approved**)
- Order Contract Exit Plan
- Data Protection Policy
- Annual Review
- Funded SC Projects Report (should additional capital budget be approved)
- Inputs into DESNZ's Heat Networks Pipeline publication (**should additional capital budget be approved**)
- GHNF application pipeline (should additional capital budget be approved)
- Heat Network Market Intelligence Report

The majority of these products will be provided to the Supplier by the Buyer, and either accepted by the Supplier, or further developed by the Supplier for acceptance by the Buyer during the SC Implementation Period, refer to Annex A for further details.

The Supplier will be responsible for delivering and agreeing the contents of the SC Project Programme (an element of the Joint Delivery Plan) in Gantt chart format (in MS Project), clearly identifying SC Project milestones and activities to be delivered. The Buyer will provide key dates to produce the programme.

These project management products will be used to provide updates to the SC Operations Board meetings post-MRCD.

Although formal oversight and review of these documents will be performed by the SC Operations Board, they may be referenced in Progress Meetings.

A.1.3 Continuous Elements**A.1.3.1 Conflict of Interest Management Plan**

During the SC Implementation Period, the Supplier must produce a COI Management Plan and regime for agreement with the Buyer as part of the Joint Delivery Plan.

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The Supplier is required to consider the COI that might occur through the delivery of these requirements and develop a Conflicts Register and Management Plan to mitigate any COI risks throughout the agreement term. For example, a BDM cannot also operate as an SC Application Assessor for the same SC Project application that they have supported, nor can personnel within the Supplier organisations bid for work that could be funded by the GHNF scheme without appropriate ethical walls in place and evidenced.

Where individuals would have worked on the set up of the SC and subsequently moved to work on individual SC Projects/applications it would not necessarily be considered a conflict for the SC and GHNF scheme in general, although that individual would not be able to work for the Supplier in relation to that SC Project (as per the above). The Supplier must consider putting in place additional assurance checks where they are concerned that an application could have been designed to game the GHNF scheme rules, including the assessment criteria. Ongoing management of the COI Management Plan is set out in Section D.3.2.

A.1.3.2 Gaming/Fraud Mitigation

As part of the Joint Delivery Plan, the Supplier is required to establish processes during the SC Implementation Period to identify and manage and minimise the risk of gaming by applicants.

Any specific training requirements must be set out in the Supplier's Resource and Training Plan.

Ongoing management of gaming and fraud is set out in Section D.3.2.

A.1.3.3 Risk Management

During the SC Implementation Period, as part of the Joint Delivery Plan, the Supplier will need to produce a Risk (and Issue) Management Strategy demonstrating how they will actively identify and mitigate risks associated with the operational delivery of the SC.

Ongoing risk management requirements are set out in Section D.3.

A.1.3.4 Budget Management

During the SC Implementation Period, the Supplier will need to produce a Budget Management approach demonstrating how they will actively report and track actuals vs forecast/budget at the SC level as well as SC Project-level. This will cover reporting of Resource Departmental Expenditure Limit (RDEL) budget as well as Capital Departmental Expenditure Limit (CDEL) budget (**should additional capital budget be approved**) .

Should additional capital budget be approved, the Supplier must produce a forecast of expected spending against confirmed spending and report any anticipated variance between the two that might occur in the future.

Should additional capital budget be approved:

- The Supplier will need to manage the funds allocated to the SC and monitor the variation between the forecasted and the actual spend per individual SC Projects.

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- The Supplier will be required to produce a drawdown forecast and allow a minimum of 6 weeks once all necessary verification checks have been completed and a completed Supplier Information Form has been shared with the Buyer (see section B.3.3) to notify the Buyer of drawdown requirements. The Buyer will set up the project on UK Shared Business Services (UK SBS) and authorise the payment(s) which will be made by UK SBS to the project in due course.

Ongoing budget management requirements are set out in Section D.2.

A.1.3.5 Continuous Improvement

The Supplier will be required to establish a process with a review cycle for the duration of the SC and ensure that there is an iterative continuous improvement approach to SC products and operational delivery. During the SC Implementation Period, the Supplier will develop an outline approach to continuous improvement management as part of the Joint Delivery Plan (refer to A.1.1).

A.1.3.6 Security Clearance

All Supplier personnel deployed to the GHNF by the Supplier require minimum security clearance of Baseline Personnel Security Standard (BPSS). It will be the Supplier's responsibility to ensure that the security clearance is in place by the contract start date (in alignment with Order Schedule 13) and remains valid during the Order Contract.

In addition, Supplier personnel with wide access to live data will require a Security Check (SC) level clearance.

The Supplier is required to establish the roles that would require SC level clearance as part of their resourcing proposal. This will be discussed with the Buyer during the SC Implementation Period.

The Supplier will be responsible for all costs associated with security clearance throughout the Order Contract.

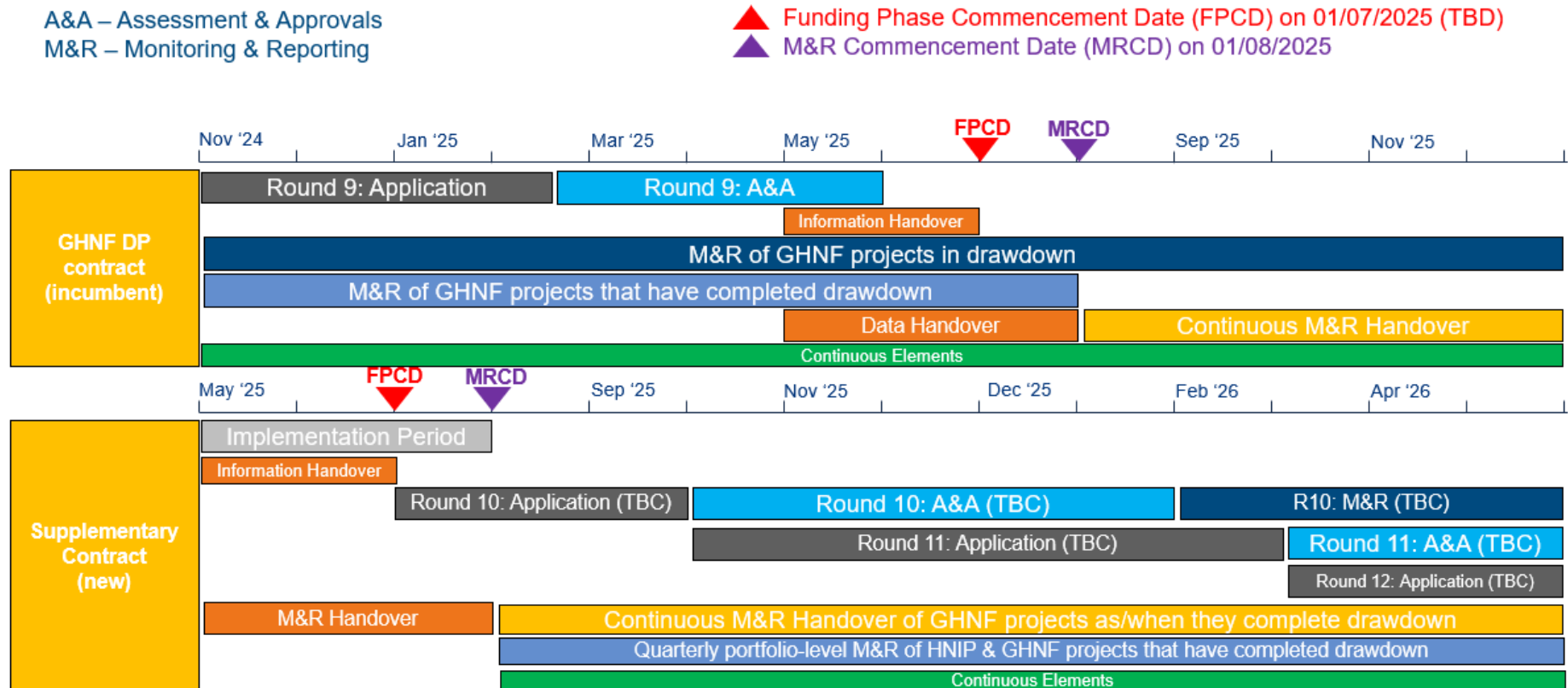
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A.2 Information Handover

Figure 3 Delivery Partner contracts – alignment & handover



N.B. Timescales are estimates and to be confirmed

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The SC Implementation Period will begin with a series of kick-off meetings between the Supplier and the Buyer through which the Buyer will grant the Supplier access to the latest products and processes concerning the SC and GHNF scheme in general, including external-facing documents (see Information Handover in Figure 3). The Supplier will be given approximately five Working Days to familiarise themselves with the information while engaging in other knowledge transfer activities.

As part of this process, the Supplier will be given access to a shared SharePoint library including the application data sets and evidence of successful projects which have received commercialisation and/or construction funding from the GHNF scheme and/or the GHNF Transition Scheme (see Data Handover in Figure 3). Access to past data from projects supported by HNIP and/or HNIP Pilot will be provided on a project-by-project basis if/when required. It is considered likely that projects that have received commercialisation funding through the GHNF or GHNF Transition Scheme will apply for construction funding (Construction Phase Grants) from the GHNF scheme once it is delivered under the SC **(should additional capital be approved for the GHNF scheme)**. The shared SharePoint library will be used as the file storage location for the entirety of the Order Contract.

Table 4 Implementation Information Handover Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
A.2 Information Handover	– Kick-Off meetings – GHNF information handover – Data Handover

A.2 Detailed Requirements

A.2.1 Kick-off Meeting Series

The Supplier will participate in a series of kick-off meetings organised by the Buyer in which the Buyer shares further details on the processes, structures, and products that will underpin the SC delivery.

During kick-off meetings, both parties will discuss the Implementation process and timeframe. Based on those discussions, the Supplier will finalise a draft Implementation Plan (as defined in Order Schedule 13), agreed by the Buyer, including the acceptance process for implementation deliverables and milestones.

A.2.2 Information Handover

The Supplier will be given access to the Buyer's repository of information regarding the GHNF scheme, GHNF Transition Scheme, GHNF scheme design, GHNF and SC governance, and project management. They will be given approximately five Working Days to familiarise themselves with the information while engaging with other knowledge transfer activities.

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A.2.3 Data Handover

The Supplier will be given access to a shared library in SharePoint including data sets from GHNF Projects.

If additional capital budget is approved for the GHNF scheme, projects that have only been awarded commercialisation funding to-date may be applying for construction funding (Construction Phase Grants) from the GHNF scheme when it is delivered by the SC Delivery Partner, after the FPCD. In this event, these projects will be required to submit an application via email and provide an evidence note to update the SC Application Assessor as required on any changes since commercialisation funding was approved. These applications will be additional to funding applications from other projects that have not been supported by the GHNF scheme, GHNF Transition Scheme, or HNIP to-date.

The Supplier will be responsible for M&R of projects that have received funding from the GHNF Scheme, GHNF Transition Scheme, HNIP and/or HNIP Pilot. Handover of M&R responsibility for those projects will happen during the SC Implementation Period. The SC Delivery Partner will become responsible for M&R of these projects from MRCD or later if a GHNF Project is still in the process of drawing down its GHNF award that was awarded to it through GHNF Round 1-9. In the latter case, the SC Delivery Partner will become responsible for the project's M&R once the project has fully drawn down their existing award. The Buyer will oversee a handover of such projects from the GHNF Delivery Partner to the SC Delivery Partner.

If additional capital budget is approved for the GHNF scheme, the SC Delivery Partner will also be responsible for M&R of projects that will be awarded GHNF funding through GHNF Round 10 or later GHNF application rounds that will be managed by the SC Delivery Partner under this Order Contract. Further details on the M&R service (incl. M&R data sharing) are provided in Section A.4.

A.3 Finalising GHNF processes, structures, and products

The Buyer is open to suggestions for improvement including optimal products and processes as well as the GHNF application guidance (various documents) **should additional capital budget be approved for the GHNF scheme**. Working Groups will be established during the SC Implementation Period for the Supplier to review existing GHNF products and processes with the Buyer to agree on any improvements before their finalisation and adoption as SC products and processes by the Supplier in accordance with the Government Functional Standard 13 – Counter Fraud³.

M&R products and processes will be handed over to the Supplier by the Buyer in the Information Handover (see Section A.2) and relevant products and processes, including templates for the Commercialisation/Construction M&R Report and HNIP & GHNF Operations M&R Report will be finalised in a Working Group dedicated to Data and M&R. Data sharing processes will be finalised through this Working Group also (see Section A.4 or details).

³ [Government Functional Standard GovS 013: Counter Fraud - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/standards/government-functional-standard-13-counter-fraud)

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Should additional capital budget be approved for the GHNF scheme:

- Complete sets of draft GHNF products and processes that outline how SC Applications are to be submitted, processed, and assessed, funding disbursed, and SC Projects monitored will be provided by the Buyer to the Supplier (i.e. the GHNF Application Approval Process). Refer to Order Schedule 5 (Pricing Details) for further detail and definition.
- The Supplier will be required to review SC Applications for accuracy, correctness, and alignment with final operational procedures and issue the updated and finalised external products following agreement by the Buyer.
- This will include publishing final GHNF Application documents (for Round 10 IC) and online content for GHNF pages (to be published on gov.uk) and submitting them to the Buyer for approval (and publication).

Table 5 Detailed Implementation Activities for finalising GHNF products and processes

Ref	Key Outputs /Outcomes (not exhaustive)
A.3.1 Acceptance Process	– KT sessions – Working Groups
A.3.2 GHNF Structures	– SC Operations Board ToR agreed during the kick-off meetings Should additional capital budget be approved, SC Investment Committee ToR agreed during the SC Implementation Period, in line with the GHNF Investment Mandate
A.3.3 Operational Processes	– Complaints process map – Data sharing process map – Security Management Plan (incl. Information Security Management Plan) – Non-Disclosure Agreement – QA process – Resource Management process Should additional capital budget be approved: – Application process map – Application assessment process map – Application assessment tool (as part of data capture and management tool) – Application supporting evidence assessment process map – Decision review process map – Fund disbursement process map – Subsidy control reporting process map – Monitoring of successful SC Projects process map
A.3.4 Operational Products	– IT system supporting GHNF operation including, database, file storage and data transfer to Buyer functions – Standard Operating Procedures (SOPs) – Data capture and management solution Email System – Content and format of reports for operations and benefits monitoring of projects supported by the GHNF scheme, GHNF Transition Scheme, HNIP and HNIP Pilot – Data Capture Design

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Ref	Key Outputs /Outcomes (not exhaustive)
	Should additional capital budget be approved: – SC Assessment guidance – Content and format of reports for monitoring SC Projects

A.3 Detailed requirements

The Supplier will be responsible for ensuring that any processes and products that are delivered or updated during the SC Implementation Period are appropriately quality assured through a final pre-submission quality review and signed off by the Buyer as per the agreed Implementation Plan (see Order Schedule 13).

The Buyer will work with the Supplier throughout the SC Implementation Period, in accordance with the Implementation Plan developed by the Supplier and agreed with the Buyer in the first kick-off meeting. Refer to Annex B for a high-level implementation timeline for further detail.

A.3.1 Acceptance Process

An acceptance process for Implementation Deliverables will be agreed upon with the Supplier during the kick-off meetings. In accordance with Order Schedule 13, the Implementation Deliverables submitted by the Supplier will be tested by the Buyer during a period of acceptance and the Buyer will issue certificates of acceptance prior to triggering the milestone payments.

The Supplier is required to comply with its obligations under Order Schedule 13 (Implementation Plan and Testing).

A.3.1.1 Knowledge Transfer Sessions

The Supplier will be required to engage in a series of KT sessions to discuss the shared information and its application to GHNF. These sessions will include KT from the GHNF Transition Scheme as described in Box 1.

Box 1. Knowledge transfer from the GHNF scheme and GHNF Transition Scheme

To maintain financial support for Heat Networks in the transition period between the close of HNIP and the opening of GHNF, the Buyer launched the GHNF Transition Scheme in July 2021. The ten-month-long scheme offered Commercialisation Phase Grants to projects that met GHNF application criteria with the view for them to later apply for a Construction Phase Grant from the GHNF scheme.

The GHNF scheme launched in March 2022 and offered both Commercialisation Phase Grants and Construction Phase Grants. Its delivery partner (GHNF Delivery Partner) is responsible for delivery of nine GHNF application rounds (Rounds 1-9).

The SC Implementation Period activity will draw on selected guidelines, tools, and processes used for delivery of the GHNF scheme. The Buyer will ensure that the Supplier

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is given access to those documents as part of KT and that their application to the SC has been discussed in both KT sessions and Working Groups. The Buyer and the Supplier will work together to ensure a smooth transition of selected responsibilities, processes, products, and projects (supported by the GHNF scheme, GHNF Transition Scheme HNIP, and/or HNIP Pilot) from the GHNF Delivery Partner (or the Buyer) to the SC Delivery Partner.

KT sessions will be organised by the Buyer and cover the following themes:

- Strategic GHNF aims
- Data Management and Permissions
- Interactions with the GHNF Delivery Partner, mainly about projects selected for investment through Rounds 1-9, HNIP Delivery Partner about HNIP-supported projects, and DESNZ about projects supported by the GHNF Transition Scheme and HNIP Pilot
- Interactions with and other DESNZ initiatives supporting HN projects - mainly: the Heat Network Efficiency Scheme (HNES), the Heat Network Delivery Unit (HNDU), and HN Zoning.

Should additional capital budget be approved, this will also include:

- Communications and market engagement
- Scheme design

A.3.1.2 Working Groups

The Supplier will be required to set up and lead a series of temporary Working Groups (as defined in the Glossary) with the Buyer to discuss, finalise, agree and accept the products and processes presented to the Supplier in the information handover, including tools and processes used for Rounds 1-9 of the GHNF scheme. These items support the Implementation Deliverables.

The Supplier will be able to update and/or refine the products and processes to the extent that they need to and will present updates/proposed changes to the Buyer for approval in relevant Working Groups.

These recurring Working Groups will be set up to discuss the subjects set out in

Table 6.

Five Working Groups have been suggested but the Buyer remains open to the Supplier's suggestions presented in the draft Implementation Plan.

Each Working Group will be delivered several times over the course of approximately five weeks except for Working Group dedicated to Data and M&R, which is expected to regularly meet for the duration of up to 12 weeks. This timeframe is flexible to accommodate the Working Groups' specific needs. **Should additional capital budget be approved**, the Working Group dedicated to Application and Assessment would regularly meet for the course of approximately seven weeks.

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For further detail, refer to Annex B (High-level Implementation Plan Timeline) of this document.

The Supplier will set out the topics of discussion in the final draft Implementation Plan (based on the draft Implementation Plan set out in Order Schedule 13) for agreement with the Buyer during the Kick-Off meeting.

The Supplier will be responsible for organising the Working Groups, preparing agendas, and leading the discussions.

Table 6 Proposed Working Groups

Working Groups
1. Governance and Project Management (project management; conflict management and order contract change management) processes and artefacts
2. Data and M&R (M&E, data and security management; data transfer; change management within funded SC Projects and projects within the scope of quarterly portfolio-level M&R; Public Sector Equality Duty (PSED) and M&R content)
3. Project Delivery
4. Stakeholder engagement and communications (includes online presence, GHNF webpage on gov.uk and GHNF content on the Supplier's website)
Should additional capital budget be approved for the GHNF scheme, there will be an additional Working Group:
5. Application and Assessment (includes grant-making, investment approach and related processes)

A.3.2 GHNF Structures

Structures are expected to be discussed and finalised in the Working Groups.

The Buyer's SC Intelligent Client Function (SC ICF) will act as the primary interface between the SC Supplier, the Buyer's SC Team and other Buyer's stakeholders that the Supplier will need to interact with. For further detail on the SC ICF refer to the Glossary.

Refer to Annex C for the High-Level Governance and Reporting diagram.

A.3.2.1 SC Operations Board

The draft SC Operations Board ToR will be provided to the Supplier following the Order Contract award. The Supplier will be required to agree on membership during the kick-off meetings and engage with the SC Operations Board during the SC Implementation Period. This is the main interface of the Supplier with the Buyer's SC ICF.

The Buyer will require the Supplier to engage with the SC Operations Board (with the Buyer). The Buyer will chair the SC Operations Board meetings, whilst the Supplier will provide secretariat duties in accordance with Order Schedule 15 (Order Contract Management).

The SC Operations Board will be the forum for the Buyer and Supplier to work together and jointly solve issues that arise during the course of the SC (this includes issues related M&R data quality and/or availability).

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For the SC Operations Board process to work, the Supplier and the Buyer must collaborate and communicate to identify and devise mitigation plans to prevent/resolve any potential risks and/or issues that are foreseen.

The SC Operations Board will be decision-making. During the SC Implementation Period it will:

- Establish the Order Contract and project governance relationship, structures, and ways of working as set out in Order Schedule 15 (Order Contract Management).
- Agree on the SC governance structure and a structure for reporting information to the Buyer.
- Discuss and agree with the Buyer the following: a Joint Delivery Plan, contents of the PMR, and an Order Contract Exit Plan (see Section E). **Should additional capital budget be approved for the GHNF scheme**, this would also include a ToR for the SC IC (including its membership)

Following MRCD, these meetings will be used to review project progress and discuss any risks and issues for the delivery of the SC, as well as to discuss the Supplier's performance.

The SC Operations Board standing agenda will include:

- Review and approve minutes from previous meetings, including actions and decisions.
- Delivery update, which will include reference to the SC Dashboard (which includes key risks, finance, activity milestones and highlight updates and achievements).
- Review of the SC Operations Board Reporting Requirements products referenced in Annex A.
- The Supplier will deliver a summary of key findings of reports submitted in given month – these will include a quarterly Heat Network Market Intelligence Report (see Annex A for further details on Reporting Requirements), change requests, as per the change control process (see Section C.1.4), and Project Change requests.
- The Supplier will also provide a Delivery Confidence Assessment (DCA) ahead of each monthly meeting as part of the SC Dashboard report. The DCA will provide an overall indication (RAG status) of the likelihood of successful SC delivery. The Buyer will provide detailed descriptors to enable the Supplier to identify the DCA RAG status.
- Agree to refer matters to the HNTF Board as required.

Should additional capital budget be approved, the agenda will also include:

- Key findings of SC Funded Projects Report
- Key findings of SC Annual Benefits Report
- Update on GHNF application pipeline
- Update on the GHNF scheme capital budget

During the SC Implementation Period the SC Operations Board will be fortnightly, changing to monthly meetings after MRCD.

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A.3.2.2 Progress Meetings

The Supplier will agree the standing agenda for the Progress Meetings with the Buyer during the SC Implementation Period. The Supplier will lead the meetings to report on progress and the Supplier will record minutes and actions.

The Progress Meetings are not decision-making.

The nature of the Progress Meetings is expected to change from an “on-boarding” focus to a discussion of matters related to the Order Contract and project governance following MRCD.

Standing agenda of **weekly Progress Meetings** during the SC Implementation Period will be:

- A review of recorded actions from previous Progress Meetings
- A review of performance against the Implementation Plan and Milestones
- Updates on project risks and issues with reference to the SC Risk Register and Issues Log
- Order Contract performance

Once the series of kick-off meetings is completed, both parties will engage in weekly Progress Meetings which re-occur for the duration of much of SC Implementation Period until MRCD.

Following MRCD, the Progress Meetings will be held twice a month – the first meeting of the month will focus on projects that are subject to M&R by the SC Delivery Partner. It will be held in the third week of the month. The other Progress Meeting will focus on the contract delivery. This meeting will be held every fourth week of the month.

Standing agenda of **contract-focused Progress Meetings** will include:

- A review of recorded actions from previous Progress Meetings
- A review of performance against the SC Project Plan
- Discussion of the agenda for the next SC Operations Board meeting
- Discussion of Continuous Improvements in the month
- Discussion of reporting and upcoming deliverable submissions with reference to SC Reporting Requirements (see Annex A) and upcoming deliverables
- Key personnel changes and access to the SC and GHNH SharePoint areas
- Performance issues
- Stakeholder engagement and communications events

Standing agenda of **project-focused Progress Meetings** will include:

- A review of recorded actions from previous Progress Meetings
- Project-level update
- Run through of projects, issues and concerns
- Issues that need escalating to SC Operations Board
- Are projects tracking well against their baselines/projections

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Should additional capital budget be approved, the meeting agenda will also include:

- Project spend to date and drawdown schedule
- Pipeline update

A.3.2.3 Heat Network Transformation Programme Board

The Supplier will not be required to attend Buyer's internal HNTF Board (unless by exception), which governs the GHNF scheme.

The SC ICF will ensure that any key messages arising from the HNTF Board are communicated to the Supplier in a timely manner.

The HNTF Board will be the escalation route for strategic decisions, in accordance with the ToRs for the SC Operations Board.

The Buyer may be required to provide additional information for the HNTF Board periodically from the Supplier.

A.3.2.4 SC Investment Committee

Should additional capital budget be approved for the GHNF scheme:

- The Supplier will produce the final ToRs for SC IC, in line with the GHNF Investment Mandate. Refer to Order Schedule 15 for further information.
- The Supplier will agree on the IC ToR with the Buyer and undertake the function of an IC Secretariat for the duration of the Order Contract.
- Agreement on the IC membership will be agreed during the SC Implementation Period (or later, should the additional capital budget be approved after the MRCD)
- IC meeting quoracy will include at least two members from the Buyer's side, at least two members from the Supplier's side, and an appointed chairperson.
- Further detail on the role and required functions of the IC are set out in Section B.4.1.

A.3.3 Operational Processes

The Supplier will develop a Security Management Plan (that includes an Information Security Management Plan) in line with Order Schedule 9. The Information Security Management Plan will incorporate the following: a data-sharing process map, a data protection policy which is to set out how the delivery partner will protect the personal and commercially sensitive applicant data they hold and a Data Sharing Agreement (DSA) that will set out the approach to data transfer between the Supplier to the Buyer. The DSA and data protection policy will be annexed to the Security Management Plan.

In the DSA, the Supplier will set out the timings of the data transfer, data formats used, and how the data will be managed in line with the Buyer's data protection requirements.

Clear alignment is required between policy and operational procedures, including management of COI. This includes the Security Management Plan (as set out in Order Schedule 9), Joint Controller Agreement (as set out in Joint Schedule 11), privacy notice and NDA.

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The Supplier will be responsible for reviewing, finalising and getting approved by the Buyer the following operational processes:

- Monitoring regime, including monitoring of successful SC Projects process map (**should additional capital funding be approved for the GHNF scheme**) as well as a process map for monitoring HNIP and GHNF-supported projects that have completed draw down and are subject to quarterly portfolio-level M&R
- Complaints process map
- Data sharing process map
- Security Management Plan (incl. Information Security Management Plan)

Should additional capital budget be approved for the GHNF scheme, these will also include:

- Application process map
- Application assessment process map
- Application assessment tool (as part of data capture and management tool)
- Application supporting evidence assessment process map
- Decision review process map
- Fund disbursement process map
- Subsidy control reporting process map

The Supplier will be required to develop a scheme-wide **SC data capture and management tool**. The GHNF Delivery Partner has developed a GHNF Applications and Assessment Management System (GAAMS) tool for assessing applications submitted to the GHNF scheme (through Rounds 1-9). Description of GAAMS functionality and architecture is provided in Annex E.D as a guide. The Supplier will receive the data flows that GAAMS runs on and instruction on continued operation of the SC data capture and management tool, including user training for assessment and technical teams during the Implementation Period. The Supplier will be required to deliver their own SC data capture and management tool which is aligned with the existing data flows and processes.

to the Supplier as part of KT and may be adapted for the purposes of the SC.

The Supplier is required to develop a **resource management process** to allocate sufficient resources across the SC requirements.

The Supplier is required to develop a COI Management Plan to avoid COI and ensure ethical walls are in operation across the application submission and assessment stages.

The Supplier is required to develop a data management process to ensure that application documents are filed on SharePoint (or equivalent) following the Buyer's file structure. The Supplier will need to upload M&R data from Commercialisation/Construction M&R and HNIP & GHNF Operations M&R Reports into a database structure (see Section A.3.4.2.3 for more information) and ensure it is kept up to date and relevant.

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Should additional capital budget be approved for the GHNF scheme, this data management process must also encompass:

- Application data (from GHNF Application Forms submitted through Round 10 and future application rounds) and regular reporting on GHNF Applicants and SC Projects (see Annex A), including the Investment Committee Input, Update, and Output Reports.
- Drawdown request (transaction lists) submitted alongside Commercialisation / Construction M&R reports and underpinning evidence of spend (invoices) and defrayal (where required).

Should additional capital budget be approved, the Supplier will request and verify a sample of invoices taken from the transaction list (from monthly Commercialisation / Construction M&R reports) from applicants to ensure they are legitimate, reflect SC Project-related costs. For some SC Projects, the funds must have been spent before a claim is submitted and the grant funds are issued. Draft monthly reporting templates are appended in Annexes E.I and E.J. The Supplier will be required to share all invoices and other evidence of spend submitted by SC Projects with the Buyer via the SC SharePoint area.

A.3.3.1 Quality Assurance Process

The Supplier will be required to design a QA process for M&R. During the QA process roles and responsibilities for those involved will be assigned as well as prescribed timescales for key activities to be undertaken as part of the process.

Should additional capital budget be approved for the GHNF scheme, the QA process will also include:

- QA process for assessing GHNF Applications to ensure that the correct processes are being followed and that details provided by GHNF Applicants and SC Application Assessors are accurate.
- Steps the Supplier will take to ensure that applications undergo the correct pre-application processes to verify that applications reflect accurate information.

Roles and responsibilities for those involved will be assigned as well as prescribed timescales for key activities to be undertaken as part of the process. For further details, see Section B.3.3.

The Buyer will review and approve the QA process.

A.3.4 Operational Products

Products are expected to be finalised and agreed in the Working Groups.

The Supplier will be required to develop their own detailed SOPs based on the information provided by the Buyer and ensure that they align with the high-level processes provided to them.

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The Supplier will be required to familiarise themselves with products and processes used in the GHNF scheme.

Refer to Table 7 for supporting IT and web systems necessary for good administration of the SC. The Supplier will be required to host GHNF content on their website in addition to producing content for the Buyer's GHNF webpage.

Should additional capital budget be approved, the Supplier will also ensure that:

- The Supplier will work with the Buyer to enable projects funded by the GHNF scheme (through Rounds 1-9) and GHNF Transition Scheme to apply for GHNF funding.
- All assessments and supporting workings (e.g. cost benchmarking, reconciliations etc.) will be hosted on the Supplier's servers.

Refer to Order Schedule 13 for the deliverable testing requirements.

Table 7 Required IT and Web systems for SC administration

	System Required	Hosted by
IT	Database/Data Repositories	Supplier (as well as Buyer), all M&R reporting and supporting evidence (including raw data) should be hosted by the Supplier (temporarily) and copied across to the Buyer's hosted SharePoint folders (or equivalent) after a Commercialisation/Construction M&R Report /HNIP & GHNF Operations M&R Report has been submitted by a project that is subject to GHNF /GHNF Transition Scheme /HNIP /HNIP Pilot M&R that is within the scope of this Order Contract. Should additional capital budget be approved for the GHNF scheme, the system will also encompass: - All SC Applications and supporting evidence should be hosted by the Supplier (temporarily) and copied across to the Buyer's hosted SharePoint folders (or equivalent) after an application has been submitted to enable an assessment to be completed within the required timeframes. - Supplier, all assessments, supporting workings (e.g. cost benchmarking, reconciliations etc.) will be hosted on the Supplier's servers, and only the Investment Committee Output Reports and the Investment Committee Update Report will be also saved on the Buyer's SharePoint (exceptions when the Buyer requests to see documents and workings underpinning a specific IC Input Report may apply) The individual data points of application information and key data points taken from project reporting (see section C.1.1 for more information) will be hosted on the Buyer's SharePoint site (or equivalent).
	File storage	Buyer (permanently), Supplier (temporarily)

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	Data capture and management solution (including a CRM system)	Provided and hosted by the Supplier
	Email System	Provided and hosted by the Supplier
Web	GHNF webpage on gov.uk as well as the Supplier's website.	Hosted by both the Buyer and the Supplier

A.3.4.1 Internal Operational Products

The Supplier is required to manage product version control and to convert draft versions of agreed SC products into final versions.

The Supplier will be responsible for creating, reviewing, and accepting the following internal operational products:

- Internal operational products for the Supplier to produce.
- SOPs for all processes.
- Customer Relationship Management (CRM) system (as part of the SC data capture and management tool) - the Supplier will implement a fully UK GDPR-compliant data capture and management solution containing carefully segmented data for stakeholders, which will be well suited for the purpose of project-level M&R. During the Implementation, the Supplier will receive instruction on continued operation of GAAMS, including user training for assessment and technical teams, as SC data capture and management tool.
- Email System – A fully UK GDPR-compliant email database system containing carefully segmented data for stakeholders that will be operated by the Supplier.
- The GHNF M&R email address will be the primary M&R submission point for the submission of M&R documents as needed during the GHNF lifecycle.
- Plan for M&R of projects funded by the GHNF scheme, GHNF Transition Scheme, HNIP and HNIP Pilot and a bespoke format for benefits monitoring.

Should additional capital budget be approved for the GHNF scheme, these products will also include:

- SC Assessment Guidance, including integration of the GHNF Market Transformation Commitment (MTC).
- The data capture and management solution (including a CRM system) will contain carefully segmented data for stakeholders (including a pipeline of applicants [GHNF application pipeline]), stages in the pipeline, applicant data, prospective applicant data, event/workshop data and attendees, digital marketing communications). It will contain a profile/form-based workflow and case management for tracking and monitoring actions during the pre-application, assessment and post-application phases (e.g. additional funding requests) as well as complaints and the decision review process.

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The Supplier's data capture and management tool (including a CRM system) must comply with the following requirements:

- Any specially written software should be developed adhering to the Government Technology Code of Practice [The Technology Code of Practice - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/government-technology-code-of-practice).
- ICT has an architectural governance process in DESNZ whereby solution options documents, high-level design and low-level designs go to an Architectural Governance Board for review and approval.
- The Buyer will confirm that process during the Implementation Period.

A.3.4.2 External Operational Products

As GHNF scheme is already in operation, the Supplier should consider approaches to differentiating the SC from the GHNF scheme for external products (e.g. approaches to branding). This will be discussed and agreed during the SC Implementation Period with the Buyer and the GHNF scheme Delivery Partner.

The Supplier will be responsible for managing the production, review and approval of external products. These include:

- M&R templates for successful GHNF Applicants
- Data protection and privacy notice (updated to reflect the Supplier organisation and processes)

Should additional capital budget be approved, the Supplier will be also responsible for managing the production, review, approval and publishing (where required on the gov.uk webpage) of the following external products:

- GHNF application guidance (updated to reflect the Supplier processes), including GHNF Guidance for Applicants (available online at <https://www.gov.uk/government/publications/green-heat-network-fund-ghnf>), GHNF MTC Guidance (appended to the GHNF Guidance for Applicants), and GHNF Application Form Guidance (the latest version is appended in Annex E.A).
- GHNF Application Form (design and underlying calculations to be developed by the Buyer). The latest version of the GHNF Application Form is appended in Annex E.F.
- GHNF Application Checklist (as part of the GHNF Application Form)
- Frequently Asked Questions (FAQs) form
- Anonymised case studies (of successful and unsuccessful applications and the rationale for the assessment)
- Funding agreement templates
- MTC templates included in GHNF Application Forms
- GHNF complaints process (to be annexed to the GHNF Guidance for Applicants)
- Input into the DESNZ Heat Networks pipeline publication

The Supplier is required to ensure all changes to the SC products are version controlled and draft versions are approved by the Buyer prior to their release as final versions.

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A.3.4.2.1 Website Content

The Supplier shall generate website content for approval by the Buyer. Once approved, the content shall be published by the Buyer on its GHNF webpage on gov.uk, as well as the Supplier's website, and updated by the Supplier as required.

The extent of this website content and development of the supplier site itself will be discussed in the Online Presence sub-group of the Stakeholder Engagement and Communications Working Group. During the Implementation Period, the Buyer will confirm what accessibility standards the Supplier website will need to comply with and whether any Government logos must be added to the site to show that the Supplier is delivering a Government scheme and deploying government funding to the market.

See guidance below for information.

- Branding and identify guidelines <https://gcs.civilservice.gov.uk/publications/hmg-identity-guidelines/>
- Understanding accessibility requirements for public sector bodies <https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps#:~:text=The%20accessibility%20regulations%20came%20into,accessibility%20statement%20on%20your%20website>
- Suppliers will need to demonstrate that they are working towards being compliant with WCAG 2.2 Level AA ([Government Resources for Accessibility](#) and <https://www.w3.org/TR/WCAG21/>).

A.3.4.2.2 GHNF Email-based Application Process

Should additional capital budget be approved for the GHNF scheme:

- Applicants will be required to submit documents set out in the Excel Application Form and the Application Form checklist via email in a zipped folder following the structure instructed in the GHNF Guidance for Applicants (available online). Applicants will receive an email confirmation with a corresponding reference number for use throughout the application process.
- The GHNF application email address will be the primary submission point for the submission of documents as needed during the GHNF lifecycle.
- The Supplier will need to manage the application documentation storage and adhere to the file structure as set out by the Supplier in the GHNF Guidance for Applicants.
- The Supplier will need to ensure that all applications and corresponding evidence are filed into the relevant folders on the Buyer's servers (SharePoint or equivalent) folders once received. This will need to be monitored and regularly updated by the Supplier.
- A call centre is not required due to the volume of applications anticipated. Applicants will be supported by an online helpdesk, as such, the Supplier will need to monitor a dedicated Outlook mailbox during office hours and support the application process by providing clarification to applicants within two Working Days.
- See the GHNF Guidance for Applicants for more information on how the GHNF email-based application process is facilitated.

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A.3.4.2.3 Content and format of reports for monitoring projects funded by the GHNF scheme, GHNF Transition Scheme and HNIP (including Heat Networks Investment Project Pilot)

For each capital scheme (GHNF [including GHNF Transition Scheme] and HNIP [including HNIP Pilot]), the Supplier will need to provide **quarterly reporting** to DESNZ.

The Supplier will be required to deliver a Quarterly Portfolio-level M&R Report and must transfer the supporting data, batched as JSON files, to the Buyer's server every quarter. Detailed reporting requirements are set out in Section 4.1.

The core purpose of these reports is to summarise:

- Issues facing projects, particularly those that require DESNZ decisions / involvement (see Section A.4.1.1.4 Engaging with projects and escalating issues to DESNZ)
- Examples of project performance metrics include: Capital Expenditure (CAPEX) spend, heat delivered (as granular data as possible), fuel consumption, OPEX (if available), fuel costs (if available), CO₂e intensity of heat delivered (including underlying emissions [MtCO₂] estimates, and emission saving calculated [against a counterfactual]), unplanned outages, customer tariffs, number of connections (or new customers added year on year) and their type (e.g. domestic vs non-domestic where relevant).
- Supply chain information such as key contractors being contracted by projects to deliver infrastructure (incl. a breakdown of how capital/cashflow is distributed amongst key contractors and what type of contractors are they [what sort of services they provide]).

Project-level data transferred in JSON files will also include information on draw down of funds by SC Projects and project forecast of spend within current and future financial years **(should additional capital budget be approved for the GHNF scheme)**.

Two kinds of project-level reports will be required: Commercialisation/Construction M&R Report template and HNIP & GHNF Operations M&R Report template. Latest versions of these templates are appended in Annex E.I (GHNF Commercialisation/Construction M&R report template) and E.J (HNIP & GHNF Operations M&R Report Template).

These required templates will be finalised and agreed by the Buyer during the SC Implementation Period.

The Supplier will be responsible for ongoing continuous improvement and enhancement of these reporting templates as needed.

A draft privacy notice, the GHNF Public Privacy Notice, is available online at <https://www.gov.uk/government/publications/green-heat-network-fund-ghnf/green-heat-network-fund-privacy-notice>. The Supplier will be required to update it to reflect SC processes following which it must be uploaded onto the GHNF webpage on gov.uk, as well as the GHNF webpage on the Supplier's website, and signposted to in order to notify applicants how their data will be stored, controlled, and processed by both the Supplier and Buyer. The supplier will be required to keep the privacy notice up-to-date and to notify applicants of any changes to it that may occur.

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The Supplier must ensure that projects required to report using HNIP & GHNF Operations M&R Report template regularly provide updates on the following:

- Connections update
- kWh heat delivered (monthly summary)
- Fuel breakdown (kWh) (monthly summary)
- Carbon intensity of network (monthly summary) gCO₂e/kWh heat delivered
- The Supplier will be responsible for collating and review of submitted project-level data and ensuring completeness and accuracy of these reports.

Should additional capital budget be approved for the GHNF scheme, the Supplier will be also responsible for the following:

- Delivery of an SC Annual Benefits report based on evidence provided by SC Projects that received GHNF support through Round 10 or later application rounds of the GHNF scheme. To create SC Annual Benefits reports for the Buyer, the Supplier will be required to gather and process and impact data provided by SC Projects. Collecting this data will allow the Supplier to ascertain how likely it is that the GHNF scheme will achieve the prescribed benefits. The project-level process and impact data sets will be used for the SC Annual Benefits Report. The Supplier will be required to finalise and make publicly available a Privacy Notice that the Supplier must adhere to when dealing with personal data.
- Collate, review and ensure completeness and accuracy of monthly Commercialisation / Construction M&R reports submitted by SC projects, selected for GHNF investment through Round 10 or later application rounds.
- The Supplier will ensure that the following data is regularly updated by SC Projects in their monthly M&R returns:
 - SC Project Milestone dates, as set out in the project's Grant Funding Agreement (GFA) or Memorandum of Understanding (MoU)
 - An overall project risk assessment by the SC Project
 - Project update
 - Budgeting (monthly forecasting)
 - List of Commercialisation/Construction Suppliers (supplier breakdown update)
 - MTC action plan update
 - Project benefits

A.3.4.2.4 – Reporting Data Submission Design

- The Supplier will establish a mechanism to ensure key data points supporting the agreed reporting requirements are available to the Buyer.
- There will be destination data tables provided by the Buyer, and the Supplier will capture the data at source as well as operationalise a process to periodically submit the content to these tables, via a secure mechanism to support the relevant reporting frequency.

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A.4 Run-up to Commencement Dates**A.4.1 M&R Commencement Date Run-up**

Heat Networks Capital Schemes have several schemes with existing M&R requirements:

- The Heat Network Investment Project Pilot (HNIP Pilot)
- The Heat Network Investment Project (HNIP)
- The Green Heat Network Transition Scheme (GHNF Transition Scheme)
- The GHNF scheme

HNIP and the GHNF scheme are also referred to as main schemes. Descriptions of the four schemes are provided in Boxes 2 and 3.

Box 2 – HNIP and HNIP Pilot

HNIP was a £320m government funding support programme which ran from 2016-2022 and consisted of a pilot with a budget of £39m and a main scheme of £281m. It provided grants and loans for commercialisation and construction of heat networks in England and Wales. The objectives of HNIP were to:

- Increase the number of heat networks being built
- Deliver carbon savings
- Help create the conditions necessary for a sustainable Heat Network market to develop

HNIP opened for applications in January 2019 and closed for applications in January 2022. 30 funding awards have been announced to date, with the final ones expected in due course. Nearly £234m is being deployed by 33 projects currently in progress.

The HNIP Pilot was developed to test the scheme design and learn lessons that could be applied to the main scheme. It ran from 2016 to 2017, awarding over £24m in grants. The six extant projects supported under the pilot have adopted the same reporting requirements as the 33 supported by the main scheme. For M&R purposes, the HNIP pilot and main schemes can be treated as the same.

HNIP reporting requires projects to submit MS Excel based templates. There is a template for projects that are in the commercialisation & construction stage of development and there is a separate template for projects that are in operations.

The reporting frequency of projects that are in the commercialisation / construction phase is monthly. The reporting frequency of projects that are in operations is quarterly and projects are required to continue reporting for fifteen years from the start of operations. The Operations M&R Report for HNIP has now been aligned with the GHNF Operations M&R Report in the HNIP & GHNF Operations M&R Report template.

There are 39 projects currently deploying HNIP funding, of which 29 are reporting under the HNIP Commercialisation/Construction Report template and 10 under the HNIP Operations M&R Report template.

Each quarter the Supplier will need to provide a full export of data collected over the period from their database as JSON files uploaded to a DESNZ SharePoint folder. See Section A.4.1.2 Database design and JSON outputs.

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Box 3 – GHNF scheme and GHNF Transition Scheme

The GHNF scheme was launched in March 2022. It provides capital grant funding to develop new and existing low carbon heat networks across England.

Funding is available for a range of low-carbon heat technologies such as large heat pumps, energy from waste, geothermal and recovered heat. It accepts applications from public, private and third sector organisations. 28 funding awards totalling over £346m have been announced to date. The GHNF scheme is due to close to applicants in early 2025, unless additional capital budget is approved for the scheme in 2025.

An overview of GHNF Projects selected for investment through Application Rounds 1-7 is provided in Annex I.

In the year prior to the launch of the GHNF main scheme, the GHNF Transition Scheme was created to act as a bridge between HNIP and GHNF main scheme with the goal of trying to ensure that there was a pipeline of projects capable of accessing construction grant funding in the first year of the GHNF main scheme. It was a £10m scheme and offered commercialisation funding only. GHNF Transition Scheme projects report using the GHNF main scheme templates.

GHNF reporting requires projects to submit MS Excel based templates. There is a template for projects that are in the commercialisation & construction stage of development and there is a separate template for projects that are in operations.

The reporting frequency of projects that are in the commercialisation / construction phase is every month. The reporting frequency of projects that are in operations is quarterly and projects are required to continue reporting for 15 years from the start of operations. The Operations M&R Report for GHNF has now been aligned with the HNIP Operations M&R Report in the HNIP & GHNF Operations M&R Report

Majority of projects selected for GHNF investment through Rounds 1-9 will be reporting under the Commercialisation / Construction M&R Report template (Annexes E.I). None of these projects are currently reporting under the HNIP & GHNF Operations M&R Report template (Annex E.J). We expect several of the projects that are currently being constructed to be reporting under the Operations M&R Report template from the end of FY2024/25 onwards.

Each quarter the Supplier will need to provide a full export of M&R data collected over the period from their backend database as JSON files uploaded to a DESNZ SharePoint folder. See Section A.4.1.2 Database design and JSON outputs.

The Supplier will be responsible for ensuring, as far as possible, that projects that have received awards under one of these four schemes are submitting accurate reports in a timely fashion.

Where projects are highlighting issues, these need to be followed up with the project and a decision made by the Supplier whether the issue needs to be escalated to the Buyer (the Department).

The Supplier will be required to report to the Department in two ways:

- **Summary reports for the two main schemes** (HNIP and GHNF) setting out portfolio level themes (spend-to-date, progress of project development, benefits realisation, issues and themes, supply chain etc.); and

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- **The raw data extracted from the reports submitted by individual projects** as JSON files batched into files of no more than 1000 records per file.

As part of quarterly portfolio-level M&R, the Supplier will be also required to review any Project Changes submitted by projects within it. The Supplier will be required to consider whether the proposed Project Change requests require the Buyer's approval and if so, prepare a Project Change Request report for consideration and approval by the Buyer at SC Operations Board. See Section C.4.3 for details.

Should additional capital budget be approved for the GHNF Scheme, the Supplier will be also responsible for M&R of SC Projects as per requirements specified in Section A.4.1.3.

Table 8 Run-up to M&R Commencement Date Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
A.4.1.1 Portfolio-level M&R requirements to DESNZ for each scheme	– Quarterly Portfolio-level M&R Report template – System that will identify the root causes of a project-level reporting failure – Escalation process to manage inconsistent project-level reporting
A.4.1.2 Database design and JSON outputs	Retentional database for project-level M&R data (behind the SC data capture and management tool) that incorporates the following M&R templates: – GHNF Commercialisation/Construction M&R Report template – HNIP & GHNF Operations M&R Report template – HNIP Commercialisation/Construction M&R Report template
A.4.1.3 M&R of SC Projects	Should additional capital budget be approved for the GHNF scheme: – Monitoring of compliance and progress made by SC Projects – Reporting based on monitoring information reported by SC Projects (including benefits realisation reporting) – Change control process – Escalation and remedial action
A.4.1.4. Supplier Performance M&R	– Supplier Performance Assurance (including Service Levels) – Collection and analysis of data on applicant satisfaction, stakeholder engagement and communication, and PR Metric Data

A.4.1 Detailed Requirements

A.4.1.1 Portfolio-level M&R requirements to DESNZ for each scheme

For each of the two main capital schemes (GHNF and HNIP), the Supplier will need to provide **quarterly reporting to DESNZ**.

Projects supported by HNIP Pilot will be included in HNIP quarterly reporting; projects supported by the GHNF Transition Scheme will be included in GHNF quarterly reporting.

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The core purpose of these quarterly reports is to summarise:

- Issues facing projects, particularly those that require DESNZ decisions / involvement (see Section C.4.1.2 Engaging with projects and escalating issues to DESNZ)
- Project performance metrics such as CAPEX spend, heat delivered (as granular as possible), fuel consumption, CO2e intensity of heat delivered (including underlying emissions [MtCO₂] estimates and emission saving calculated against a counterfactual), unplanned outages, customer tariffs, OPEX fuel costs (if available) etc.
- Supply chain information such as key contractors being contracted by projects to deliver infrastructure.
- Progress of GHNF Projects against MTC action plans agreed as part of the GFA/MoU and reflected within GHNF Application Forms.

The Supplier will draft this **Quarterly Portfolio-level M&R Report template** and finalise it in collaboration with the Buyer in a Working Group dedicated to Data and M&R. The Supplier and Buyer will agree a final version of this template during the SC Implementation Period. This is when the final design of the SC data capture and management tool will be also agreed to ensure it is suitable for the purpose of SC M&R requirements and activities.

The Supplier will submit these **Quarterly Portfolio-level M&R Reports** as per reporting deadlines agreed in the Supplier SC Reporting Requirements (Annex A). The Supplier will be required to transfer the corresponding quarterly data sets to the Supplier by the same reporting deadline.

The Buyer may require the Supplier to update reporting templates post SC Implementation Period, but it is unlikely that these adjustments would have to be mapped out across the scheme-wide Data Capture and Management Tool and/or the agreed JSON structure.

Different teams within the DESNZ Heat Networks team will have different uses of the information gathered and it is important that the Supplier is aware of these teams to ensure that reporting meets each team's needs:

- Heat Networks Senior management: focus on budget and project issues.
- Heat Network Analysts: focus on project performance / benefits realisation.
- External Evaluation Partners: focus on impact and value for money.
- Heat Network Future Markets Growth: focus on supply chain and project performance.
- Heat Network Delivery Unit: focus on supply chain and project performance.
- Heat Network Data Team: raw data (JSON files) for internal dashboard, cross checking of the Supplier portfolio reporting and parallel monitoring function.

A.4.1.1.1 HNIP portfolio reporting

The existing HNIP Commercialisation / Construction M&R report templates received from projects that would form the basis of the portfolio report are:

- HNIP Commercialisation / Construction M&R Report template (Annex E.K)
- HNIP & GHNF Operations M&R Report template (Annex E.J)

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The Supplier will be required to collate HNIP M&R reports received from projects into a quarterly report that is submitted to DESNZ 1 month following the project report submission date for a given reporting period. It is expected that the Supplier will develop a relational database to collate all data points gathered within the M&R report templates submitted. Please see Annex E.K for table, foreign key fields, field and template mapping.

As all HNIP funds have been allocated the report will cover the following:

- Summary of engagement with individual projects over the reporting period;
- Portfolio operational analysis:
 - Total heat delivered in reporting period,
 - Total CO₂e abated in reporting period,
 - Total project CAPEX,
 - Primary heating plant technology.

List of projects that are within the commercialisation stage of development. Additional information to be provided:

- Is the project forecasting a >10% deviation from the original HNIP application?
- Forecast CAPEX & change since last period
- Forecast construction start & change since last period
- Forecast operation start & change since last period
- Forecast annual heat demand & change since last period
- Forecast number of buildings expected to be connected to the network & change since last period
- RAG rating & change since last period
- Summary of key project risks
- Project status summary and mitigations
- Summary of engagement with the project over the reporting period.

List of projects that are within the construction stage of development. Additional information to be provided:

- Is the project forecasting a >10% deviation from the original HNIP application?
- Forecast CAPEX to end of construction & change since last period
- Forecast operation start & change since last period
- Forecast annual heat demand & change since last period
- Forecast buildings expected to be connected to the network & change since last period
- RAG rating & change since last period
- Summary of key project risks and mitigations
- Project status summary
- Summary of engagement with the project over the reporting period;

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List of projects that are within the operations stage of development. Additional information to be provided:

- Summary of project developments in the reporting period
- Summary of key project risks and mitigations
- Total buildings connected & number of buildings connected in the reporting period
- Total heat delivered in reporting period
- Total CO2e abated in reporting period
- Total days duration of outages in the reporting period.
- If data is available, the following should also be reported:
 - Number of customers connected in the reporting period
 - Total fuel consumption split by fuel types
 - For Combined Heat and Power (CHP) projects, total electricity generated, and indication of where the electricity generated offset on-site electricity use.

A.4.1.1.2 GHNF portfolio reporting

GHNF projects that are subject to quarterly portfolio-level reporting will be handed over to the Supplier by the GHNF Delivery Partner on a project-by-project basis once a project has drawn down its GHNF Grant Award. Such project transfers will be scheduled as and when needed and could happen as frequently as monthly. First such projects will be handed over to the Supplier as part of the SC Implementation Period and the Supplier will become responsible for their M&R from MRCD.

The Supplier should note that not all projects within the scope of quarterly portfolio-level M&R will be fully operational; some projects are likely to be still in construction phase with construction activities funded from non-GHNF sources.

The existing GHNF M&R report templates received from projects that would form the basis of the portfolio report are:

- GHNF Commercialisation/Construction M&R Report Template (Annex E.I)
- HNIP & GHNF Operations M&R Report Template (Annex E.J)

The Supplier will be required to collate GHNF M&R reports received from projects into a quarterly report that is submitted to DESNZ 1 month following the project report submission date for a given reporting period. It is expected that the Supplier will develop a **relational database** to collate all data points gathered within the M&R report templates submitted. Please see Annex E.I for table, foreign key fields, field and template mapping.

The report will cover the following:

- Summary of engagement with individual projects over the reporting period;
- Portfolio operational analysis: Total heat delivered in reporting period, total CO2e abated in reporting period, total project CAPEX (forecast vs. actual), average tariff analysis (operational reporting only), project primary heating technology selection analysis;

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- If data is available: Total fuel consumption split by different fuel types. If CHPs, data on electricity generation, and indication of where the electricity generated offset on-site electricity use.
- Financial analysis: grant drawn down in reporting period, total grant drawn down, total commercialisation budgeted spend. Analysis of key suppliers split by commercialisation and construction.
- If data is available: Non-grant related funding leveraged (if possible, further split by type of funders, e.g. private vs public, and by equity vs. debt) and post-award IRR (updated over time)
- MTC analysis: jobs created, apprenticeships & scholarships created, summary of approaches to: low carbon supply chain, investment in local economy, R&D and continuous improvement.

List of projects that are within the **commercialisation** stage of development. Additional information to be provided:

- Summary of project developments in the reporting period;
- Summary of key project risks and mitigations;
- RAG rating & change since last period;
- Summary of project milestone status;
- Financial analysis: grant drawn down in reporting period, total grant drawn down, total commercialisation budgeted spend.

List of projects that are within the **construction** stage of development. Additional information to be provided:

- Summary of project developments in the reporting period;
- Summary of key project risks and mitigations;
- RAG rating & change since last period;
- Summary of project milestone status;
- Financial analysis: grant drawn down in reporting period, total grant drawn down, total commercialisation budgeted spend.

List of projects that are within the **operations** stage of development. Additional information to be provided:

- Summary of project developments in the reporting period
- Summary of key project risks and mitigations
- Total buildings connected & number of buildings connected in the reporting period
- Total heat delivered in reporting period
- Total CO2e abated in reporting period
- Total days duration of outages in the reporting period
- Primary heating plant technology.
- Number of customers connected
- Total fuel consumption split by fuel types
- For CHP projects, total electricity generated, and indication of where the electricity generated offset on-site electricity use.

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A.4.1.2 Database design and JSON outputs

The DESNZ Heat Network Data Team manage a relational database that stores all heat network project data across the various schemes and programmes that DESNZ manages. Each data point that is gathered within a M&R template must be provided to DESNZ as part of this contract. Most of HNIP/GHNF reporting templates have been mapped to existing tables within that database. This means that a minimal change to the reporting templates is expected to be made during the Implementation Period.

The Supplier is required to collate all these datapoints from the MS Excel templates and export these as batched **JSON files** that are uploaded to a DESNZ specified folder on the frequency and timing required for a given DESNZ capital scheme. The JSON schemas are provided in sections below for each report.

JSON files must be batched to include no more than 1000 records per file. For a given table, records must be sorted in “Newer to Older” such that a given table’s first export batch file reflects the latest records imported into the Supplier’s database. This is to help DESNZ prioritise its import sequencing.

For any given JSON file, the JSON schemas must include the fields below that are additional to the M&R Report key-value pairs within a given M&R report:

- The project’s Application ID (provided by DESNZ Heat Network Data Team)
- The M&R Consultant’s database time stamp
- A report name to ensure that data across tables / JSON files can be mapped to a given report (e.g. Q1_2024)

A.4.1.2.1 HNIP Commercialisation/Construction M&R Report Template

The prospective Supplier can review *HNIP Commercialisation / Construction M&R Report Template (Annex E.K)*. To determine the level of work required incorporate this template into the database that would need to be developed by the Supplier.

A.4.1.2.2 HNIP Operations M&R Report Template

The MS Excel template has not been mapped to the DESNZ database. This will be undertaken prior to the Order Contract start date and a JSON schema combined with key – value pair mapping will be provided.

See Section A.4.1.2.4 - GHNF Operations M&R Report Template

A.4.1.2.3 GHNF Commercialisation/Construction M&R Report Template

The MS Excel template has been split across three tables:

- Table STG_APP_MR_KEY_VALUE_1 (enclosed in Annex H.A)
- Table STG_APP_MR_KEY_VALUE_2 (enclosed in Annex H.B)
- Table STG_APP_MR_TXN_DETAILS (enclosed in Annex H.C)

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The mapping of individual cells to these tables and their respective fields can be seen in the tab <Key Value Pair> (see *GHNF Commercialisation/Construction M&R Report Template (Annex E.I)*)

A.4.1.2.4 GHNF Operations M&R Report Template

The MS Excel template has not been mapped to the DESNZ database. This will be undertaken prior to the Order Contract start date and a JSON schema combined with key – value pair mapping will be provided. The prospective Supplier can review *HNIP & GHNF Operations M&R Report Template (Annex E.J)* to determine the level of work required incorporate this template into the database that would need to be developed by the Supplier.

A.4.1.2.5 JSON file naming convention for JSON transfers to DESNZ Heat Network Data Team

As stated above JSON export files must not exceed 1000 records per file. The records need to be sorted by each table as Newer to Older. The JSON file name must adhere to the following convention:

- Table Name (as set out above) + “_” + file number
- For example:
- STG_APP_MR_KEY_VALUE_1_1
- STG_APP_MR_KEY_VALUE_1_2
- Etc.

In addition to the M&R schema provided below it will be important to provide within the specification the two M&R forms that are used within GHNF: GHNF Commercialisation/Construction M&R Report template (Section A.4.1.2.3), but also the HNIP & GHNF Operations M&R Report template (Section A.4.1.2.4) given the contract is due to overlap with the start of operations of a number of projects.

JSON file name	Speciation	Annex reference
STG_APP_MR_KEY_VALUE_1.docx	Captures the first batch of single cell values from the commercialisation and construction M&R report. Because there are so many and there is a limit on how many columns you can have the GHNF Delivery Partner split these across two tables. The mapping is within the key-value pairs tab within the M&R excel template.	H.A
STG_APP_MR_KEY_VALUE_2.docx	As above but the second batch.	H.B
STG_APP_MR_TXN_DETAILS.docx	This captures all the invoice data submitted within each commercialisation and construction M&R report.	H.C

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The HNIP & GHNF Operations M&R Report template is still being mapped and the specification will need to provide the excel template and highlight that DESNZ will provide and agree a JSON schema with the Supplier during the Implementation Period, highlighting that the excel tables in the DESNZ Extract tab will become the tables and fields for which a JSON schema will be provided.

A.4.1.2.6 GHNF Application Form template

Should additional capital funding be approved for the GHNF scheme, the Supplier will be required to collate all datapoints from the GHNF Application Form template of all successful GHNF Applicants (see its latest version in Annex E.F), and export these as batched **JSON files** that will be uploaded to a DESNZ specified folder following the submission deadline of relevant GHNF application round. The JSON schema will be agreed with the Buyer during Implementation Period.

GHNF Application schema

There are three separate tables (and hence JSON schema) that capture the GHNF Application template these are as follows:

JSON file name	Specification	Annex reference
APP_APPLICATION_STATUS_V.docx	Captures the status of the IC decisions regarding the applications made	H.D
STG_APP_KEY_VALUE.docx	Captures the single cell values within the application form – e.g. the total CAPEX, grant requested, applicant details etc.	H.E
STG_APP_TIME_SERIES.docx	Captures the time series values within the application form – e.g. the year 1 to 60 values for variable heat income	H.F

A.4.1.3 M&R of SC Projects

M&R of SC Projects refers to M&R activities that the Supplier delivers drawing on data from GHNF Applicants and SC Projects from the moment a prospective GHNF Application is included in the GHNF application pipeline to its last drawdown of GHNF funding should the application be selected for GHNF funding and become an SC Project. Once the SC Project fully draws down its SC Grant Award, it is taken out of the scope of SC M&R and included within the scope of quarterly portfolio-level M&R (see Section A.4.1.1 for detailed requirements).

Draft templates for SC M&R will be provided by the Buyer during KT and will be finalised by the Supplier, in collaboration with the Buyer, during the SC Implementation Period through the Data and M&R Working Group.

For more information on the SC Reporting Products that the Supplier will have to produce, see Annex A.

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Should additional capital budget be approved for the GHNF, the Supplier will be required to provide the Buyer with regular updates on SC Projects - from their progress and performance to risk tracking, benefits reporting, and administration of project change.

The Supplier is expected to draw on its Data Capture and Management Tool to produce these reporting products following MRCD.

Detailed requirements of SC M&R are set out in Section C.

A.4.1.4. Supplier Performance M&R

The Supplier will report on their own performance in operating the GHNF scheme on behalf of the Buyer. This will include self-reporting on SC Service Levels and other service targets and reporting metrics.

Detailed requirements for supplier performance M&R are set out in Section C.3.

A.4.2 Funding Phase Commencement Date Run-up

Service specifications in this Section (A.4.2) apply only **should additional capital budget be approved for the GHNF scheme**.

The exception being the Develop a Stakeholder Engagement and Communications Plan, which will be delivered during the SC Implementation Period as part of the Joint Delivery Plan regardless of whether an additional capital budget will be approved for the GHNF scheme.

Should additional capital budget be approved for the GHNF scheme, the Supplier will be required to:

- Engage with all relevant stakeholders in the Heat Networks sector, from prospective applicants and their supply chain partners, through to third parties with opportunities to facilitate the supply, or indeed purchase, of LZC heat.
 - Demonstrate best practices and showcasing opportunities for the sector to utilise qualifying sources of LZC heat.
- Finalise and set up processes for funding award and will review and confirm draft funding agreements provided by the Buyer to ensure they align with several conditions including the eligibility criteria and data requirements of the SC reporting and monitoring.
 - Direct applicants to third-party investment providers, incl. whether they choose to raise funds via the National Wealth Fund (NWF).

All required SC Implementation Period activities must be signed off by the Buyer by the dates indicated in the Implementation Plan or by MRCD if an activity is not specified in the Implementation Plan.

The Supplier and the Buyer will be jointly responsible for a timely FPCD on **01/07/2025** (unless an alternative FPCD is agreed between the Supplier and Buyer).

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Table 9 SC Implementation FPCD Run-up Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
A.4.2.1 Stakeholder Engagement and Communications Plan	Stakeholder Engagement and Communications Plan developed
A.4.2.2 Funding Award Agreements and Processes	Should additional capital budget be approved: – Approach to engaging third party investment developed and set up – Processes for funding award developed and set up – GFA and MoU templates reviewed and accepted – Process for forecast and payment of draw down requests developed and set up
A.4.2.3 FPCD Run-up	Should additional capital budget be approved: – Funding Phase Commenced

A.4.2 Detailed Requirements

The Supplier will be required to develop a Stakeholder and Communications Engagement Plan (to be annexed to the Joint Delivery Plan) and ensure that the engagement plan is implemented.

Should additional capital budget be approved for the GHNF scheme, the Supplier will be required to:

A.4.2.1 Stakeholder and Communications Engagement Plan

The Supplier will be responsible for engaging with key stakeholders in preparation for the FPCD.

The Supplier will host a Stakeholder Workshop in the month preceding FPCD to support the publication of the GHNF Guidance for Applicants (for Round 10) and prepare prospective GHNF Applicants and their supply chain partners for the FPCD.

The stakeholder engagement requirements are set out in Section B.1 of this document.

A.4.2.2 GHNF Agreements and Processes

Should additional capital funding be approved for the GHNF scheme, the Supplier will be required to develop and set up processes for the following:

- Forecast of GHNF funding draw down in collaboration with the Buyer.
- Interface with the Buyer's SC ICF and Finance function for grant draw downs.
- Ensure that SC Projects countersign their GFA/MoU with DESNZ.
- Direct applicants to the NWF, and other sources of third-party finance, and supporting them to approach either for third-party funding.

The Buyer will provide draft GFA and MoU templates (produced by the Buyer) during the SC Implementation Period, which the Supplier will review, confirm and accept. The Supplier's

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review will focus on whether these draft templates are suitable and align with the eligibility criteria, financial products, and data requirements for GHNF project-level M&R requirements.

The Supplier will validate a sample of SC Project invoices that applicants have submitted to them to ensure that all invoices are legitimate and that they reflect SC Project-related costs necessary for the progression of the SC Projects. For certain Grant Recipients, it must be evidenced that the costs incurred have been spent before the grant being issued. The validation process will be agreed during the SC Implementation Period. The Supplier will be required to save all the evidence provided by SC Projects (evidence of spend and defrayal) on the Buyer's SharePoint site.

A.4.2.3 Funding Phase Commencement Date Run-up

Should additional capital funding be approved for the GHNF scheme, the Supplier and the Buyer will be jointly responsible for a timely FPCD on **01/07/2025** or an alternative date agreed between the Supplier and the Buyer.

The Supplier will host a Stakeholder Workshop in the month preceding FPCD to support the publication of the GHNF Guidance for Application Round 10 (R10) Applicants and provide support to prospective GHNF Applicants and their supply chain partners for the FPCD. This event will present the various aspects of the GHNF scheme and the GHNF Application and GHNF Applicant Approval Process and provide stakeholders with the opportunity to discover how their projects may be supported by the GHNF scheme and allow the prospective GHNF Applicants to raise any questions that they may have.

The Supplier will be required to support a Gateway Assurance Reviews led by the Buyer through interviews and/or process reviews to determine readiness for launch.

The Supplier will ensure that GHNF scheme is open to applicants at FPCD. Round 10 application window will be administered by the Supplier with support from the Buyer for the duration of the Implementation Period. Future application windows will be administered solely by the Supplier.

A.5 Supplier Resourcing

The Supplier will need to ensure they onboard and maintain sufficient resources with the appropriate range of skills and experience needed to deliver the Order Schedule 20 (Order Specification). Security clearance will be required as set out in Section A.1.4.6.

The Supplier will need to produce (and maintain) a resourcing plan, including a training plan.

The resourcing plan must remain flexible to respond to the following events, should they happen:

- Approval of additional capital budget for GHNF scheme;
- Change to FPCD agreed between the Supplier and the Buyer;
- Changes to GHNF capital budget resulting in increase/decrease of capital budget available for investment by the SC IC.

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Table 10 Implementation Supplier Resourcing Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
A.5.1 Supplier Skills and Experience	Range of multi-disciplinary skills and experience expected from the Supplier team across all stages of the GHNF
A.5.2 Skills and capability requirements for BDMs	Should additional capital budget be approved: – Maintain sufficient BDM resources to provide one-to-one support to qualifying project applicants and their supply chain partners – Provide GHNF Applicant support – Provide GHNF submission support – Provide post-GHNF Application support – Market development
A.5.3 Skills and capability requirements for SC Application Assessors	Should additional capital budget be approved: – Review and technically assess submitted GHNF Applications and determine if the GHNF Application meets the minimum requirements of the GHNF scheme – Clarify any outstanding queries on the GHNF Application before the SC Application Assessor develops and submits an IC Input Report for consideration by the SC IC – Assess potential SC Projects from a technical, commercial and financial perspective – Carry out moderation for GHNF Applications to each SC IC – Identify opportunities, risks and issues and communicate these to the SC IC – Deliver the Investment Committee Update Report
A.5.4 Skills and Capability requirements for SC IC	Should additional capital budget be approved: – Provide specialist members with commercial, technical, Heat Network project development and infrastructure finance expertise who can make informed decisions on high-value funding awards
A.5.5 Skills and Experience vs Requirements Matrix	Ensure that the resources with the necessary skills and experience are available to carry out activities outlined in the requirements

A.5 Detailed Requirements**A.5.1 Supplier Skills and Experience**

Key to the successful delivery will be the knowledge, across a range of specialist multi-disciplinary skills spanning technical, financial and commercial aspects of Heat Networks.

The Buyer has determined that the skills and experience outlined in this section will be needed across the Supplier functions to successfully deliver the SC:

- Experience in delivery of Heat Network projects or similar energy infrastructure through feasibility, commercialisation, construction and operation.
- Advanced knowledge of UK supply chain and procurement issues.
- Advanced knowledge of electricity markets and opportunities for revenue generation.
- Specialist cost consultants with experience in Heat Network projects.

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High-level influencing, negotiation and presentation skills and the ability to engage with senior stakeholders from a wide range of organisations and bodies (including internal stakeholders).

The Supplier must be able to offer expertise in the design and administration of repayable grant products and concessional loans.

A.5.1.1 Technical Advisory

The Supplier will understand the range of technical solutions and the social, economic and environmental drivers around district heating and the benefits schemes can provide.

The Supplier will understand Heat Network distribution infrastructure issues including operating pressures, temperatures, flow rates and controls, civil engineering and highways issues relating to installation (e.g. experience of crossing major road and rail infrastructure, options for installation, etc.), heat interface/substation design, etc.

The Supplier will understand the technical, economic and environmental characteristics of different heat sources (e.g. various forms of heat pump applications such as sewer, ground and marine sources etc., industrial heat recovery, eligible biofuels, solar thermal, etc.).

The Supplier will have the ability to interrogate techno-economic and financial modelling provided by GHNF Applicants and SC Projects to ensure it is robust, sufficiently detailed, accurate and complete.

The Supplier will understand relevant aspects of Building Regulations (including Part L and building service compliance guides), RIBA design stages, ADE/CIBSE Code of Practice for Heat Networks, relevant industry learning around the delivery of good quality networks, low-temperature networks, consumer protection (including Heat Trust), and other relevant good practice guidance (e.g. CIBSE Code of Practice for Heat Pumps, London Heat Network Manual).

The supplier will be aware of, and understand, the proposed upcoming changes to the regulatory landscape for heat networks, such as Ofgem consumer protection, the Heat Network Technical Assurance Scheme and heat network zoning

The Supplier will understand the planning system and planning policy and construction process as it relates to Heat Networks (or similar infrastructure/utilities) and developments that may connect to schemes.

The Supplier will have a basic understanding of the potential sources of finance available to Heat Network projects, how a project's choices of legal and commercial structures may impact the ability to access certain sources of finance and how GHNF Applicants can seek investment while maintaining competitive tension and complying with any legal restrictions that may apply to GHNF Applicants/SC Projects.

The supplier will have an understanding of public sector financial rules and the constraints relating to the use of taxpayer funding, e.g. as set out in Managing Public Money and the Subsidy Control Act 2022.

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The Supplier will have a basic understanding of the UK supply chain for district heating, the options for procuring schemes and assigning risk and the opportunities and constraints arising from the Public Contract Regulations 2015, the Utilities Contracts Regulations 2016 or the Concession Contract Regulations 2016 (as each may be amended or replaced from time to time) and the Subsidy Control Act 2022 as it relates to the effect of subsidies on the supply chain.

A.5.1.2 Investment Appraisal Advisory

The Supplier requires extensive experience in making an infrastructure investment decision.

The Supplier will have demonstrable experience in investing in or providing advisory support and guidance on UK energy infrastructure. This will include (but is not limited to) project analysis, evaluation, construction, commercialisation, commissioning, and managing civil engineering contracts whether on an Engineer Procure Construct basis or not.

The Supplier will have experience in assessing the feasibility and viability of Heat Network projects.

The Supplier will have access to financial specialists that have a background in accountancy, investment fund, banking or a demonstrable track record and must have experience in energy infrastructure projects.

The Supplier's resource who will undertake the investment appraisal advisory role(s) must hold a relevant industry-recognised qualification, e.g. ACA, CFA or ACCA.

Refer to Order Schedule 15 (Order Contract Management) for the provisions on experience.

A.5.1.3 Mobilising and Operating a PMO

The Supplier will create and operate a PMO to effectively administer the processing, reporting and analysis of a portfolio of SC Projects and any other DESNZ-supported projects that is subject to M&R within the scope of this Order Contract.

The Supplier will carry out basic statistical analyses, particularly descriptive statistics to produce quality, robust management information/dashboards.

The Supplier will assess and optimise operational processes and products as well as continually monitor the GHNF scheme and SC for improvements.

The Supplier will design and review processes/systems (if applicable) in line with data security best practice including but not limited to controlling access, implementing technical and operational processes to ensure the security of information, and processing personal data in line with the principle of data minimisation and legislative requirements.

The Supplier will have sufficient skills, experience and resources to produce the reporting requirements set out in Annex A of this Order Schedule.

A.5.1.4 Commercial Awareness

The Supplier will understand possible incentive and support mechanisms for district heating - e.g. HNDU, Public Sector Decarbonisation Fund, Social Housing Decarbonisation Fund,

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Green Gas Support Scheme, Climate Change Levy (CCL), Energy Company Obligation (ECO), Public Works Loan Board, NWF, etc.

The Supplier will understand the cost base of Heat Network projects to allow detailed benchmarking of GHNF Applications and SC Projects and provide a challenge to bids' cost estimates.

The Supplier will have commercial awareness around the delivery of district heating schemes (or similar energy infrastructure) including different approaches for maximising revenues and obtaining value for money (including optimisation of plant sizing and operation to reflect variable costs and revenue streams).

The Supplier will have good general knowledge of the wider UK electricity market.

The Supplier is not required to provide consultancy services in the commercial context.

A.5.1.5 Legal

The Supplier will need to be able to commission specialist legal support and guidance for complex Heat Network (or comparable infrastructure) project subjects, if required, including implications due to any future changes to subsidy control.

Legal support to advise any Project Change requests made by projects that are subject to M&R activities within the scope of this Order Contract as well as Project Change request made by SC Projects (**should additional capital budget be approved**).

Legal support on Exit Management planning and activation

Should additional capital budget be approved for GHNF scheme, legal support will be also required to:

- Aid the application assessment process.
- Review the GFA/MoU templates during the SC Implementation Period and standardised Conditions Precedent/Subsequent. These template documents are anticipated to be consistent for the scheme duration.
- Legal support to finalise GFAs/MoUs with successful GHNF Applicants and tailor them to the specifics of individual SC Project, should it be required.

A.5.1.6 Fund Raising Advisory

The Supplier shall direct and support GHNF Applicants and SC Project to raise third-party funds, incl. via the NWF, if this is their preferred route of raising funds.

A.5.1.7 Communications

The Supplier will manage negotiation, conflict resolution, facilitation and change across all projects that are subject to M&R activities within the scope of this Order Contract.

Key skills required include analytical and problem-solving, effectively communicate both orally and in writing with internal and external customers, negotiation and liaison skills including the ability to establish effective networks.

The Supplier will be also required to:

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- Manage Public Relations, marketing and communications for the GHNF scheme across a diverse range of stakeholders. The Supplier will establish contact details, preferred channels of communication, agreed response times, and how to escalate issues.
- During the SC Implementation Period, the Supplier will familiarise themselves with the MTC requirements. Refer to Section A.3.4 for more information.
- **Should additional capital budget be approved for GHNF scheme**, the Supplier will familiarise themselves with the events and promotional material that they will need to communicate to the market. The Supplier will produce informative materials to communicate and promote successes of GHNF scheme in the run up and post-FPCD. The Supplier will prepare templates ready to be used when necessary. For more information on specific requirements, refer to Section B.1.

A.5.2 Skills and Capability Requirements for BDMs

Should additional capital budget be approved for the GHNF scheme, the Supplier will be required meet all requirements set out in this section (Section A.5.2):

The Supplier will utilise BDMs with good knowledge of Heat Network projects and LZC heat technologies. The BDMs will directly engage with potential applicants at the most senior level.

The BDMs will ensure that prospective applicants are made aware of the GHNF scheme, the extent to which their Heat Network project does or does not align with the principles of GHNF support, what actions might need to be taken before applying to ensure the best foot forward and how to make a clear and compelling application.

BDMs will provide support and guidance on the financial viability of heat network projects including:

- Analysing operating performance, tariff structures and sensitivities and providing guidance, support and understand how contracts can be structured to avoid risks (e.g. heat pricing strategies, minimum operation and maintenance service levels, etc.).
- The potential sources of finance available to Heat Network projects, how a project's choices of legal and commercial structures may impact the ability to access certain sources of finance and how Heat Network projects can seek investment while maintaining competitive tension and complying with any legal restrictions that may apply to projects supported by the GHNF scheme.
- Analysis of investor returns, and stress testing of Heat Network projects supported by the GHNF scheme.
- BDMs will support applicants throughout the pre-application stage, submission stage (and reapplication stage, if necessary) and until the SC Project is able to draw down the funding agreed.

A.5.2.1 Pre-Application Support

When allocated to a prospective GHNF Applicant, before application and where required by the applicant, BDMs will assist by:

- Carrying out a high-level review of the evidence provided to identify if and where additional focus is needed.

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- Utilising their market knowledge to help guide the applicants in optimising their Heat Network project and application.

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A.5.2.2 Submission Support

When a prospective GHNF Applicant is ready to make an application, the BDM will help the applicant by:

- Offering clarity and guidance for applicants completing the GHNF Application Form and directing the applicant to relevant guidance and published examples of good and less successful GHNF applications. Refer to Section B.1.1.2 for further detail.
- The BDM's involvement with a GHNF Applicant is to provide guidance only and will never be in the form of advice. The prospective applicant is under no obligation to follow the guidance provided but should be mindful that the guidance provided would be expected to always follow published GHNF Guidance for Applicants.

A.5.2.3 Post GHNF Project Application Support

The assigned BDM will support GHNF Applicants throughout the pre-application stage and through the entirety of the application process. The BDM will be required to support GHNF Applicants when they apply for funding, throughout the application assessment process, as well as after the SC IC has decided as to whether the GHNF Application will receive support from the GHNF scheme, up until the SC Project is in a position to draw down the SC Grant Award agreed.

The Supplier will be required to support successful GHNF Applicants to meet any conditions that the SC IC has imposed before the SC Project can commence.

If successful, future M&R requirements (refer to Section C), will be managed by the Supplier's SC administrative /M&R function and not the assigned BDM.

If unsuccessful, the BDM will support the GHNF Applicant to reapply and resubmit an application for consideration if the original application was deemed to be a worthwhile endeavour.

The Supplier must ensure that they have the necessary skills, experience and resources to provide adequate support to applicants.

A.5.2.4 Market Development

When not directly assisting GHNF Applicants or SC Projects, BDMs shall also proactively seek opportunities for new Heat Network projects that could benefit from GHNF support and identify potential opportunities.

The market development will be supported by the GHNF events hosted by the Supplier, targeting opportunities within various sectors, such as - for example – heat recovery from industry, geothermal, etc. Bringing together prospective heat consumers and LZC heat sources at such events will provide the BDMs with an excellent networking opportunity to seek out potential projects.

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A.5.3 Skills and capability requirements for SC Application**Assessors**

Should additional capital budget be approved for the GHNF scheme, the Supplier will be required meet all requirements set out in this section (Section A.5.3):

- The SC Application Assessor is a specific role to review and technically assess submitted GHNF Applications and determine if the GHNF Application meets the minimum requirements of the GHNF scheme (refer to Section B.3.1 for more detail).
- Application assessments will be an interactive process of circa six weeks, where the SC Application Assessor and GHNF Applicant clarify any outstanding queries on the application before the application assessor submits an assessment report (IC Input Report) for consideration by the SC IC.
- SC Application Assessors must be able to assess complex GHNF Applications from a technical, commercial and financial perspective, identify opportunities, risks and issues and effectively communicate these to the SC IC.
- SC Application Assessor will be independent and impartial of the assigned application BDM, and there will be sufficient ethical walls in place to allow for independent assessment of the application by the Supplier.
- GHNF Applications will never be discussed by BDMs with SC Application Assessors. Appropriate ethical walls need to be in place to prevent COI. GHNF Applicants should feel comfortable discussing their GHNF Applications with assigned BDMs without concern that a judgement will be passed onto the assessment team.
- The Supplier is required to develop an **application assessment moderation process** and agree this with the Buyer during the Implementation Period. Following FPCD, the Supplier will operate the application moderation process to ensure that all GHNF Applications have been fairly assessed and that the assessment of all GHNF Applications is consistent (refer to Section B.3.1 for more information).

A.5.4 Skills and capability requirements for SC Investment**Committee**

Should additional capital budget be approved for GHNF scheme, the SC IC will make SC Grant Award decisions in accordance with the GHNF Investment Mandate as set out in Order Schedule 15 (Order Contract Management).

A.5.5 Skills and Experience vs Requirements Matrix

Supplier will require skills and experience to successfully deliver M&R processes.

Should additional capital budget be approved for GHNF scheme, the Supplier will require skills and experience to successfully deliver BDM, application, and application assessment processes. Relevant high-level skills and experience requirements are set out in Table 11.

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Table 11 Skills and experience requirements against the Supplier Service Requirements

Requirement Description	Technical	Financial/ Investment	PMO/ Communications	Commercial	Fund Raising Support
Provide support to applicants	✓	✓	✓	✓	✓
Assess the financial viability of GHNF Applications	✓	✓			
Ensure GHNF Applications are compliant with industry standards, incl. RIBA design stages, ADE/CIBSE Code of Practice for Heat Networks, and Heat Trust.	✓			✓	
Ensure GHNF Applications source of finance and legal and commercial structures are complimentary	✓	✓		✓	
Ensure GHNF Applications are feasible and viable	✓	✓		✓	
Monitor and report on successful GHNF Applications			✓		

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B. SC Application Period

Following the SC Implementation Period and FPCD, and **subject to additional capital budget being approved for GHNF scheme**, the Supplier will manage the GHNF application process during the SC Application Period for all prospective GHNF Applicants. This section sets out the requirements for the Supplier to create awareness and support applicants as they prepare their applications for grant funding.

Since its launch in March 2022, the GHNF scheme has been supporting heat network projects with capital grant funding; however, **should additional capital budget be approved for the scheme**, the Buyer reserves the right to replace future capital grants with repayable grant products or concessional loans. The Supplier must be able to offer expertise in the design and administration of such products.

Starting from FPCD to the end of the assessment period for the last SC Application Round, the Supplier will be required to:

- Deliver various business development activities;
- Proactively engage with potential GHNF Applicants before, during and after their application to GHNF scheme via the Supplier's Business Development function;
- Assess applications to GHNF scheme;
- Deliver the IC Secretariat function, resource the SC IC with Supplier's IC members and chairperson, advise IC members in writing and in-person in IC meetings.
- Finalise Funding Agreements and manage the contracting of SC Projects.

Key Supplier roles during the SC Implementation Period include BDMs and SC Application Assessors with relevant technical and commercial experience.

Should additional capital budget be approved for the GHNF scheme, the Supplier will be required meet all requirements set out in this section (Section B):

B. SC Application Period - High-level requirements table*Table 12 Application High-Level Requirements*

Ref	Section	Ref	Subsection
B.1	Business Development Activity	B.1.1	Promotional Material
		B.1.2	Emailed Newsletters
		B.1.3	Public Relations and Communications
		B.1.4	Social Media
		B.1.5	GHNF Workshops and Events
		B.1.6	External Events (speaking slots)
		B.1.7	Stakeholder Forums/Focus Groups
		B.1.8	Co-ordination with the Buyer
		B.1.9	Geographic Representation
		B.1.10	Developing investor potential in Heat Networks
B.2		B.2.1	The Application Rounds

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	GHNF Application Support	B.2.2	Types of GHNF Applications that can be made
		B.2.3	Operate the GHNF Application Form
		B.2.4	Register Interest
		B.2.5	Manage the application process
		B.2.6	GHNF Evidence Requirements
		B.2.7	Maintain the Buyer's Subsidy Control Process
		B.2.8	Sourcing of third-party funds into GHNF Applications and SC Projects
		B.2.9	Applicant support (throughout the application process)
B.3	GHNF Application Assessment	B.3.1	The Application Assessment Process
		B.3.2	The Application IC decision
		B.3.3	Quality Assurance and Due Diligence Process
		B.3.4	Decision Review and Complaints Process
B.4	SC Investment Committee	B.4.1	SC Investment Committee
		B.4.2	Conditions Precedent and Subsequent
B.5	Funding	B.5.1	Funding Awards
		B.5.2	Funding Agreements

B.1 Business Development Activity

Should additional capital budget be approved for the GHNF scheme, the Supplier will be required meet all requirements set out in this section (Section B.1):

A programme of proactive stakeholder engagement and business development activity will play a critical role during all stages of the SC and the GHNF scheme from Round 10 onwards (SC Application Round 1). The Supplier will be required to engage with all relevant stakeholders in the Heat Network sector, from prospective applicants and their supply chain partners, through to third parties with opportunities to facilitate the supply, or indeed purchase, of LZC heat.

With the core aim of the GHNF scheme to decarbonise heat supplied in Heat Networks, traditional 'business as usual' approaches to primary heat sources, such as natural-gas-fuelled CHP simply will not meet the carbon intensity limits set by the GHNF scheme. This means that a large element of the engagement activities will need to focus on demonstrating best practices and showcasing opportunities for the sector to utilise qualifying sources of LZC heat.

Table 13 Business Development Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
B.1.1 Promotional Material	- GHNF overview brochure (the latest version is available online at https://www.gov.uk/government/publications/green-heat-network-fund-ghnf) - Case studies - Datasheets containing technical, commercial and financial guidance - The Buyer's brochures and templates

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Ref	Key Outputs /Outcomes (not exhaustive)
B.1.2 Emailed Newsletters	– Operate UK GDPR-compliant email system – Distribute news emails to stakeholders – Distribute tailored event and programme-specific emails
B.1.3 Public Relations and Communications	– Write and distribute news stories and feature articles for relevant media on the Supplier's website and also submit them for inclusion on the Buyer's GHNF webpage – Publicise successful SC Projects – Feature articles for the Buyer's GHNF webpage on gov.uk – Operate media monitoring service (cuttings) – Prepare reports containing coverage and analysis
B.1.4 Social Media	– Continuously update GHNF social media pages with LinkedIn and Twitter and produce regular posts – Continuously update a GHNF YouTube channel and post video content as required – Produce reports on activity and progress made
B.1.5 GHNF Workshops and Events	– Manage a calendar of ongoing workshops and events – Survey stakeholder satisfaction levels at each event – Report stakeholder satisfaction level to the Buyer
B.1.6 External Events (speaking slots)	– Proactively seek speaking opportunities at external trade events for all relevant sectors to reach core stakeholder groups – Co-ordinate the calendar with the Buyer's Heat Network teams
B.1.7 Stakeholder Forums/Focus Groups	– Manage regular forums/focus groups to represent the key stakeholders – Report the feedback gained and any suggested corrective actions required to improve the SC and GHNF scheme-level process and procedures
B.1.8 Co-ordination with the Buyer	– Operate series of co-ordination meetings for Stakeholder Engagement
B.1.9 Geographic Representation	– Ensure fair representation across England regions
B.1.10 Developing investor potential in Heat Networks	– Deliver initiatives to prepare the market for carbon regulation and supply chain capacity – Deliver training and Continuing Professional Development (CPD) to appeal to industry sectors and professional bodies – Make the GHNF knowledge base freely available to stakeholders

The Supplier will be required to provide online content and regularly update the GHNF webpage on gov.uk as well as GHNF webpage on the Supplier's website regardless of whether additional capital budget will be approved for the GHNF scheme.

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B.1 Detailed Requirements*Table 14 Summary of Communication activities*

Activity	Example of activity	Anticipated Frequency	Anticipated Volume per cycle
Email newsletters	Write and distribute an email to subscribers on SC Projects, technologies and concepts supported by the GHNF scheme	Monthly (subject to cost)	1
News articles/press releases	Write and distribute a press release/news item on SC Projects, technologies and concepts supported by the GHNF scheme	Quarterly	1
Feature articles	Write and distribute feature articles for the trade media based on SC Projects, technologies and concepts supported by the GHNF scheme. Make these articles available via the Supplier's website. These articles shall also be submitted for inclusion on the Buyer's GHNF webpage (subject to approval).	Monthly	1
Social media posts	Write and distribute social media posts across LinkedIn, Twitter and a YouTube channel to promote all relevant aspects of the GHNF scheme and its aims and channel traffic to the Supplier's website as well as the Buyer's GHNF webpage on gov.uk.	Weekly	2
Stakeholder forums/Focus groups	Arrange stakeholder forums/focus groups throughout the entire SC Application Period (covered by the scope of this Order Contract) as a channel to questions, guidance and improvement feedback	Quarterly	1
GHNF Events /Workshops	Arrange workshops and events during the SC Application Period to cover multiple topics.	Quarterly	1
Thought leadership	Produce thought leadership articles i.e. LZC HN integration	Quarterly	1

B.1.1 Promotional Material

The Supplier will develop a suite of promotional materials, during the SC Implementation Period that will continue to be developed and added to during the Order Contract. These promotional materials include brochures, data sheets and case studies that showcase best practices in terms of delivering LZC heat via Heat Networks. All materials will need to be tailored to meet the requirements of different audiences within the key stakeholder groups, covering a range of technical, financial and commercial topics and include information on MTC. The Supplier will create and deliver ongoing communications and engagement material, for example, videos and interviews.

The Supplier will require a dedicated communications resource to manage the promotional activity.

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The Supplier will need to consider the accessibility of the material they produce. All documents and promotional materials must be produced in digital formats that facilitate accessibility for all users i.e. WCAG 2.1 accessibility standards and to an agreed style guide.

The following items will be developed by the Supplier:

B.1.1.1 GHNF Overview Brochure

Detailing all aspects of the GHNF scheme, its context in the pathway to net-zero, the high-level criteria for applicants, examples of best practice projects and signposting where to find out more information, how to apply, etc.

B.1.1.2 Case Studies

Showcase a minimum of six exemplar SC Projects per year of the Order Contract (starting from the first year from FPCD) that would meet the criteria of the GHNF scheme to demonstrate 'what good looks like'. Case studies will start to be developed over the course of the first year from FPCD and will need to cover the leading technologies and solutions that are most likely to be successfully supported, key SC Project metrics (e.g. grant to heat supply ratio, grant to carbon abatement ratio, grant to CAPEX ratio, annual average heat/cooling delivered etc.), tariff structures (where permitted to do so) etc.

B.1.1.3 Data Sheets

Provide guidance, where it is not already available to the applicants on a range of technical, commercial, and financial topics relevant to the GHNF scheme.

The Buyer would expect there to be, as a minimum, the following topics covered by separate data sheets:

- Commercial contracts for heat (sale and procurement)
- Consumer protection
- Guide for investors
- Heat Networks – best practice and optimisation
- Optimising applications for the GHNF scheme
- Qualifying heat technologies
- Renewable heat (technologies and sources)
- Utilising waste heat

B.1.1.4 The Buyer's brochures and templates

All existing (current) brochures produced by the Buyer and the GHNF Delivery Partner will be made available for the Supplier to offer applicants. These will remain hosted on the gov.uk website and links will be provided to the Supplier.

The Supplier should direct applicants to the DESNZ Heat contract templates: Sales, Operations and Maintenance Set (SOMS).

B.1.2 Emailed Newsletters

The Supplier will issue tailored and relevant email content to its database of subscribers. Further emails will be sent to targeted groups with relevant content – such as events, workshops, deadlines, etc.

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Emailed newsletters should be monthly (subject to cost).

The tool used must comply with the Security Management Plan.

B.1.3 Public Relations and Communications

SC Projects must be publicised. Content generated shall be promoted via the GHNF social media channels (as detailed below) and web content will be submitted to the Buyer for approval and subsequently be uploaded to the Supplier's website as well as the Buyer's GHNF webpage on gov.uk (if required by the Buyer).

The Supplier will write and distribute news items to relevant media, based on SC Projects, technologies and concepts supported by the GHNF scheme.

The Supplier will write and distribute feature articles for the trade media based on SC Projects, technologies and concepts supported by the GHNF scheme. This will include case-study-led content, which, where possible, should be supported by GHNF Applicants. These articles and case-study-led content should be made available on the Supplier's website. This material shall also be submitted to the Buyer for approval and inclusion on the government's GHNF webpage.

Manage a media monitoring service to capture cuttings and external articles.

Any subsequent coverage obtained must be monitored and collated in a regular report that offers some high-level analysis for metrics such as opportunities to see and advertising value equivalent (AVE). This coverage is to encourage further projects to apply and demonstrate the pathway to decarbonising heat in the UK.

B.1.4 Social Media

As set out in Section A.3.1.2 Working Groups, the Supplier will have set up a Stakeholder Engagement and Communications Working Group. This group will discuss and coordinate the delivery of the GHNF-specific social media activity via the main business-oriented social media platforms, including LinkedIn and Twitter.

The social media activity will be required ahead of the SC Application Period to support the publication of the GHNF guidance.

The Supplier will create a GHNF YouTube channel that will host all video content generated (promotional video, webinar recordings, etc).

These platforms will help expand the opportunities for stakeholder engagement and drive interest in the Supplier's website as well as the Buyer's GHNF webpage and the resources contained therein.

The Supplier will utilise social media management software i.e. Hootsuite (or similar).

Regular posts will be made that promote every aspect of the GHNF scheme and its aims. Each post will aim to drive visitors to the Supplier's website and the Buyer's GHNF webpage.

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The Supplier will deliver reports summarising key social media activity, including the number of followers, updates made, impressions, shares and reactions.

B.1.5 GHNF Workshops and Events

The Supplier will provide a rolling calendar of GHNF-focussed events and workshops to promote the funding opportunities and develop a healthy pipeline of prospective SC Projects that can apply for support.

The workshops will provide detailed support to help applicants scope their SC Projects and hone their applications to ensure an optimal uptake for each prospective round of funding.

It is important that the Supplier provides hybrid events that offer online access to those that are unable to physically travel to any given event.

The Supplier will deliver workshops and events during the SC Application Period, and these will cover a variety of topics. The following are examples of past GHNF guidance workshop events:

- Scope and design of the GHNF scheme
- Technical aspects of the GHNF scheme and the application process
- MTCs
- Introduction to the NWF and other investors
- Scope of support available to GHNF Applicants
- Optimising GHNF Applications
- Waste heat opportunities for industrial and commercial heat producers
- Financial modelling

For the first SC Application Round, these events will be delivered during the Implementation Period.

CPD Content – where possible, the Supplier shall incorporate CPD content within its events to aid professional development and enhance supply chain capabilities.

Where appropriate, the Buyer's GHNF and wider Heat Networks team will offer support to the Supplier by means of providing speakers.

Feedback – each event hosted by the Supplier must include stakeholder satisfaction surveys that provide vital feedback. The results of these surveys must be collated and reported back to the Buyer.

B.1.6 External Events (speaking slots)

Securing speaking slots at external industry events will provide the Supplier with opportunities to promote the GHNF scheme and encourage greater stakeholder engagement.

It is likely that key figures from the Buyer's teams will also be speaking at many of the prospective events and as such, it is important that there is a level of coordination put in place.

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B.1.7 Stakeholder Forums/Focus Groups

It is essential that the engagement process allows information to flow in both directions and that the Supplier regularly seeks feedback from the key stakeholder groups to allow adjustments to be made and ensure that the GHNF scheme has maximum impact.

The Supplier must hold regular Stakeholder Forums/Focus Groups throughout the entire SC Application Period.

The GHNF Delivery Partner and the wider Heat Network team within DESNZ have already established stakeholder focus groups and as such, there will already be a level of momentum established that can be passed on.

The feedback gathered from these forums/focus groups shall be reported back to the Buyer by the Supplier.

B.1.8 Co-ordination with the Buyer

The Supplier will be required to establish an ongoing channel of communication with the Buyer's SC ICF to coordinate events, communications activities and SC Project data.

With the Buyer having many different teams operating in the wider energy sector, opportunities for collaboration with other teams must be explored – where there is a mutual benefit for positive publicity and furthering the drive towards net-zero.

B.1.9 Geographic Representation

Any physical face-to-face events taking place should ensure fair representation is given to the English regions to avoid a London-centric bias.

B.1.10 Developing investor potential in Heat Networks

One of the aims of the GHNF scheme is to prepare the market for future carbon regulation and help develop the supply chain capacity in the UK. When carrying out the requirements set out in this document, the Supplier shall develop initiatives for training and continuous learning and the wider dissemination of the GHNF knowledgebase to support market development.

The Supplier's workshops and events detailed above in Section B.1.5 will specifically cover the following topics and content:

- Events are to appeal to specific industry sectors energy from waste, geothermal and flooded mine workings, energy-intensive sectors, data centres, etc.

The Supplier shall host events and workshops for investors over the SC Application Period.

These events and meetings with prospective GHNF Applicants and investors will promote the opportunities for new entrants to fund SC projects and help them access the GHNF Applicants and SC Projects that need support.

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B.2. GHNF Application Support

Should additional capital budget be approved for the GHNF scheme, the Supplier will be required meet all requirements set out in this section (Section B.2).

The Supplier will be responsible for supporting potential GHNF Applicants to prepare for application to the GHNF scheme, prior to assessment via the GHNF Application Approval Process (refer to Section B.3).

Table 15 Project Application Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
B.2. GHNF Application Support	– Proactively engage with potential GHNF Applicants (see BDM functions) to assist them in preparing for application to GHNF scheme and support with GHNF Application Form completion – Provide administrative functions to support applicants during the application assessment process. – Provide post-application support to successful SC Projects to assist them in understanding and complying with their obligations. – Provide post-application support to failed GHNF Applications supporting them in reapplying if they choose to do so. – Providing detailed feedback to applicants.

B.2 Detailed requirements

The GHNF Application preparation stage is iterative, prior to commencement of the GHNF Application Approval Process.

B.2.1 The Application Rounds

The application process is expected to follow a six-monthly application cycle (unless a different frequency is agreed between the Supplier and the Buyer), as set out in Key SC Activity Section, and will be repeated for each year of the SC Application Period starting on FPCD. Unless FPCD changes, SC Application Round 1 will be open during the SC Implementation Period.

B.2.2 Types of application that can be made

GHNF Applications for Commercialisation Phase Grants and/or Construction Phase Grants can be made.

B.2.3 Operate the Application Form

The GHNF operates using an application form in MS Excel (see Annex E.F - GHNF Application Form) with complete question sets, an application model and supporting evidence document lists. This application form has been further updated by GHNF Delivery Partner through continuous improvement. During the SC Implementation Period, the Supplier will review, accept or update the latest version of the application form.

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B.2.4 Register Interest

Prospective GHNF Applicants will be able to register their interest with the GHNF scheme and be assigned a BDM as soon as they have satisfied the following criteria as detailed in the GHNF Guidance for Applicants document:

- Completed a techno-economic assessment of their HN project;
- Populated the core GHNF Application (Heat Network project) metrics within the GHNF application form;
- Completed a draft business case (this does not need to be an approved business case) that largely complies with the business case specification set out in the accompanying documentation requirements above;
- Have internal approval(s) to engage with the GHNF scheme.

B.2.5 Manage the application process

GHNF Applicants will be able to complete the application process at any time before each application assessment round, however, the Supplier will be expected to encourage prospective GHNF Applicants to start the application process as soon as possible within a round to allow time for the appropriate BDM resource to be assigned to support GHNF Applicants effectively through the application process.

B.2.6 GHNF Evidence Requirements

Minimum evidence requirements lists will be provided to the Supplier. The email-based application process (or as agreed between the Buyer and the Supplier) will need to ensure that applicants have submitted all required documents according to the application checklist to the Supplier. The Supplier will be required to check applicants have submitted all documents according to the application checklist and validate that they have been wholly completed and that supporting documents have been sent. The Supplier must notify applicants if they have submitted an incomplete checklist. Refer to Annex E.F (GHNF Application Form), separate to this document, which includes the application checklist.

It will be the responsibility of the Supplier to review, recommend refinements, expand and maintain those evidence lists and supporting guidance as appropriate through a continuous improvement process to ensure that the applicants have submitted all required evidence to an appropriate standard.

B.2.7 Maintain the Buyer's Subsidy Control Process

Determining subsidy control mechanisms and that the GHNF scheme as a whole meets the subsidy control requirements is the responsibility of the Buyer. The Supplier will be required to undertake sufficient (DD) throughout the application process to ensure that the Buyer's subsidy control requirements are being met. Should those requirements change, the Supplier would be expected to update their processes and the application such that any new requirements can be met.

At present the subsidy control requirement is to ensure that less than 50% of the eligible cost of the project is being met by Government grant funding and to ensure that all government grant funding is being declared.

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There is also a mandatory requirement that the Buyer must publish all subsidies via the Subsidy Control Database on Gov.uk within three months of the date of the funding agreement. This is regardless of whether the subsidy has been formally announced at that point. The Supplier will need to make funding recipients aware of this requirement.

The Supplier will also need to confirm that there are no relevant interactions with Northern Ireland given the distinct subsidy control regulations that apply there. The Supplier will need to work with the Buyer to ensure that they are remaining compliant with the rules at all times.

To mitigate against double-subsidy, the Buyer will be responsible for checking government databases to determine whether applicants have received other funding related to the projects for which they are seeking GHNF support. The Supplier will be required to check GHNF Applications and contact applicants to determine whether any other subsidies received, or applied for, overlap with the works for which they are seeking funding.

B.2.8 Sourcing third-party funds into SC Projects

The Supplier will be responsible for making GHNF Applicants aware of potential funding options that are available to them if they do not already have a funding solution in place.

The Supplier will be responsible for signposting GHNF Applicants (and SC Projects) to relevant funding opportunities such as the NWF and supporting GHNF Applications (and SC Projects) in approaching such organisations for third-party funding. For GHNF Applicants that seek provisional SC Grant Awards (due to not having funding in place at the time of application), the BDM will be expected to facilitate introductions of the GHNF Applicant (or SC Project) to at a minimum the NWF.

The BDM should be available to attend meetings with potential investors and offer support and clarification regarding the grant offer the SC Project has received from the GHNF scheme.

B.2.9 Applicant Support (throughout the application process)

The Supplier is required throughout the SC Implementation Period, SC Application Period and post-application period to engage and support potential and existing GHNF Applicants, before, during and after submitting a GHNF Application.

The Supplier will provide pre-application support to GHNF Applicants to assist their understanding of the GHNF eligibility requirements, ensuring that they are well equipped to apply for funding so that the GHNF Applications that are submitted are of good quality.

The Supplier will provide ongoing application support throughout the application process ensuring clarification questions are raised, issued and discussed with applicants.

A call centre or help desk is not required due to the volume of GHNF Applications anticipated, ongoing applicant support will be provided through a dedicated email mailbox, managed by the Supplier.

The Supplier will be required to interface with the Buyer's SC ICF to manage technical clarifications as appropriate.

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The Supplier will provide applicant support by ensuring the Buyer's GHNF web content is regularly updated and submitted to the Buyer for publishing.

The Supplier will provide detailed feedback to all GHNF Applications. Successful GHNF Applicants will be informed of any Conditions Precedent and Subsequent set, the reasons for those conditions and support the projects in understanding how to meet them.

For GHNF Applications that are not successful, the Supplier needs to communicate where the GHNF Application fell short and what remedial action might be taken before future reapplication.

The Supplier will provide administrative functions, application form IT support, BDM and assessor functions to support the applicant through the application process.

The BDM assigned to GHNF Applicant will be expected to be the main point of contact for their GHNF Application. The BDM will support the applicant from the initial approach to the GHNF scheme before application through creating the application itself and engage with the GHNF Applicant (and SC Project is the application is successful) post-application assessment.

The BDM will discuss the application with the GHNF Applicant and manage pre-application queries. On the closure of SC Application Round, the Supplier will assign an Application Assessor(s) with sufficient technical understanding of Heat Network development to review the technical and commercial aspects of the GHNF Applications made.

The finance and treasury function will be provided by the Buyer. The Supplier will be required to provide project information such that a payment can be made, including undertaking financial DD checks, checking verified payment information and confirming that payments have been approved with GHNF Project Milestone dates (as set out in the GHNF GFA/MoU) and conditions met, within the timescales required by DESNZ internal finance processes.

The Supplier must ensure that the information and interface they provide between the applicants and the Buyer meets the Buyer's needs i.e. information requirements and timelines, DD, etc.

B.3 SC Application Assessment

Should additional capital budget be approved for the GHNF scheme, the GHNF Application Approval Process will clarify any outstanding queries on the application with the applicants, through an iterative process with formal evaluation metrics, before submitting an assessment report for consideration by the IC.

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Table 16 Application GHNF Project Assessment Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
B.3.1 The GHNF SC Application Assessment Process	– GHNF Applications that have been quality assured – The identification of changes required to GHNF Applications to ensure they meet the required quality – Communicating IC decisions
B.3.2 The Application of IC Decision	– Undertake assessment and scoring of GHNF Applications – Decide on the recommendation of funding amount to GHNF Applications
B.3.3 QA and DD Process	– Operate QA process during the application process – Perform DD and cabinet office check to applying entities
B.3.4 Decision Review and Complaints Process	– Operate decision review process

B.3. Detailed Requirements

Should additional capital budget be approved for the GHNF scheme, the Supplier will be required meet all requirements set out in this section (Section B.3):

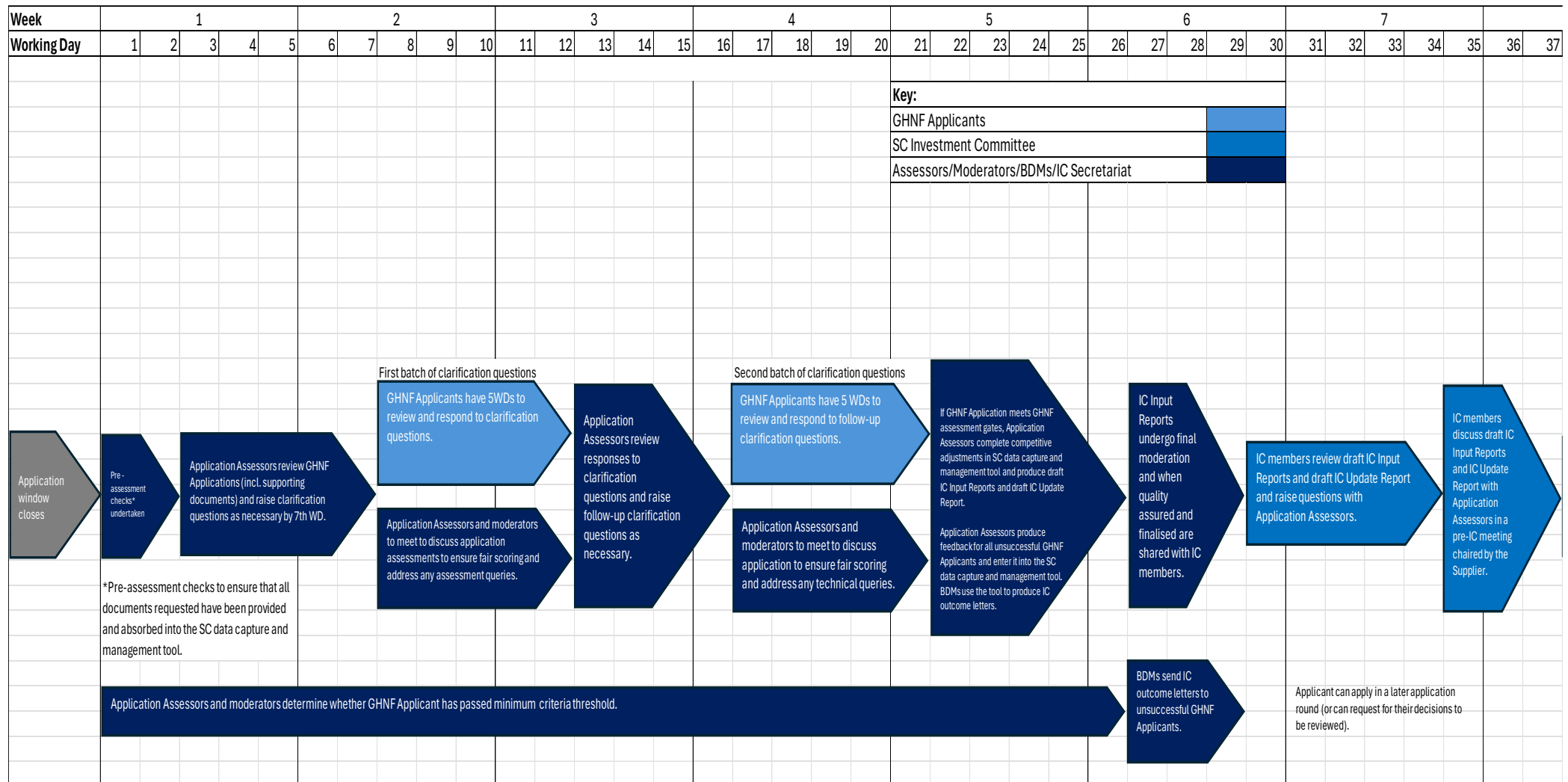
B.3.1 The SC Application Assessment Process

An indicative application assessment timeline is shown below. The Supplier will review the indicative timeline and finalise and agree it with the Buyer through the Application and Assessment Working Group during the SC Implementation Period. Given that the SC IC is estimated to meet on a six-monthly basis, there is flexibility to extend the indicative timeframe for each assessment round, should it be needed and subject to the Buyer's approval.

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Figure 4 Roles and responsibilities during the Application Assessment Process

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The Supplier will need to ensure that all required DD checks and QA processes on GHNF Applicants and GHNF Applications have been completed and satisfied.

Application Assessors will review GHNF Applications and supporting documentation. The Supplier must ensure that Application Assessors have the capability to assess all aspects of GHNF Applications. It is anticipated that Application Assessors will raise a series of clarification questions and issue these to GHNF Applicants for response.

GHNF Applicants will be given a period of five Working Days to respond to such clarification questions and Application Assessor might want to meet with some GHNF Applicants to discuss their response. If necessary, this clarification process can be repeated up to three times (see Figure 4 for details).

Over the course of the first 5 weeks of the 12-week assessment period, Application Assessors will have determined whether the GHNF Application has passed the minimum assessment criteria, logged details of their assessment in the SC data capture and management tool, and produced draft IC Input Reports and draft IC Update report, by no later than the first working day of week six.

Successful GHNF Applications will have met the tightly defined eligibility requirements, including the assessment criteria of application gated metrics and the deliverability assessment, set out by the Buyer (refer to the GHNF Guidance for Applicants). Application Assessors will be required to evaluate all GHNF Applications based on these criteria.

Following submission of GHNF Application, the assessment process will include a series of moderation meetings, which will ensure consistency of assessments across all GHNF Applications received through a given SC Application Round. Through these meetings, moderators will clarify complex areas that Application Assessors are unsure. Through the moderation process, all assessments will be quality assured (including those that have not satisfied the assessment criteria), to ensure the GHNF Applications have been assessed consistently and fairly. Results of application moderations will be reflected in relevant IC Input Reports.

The moderation process will need to confirm that application assessments have been fully completed and that the assessment of each GHNF Application is consistent and of a suitable standard, before draft IC Input Reports are produced. The moderation process will need to be completed before unsuccessful GHNF Applicants are notified and draft IC Input Reports are shared with IC members.

As part of the draft IC Input Report, the Application Assessor will recommend whether, should the GHNF Application pass the assessment criteria, Conditions Precedent and/or Conditions Subsequent should be attached to the SC Grant offer and include the details of any recommended conditions to the SC Grant.

In week 6, the Supplier will share the draft IC Input Reports as well as draft IC Update Report with all IC members for review and comments.

If the Application Assessor determines that the GHNF Application does not meet the eligibility requirements, this will be confirmed through the assessment moderation process. The Application Assessor will capture results of their assessment as well as feedback for the

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unsuccessful GHNF Applicant in the SC data capture and management tool. The feedback will be moderated and clearly indicate where the GHNF Application falls short. BDMs will use the SC data capture and management tool to generate an IC outcome letter and share it with the unsuccessful GHNF Applicant in week 6.

An individual Application Assessor is not empowered to fail an application. The Buyer recommends that the following process is followed: once the Application Assessor has completed their assessment of GHNF Application, if any of the five assessment areas (refer to the GHNF Guidance for Applicants) are determined to be below a 50% score, a senior moderator will review the assessment. If the moderator agrees with the Application Assessor, then the Application Assessor, moderator, and responsible BDM follow the process for issuing an IC outcome letter in week 6.

The unsuccessful GHNF Applicant will have the option to accept the decision and potentially amend their Heat Network project such that they can apply in a later round or request a review of the decision and enter the review process.

Following the moderation process, all GHNF Applications that have failed the assessment process (or those that have met the assessment criteria but could be improved to improve their ranking in future funding rounds) will form part of the Continuous Improvement report that will be submitted to the Buyer on the 5th WD of the month following the IC meeting and also presented to the Buyer in the SC Operations Board meeting that month.

Application moderation will also include GHNF Applications which satisfy all five assessment areas. For each IC meeting, GHNF Applications which have met the assessment criteria will be moderated and ranked.

If the Application Assessor determines that the GHNF Application meets the minimum assessment criteria, they will undertake further assessment results of which will be captured in IC Input Report prior to it being submitted to the SC IC.

Application Assessors will apply a limited degree of further adjustments to give credit to GHNF Applications that show qualities that are aligned with the GHNF objectives. The maximum impact this adjustment metrics can have on the score is 30%.

Application Assessors will use the results of this weighting adjustment to rank GHNF Applications and present the corresponding IC Input Reports in ascending order to the SC IC. Refer to the GHNF Guidance for Applicants (available online) as well as Order Schedule 15 (Order Contract Management) for more information regarding the GHNF Investment Mandate.

MTCs will be assessed dependent on the CAPEX of GHNF Application. The Application Assessor will produce an assessment report, using a combination of preselected text options amended following their professional judgment for the initial assessment and the individual particulars of the GHNF Application for the IC Input Report. Summary of MTCs made by GHNF Applicants applying through a given SC Application Round will be also shared with the SC IC in the IC Update Report. 'Large' GHNF Applications (as per MTC definitions appended to the GHNF Guidance for Applicants) will require the greatest time investment and professional judgement for MTC assessment.

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An overview of GHNF Projects selected for investment through Application Rounds 1-7 is provided in Annex I.

B.3.2 The Investment Committee Decision

The IC Secretariat will share draft IC Input Reports and draft IC Update Report with all IC members at least five Working Days prior to the pre-IC meeting. The IC members will have one week to review the draft reports and raise questions with Application Assessors. The Supplier will convene a pre-IC meeting for IC members to allow clarification questions to be verbally raised in addition to/in place of written clarifications. The method of clarification is at the discretion of individual IC members.

Following the pre-IC meeting, Application Assessors will have 5 Working Days to follow up with GHNF Applicants if any questions from IC members need clarification. GHNF Applicants must respond within five Working Days. Application Assessors will then use these responses to finalise the IC Input Reports and the IC Update Report, which will be shared with the IC Secretariat. The IC Secretariat will circulate the final reports to all IC members at least five Working Days before the IC meeting.

The SC IC will convene in the 12th week of the assessment period. The Buyer's members of the SC IC will decide on SC Grants and whether a full, provisional or no grant offer should be made, with the advice of the Supplier.

The IC Secretariat will deliver IC Output Report and share it with all IC members and the SC ICF within five Working Days of the IC meeting. The IC Secretariat will be required to respond to feedback on the report. The Buyer's IC members will approve the report once it is finalised to their satisfaction. The Buyer will then notify the Minister of the IC outcome and advise the Supplier when IC outcome letters can be issued to successful and unsuccessful GHNF Applicants. For any successful GHNF Applicants, conditions need to be set in the IC Output Report and reflected in relevant IC outcome letters. All unsuccessful GHNF Applicants will be provided with feedback on their application.

Application Assessors will arrange a follow-up meeting with all GHNF Applicants in the post-assessment period to discuss the IC outcome.

B.3.3 Quality Assurance and Due Diligence process

The Supplier will be required to carry out technical, commercial and financial DD on each GHNF Application. The Supplier will carry out Financial Background DD on the GHNF Applicant and any entities providing the applicant with a Parent Company Guarantee. Application Assessors will have to confirm that the GHNF Applicant is eligible to apply to the GHNF and that applicable Financial Background checks have been performed and their findings were reflected in corresponding IC Input Reports.

This Financial Background DD includes creditworthiness checks of GHNF Applicants (including background checks to ensure the applying organisation is legitimate and capable of receiving and appropriately managing grant funds).

The Application Assessment process provides the QA and scrutiny process for the SC IC.

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The Supplier will operate the QA process during the application stage and may request changes to any GHNF Application should it be determined that processes have not been followed or that details provided by GHNF Applicants are inaccurate.

The Supplier will be required to operate an assessment moderation process to quality assure the application assessment and scoring process. This is to ensure all GHNF Applications have been evaluated fairly and consistently. See Section B.3.1 for more information.

B.3.4 Decision Review and Complaints process

The Supplier will operate the GHNF decision review process that was agreed during the SC Implementation Period and sets out GHNF Applicants' right to have the IC outcome reviewed.

The Supplier will develop a review process for unsuccessful GHNF Applicants by adhering to the following:

- There will be a process to review decisions made on procedural grounds as distinct from the decision itself;
- The emphasis/burden will be on the unsuccessful applicant to provide evidence that material evidence in their application wasn't considered in accordance with the GHNF Application Approval Process;
- The process will not be open to abuse nor cumbersome for the unsuccessful applicant or Supplier; and
- The review process will be considered by person(s) independent from the GHNF decision-making chain, ensuring there are no COIs.
- Complaints will follow the Supplier's usual complaints procedure. If one does not exist it will be required to be developed by the Supplier. Any complaints made to the Buyer about the GHNF scheme will follow the Buyer's standard complaints procedure⁴.

B.4. SC Investment Committee

Should additional capital budget be approved for the GHNF scheme, the Supplier will be required meet all requirements set out in this section (Section B.4):

The detailed ToRs for the SC IC will be agreed upon between the Supplier and the Buyer during the SC Implementation Period. The Supplier will be required to operate the SC IC through the duration of the Order Contract.

Through the SC IC, the Buyer will make funding decisions, in line with the GHNF Investment Mandate (refer to Order Schedule 15 - Order Contract Management) with the advice of the Supplier.

Table 17 Application Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
B.4 SC IC	– Assess whether an SC Grant can be made – Assess whether 'Conditions Precedent' are required for awards

⁴ <https://www.gov.uk/government/organisations/department-for-energy-security-and-net-zero/about/complaints-procedure>

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B.4. Detailed Requirements

B.4.1 SC Investment Committee

The SC IC will consider information about GHNF Applications received in IC Input Reports (to be submitted by the Supplier) to determine whether those GHNF Applications that the Application Assessors and moderators deem to 'pass' the assessment should be awarded SC Grant. The SC IC will also consider information provided in the accompanying IC Update Report.

The SC IC will consider all GHNF Applications, received within a period and at a volume such to drive reasonable competition to be determined by the Supplier. The SC IC will decide whether the SC Grant can be made and review and amend the Conditions Precedent and Subsequent that the Application Assessor has proposed as necessary.

Any decisions taken by the SC IC must be made in the line with the GHNF Investment Mandate as set out in Order Schedule 15 - Order Contract Management.

The purpose of the SC IC is to commit capital funding from the GHNF scheme, subject to the Conditions Precedent and Subsequent recommended by Application Assessors, to provide certainty to the GHNF Applicant and any third-party funder as to the availability of GHNF funding and allow them to conclude their funding agreements after the IC decision.

SC Grants will be batched for periodic media announcements.

The Supplier will consider/review general conditions anticipated in funding agreements (GFAs/MoUs) and agree on these with the Buyer.

The Supplier will also need to develop a risk-based approach to setting SC Project-specific conditions for the SC Grants.

Following each IC funding round, the Supplier is required to submit the Investment Committee Output Report to the Buyer for approval.

Unsuccessful GHNF Applicants will be given the opportunity to request a review of the decision made which led to the failure of their application. This process will be undertaken following the review process in which the SC IC will be the arbiter. The Supplier will be responsible for capturing review requests and including supporting information in relevant IC Input Reports.

The input for each SC IC will be through the IC Update Report covering (but not limited to) the following:

- GHNF application pipeline
- Cashflow projection
- Investment risk and issues
- Summary of the previous IC Update Report
- Update on the allocation of GHNF funding to-date.

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This is in addition to IC Input Reports, which will be submitted for each SC IC five Working Days prior to the IC meeting, with a pre-IC meeting held up to five weeks before the IC meeting.

The output from each SC IC meeting will be through the IC Output Report, which will be produced by the IC Secretariat and reflect the SC IC's decisions, covering the following:

- Investment activities agreed
- Draw down summary
- Updated benefit forecasts and tracking profiles

Once approved by the Buyer's IC members, the IC Output Report will be submitted to the SC Operations Board five Working Days ahead of its next meeting.

B.4.2 Conditions Precedent and Subsequent

Conditions Precedent and Subsequent that apply to each SC Project will be determined by the Application Assessors, moderated by a senior Supplier team member, and approved or amended by the SC IC as part of the GHNF Application Approval Process process.

Conditions Precedent will relate to specific activities being required to be met in advance of approval for SC Grant drawdown to be given.

Additional detail on the Conditions Precedent can be found in GHNF Guidance for Applicants (available online); however, examples include:

For Commercialisation:

- Outline Business Case approved if submitted in draft
- Investors confirmed as committed to investing in the SC Project once through commercialisation

For Construction:

- Planning approval in place
- Energy supply agreements and connection agreements in place
- Contract for bulk heat supply from Energy from Waste (EFW) agreed

For Commercialisation and Construction:

- An event that the IC has a high level of confidence that will be met but which falls after a financial year-end

It will be the responsibility of the Supplier to ensure:

- The Supplier has identified and agreed on any conditions specific to individual SC Projects with the Buyer and communicated these to the applicant.
- The GHNF Applicant is aware of all Conditions Precedent and Subsequent relevant to their SC Project.
- That GHNF Applicant has satisfied relevant Conditions Precedent before funding can be drawn down.

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B.5. Funding

Should additional capital budget be approved for the GHNF scheme, the Supplier will be required meet all requirements set out in this section (Section B.5):

GHNF scheme provides cornerstone investment, through grants, to successful SC Projects. The Supplier is required to ensure that available funding for each financial year is deployed in line with GHNF policy on CDEL recognition for Section 31 and Section 98 SC Grant Awards. Grants to Local Authorities will be made under the provisions of the Local Government Act section 31 (s31). Grants to all other applicants will be made under the provisions of the Natural Environment and Rural Communities Act section 98 (s98).

Table 18 Application Funding Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
B.5.1. Funding Awards	– Agree on a process for drawing down funds – Liaise with applicants whilst application is internally approved – Undertake DD before co-signing GFA/MoUs – Ensure finance make payments in accordance with the GFA/MoU
B.5.2. Funding Agreements	– Draft funding agreement – Reflect unique conditions agreed by the SC IC where necessary

B.5. Detailed Requirements

B.5.1 Funding Awards

Once the success of the GHNF Application has been formalised, the Supplier will liaise with the relevant applicant to determine whether they will accept the GFA/MoU.

The Supplier is required to undertake DD on successful GHNF Applicants before co-signing funding agreements (GFAs, MoUs), refer to Section B.3.3.

The Supplier is required to ensure that available funding for each financial year is deployed in line with GHNF policy on CDEL recognition for Section 31 and Section 98 SC Grant awards

Grant Awards. Grants to Local Authorities will be made under the provisions of Section 31 of the Local Government Act section 2003 (s31). Grants to all other applicants will be made under the Section 98 of the Natural Environment and Rural Communities Act 2006 (s98). S31 grants require the Buyer to seek approval from HM Treasury and then to obtain a Grant Determination Number from the Ministry of Housing, Communities and Local Government (MHCLG) before they can be paid.

S31 SC Grant Awards to Local Authorities crystallise the liability at the point when a Grant Determination Letter, containing a Grant Determination Number from MHCLG and signed by a senior civil servant in DESNZ providing the SC Grant Award, is sent to the Local Authority. This letter gives the full value of the grant to be paid to the Local Authority in the stated financial year and which is recognised within the Buyer's accounts.

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In a scenario where a Local Authority is awarded an SC Grant Award across multiple financial years, HM Treasury approval, followed by a new Grant Determination Number and Letter, is required in each year. Local Authorities are paid their grant for the year in one lump sum when they have fulfilled any conditions precedent outlined in their MoU. They are then expected to spend the funds in-year and be able to provide evidence of this.

For s98 SC Grant Awards, the recognition of CDEL is directly aligned to the Grant Recipient's incurrence of costs associated with the SC Grant Award. Funding to recipients of Section 98 grants is paid in arrears of spend and evidence, e.g. invoices, quantity surveyors' valuations etc. must be produced to support the claim before it can be paid.

The Supplier will agree on the process for drawing down the funds in collaboration with the Buyer during the SC Implementation Period.

The Supplier will be required to ensure Conditions Precedent have been met before funding can be drawn down.

The Supplier will be required to manage the process for notifying the Buyer's Finance function ahead of funding drawdown. The Supplier will be required to submit monthly CDEL/RDEL forecast reports to the Buyer on the 5th Working Day of each month.

This process will begin at the point of a formal application for funding from the GHNF Applicant, through to the payment of money to the applicant by the Buyer and will adhere to the points below:

- Following approval or conditional approval at SC IC, the Supplier will be required to liaise with the applicants to inform them of the likely outcome whilst the GHNF Application goes through an approval processes internal to the Buyer.
- The Supplier is required to undertake appropriate DD on the Grant Recipient as well as the GFA/MoU and drawdown funding requests submitted by SC Projects.
- Verification process for funding drawdown request made by s98 SC Projects should be undertaken by looking at a sample of invoices to confirm they support the associated activities and to evidence cash defrayal by the Grant Recipient.
- As part of verification process for funding drawdown requests made by s31 SC Projects, invoices and cash defrayal should be evidenced in line with monthly reporting requirements by SC Projects, up to the value of the SC Grant Award. S31 SC Projects will be required to submit evidence of spend (both invoices and evidence of defrayal) with their monthly Commercialisation/Construction M&R reports which will be also checked by the Supplier.
- If funding is accepted, the Supplier will tailor the GFA/MoU template as necessary (see Section B.5.2 Funding Agreements) and will obtain evidence of acceptance of the GFA/MoU from the GHNF Applicant (Grant Recipient) and submit the evidence to the Buyer. The Supplier needs to ensure that Grant Recipients countersign the GFAs/MoUs with the Buyer.
- Once the GFA/MoU has been signed by the Buyer, the Buyer will commission its Finance function to set up the Grant Recipient on the Buyer's business administration service (UKSBS). It will be the responsibility of the Supplier to provide all the necessary information to complete this exercise.

In the event that a GHNF Application is unsuccessful, the Supplier will engage with the GHNF Applicant to provide feedback and determine whether there is a possibility of their

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being able to apply again to a later SC Application Round with a revised GHNF Application. In a case where an offer of GHNF Grant Award is rejected by a successful GHNF Applicant, the Supplier will engage with them, and with the Buyer, to determine whether an alternative offer is feasible.

B.5.2 Funding Agreements

Funding agreements (GFAs/MoUs), including MTC action plans within GHNF Application Forms, provide the terms and conditions within which the SC Grant Award can be spent by the Grant Recipient and will need to be agreed upon and signed by the relevant parties for all SC Projects.

Using the process agreed as part of SC Implementation Period for the drafting of funding agreements, the Supplier will draft the GFA/MoU following an IC approval for a SC Project and will reflect the conditions agreed by the SC IC.

The Supplier will be required to tailor GFAs/MoUs as necessary to reflect the unique requirements for each SC Project and obtain the Buyer's approval for the GFA/MoU document.

Draft GFAs/MoUs must be shared with the Buyer, via the SC ICF, following the IC meeting for the Buyer's review. The Supplier must ensure that GFAs/MoUs are amended with any requirements that were raised by the SC IC and consequently reflected in the Investment Committee Output Report (e.g. as additional Conditions Precedent /Subsequent).

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C – Monitoring and Reporting

Should additional capital budget be approved for the GHNF scheme, the Supplier will be responsible for:

- Collating and processing GHNF application data and ensuring, as far as possible, that successful GHNF Applicants (SC Projects) are submitting accurate M&R reports in a timely fashion.
- Following MRCD to the end of the Order Contract, the Supplier will also monitor and report on the progress of SC Projects and forecast and monitor their spend. The Supplier will also seek, receive, and review their drawdown requests.

Regardless of whether additional capital budget is approved for GHNF scheme, following MRCD to the end of the Order Contract, the Supplier will be responsible for quarterly portfolio-level M&R of HNIP and GHNF-funded projects that have completed the drawdown of HNIP/GHNF funding. The Supplier will ensure, as far as possible, that these projects are submitting accurate M&R reports in a timely fashion.

Where projects are highlighting issues as part of M&R reporting, these need to be followed up with the relevant project and a decision made by the Supplier whether the issue needs to be escalated to the Buyer.

The Supplier will be required to report to the Buyer in two ways:

- Various summary reports setting out scheme-level and portfolio-level themes: spend-to-date, progress of project development, benefits realisation, issues and themes, supply chain etc. (SC Reporting Requirements are set out in Annex A); and
- Project-level data extracted from GHNF Application Forms and M&R reports submitted by GHNF Applicants /SC Projects /projects subject to quarterly portfolio-level reporting as JSON files batched into files of no more than 1,000 records per file.

Application and M&R processes require projects to submit MS Excel based templates: GHNF Application Form, Commercialisation/Construction M&R Report, and HNIP & GHNF Operational M&R Report.

SC Projects that are in the process of drawing down GHNF funding submit their Commercialisation/Construction M&R Reports monthly up to completion of delivery of GHNF-funded works (including commissioning), and quarterly after completion of GHNF funding drawdown.

SC Projects are required to submit Commercialisation/Construction M&R Reports from the first month after funding award and stop submitting them at the point when all construction works are fully and successfully completed. When a project becomes operational while construction activities are still on-going, the project will be required to report into the Supplier using both the Commercialisation/Construction M&R Report template and the HNIP & GHNF Operational M&R Report template during this period.

Each quarter the Supplier will need to provide a full export of data collected over the period from their database as JSON files uploaded to a DESNZ SharePoint folder (see Section A.4.1.2 for details).

The M&R regime will be developed by the Supplier such that additional administrative and data management services to provide the sharing of industry intelligence and M&R reports

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and data between Buyer capital schemes, the Heat Network Zoning Central Authority, Zone Coordinators, Ofgem, National Underground Asset Register (NUAR) and the Heat Network Technical Assurance Scheme (HNTAS) can be undertaken through manual and automated processes as required by the Buyer.

The Supplier will be responsible for accuracy, completeness and punctuality of reports submitted by projects impacting reporting to the Buyer. It is anticipated that some projects will not submit their M&R reports to the Supplier in a timely, complete or accurate manner.

The Supplier must report to the Buyer on critical data issues, including concerns regarding M&R data quality and availability. These issues will be documented in the SC Risk Register and Issues Log and reported to the SC Operations Board.

The Supplier's BDMs and M&R teams will provide support to SC Projects and any projects within the quarterly M&R portfolio, offering guidance as needed to resolve these issues.

The Supplier will be expected to establish processes to better ensure that Commercialisation/Construction M&R Reports and subsequent HNIP & GHNF Operational M&R Reports are received in a timely, accurate and complete manner. For further details on minimum requirements see Section C.4.1.1: Accuracy, completeness and punctuality of reports submitted by projects impacting reporting to DESNZ.

The Supplier will provide evidence to support performance monitoring of the Supplier by the Buyer.

Key Supplier roles during this phase include the PMO and scheme administration.

C. Monitoring and Reporting - High-level requirements table

Table 19 M&R High-level Requirements

Ref	Section	Ref	Subsection
C.1	M&R of SC Projects	C.1.1	Benefits Realisation Reporting (benefits delivered by the SC Projects funded)
		C.1.2	SC Reporting (administration of the GHNF scheme)
		C.1.3	Monitoring Regime
		C.1.4	Project Change Control in response to requests from all SC Projects
		C.1.5	Escalation/Remedial Action
C.2	Independent Evaluation	C.2.1	Independent Evaluation of GHNF scheme
C.3	Supplier Performance M&R	C.3.1	Supplier Performance Assurance
C.4	Quarterly Portfolio-level M&R	C.4.1	Quarterly portfolio-level reporting requirements
		C.4.2	Quarterly transfer of project-level M&R data
		C.4.3	Project Change requests from projects within Operational M&R

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C.1 M&R of SC Projects

Table 20 M&R of SC Projects - Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
C.1.1 Benefits Realisation Reporting	– Provide updates to the Buyer with project data for benefits monitoring – Monitor DD to ensure funding conditions are being met by SC Projects and changes do not impact objectives and/or benefits of the GHNF scheme – Monitor changes to technical/ commercial proposition
C.1.2 GHNF Reporting	– Flag non-compliance or fraud – Produce reports based on monitoring information reported by SC Projects – Increased awareness of Heat Network market – Track SC Projects to ensure risks are identified and that they are on track to deliver
C.1.3 Monitoring Regime	– Ensure accuracy of data being provided by applicants
C.1.4 Project Change Control	– Project Change Request report template and process – Project Change approval thresholds – Develop and operate Project Change control process to monitor approval/ rejection of proposed changes to SC Projects
C.1.5 Escalation/ Remedial Action	– The Supplier must have sufficient resources for the entirety of the Order Contract to provide support to SC Projects with identifying and mitigating risks

C.1. Detailed Requirements

Should additional capital budget be approved for the GHNF scheme, the Supplier will be required meet all requirements set out in Section C.1.

C.1.1 Benefits Realisation Reporting (benefits delivered by SC Projects)

The Supplier is required to work with the Buyer, via the SC ICF, to publish the MTC action plans from each funding round online, to drive transparency in the market, support open procurement and keep SC Projects to their commitments.

Benefits will be realised at different timescales of SC Projects (post-commercialisation or post-construction), but future benefits can be estimated using data from application forms or monitoring data from SC Projects (e.g. carbon savings), which will allow the Buyer to report on these benefits in advance of them being realised. This will let the Buyer understand if the GHNF scheme is on track to realise its benefits and objectives while the scheme is still ongoing and allow the Buyer to make improvements/adjustments if necessary.

The Supplier will need to update the Buyer with quarterly SC Project data for the purposes of benefits monitoring. These data sets will include project-level reports on their MTC action plans (as determined by CAPEX size and MTC action plan agreed at SC IC). This is in

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addition to providing the Supplier with monthly SC Dashboard, monthly SC Funded Projects report, and SC Annual Benefits report).

C.1.2 GHNF Reporting (administration of GHNF scheme)

The Supplier will undertake reporting that:

- Tracks performance of the SC Projects, understanding risks and how they are managed.
- Ensures SC Projects are meeting any conditions of their funding and are on track to deliver.
- The Supplier will also use the data to support SC Projects and work with them to find solutions to any risks that affect their ability to draw on funding to agreed payment schedules.
- Allows the Buyer to understand if benefits and objectives are on track to being met.
- Assesses delivery against the SC Project Plan, and the value for money achieved through the GHNF scheme.
- Increases understanding of the Heat Network market, operations and consumer experience, to inform future Heat Networks policy decisions.
- Monitors changes to the technical solution or commercial proposition.
- Monitors and reports non-compliance or fraud.

For more information on the SC Reporting Products that the Supplier will have to produce, see Annex A.

C.1.3 Monitoring Regime

The Supplier will operate the monitoring regime established and agreed with the Buyer during the SC Implementation Period to ensure the accuracy of data being provided by applicants through the application process and as part of the monitoring of SC Projects. This could include physical visits as well as desk-based checks.

The Supplier will monitor and report SC Project progress against MTC action plans agreed as part of the GFA/MoU.

During the application assessment period, the Supplier will ensure that construction funding applications from projects that were commercialised with support from the GHNF Transition Scheme or the GHNF scheme still meet GHNF funding eligibility criteria and any changes to those projects do not have a detrimental impact on objectives and/or benefits of the GHNF scheme.

Project-level M&R data (JSON records), including MTC updates and data on draw down of funds by SC Projects and project forecast of spend within current and future financial years, will be shared with the Buyer on a quarterly basis as part of quarterly transfer of data collected by GHNF Commercialisation/Construction Report template and HNIP & GHNF Operations M&R Report Template. (appended in Annex E.I, E.J).

The Supplier must be able to run queries on project-level M&R and application data collected under this contract (up to 10 per quarter).

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C.1.4 Project Change Control

The Supplier will operate a Project Change request process to be agreed with the Buyer during the SC Implementation Period to consider and approve or reject any Project Change requests proposed by SC Projects and all projects within quarterly portfolio-level M&R. Such Project Change requests are likely to concern changes to project's forecast benefits, cost, timeframe, and /or scope during delivery.

The Project Change request process should provide a framework for the assessment of the potential impact of implementing the requested Project Change. This should include whether or not such changes are required to undergo a separate approval by the SC IC which will be in conjunction with Section C.1.4.1 additional funding requests.

The Supplier will be required to review Project Change requests submitted by projects and consider whether it requires the Buyer's approval. To present the Buyer with a Project Change Request, the Supplier will prepare a Project Change request report. The Supplier is required to deliver a template for this Project Change request report and agree it with the Buyer during the SC Implementation Period.

C.1.4.1 Additional Funding Requests

Using the agreed Project Change request process, the Supplier will assess and operate requests for additional capital funding that SC Projects submit to the Delivery Partner. The Supplier will reflect results of its Project Change request assessment in a Project Change request report and submit it to the Buyer for consideration. The exact Project Change request process and approval levels will be discussed and agreed during SC Implementation Period.

C.1.5 Escalation/Remedial Action

The Supplier must be sufficiently resourced for continual engagement post-approval of the SC Project, in order to provide support to mitigate project-level risks and to ensure accurate reporting by SC Projects.

C.2 Independent Evaluation

Table 21 Independent GHNF Evaluation Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
C.2.1. Independent Evaluation of GHNF scheme	– Allow an independent evaluation to be undertaken by co-operating with the evaluation contractor – Provide data when required – Provide information on benefits realisation when required

C.2.1 Independent Evaluation of the GHNF Scheme

An independent evaluation contractor has been appointed to evaluate the overall GHNF scheme. They are independent of the Supplier, appointed through a separate procurement and contract.

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The evaluation began at the beginning of the GHNF scheme in 2022 and will conclude in March 2027. An interim evaluation report is expected to be published in 2024.

The Supplier will be expected to engage constructively with, and where necessary participate in, the evaluation. This will include taking part in interviews as part of the evaluation.

The Supplier will be expected to share any necessary data with the evaluation contractor. This will include data from SC Projects as well as data from projects within quarterly portfolio-level M&R. The Supplier will be expected to share contact details for projects to facilitate surveys and interviews.

Projects will be required to participate fully in any required evaluation as part of their funding agreement.

The Independent Evaluation activities will continue to take place at least annually. Supplier participation in interviews will be annual but engagement with the evaluation will be more regular to provide project data and contact details.

The GHNF scheme is also subject to annual Gateway Reviews, coordinated by the SC ICF, where independent practitioners from outside of the SC ICF examine the progress and likelihood of the successful delivery of the scheme. The Gateway Reviews are used to provide an additional perspective on the issues facing the delivery team and an external challenge to the robustness of plans and processes.

Gateway Reviews consist of a documentation review and a series of interviews with members of the Supplier's delivery team and members of the SC ICF. The Supplier may be asked to share key SC documentation and participate in the interviews with the Review Team as part of the review process.

Throughout the contract term, the GHNF scheme and this Order Contract will be subject to several Gateway Reviews; these will include:

- Gateway Review 0 combined with Gateway Review 4 (starting as soon as in March 2025). Gateway Review 0 is a strategic assessment review of the GHNF scheme. Gateway Review 4 scrutinises readiness for contract implementation and scheme delivery.
- Gateway Review 5a (likely in March 2026) which will review operations and benefits realisation at the end of year 4 of the GHNF scheme.
- Gateway Review 5b (likely in June 2029) which will review benefits realisation and Order Contract Exit Plan in advance of scheme closure.

More information on the purpose/ scope of each Gateway Review can be found here: <https://www.gov.uk/government/collections/infrastructure-and-projects-authority-assurance-review-toolkit>

The Supplier will be required to make the appropriate resources available to participate in the Buyer's GHNF Gateway Reviews.

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The Supplier will be required to provide key documents and engage in interviews with the delivery team when requested to do so.

The Supplier is required to make available the correct and appropriately senior staff to participate in any internal assurance activity.

In collaboration with the Buyer, the Supplier must be prepared to adjust delivery of the SC, design of the GHNF scheme, and/or the scheme operation in line with the review outputs.

C.3 Supplier Performance M&R

In addition to M&R of project performance and scheme performance (in meeting scheme objectives), the Supplier will also report on their own performance in operating the GHNF scheme on behalf of the Buyer.

This will include the Service Levels, service targets (see Order Schedule 14) and reporting metrics (Table 34) identified in the Order Contract Terms and Conditions, as well as data points linked to other activities included in the requirements.

The data collected on Supplier performance in relation to stakeholder engagement activity is set out in Table 22. **Should additional capital budget be approved for the GHNF scheme**, this data will be reported in the Stakeholder Engagement and Communications Report and Plan provided to the SC Operations Board, as set out in Annex A.

Table 22 Supplier Performance M&R Key Outputs and Outcomes

Data	Content	Frequency
Satisfaction Data	Collated feedback from the satisfaction surveys issued after each engagement /email /event /workshop /forum /focus group	Quarterly
Events Activity Data	Includes the frequency, attendance, themes and other activity from stakeholder forums and events /workshops	Quarterly
Communication Activity Data	Includes the media engagement, articles published, social media activity (followers, shares and reactions) in the previous quarter	Quarterly
PR Metric Data	Analysis of PR metrics such as opportunities to see and AVE	Quarterly

C.3.1 Supplier Performance Assurance

The Supplier will be required to make the appropriate resources available to participate in the Buyer's Supplier Performance Reviews.

The Supplier is required to make available the correct and appropriately senior staff to participate in any internal assurance activity.

Through agreement with the Buyer, the Supplier must be prepared to adjust their processes, products or operation in line with the review outputs.

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C.4 Quarterly Portfolio-level M&R

Quarterly portfolio-level M&R requirements of this Order Contract cover projects that have been funded through the following capital schemes:

- The Heat Network Investment Project Pilot (HNIP Pilot)
- The Heat Network Investment Project (HNIP)
- The Green Heat Network Transition Scheme (GHNF Transition Scheme)
- The GHNF scheme

These requirements are in addition to M&R of SC Projects.

The Supplier will be responsible for ensuring, as far as possible, that projects that have received awards under these four schemes are submitting accurate M&R reports in a timely fashion.

Where projects are highlighting issues, these need to be followed up with the project and a decision made by the Supplier whether the issue needs to be escalated to the Buyer (the Department).

The Supplier will be required to report to the Buyer in two ways:

- Summary reports for the two main schemes (HNIP and GHNF) setting out portfolio-level themes (spend-to-date, progress of project development, benefits realisation, issues and themes, supply chain etc.); and
- Project-level data extracted from the reports submitted by individual projects as JSON files batched into files of no more than 1000 records per file.

Table 23 Quarterly portfolio-level M&R - Detailed Requirements

Ref	Subsection	Key Outputs /Outcomes (not exhaustive)
C.4.1	Quarterly portfolio-level reporting requirements	Quarterly Portfolio-level M&R Reports
C.4.2	Quarterly transfer of project-level M&R data	– Quarterly transfers of project-level M&R data from the Supplier to the Buyer – This will include application data, should additional capital budget be approved for the GHNF scheme
C.4.3	Project Change requests from projects within Operational M&R	– Project Change Request report template and process – Project Change approval thresholds

C.4. Detailed Requirements

The Supplier must meet the requirements set out in this section (Section C.4) notwithstanding approved additional GHNF capital budget or absence thereof.

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For each of the two main capital schemes (GHNF and HNIP), the Supplier will need to provide **quarterly reporting to DESNZ**.

As part of quarterly portfolio-level M&R, the Supplier will become responsible for M&R of HNIP-funded projects and some GHNF Projects from MRCD. GHNF Projects will be handed over to the Supplier by the GHNF Delivery Partner for quarterly portfolio-level M&R on a project-by-project basis once a project has drawn down its GHNF Grant Award. Such project transfers will be scheduled as and when needed and could happen as frequently as monthly. First such projects will be handed over to the Supplier as part of the SC Implementation Period and the Supplier will become responsible for their M&R from MRCD.

The Supplier should note that not all projects within the scope of quarterly portfolio-level M&R will be fully operational; some projects are likely to be still in construction phase with construction activities funded from non-GHNF sources.

For details on HNIP portfolio reporting refer to Section A.4.1.1.1. For details on GHNF portfolio reporting see Section A.4.1.1.2.

Additionally, the Supplier must upload project-level M&R data to the Buyer's SharePoint site on a quarterly basis using JSON files. This includes application data if any additional capital budget is approved.

C.4.1 Quarterly portfolio-level reporting requirements

The Supplier will be required to collate M&R reports from projects that have been supported by HNIP and/or GHNF schemes. These projects will have completed the drawdown of HNIP/GHNF funding.

These projects will be reporting to the Supplier quarterly using the HNIP Operations Report template, GHNF Operations Report template, HNIP Commercialisation/Construction M&R Report template, or GHNF Commercialisation/Construction M&R Report Template depending on their project stage and whether they have received funding from HNIP or the GHNF scheme.

The Supplier will receive these M&R reports quarterly and based on this project-level M&R data, deliver a Quarterly Portfolio-level M&R Report to the Buyer. The Supplier submits it to the Buyer 1 month following the date for M&R report submission set for the projects within the quarterly M&R portfolio for a given reporting period.

Quarterly Portfolio-level M&R Report template will be designed by the Supplier and finalised in collaboration with the Buyer during the SC Implementation Period through the Data and M&R Working Group. See Section A.4.1.1 for details.

Detailed requirements associated with the run up to MRCD are set out in Section A.4.1.

C.4.1.1 Accuracy, completeness and punctuality of reports submitted by projects impacting reporting to DESNZ

It is anticipated that a number of projects will not submit their reports in a timely, complete or accurate manner. The Supplier will be expected to establish processes to ensure that

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reports are received in a timely, accurate and complete manner from projects. As a minimum this must include:

Not submitted

Tier 1: Automated chase emails;

Tier 2: If Tier 1 has failed: a phone call / personalised email;

Tier 3: If Tier 2 has failed, where continued failure to submit in a timely manner, or there is a persistent poor level of reporting:

- Send a template DESNZ headed letter notifying them of their obligations under either the GFA or MoU (as appropriate). This template letter will be agreed between the Supplier and the Department within the contract period.

Tier 4: If Tier 3 has failed:

- Notify the Department contract manager and a bespoke letter will be drafted by an appropriate DESNZ official and sent to the CEO (or equivalent) of the Grant Recipient organisation informing them of their failure to meet reporting obligations that formed.

Service Level 6 will monitor the performance of the supplier with regards to Tier 1, 2 and 3 actions. It is important that the supplier embeds and enforces these actions before escalation to the buyer in Tier 4.

Inaccurate

The Supplier must review each report submitted by a project that has received investment from the GHNF scheme, HNIP, GHNF Transition Scheme and/or HNIP Pilot and assess the accuracy of the information reported. While the Supplier will not be able to comment on whether a value is “correct”, it will be able to assess if a value appears “reasonable”. This can be established through an understanding of the application data which will be made available to the Supplier on contract award. For example, where a report submits an annual heat demand of 10,000 kWh but the project was forecasting 10GWh, then a clarification would be submitted to the project querying the value submitted.

Further, while templates have data validation, we are aware that some projects do not use Microsoft Excel to amend Microsoft Excel spreadsheet templates used. This can cause data validation rules to be ignored resulting in text being submitted where values are required. It is essential that the Supplier goes back to the project and ensures that values are submitted where a value is required. Prospective Suppliers are welcome to suggest/develop alternative methods of data collection providing they do not deviate from the data requirements in the Excel template.

Incomplete

Where templates have not been completed, responses are too brief or dismissive (e.g. “n/a” when they do need to provide an update) then the Supplier needs to have in place a system that will pick this up and prompt a follow up email / call requiring them to complete the template and resubmit it to the Supplier.

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Further implications for reporting to Department for Energy Security and Net Zero

For each report that the Supplier provides to DESNZ, for a given capital scheme, a section of the report must set out which projects have failed to meet the reporting expectations for the reporting period against accuracy, completeness and punctuality. The Supplier needs to have in place **a system that will identify the root causes of the reporting failure and an escalation process to manage inconsistent reporting**. DESNZ may identify errors in the data as they use it, and the Supplier is expected to follow up on issues identified by DESNZ.

C.4.1.2 Engaging with projects and escalating issues to DESNZ

The Supplier is expected to be the first point of contact if a project encounters a problem that may impact forecast outcomes relating to: the timing of benefits realisation and/or the extent of benefits realisation.

Where projects indicate a “Red” RAG rating in their submitted report, the Supplier is required to contact the nominated project lead within five Working Days having received the report. For projects that have yet to make grant drawdowns either in the current or future financial years (**should additional capital budget be approved for the GHNF scheme**), the Supplier must assess whether the “Red” RAG rating is likely to impact the grant drawdown timing and/or if there is a significant enough change in the project’s timing or extent to warrant escalation with DESNZ outside of the quarterly reporting cycle. As part of quarterly reporting all projects should be given a RAG including reason for RAG and movement up/down from the previous reporting period.

C.4.2 Quarterly transfer of project-level M&R data

The DESNZ Heat Network Data Team manage a relational database that stores all heat network project data across the various schemes and programmes that DESNZ manages. Each data point that is gathered within an M&R template must be provided to DESNZ as part of this contract. Most of HNIP/GHNF reporting templates have been mapped to existing tables within the database. This means that a minimal change to the reporting templates is expected to be made during the Implementation Period.

The Supplier is required to collate all these datapoints from the MS Excel templates and export these as batched JSON files that are uploaded to a DESNZ specified folder on the frequency and timing required for a given DESNZ capital scheme. The frequency of this M&R data transfer is anticipated to be quarterly and will be confirmed with the Buyer during the SC Implementation Phase.

If additional capital budget is approved for the GHNF scheme, the Supplier must include the application data of all successful GHNF Applicants (captured in GHNF Application Forms) from the specified application round in the next M&R data transfer after the IC meeting.

These data sets will be transferred to the Buyer in JSON files. The JSON files must be batched to include no more than 1000 records per file. For a given table, records must be sorted in “Newer to Older” such that a given table’s first export batch file reflects the latest records imported into the Supplier’s database. This is to help the Buyer prioritise its import sequencing.

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The Supplier must be able to run queries on project-level M&R collected under this contract (up to 10 per quarter).

For details on database design and JSON outputs see Section A.4.1.2

C.4.3. Project Change requests from projects within quarterly portfolio-level M&R

As part of quarterly portfolio-level M&R, the Supplier will be required to review any Project Changes submitted by projects within the scope of quarterly portfolio-level M&R. The Supplier will be required to consider whether the proposed Project Change requests require the Buyer's approval and if so, prepare a Project Change Request report for consideration and approval by the Buyer at IC meeting or the SC Operations Board. Further details on Project Change control are set out Section C.1.4.

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D. Continuous Elements

Following MRCD to the end of the Order Contract, the Supplier will be required to:

- Operate the agreed processes, systems, and products to effectively manage and govern the SC.
- High-level requirements include management and governance of the SC and GHNF scheme delivery, budget management, risk management, continuous improvement, data management, and supplier resourcing.

Key Supplier roles and capabilities during this phase include a PMO, scheme administration (i.e. forecasting and budget management) and communications.

D. Continuous Elements – High-Level requirements table

Table 24 Continuous Elements High-Level Requirements

Ref	Section	Ref	Subsection
D.1	PMO		
D.2	Budget Management		
D.3	Risk Management	D.3.2	Gaming/Fraud Mitigation COI Management Plan
D.4	Continuous Improvement		
D.5	Data Management	D.5.1	Updates of SC documents
		D.5.2	Submitting reporting data
D.6	Supplier Resourcing		

D.1 Project Management Office

Table 25 PMO Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
D.1 PMO	– Project Management Products reviewed and updated monthly – Project Management Products shared with the Buyer monthly – SC administration tasks will be regularly monitored to ensure timely delivery of reports and filing of documents will need to remain organised

The Supplier will be required to operate a PMO function with the processes agreed during the SC Implementation Period to deliver the GHNF scheme.

The PMO will ensure the adoption of a standardised set of project management tools and processes across SC Projects supported by the fund.

The Supplier PMO will be required to produce and maintain key project management products to ensure the effective management of the SC and GHNF scheme.

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These products will be made available for review by the Buyer as part of the circulation of board papers for the SC Operations Board meetings, for the full list refer to A.1.3.

In the event of a consortia/ subcontractor arrangement, the Supplier's PMO will be responsible for the integration of any Key Supplier and subcontractor team members and standardisation of process across such subcontractors.

Table 26 Objectives of regular meetings between the Supplier and the Buyer post GHNF implementation

	SC Operations Board meetings	Progress Meetings
Purpose	Decision Making	Reporting
Objectives	– Monitor SC Project progress, against a Joint Delivery Plan. The Joint Delivery Plan will be developed by the Supplier during the SC Implementation Period – Manage and monitor the SC, GHNF scheme, and (should additional capital budget be approved) individual SC Project-level risks using a joint SC Risk Register. – The Supplier will be responsible for agenda-setting. Minimum agenda points expected to be discussed in those calls is set out in Section A.3.2.1.	– Use the project management tools agreed during the SC Implementation Period to provide regular progress updates to the Buyer. – The Supplier will be responsible for agenda-setting. – The Supplier may use this as an opportunity to raise ad-hoc topics and issues with the Buyer for decision-making and guidance. – The Supplier will be responsible for agenda-setting. Minimum agenda points expected to be discussed in those calls is set out in Section A.3.2.2.

The Supplier shall regularly update the programme document library, filing, recording, and reporting systems. This includes ensuring that all GHNF Applications and corresponding evidence are uploaded into the correct SharePoint folders (or equivalent), following the file structure agreed by the Buyer. The Supplier will need to regularly update and monitor the file structure to ensure that the filing of documents remains in order and continues to meet the Buyer's needs.

The Supplier will ensure that all agreed project management methods, standards, and processes are maintained throughout the programme.

The Supplier will coordinate the production of all reports and ensure they are delivered to the Buyers in a timely manner as set out in Annex A.

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D.2 Budget Management

Table 27 Budget Management Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
D.2 Budget Management	Quarterly Financial Report is provided to the Buyer at the end of each financial quarter. – The year-end financial report is provided to the Buyer at the end of March each year. – Should additional capital budget be approved for GHNF scheme, produce annual forecasts for CDEL/ RDEL spend, updated monthly, including clear SC Project milestone dates as set out in the project-level GFAs/MoUs indicating when DESNZ finance need to release funds with sufficient time to act upon.

The Supplier must comply with the HMT guidance ‘Managing Public Money’⁵ and ensure that all funds spent will be used responsibly and for the purposes intended.

The Supplier will be required to:

- At the beginning of each financial year, submit to the Buyer a GHNF capital budget (CDEL) forecast and the GHNF scheme administration budget (RDEL) forecast, detailing how the GHNF budget will be spent across the financial year. The CDEL forecast will be based on assumptions around funding SC Projects and the RDEL forecast will be based on agreed Implementation Deliverables. If additional capital budget is not approved for the scheme, the Supplier will be required to submit RDEL forecasts only.
- The above CDEL/RDEL forecasts will need to be updated monthly to reflect application outcomes and SC Project drawdown forecasts. The Supplier will be responsible for continuous management of the budget forecasts and financial information.
- At the end of each financial quarter, the Supplier is required to submit financial information (Quarterly Financial Report, see Annex A for more information) to the Buyer and flag any risks, noting on the internal and shared risk registers, to previously profiled spend distinguishing between capital spend and administration spend and take forward mitigating actions well before the end of the financial year.
- For the financial year-end (end-March), the Supplier will need to send the Buyer financial information for its year-end reporting process by eight Working Days before the end of March, including any committed spend for the next financial year (which will be within the previously notified parameters around future commitments), so accruals can be set.

The Supplier will be required to manage CDEL budget only **should additional capital budget be approved for the GHNF scheme.**

⁵ [Managing public money - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/managing-public-money)

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D.3 Risk Management

Table 28 Risk Management Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
D.3.1 Risk Management	– Updating of Risk and Issue Management Strategy as required – Risks and issues identified, assessed and shared with the Buyer – Mitigations identified and executed to reduce risk and issue exposure – SC Risk Register reviewed and updated on a monthly basis
D.3.2. Conflicts of Interest Management Plan	Ongoing management of: – COI Management Plan – Conflicts Register – Resource Plan
D.3.3. Gaming/ Fraud Mitigation	– Set of controls to mitigate against fraud risk including a process to minimise gaming risk – Procedure for managing whistleblowing and reporting instances and content to the Buyer

The Supplier will be required to continuously manage risk for the SC and the GHNF scheme.

Risks and issues will be shared with the Buyer using a shared SC Risk Register.

The Buyer will provide written guidance and definitions for the assessment of risks and issues in terms of likelihood and probability.

D.3.1 Risk Management

The Supplier will identify and execute mitigations to reduce the level of exposure for each identified risk, documented through a shared SC Risk Register presented at the SC Operations Board.

The Buyer will provide any updates to written guidance and definitions i.e. risk probability scales and definitions.

This section should be read in conjunction with Order Schedule 15 (Order Contract Management).

D.3.2 Conflicts of Interest Management Plan

The Supplier will maintain a Conflicts of Interest Management Plan and Conflicts Register (created during the SC Implementation Period) that is updated as required throughout the duration of the Order Contract.

The Supplier will be expected to operate a resource plan which is appropriate to deliver the requirements of the agreement along with mitigating any risk or perceived risk, of COI.

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D.3.3 Gaming/Fraud Mitigation

The Supplier will be required to:

- Manage the risk of gaming by GHNF Applicants and develop processes to identify and minimise this risk.
- Undertake a comprehensive review of fraud risk in the application of the GHNF scheme and develop a series of mitigating controls, which will be kept under review throughout the scheme's operation and undertaken at least annually.
- Align their Fraud Strategy to Government Functional Standard 13 – Counter Fraud.
- Operate the procedure for managing whistleblowing and report instances and content to the Buyer as necessary.

The Buyer reserves the right to carry out an independent assessment of the Supplier's gaming/fraud controls and processes to ensure that they are fit for purpose.

The Supplier shall be responsible for ongoing training requirements in accordance with the Resource and Training Plan.

D.4 Continuous Improvement

Table 29 Continuous Improvement Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
D.4. Continuous Improvement	– Process for continuous improvement, linked to the change control process – Lessons learned log (as part of the Continuous Improvement Log) shared with the Buyer on a quarterly basis – Identify changes as a result of continuous improvement exercises to be considered through the change control process – Support independent assessment, including engagement with evaluation research for the delivery of the GHNF

D.4 Continuous Improvement

The Supplier will develop a process to continuously improve and capture learnings from the SC and the GHNF scheme.

The Supplier will be required to maintain a quarterly review cycle for the duration of the SC and ensure that there is an iterative continuous improvement approach to SC products and operational delivery. This includes:

- The Supplier will be required to review all GHNF scheme design elements and embed them in operational delivery planning.
- Recommend operational improvements and alterations for consideration by the Buyer if necessary. Taking into consideration operational performance against reporting metric performance ranges when developing improvement proposals. The Supplier will need to report on the SC performance to the Buyer in the PMR, refer to Annex A for further detail. Refer to Order Schedule 15 (Order Contract Management) for more information on the Service Levels.

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Should additional capital budget be approved, develop a continuous improvement approach to the application process review cycle.

The Supplier and Buyer will be required to agree on the process for any adjustments due to unforeseen changes to scheme design during the SC Implementation Period.

Any proposed changes to the GHNF processes must be agreed upon with the Buyer before their implementation.

The Supplier will need to collate acquired learnings and present recommendations to the Buyer as part of the GHNF improvement process through the continuous improvement cycle and implement agreed changes, this includes integration of findings from independent evaluators, as well as guidance on MTCs, should additional capital budget be approved.

The Buyer will review the results from the independent evaluation and confirm what findings should be acted upon and/or potential solutions to resolve any potential shortcomings.

Any changes to the SC documents or processes agreed as a result of the continuous improvement process must be appropriately communicated to stakeholders, including applicants and potential applicants.

The Stakeholder Engagement and Communications Plan (as part of the Stakeholder Engagement and Communications Report and Plan) will be updated quarterly during the Order Contract and presented to the Buyer as part of the Stakeholder Engagement and Communications Report and Plan, **should additional capital budget be approved**.

The Supplier will engage with the Independent Evaluators as required, to support an independent evaluation of the GHNF scheme and ensure co-ordination of activities i.e. to avoid duplicating surveys or demands on SC Projects.

The Supplier is required to:

- Provide a report to the Buyer which outlines any proposed improvements to management and performance of the SC and the GHNF scheme.
- Participate in evaluation research (across a range of people in the Supplier involved in delivery, assessment, management, investment etc.) including in-person attendance at workshops, and additional provision to respond to ad-hoc data requests.
- Capture any lessons learned within a Lessons Learned Log to be shared with the Buyer (refer to Annex A for further detail).
- Consider and respond to recommendations from the independent evaluation, see Section C.2.1, which the Buyer has commissioned to take place throughout the Order Contract term.

D.5 Managing Data and Information

The requirements to be delivered under the Order Contract will generate significant volumes of data (both quantitative and qualitative) that will need to be effectively managed by the Supplier and reported to the Buyer.

Data collected will be both qualitative and quantitative and not just metrics used for monitoring purposes. Some data collected through this Order Contract and the GHNF

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scheme will be classified as Personal Data under UK GDPR. Commercially sensitive data will also be received.

A DSA is required to be developed in agreement with the Buyer during the SC Implementation Period. Knowledge sharing processes should also be agreed upon as part of Implementation.

Management of personal data will need to comply both with the UK GDPR, PECR and any other relevant legislation.

Table 30 Managing Data and Information Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
D.5. Managing Data and Information	– Remain compliant with relevant data protection legislation – Remain compliant with UK General Data Protection Regulation – Remain compliant with the privacy notice, data protection policy and Security Management Plan – Regularly update SC documents – Submit reporting data

D.5 Data Management

GHNF data will include information generated during the GHNF scheme implementation and monitoring of SC Projects (should additional capital budget be approved) and other projects within the scope of quarterly portfolio-level M&R. This could include, but is not limited to, the content of application materials, communications between applicants and the Supplier during the submission, assessment, scoring and award stages and subsequent information collected for the operation of the GHNF scheme, including the contents of monitoring reports.

The Supplier is required to:

- Comply with Joint Schedule 11 in relation to processing data
- Develop a secure case management system and a data repository hosted by the Buyer to store GHNF data and facilitate reporting.
- The DSA will include making sure that consent to share contact details etc. with the evaluation contractor is built into the GFAs and MoUs for SC Projects, and the requirements for the Supplier.

D.5.1 Update of SC Documents

SC documents may need updating as part of the Continuous Improvement process throughout the Order Contract.

The Supplier will update SC documents as required and communicate changes to potential applicants via the Buyer's and Supplier's GHNF webpages, BDMs and other appropriate channels.

The Supplier will ensure that the Buyer has reviewed and approved changes prior to publication and must ensure a version control process is in place.

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Updates made to SC documents will be submitted to the SC Operations Board for approval.

D.5.2 Submitting reporting data

The Supplier will operate a secure transfer mechanism to transmit the data identified in Implementation for the periodic reporting to the Buyer in the required formats.

The Buyer from time to time may need to report new data to Central Government. The Buyer may ask the Supplier to make reasonable updates to data templates and to the mapping of backend systems.

D.6 Supplier Resourcing

The Supplier will need to ensure they have and maintain sufficient resources with the appropriate range of skills and experience (refer to Section A.5 for more detail) needed to deliver the requirements set out in Order Schedule 20 (Order Specification).

Key to the successful delivery will be the knowledge, across a range of specialist multi-disciplinary skills spanning technical, financial, commercial and legal aspects of Heat Networks.

The Supplier should operate and manage a resource plan which is appropriate to deliver the requirements of the agreement along with mitigating any risk, or perceived risk, of COI.

Table 31 Supplier Resourcing Key Outputs and Outcomes

Ref	Key Outputs /Outcomes (not exhaustive)
D.6. Skills and Experience	– Have sufficient resources with appropriate skills and experience – Monitor resource profile to ensure suitable fit with requirements of the programme

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E. Exit

The Supplier must always be prepared for Order Contract exit. During the Implementation Period, the Exit Plan will be developed, in accordance with DPS Order Schedule 10 (Exit Management) and agreed with the Buyer. It will then be updated regularly during the Contract term.

Exit is considered an integral part of the Contracts operation and stability and is not confined to arriving at Exit at the natural end of contract life but instead must be sufficiently defined to enable a coordinated, efficient, and cost-efficient exit of the Contract in the event of early termination by either party at any time.

On expiry of the Order Contract or in the event of any Termination Notice under the Order Contract, (whether by the Buyer or the Supplier), the Supplier shall:

- Comply with such reasonable instructions as the Buyer may provide in respect of the following matters: (a) the administration of the GHNF scheme under the SC; and (b) communications in relation to the GHNF administered under the SC, including instructions requiring the Supplier to cease or modify particular communications directed at GHNF Applicants.
- On being requested to do so from time to time, the Supplier shall promptly include in its current Order Contract Exit Plan such provision in relation to the matters above as the Buyer may reasonably require.

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Annex A – Supplier Reporting Requirements

Figure 5 Indicative reporting and governance quarterly cycle

	Example Quarter											
Month												
Week	1	2	3	4	1	2	3	4	1	2	3	4
Monthly Operations Board	Week 1 - monthly papers submitted Monthly papers include: • SC Dashboard • SC Programme • Performance Monitoring Report • SC Risk Register • Change Control Log • Other monthly deliverables, e.g. Project Change Request Report(s), SC Pipeline document <i>(should additional capital budget be approved)</i>				Week 1 - monthly papers submitted				Week 1 - monthly papers submitted			
	Week 2 - Operations Board meeting				Week 2 - Operations Board meeting							
Quarterly Operations Board									Week 1 - monthly and quarterly papers submitted Quarterly papers include: • Quarterly Financial Report • Lessons Learned Log • Market Intelligence Report • Stakeholder Engagement and Communications Report and Plan • Quarterly Finance Summary • Quarterly M&R Report • Other quarterly deliverables, e.g. Cost of Delivery Report, Continuous Improvement Report etc.			
									Week 2 - Operations Board meeting			
Monthly contract-focused Progress Meeting			Week 3 - monthly papers submitted: These include: • SC Risk Register • SC Programme • Resource and Training Plan • Change Control Log • Performance Monitoring Report				Week 3 - monthly papers submitted:				Week 3 - monthly papers submitted:	
				Week 4 - meeting				Week 4 - meeting				Week 4 - meeting
Monthly project-focused Progress Meeting		Week 2 - monthly papers submitted These include: • Draft Project Change Request Report(s) • Funded Projects Report <i>(should additional capital budget be approved)</i>					Week 2 - monthly papers submitted			Week 2 - monthly papers submitted		
			Week 3 - meeting				Week 3 - meeting				Week 3 - meeting	
The SC Investment Committee will meet on a six-monthly basis <i>(should additional capital budget be approved)</i> and the following papers will be submitted the week before/after the meeting: • SC Investment Committee Input Report • SC Investment Committee Output Report Pre-Investment Committee meeting will be organised by the Supplier with the Buyer's IC members circa 3-4 weeks prior to the IC meeting												

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Table 32 Additional reports

Annually to SC Operations Board	As required to SC Operations Board
– Order Contract Exit Plan – Annual Review – Continuous Improvement Plan – Information Security Management Plan and Security Management Plan – Annual Benefits Report	– Data Protection Policy incl. DSA

Table 33 Reporting products

Report Name	Purpose of Report	Scope	Forum	Frequency	Format	Template to be provided ⁶
Performance Monitoring Report	To update the Buyer on performance against all Service Levels (alongside other indicators), any failures, and/or rectification plans. To keep a historical record of performance against Service Levels.	Format of the report to be agreed with the Buyer during the Implementation Period. Must include the provision of evidence against relevant Service Levels, particularly against BDM activities.	SC Operations Board	Monthly	Excel	Yes
SC Annual Benefits Report (used only should additional capital budget be confirmed)	Summary report covering progress against Project direct benefits (primary and secondary) for the GHNF scheme.	Primary benefits: – Volume of thermal energy supplied from GHNF Projects (TWh/year) – Average carbon intensity of GHNF Heat Networks (kgCO₂e/kWh) – Carbon and air quality savings (damage cost, £m)	SC Operations Board	Annual	Word (supporting material to be produced in Excel)	Yes

⁶ Where templates are currently in use by the Buyer for other programmes these will be made available to the Supplier at contract award, however, the Supplier can update, iterate or propose alternatives for agreement during the SC Implementation Period.

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Report Name	Purpose of Report	Scope	Forum	Frequency	Format	Template to be provided ⁶
		- Third-party/private funding leveraged (as a % of total CAPEX) Secondary benefits: - Volume of thermal energy supplied from recovered heat GHNF Projects (TWh/year). - Direct jobs created (FTE)/no of open procurements/% of project procurement through open procurement/no. of new entrants to supply chain - No. of Heat Networks contracted into flexibility markets/no. of HNs exposed to spot pricing/no. of HNs with centralised thermal storage (DSR) - No. of HNs recovering cooling/Increase spending on R&D				
Annual Review	Reviewed by the Buyer and any recommendations discussed in an Annual Review meeting.	Annual review to capture: - Executive Summary - Execution of requirement - Service Level Review - Highlights - Continuous Improvement activity - Financial standing - Order Contract changes - Conclusions - Forward look for the year ahead	Annual Review meeting	Annually	Word	No
Change control log	Monitor change across the SC.	Includes all changes to the SC Project Programme and individual milestones, with corresponding status updates.	Operations Board	Fortnightly	Excel	No

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Report Name	Purpose of Report	Scope	Forum	Frequency	Format	Template to be provided ⁶
			Contract-focused Progress Meetings			
GHNH/HNIP Commercialisation & Construction M&R Reports	Inputs from HNIP/GHNH/SC Projects, managed by the Supplier.	The information is included in the Quarterly Portfolio-level M&R Report, SC Dashboard, and SC Funded Projects Report (should additional capital budget be approved)	N/A	Monthly /Quarterly (post funding drawdown)	Excel	Yes
Lessons Learned Log	Findings discussed at the Operations Board.	As part of the Continuous Improvement process, the Supplier will capture any lessons learned and associated findings (i.e. any proposed improvements to service delivery). By reflecting on the programme performance from the previous period, the Supplier should identify opportunities and changes as a result of Continuous Improvement exercises. Should additional capital budget be approved, capture lessons learned from the application assessment moderation process to ensure that any common themes that result in application failure can be communicated to BDMs. This will enable BDMs to provide support to future applicants in identified 'weak areas', increasing the likelihood of them satisfying the assessment criteria.	SC Operations Board	Quarterly	Excel	No
Data Protection Policy, Data Sharing Agreement, and Joint Controllorship Agreement	Reviewed and agreed by the Buyer during the SC Implementation Period	Set out the timings and format of the transfer of data from the Supplier to the Buyer and set out how data will be managed in line with data protection requirements. See Order Schedule 9 for further details.	SC Operations Board	Updated if required	Legal Document	No

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Report Name	Purpose of Report	Scope	Forum	Frequency	Format	Template to be provided ⁶
SC Funded Projects Report (should additional capital budget be approved)	To inform the Buyer of key updates on funded SC Projects. The report will require a collation of information provided as part of monthly commercialisation and construction update reports provided by each SC Project.	Full contents and format to be agreed with the Buyer in the SC Implementation Period. However, the report must capture, for each SC Project: – Project Name – Project Type (e.g. LA/ Private) – Av. Annual GWh of heat and cooling – GHNF Funding amount – Total CAPEX forecast -base case – Estimated completion date for commercialisation/ construction – Previous estimated completion date for commercialisation/ construction – Project IRR- current forecast – Project IRR- original base case – Project Delivery Confidence Assessment (RAG status) – Updates on project status, key activities and key risks for each project – Key Milestones and status – Previous anticipated date for Key Milestones and reason for the change – Baseline benefits and any anticipated change Programme level information should also be included, capturing: – Total value of grants approved – Total value of grants drawn	Project-focused Progress Meeting	Monthly	Word	No

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Report Name	Purpose of Report	Scope	Forum	Frequency	Format	Template to be provided ⁶
		– % of projects with each RAG status				
Heat Network Market Intelligence Report	Build into market and policy intelligence. Communicate to internal stakeholders and possibly adjust funding bids/scheme eligibility in response.	Should include: – Investments to date - GHNF and non-GHNF projects. Separate list once projects move to construction Inc. value of CAPEX, capital structure, project duration – Costs and trends - mapping overtime, cost benchmarking – New supply chain players - details of suppliers and their involvement in specific projects – New investors - similar to the supply chain. New UK/EU/international investors, are they new to the HN sector or just the UK – Significant market events - fuel price change, shortage of supply, import challenges, extreme temperature fluctuation, currency exchange rates.	SC Operations Board	Quarterly	Word	No
	This report needs to align with the Buyer's pipeline publication cycle.	A pipeline aligned to HNDU format and BDM/case manager contact.	SC Operations Board (TBD)	Quarterly, aligned with each funding round	Shared data table	Yes
Security Management Plan (including Information Security Management Plan)	Strategy set out in the Joint Delivery Plan during the SC Implementation Period. Maintained and updated during the Order Contract.	Set out how the Supplier will keep the information they hold safe and secure, how they will manage the Buyer's access, and staff duties and responsibilities regarding data handling as well as actions in the case of a security or data breach.	SC Operations Board	Annually	Legal Document	No
IC Input Reports (should additional	Summaries of GHNF Applications and supporting	Covering the following:	IC meeting	Six-monthly	Word	No

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Report Name	Purpose of Report	Scope	Forum	Frequency	Format	Template to be provided ⁶
capital budget be approved)	information to be reviewed at the SC IC.	– Summaries of individual application assessments				
IC Update Report (should additional capital budget be approved)	Sets out input information for each IC meeting, complementing IC Input Reports.	Covering the following: – MTC report – GHNF application pipeline – a summary of GHNF Applications expected at future ICs for competition and cashflow planning purposes – Cashflow projection – a projection of expected grant disbursements for cashflow planning – Investment risk and issues – investment risks review and update – Update on the allocation of GHNF funding to-date. – Summary of the previous IC Update Report	IC meeting	Six-monthly	Word (supporting evidence can be provided in Excel)	No
IC Output Report (should additional capital budget be approved)	Minutes of the IC meeting, including a summary of decisions reached during the discussion.	Minutes of the IC meeting for each funding round and a summary of decisions reached during the discussion. The report should include investment activities agreed upon, those that are rejected and updated benefits tracking profiles.	SC Operations Board	Six-monthly	Word	No
Order Contract Exit Plan	Plan of SC Exit activities. Reviewed and agreed by the Buyer.	Refer to Section E and Order Schedule 5.	SC Operations Board	Minimum annually	Word	No
Project Change Request report	Present summary of project changes requested by SC Projects or any projects that	Full contents to be agreed with the Buyer in the SC Implementation Period. However, it is expected that the report will adopt a format of	SC Operations Board	As/when requested by project	Word	No

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Report Name	Purpose of Report	Scope	Forum	Frequency	Format	Template to be provided ⁶
	are subject to quarterly M&R activities	application assessment summaries presented in the IC Input Report.	IC meeting			
SC Dashboard	Provide an update on SC and GHNF scheme delivery, Supplier achievements, and progress on selected Service Levels. Identify any potential blockers and raise risks to the SC Operations Board.	Full contents to be agreed with the Buyer in the SC Implementation Period. However, the dashboard will include, as a minimum: – Overall Delivery Confidence Assessment (RAG status) – Service Levels met/relevant to the previous month – In-month achievements – Summary of next steps /month ahead plans – Top risks, issues and mitigations – Financial profile and RDEL (CDEL-TBC) spend forecast (monthly financial reporting) – Tracking of primary benefits – Summary of GHNF applicant pipeline (should additional capital budget be approved) – Overview of SC Application Round progress (should additional capital budget be approved) – Supplier delivery costs against costs agreed at bid stage.	SC Operations Board	Monthly	PowerPoint	Yes

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Report Name	Purpose of Report	Scope	Forum	Frequency	Format	Template to be provided ⁶
SC Programme	To allow the Buyer to plan resources and track delivery against agreed Milestones.	- In the SC Implementation Period, this is submitted as part of the Joint Delivery Plan. - Following MRCD, it will be updated monthly and will provide a clear critical path and capture all key GHNF Milestones as agreed with the Buyer.	SC Operations Board Contract-focused Progress Meeting	Fortnightly (a week prior to each meeting)	MPP File or similar	No
Quarterly Financial Report	Provide a summary of financial performance	- Performance against contract and programme spend against budget/ forecast - A quarterly update summary will be also included in SC Dashboard	SC Operations Board	Quarterly	Excel	No
Quarterly Portfolio-level M&R Report	Summary of inputs from projects that are managed by the Supplier and subject to Quarterly M&R	The Supplier will draft this report template and finalise it in collaboration with the Buyer in a Working Group dedicated to Data and M&R. The Supplier and Buyer will agree a final version of this template during the SC Implementation Period. See Section A.4.1.1 for details.	SC Operations Board	Quarterly	Word	No
Resource and Training Plan	To ensure sufficient resource with the correct skill set is allocated to the SC Programme	Outlines the Supplier's resources and skillset available to support the delivery of the programme and the Buyer's requirements as set out in this Order Schedule 20 (Order Specification).	Contract-focussed Progress Meeting	Monthly	Word	No
SC Risk Register	To capture and assess Risks and Issues and report to the Buyer. Mitigations and controls will also be captured.	The Buyer to provide template and scoring guidance. Completion of the SC Risk Register in line with Risk Management Strategy agreed in the Joint Delivery Plan during the SC Implementation Period.	SC Operations Board Contract-focused Progress Meeting	Fortnightly (a week prior to each meeting)	Excel	Yes

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Report Name	Purpose of Report	Scope	Forum	Frequency	Format	Template to be provided ⁶
Stakeholder Engagement and Communications Report and Plan (should additional capital budget be approved)	- Provide regular updates to the communications plan - Report on stakeholder engagement and communication as detailed in the communications plan	Full contents to be agreed with the Buyer in the SC Implementation Period. However, the report and plan will include, as a minimum: - A key communications plan for the Heat Network sector and potential investors. - Summary of progress and achievements from a quarterly reporting period.	SC Operations Board	Quarterly	Word/PPT	No

Table 34 Required Reporting Metrics

Phase	Type	Measure	Reporting Range
Application Period (should additional capital budget be approved)	Engagement with GHNF applicants	% of introduction meetings with their assigned BDM within 20 Working Days of new account registration	Every six months
	Notification To Apply submissions	Count of new Notifications to Apply submitted	Every six months
	Application conversions	Count of Notifications to Apply that are converted to Submitted GHNF Applications or formally withdrawn by the applicant within 130 Working Days (6 months) of the Notification to Apply date	Every six months
	IC decisions	Difference between the count of IC decisions in the previous quarter that are communicated to GHNF Applicants (through an award letter with Conditions Precedent for successful GHNF Applications and a failure letter with feedback if unsuccessful) within five Working Days of SC IC or DESNZ approval (subject to GHNF Investment Mandate) and the Count of IC decisions	Every six months
	Stakeholder engagement	Count of Email newsletters written and distributed	Quarterly
	Stakeholder engagement	Count of News Articles/ Press Releases written and distributed	Quarterly
	Stakeholder engagement	Count of Feature articles written and distributed	Quarterly
	Stakeholder engagement	Count of Social Media Posts written and distributed	Quarterly

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Phase	Type	Measure	Reporting Range
	Stakeholder engagement	Count of Stakeholder Forums/ Focus Groups completed	Quarterly
	Stakeholder engagement	Count of GHNF Events/ Workshops completed	Quarterly
	Stakeholder engagement	Count of exemplar projects publicised	Annually
	Stakeholder engagement	Count of events and workshops for completed for investors	Quarterly
M&R	Initiate Project Monitoring	Difference between the count of Approved GHNF Applications in the previous quarter where the key Project Events are added to the Operational Plan within five Working Days of Award Letter notification and the count of Approved GHNF Applications in the previous quarter	Quarterly
	BDM effectiveness	Average Count of active BDMs	Monthly
	AA effectiveness	Average Count of active application assessors	Every six months
	IC effectiveness	% attendance of members at IC meetings	Every six months
	Applicant Support	Count of complaints submitted	Monthly
	Applicant Support	Count of Decision Reviews requested	Every six months
	Financial Position	The variance between the annually agreed CDEL budget to the outturn of funds distributed	Annually
	Social Values	Create opportunities for entrepreneurship and help new organisations to grow, supporting economic growth and business creation. <i>(Measure to be agreed during Implementation)</i>	Quarterly
	Social Values	Support the development of scalable and future-proofed new methods to modernise delivery and increase productivity <i>(Measure to be agreed during Implementation)</i>	Quarterly
Continuous Elements	Approved Changes	Average Working Day variance between the actual CI implementation date in the previous quarter and the forecast/approved changed implementation date	Quarterly

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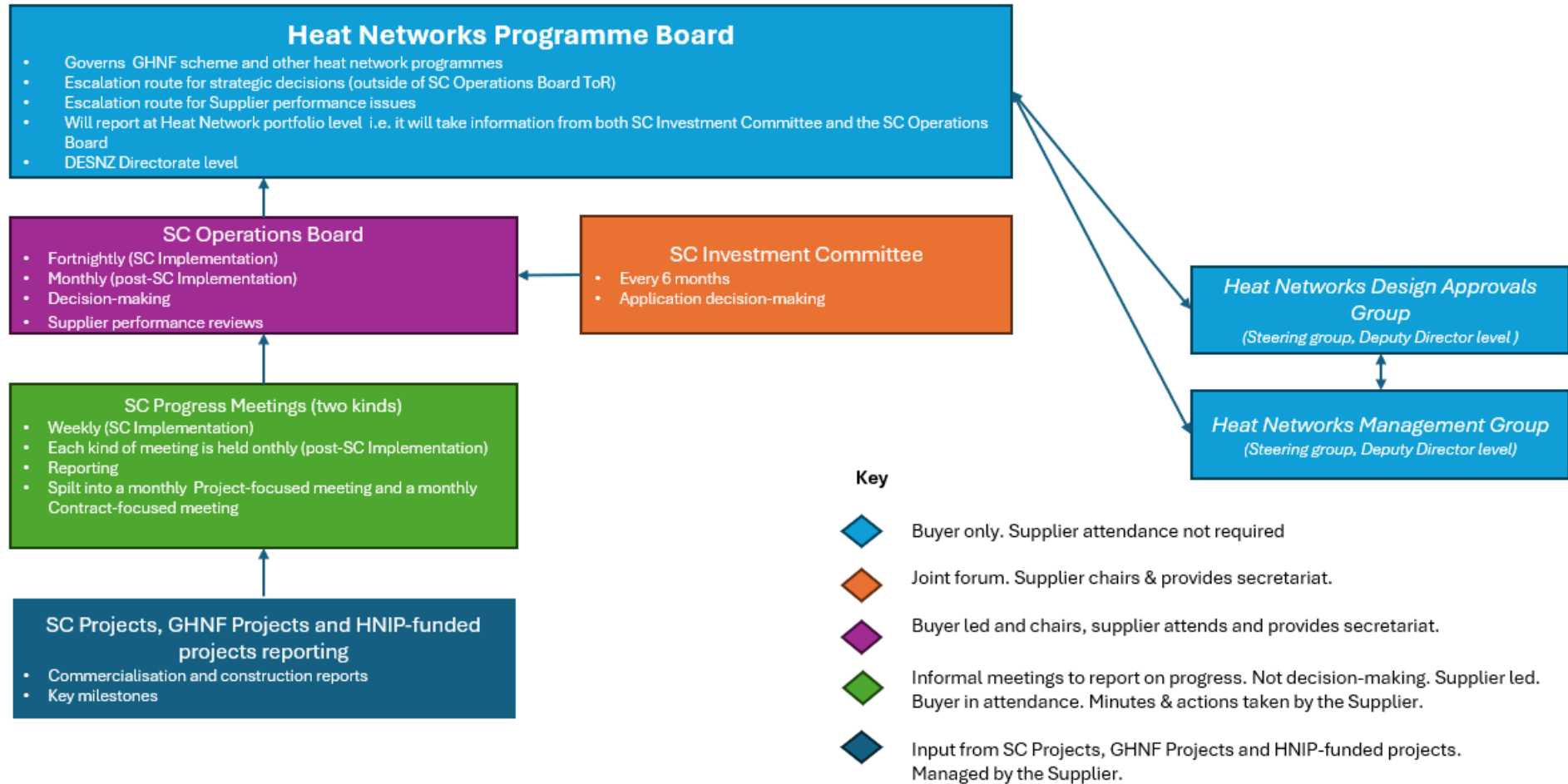
Annex B – High-Level Implementation Timeline

		Apr-25			May-25					Jun-25						Jul-25			
		w/c 31/03	w/c 28/04	w/c 05/05	w/c 12/05	w/c 19/05	w/c 26/05	w/c 02/06	w/c 09/06	w/c 16/06	w/c 23/06	w/c 30/06	w/c 07/07	w/c 14/07	w/c 21/07	w/c 28/07			
Implementation Deliverables /Milestones	Dates																		
Contract award	31/03/2025	31-Mar																	
Contract signed by	30/04/2025		30-Apr																
Kick-off meetings	01-02/05/2025																		
Knowledge Transfer sessions	05-06/05/2025																		
Working Group (WG): Governance & Project Management				First meeting															
Implementation Plan and SC Operations Board ToR and membership accepted by the Buyer	09/05/2025			09-May															
Deliverable 1: SC Investment Committee ToR and membership submitted to the Buyer	12/05/2025				12-May														
WG: Data and M&R					First meeting														
Deliverable 2: Security Management Plan submitted to the Supplier and Buyer	26/05/2025					26-May													
WG: Project Delivery					First meeting														
Deliverable 3: Joint Delivery Plan submitted to the Buyer	26/05/2025					26-May													
Milestone 1: Deliverables 1-3 approved by the Buyer	02/06/2025							02-Jun											
Deliverable 4: Updated products and processes submitted to the Buyer for review	09/06/2025								09-Jun										
WG: Stakeholder engagement and comms					First meeting														
Deliverable 5: Online content for the GHNF page submitted to the Buyer for review	09/06/2025								09-Jun										
WG: Application and assessment (should additional capital budget be approved)					First meeting														
Final application documents for Round 10 Investment Committee (incl. GHNF brochure) submitted to the Buyer	16/06/2025									16-Jun									
Deliverable 6: Final application documents (for Round 10 Investment Committee) are approved by the Buyer and are ready to be made available to applicants (incl. GHNF webpage/brochure).	23/06/2025										23-Jun								
Milestone 2: Deliverables 4-6 complete and approved by the Buyer where applicable. Deliverables 5 and 6 apply only if additional capital budget is approved for the GHNF scheme.	30/06/2025											30-Jun							
Data, systems (incl. data capture and management tool) and internal processes made available to the Buyer for review	07/07/2025												07-Jul						
Deliverable 7: Quarterly Portfolio-level M&R template submitted to the Buyer for review	07/07/2025												07-Jul						
Deliverable 8: Data, systems (incl. data capture tool) and internal processes approved by the Buyer and ready for MRCD	31/07/2025																31-Jul		
Milestone 3: Deliverables 7 and 8 complete and approved by the Buyer	31/07/2025																31-Jul		
Round 10 opens to applicants on 01/07/2025 (TBC)																			

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Annex C – High-Level Governance and Reporting

For detail, refer to Order Schedule 15 (Order Contract Management)



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Annex D – SC Implementation Deliverables

Category	Requirements Reference	Key knowledge products (list not exhaustive; includes selected processes)	Working document as part of ITT	Responsibility for draft		Reference to ITT Annex
				Working document	Final version	
		Knowledge Product				
Application period	A.1	Draft SC Investment Committee ToR (including information on the role and responsibilities of the IC Secretariat)	Yes	Buyer	Supplier	Annex D.A
Business Development Activity	B.1	GHNF overview brochure (available online)	Yes	Buyer	Supplier	N/A
Business Development Activity	B.1	Promotional Material templates	No	Supplier	Supplier	N/A
Business Development Activity	B.1	Email Newsletter template	No	Supplier	Supplier	N/A
Business Development Activity	B.1	Public Relations and Communications templates	No	Supplier	Supplier	N/A
Business Development Activity	B.1	Social media	No	Supplier	Supplier	N/A
Business Development Activity	B.1	Case study templates	No	Supplier	Supplier	N/A
Business Development Activity	B.1	Data sheets	No	Supplier	Supplier	N/A
Business Development Activity	B.1	The Buyer's brochures and templates (supplied by the Buyer for the Supplier's use)	No	Buyer	Buyer	N/A
Business Development Activity	B.1, C.3	Reports containing coverage and analysis	No	Supplier	Supplier	N/A
Business Development Activity	B.1, C.3	Reports on activity and progress made	No	Supplier	Supplier	N/A
Continuous Elements	A.1.3, D.3.2	COI Management Plan regime	No	Supplier	Supplier	N/A
Continuous Elements	A.1.3	Resource and Training Plan	No	Supplier	Supplier	N/A

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Category	Requirements Reference	Key knowledge products (list not exhaustive; includes selected processes)	Working document as part of ITT	Responsibility for draft		Reference to ITT Annex
				Working document	Final version	
Continuous improvement	A1.3, D.4	Lessons Learned Log	No	Supplier	Supplier	N/A
Funding Award Agreements and Processes	A.4	Funding agreement (GFA, MoU) templates	No	Buyer	Supplier	N/A
Funding Award Agreements and Processes	A.4	Approach to engaging third party investment	No	Buyer	Supplier	N/A
Funding Award Agreements and Processes	A.4	Processes for funding awards	No	Buyer	Supplier	N/A
Managing Data and Information	A.1.2, D.5	Data Protection Policy (internal process; annex to the Security Management Plan)	No	Supplier	Supplier	N/A
Managing Data and Information	A.1.3, D.5	Public Privacy Notice (GHNF Privacy Notice is available online)	Yes	Buyer	Supplier	N/A
Managing Data and Information	A.1.1, A.1.2, A.3.3, D.5	Security Management Plan (see Order Schedule 9 for details)	No	Supplier	Supplier	N/A
M&R	A.3.4, A.4.1, C.4.1	GHNF Commercialisation/Construction M&R Report Template	Yes	Buyer	Supplier	Annex E.I
M&R	A.3.4, A.4.1, C.1.3	HNIP & GHNF Operations M&R Report Template	Yes	Buyer	Supplier	Annex E.J
M&R	A.4.1, C.4.1	HNIP Commercialisation/Construction M&R Report Template	Yes	Buyer	Supplier	Annex E.K
Operational processes and products	A.3.4, A.4.1, A.5.2, B.2	GHNF Application Form	Yes	Buyer	Supplier	Annex E.F

Order Schedule 20 (Order Specification)
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Category	Requirements Reference	Key knowledge products (list not exhaustive; includes selected processes)	Working document as part of ITT	Responsibility for draft		Reference to ITT Annex
				Working document	Final version	
		Knowledge Product				
Operational processes and products	A.3.4, A.4.2, A.5.2, B.2.4, B.3.1	GHNF Guidance for Applicants (available online)	Yes	Buyer	Supplier	N/A
Operational processes and products	A.3.4, B.2.6	Application Checklist (included in GHNF Application Form)	Yes	Buyer	Supplier	E.F
Operational processes and products	A.3.3	Application process map (refer to draft SC high-level process map)	Yes	Buyer	Supplier	E.E
Operational processes and products	A.3.3	Application assessment process map (refer to draft SC high-level process map)	Yes	Buyer	Supplier	E.E
Operational processes and products	A.3.3, A.3.4, A.4.1	Application assessment tool as part of SC data capture and management tool (refer to the description of GAAMS functionality and architecture in Annex E.D for guidance)	Yes	Buyer	Supplier	E.D
Operational processes and products	A.3.3	Application supporting evidence assessment process map	No	Supplier	Supplier	N/A
Operational processes and products	A.3.3	Decision review process map	No	Supplier	Supplier	N/A
Operational processes and products	A.3.3	Fund disbursement process map	No	Buyer	Supplier	N/A
Operational processes and products	A.3.3	Subsidy control reporting process map	No	Buyer	Supplier	N/A
Operational processes and products	A.3.3	Monitoring of successful projects process map	No	Supplier	Supplier	N/A
Operational processes and products	A.3.3	Data sharing process map (part of the Security Management Plan)	No	Supplier	Supplier	N/A
Operational processes and products	A.3.3, D.5	DSA (annex to the Security Management Plan)	No	Supplier	Supplier	N/A

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Category	Requirements Reference	Key knowledge products (list not exhaustive; includes selected processes)	Working document as part of ITT	Responsibility for draft		Reference to ITT Annex
				Working document	Final version	
Operational processes and products	A.3.4	Assessment guidance (as part of GAAMS and later SC data capture and management tool)	No	Buyer	Supplier	N/A
Operational processes and products	A.1.2, A.3.2	Heat Network Market Intelligence Report template	No	Supplier	Supplier	N/A
Operational processes and products	A.3.3	Complaints process map	No	Supplier	Supplier	N/A
Operational processes and products	A.3.4	IT system supporting GHNF operation including, database, file storage and data transfer to Buyer functions	No	Supplier	Supplier	N/A
Operational processes and products	A.3.4	SOPs	No	Supplier	Supplier	N/A
Operational processes and products	A.3.3, A.3.4, A.4.1	Data capture and management solution (description of GAAMS functionality and architecture is provided in Annex E.D as a guide)	Yes	Buyer	Supplier	E.D
Operational processes and products	A.3.4, B.1.2	Email System	No	Supplier	Supplier	N/A
Operational processes and products	A.3, A.4	Content and format of reports for monitoring projects, operations and benefits monitoring	No	Supplier	Supplier	N/A
Operational processes and products	A.3.4	Frequently Asked Questions (FAQs) form	No	Supplier	Supplier	N/A
Operational processes and products	A.3.4, A.4.1, C.1.3, C.4.1	M&R templates and requirements for successful applicants	Yes	Buyer	Supplier	E.I. – E.K
Operational processes and products	A.3.4, A.4.1, A.5.2, B.2	Supply chain commitment template (see GHNF Application Form)	Yes	Buyer	Supplier	Annex E.F
Operational processes and products	B.3.4	Decision Review and Complaints Process	No	Supplier	Supplier	N/A

Order Schedule 20 (Order Specification)
Order Ref: prj_3226
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Category	Requirements Reference	Key knowledge products (list not exhaustive; includes selected processes)	Working document as part of ITT	Responsibility for draft		Reference to ITT Annex
				Working document	Final version	
		Knowledge Product				
Order Contract and Project Governance	A.1.2, A.3.2	SC Operations Board ToR	No	Buyer	Supplier	N/A
Order Contract and Project Governance	A.1.1, E	Order Contract Exit Plan	No	Supplier	Supplier	N/A
Order Contract and Project Governance	A.1.1, A.1.2	PMR template	No	Supplier	Supplier	N/A
Order Contract and Project Governance	A.1.1, A.1.2	Joint Delivery Plan	No	Supplier	Supplier	N/A
Order Contract Implementation	A.1.1, A.3.1	SC Implementation Plan (see Order Schedule 13 for details)	Yes	Buyer	Supplier	N/A
Order Contract Implementation	A.1.1, A.3.1	Test Strategy (part of the SC Implementation Plan, see Order Schedule 13 for details)	Yes	Buyer	Buyer	N/A
Project management artefacts and products	A.1.2	Change Control Log	No	Supplier	Supplier	N/A
Project management artefacts and products	A.1.2	Contents of SC Project Programme	No	Supplier	Supplier	N/A
Project management artefacts and products	A.1.2	SC Dashboard template	No	Buyer	Supplier	N/A
Project management artefacts and products	A.1.2	Risk Management Strategy	No	Supplier	Supplier	N/A
Project management artefacts and products	A.1.2	Continuous Improvement Log	No	Supplier	Supplier	N/A
Project management artefacts and products	A.1.2	Continuous Improvement Report template	No	Supplier	Supplier	N/A
Project management artefacts and products	A.1.2, D.3	Shared SC Risk Register template	No	Buyer	Supplier	N/A

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Category	Requirements Reference	Key knowledge products (list not exhaustive; includes selected processes)	Working document as part of ITT	Responsibility for draft		Reference to ITT Annex
				Working document	Final version	
Project management artefacts and products	A.1.2, C.3.1	Quarterly Financial Report template	No	Buyer	Supplier	N/A
Project management artefacts and products	A.1.2, B.3.2	IC Update Report template	No	Supplier	Supplier	N/A
Project management artefacts and products	A.5.3, B.3.1, B.3.2	IC Input Report template	No	Buyer	Supplier	N/A
Project management artefacts and products	A.3.3, B.4.1	IC Output Report template	No	Supplier	Supplier	N/A
Project management artefacts and products	A.1.2, A.3.4, C.1	SC Annual Benefits Report template	No	Buyer	Supplier	N/A
Project management artefacts and products	A.1.1, A.1.2, A.3.3	Information Security Management Plan	No	Supplier	Supplier	N/A
Project management artefacts and products	A.1.2, A.4.2	Stakeholder Engagement and Communications Report and Plan template	No	Supplier	Supplier	N/A
Project management artefacts and products	A.1.2	Annual Review template	No	Supplier	Supplier	N/A
Project management artefacts and products	A.1.2, C.1	Funded SC Projects Report template	No	Buyer	Supplier	N/A
Project management artefacts and products	A.1.2, A.3.4	Heat Network Pipeline template	No	Buyer	Supplier	N/A
Stakeholder Engagement and Communications	A.3.4	GHNF webpages (GHNF content on gov.uk as well as on the Supplier's website)	No	Supplier	Supplier	N/A

Schedule 24 (Intellectual Property Rights)

Part A

1. Default IPR Clause

In the event that this Schedule is not amended to select only one option, the default option that will apply to the Contract is Option 1.

Part B

Option 1

1. Intellectual Property Rights

1.1. Each Party keeps ownership of its own Existing IPR. Neither Party has the right to use the other Party's IPR, including any use of the other Party's names, logos or trademarks, except as expressly granted elsewhere under the Contract or otherwise agreed in writing.

1.2. Except as expressly granted elsewhere under the Contract, neither Party acquires any right, title or interest in or to the IPR owned by the other Party or any third party.

1.3. Licences granted by the Supplier: Supplier Existing IPR

1.3.1. Where the Buyer orders Deliverables which contain or rely upon Supplier Existing IPR, the Supplier hereby grants the Buyer a Supplier Existing IPR Licence on the terms set out in Paragraph 1.3.2.

1.3.2. The Supplier Existing IPR Licence granted by the Supplier to the Buyer is a non-exclusive, perpetual, royalty-free, irrevocable, transferable, worldwide licence to use, change and sub-license any Supplier Existing IPR which is reasonably required by the Buyer to enable it:

1.3.2.1. or any End User to use and receive the Deliverables; or

1.3.2.2. to use, sub-licence or commercially exploit (including by publication under Open Licence) the New IPR and New IPR Items,

for any purpose relating to the exercise of the Buyer's (or, if the Buyer is a Public Sector Body, any other Public Sector Body's) business or function.

1.4. Licences granted by the Buyer and New IPR

1.4.1. Any New IPR created under the Contract is owned by the Buyer. The Buyer gives the Supplier a licence to use the Buyer Existing IPR and the New IPR which the Supplier reasonably requires for the purpose of fulfilling its obligations during the Contract Period or using or exploiting the New IPR developed under the Contract, including (but not limited to) the right to grant sub-licences to Subcontractors provided that:

1.4.1.1. any relevant Subcontractor has entered into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 15 (Confidentiality) of the Core Terms; and

1.4.1.2. the Supplier shall not without Approval use the materials licensed under this clause for any other purpose or for the benefit of any person other than the Buyer. Where a Party acquires ownership of IPR incorrectly under this Contract it must do everything reasonably necessary to complete a transfer assigning them in writing to the other Party on request and at its own cost.

1.4.2. Unless otherwise agreed in writing, the Supplier and the Buyer will record any New IPR in the table at Annex 1 to this Schedule 24 and keep this updated throughout the Contract Period.

1.5. Third Party IPR

1.5.1. The Supplier shall not use in the delivery of the Deliverables any Third Party IPR unless Approval is granted by the Buyer and it has procured that the owner or an authorised licensor of the relevant Third Party IPR has granted a Third Party IPR Licence on the terms set out in Paragraph 1.5.2. If the Supplier cannot obtain for the Buyer a licence on the terms set out in Paragraph 1.5.2 in respect of any Third Party IPR the Supplier shall:

1.5.1.1. notify the Buyer in writing; and

1.5.1.2. use the relevant Third Party IPR only if the Buyer has provided authorisation in writing, with reference to the acts authorised and the specific IPR involved.

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1.5.2. In spite of any other provisions of the Contract and for the avoidance of doubt, award of this Contract by the Buyer and the ordering of any Deliverable under it does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977 Section 12 of the Registered Designs Act 1949 or Sections 240 – 243 of the Copyright, Designs and Patents Act 1988.

1.5.3. The Third Party IPR Licence granted to the Buyer shall be a non-exclusive, perpetual, royalty-free, irrevocable, transferable, worldwide licence to use, change and sub-licence any Third Party IPR which is reasonably required by the Buyer to enable it or any End User to receive and use the Deliverables and make use of the deliverables provided by a Replacement Supplier.

1.6. Termination of licences

1.6.1. The Supplier Existing IPR Licence granted pursuant to Paragraph 1.3 and the Third Party IPR Licence granted pursuant to Paragraph 1.5 shall survive the Expiry Date and termination of this Contract.

1.6.2. The Supplier shall, if requested by the Buyer in accordance with Order Schedule 10 (Exit Management) and to the extent reasonably necessary to ensure continuity of service during exit and transition to any Replacement Supplier, grant (or procure the grant) to the Replacement Supplier a licence to use any Supplier Existing IPR or Third Party IPR on terms equivalent to the Supplier Existing IPR Licence or Third Party IPR Licence (as applicable) subject to the Replacement Supplier entering into reasonable confidentiality undertakings with the Supplier.

1.6.3. On expiry of the licence granted to the Supplier pursuant to Paragraph 1.4 (Licence granted by the Buyer) the Supplier shall:

1.6.3.1. immediately cease all use of the New IPR and Buyer Existing IPR (including the Buyer Data within which the Buyer Existing IPR may subsist);

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- 1.6.3.2. at the discretion of the Buyer, return or destroy documents and other tangible materials that contain any of the New IPR, Buyer Existing IPR and the Buyer Data, provided that if the Buyer has not made an election within six months of the termination of the licence, the Supplier may destroy the documents and other tangible materials that contain any of the New IPR, the Buyer Existing IPR and the Buyer Data (as the case may be); and
- 1.6.3.3. ensure, so far as reasonably practicable, that any New IPR, Buyer Existing IPR and Buyer Data that are held in electronic, digital or other machine-readable form ceases to be readily accessible from any computer, word processor, voicemail system or any other device of the Supplier containing such New IPR, Buyer Existing IPR or Buyer Data."

1.7. Supplier's Exploitation of New IPR

- 1.7.1. Notwithstanding the Supplier's ownership of the New IPR or licence which allows it to exploit and commercialise the New IPR:
 - 1.7.1.1. the Supplier must always offer a price and solution to the Buyer which is in accordance with the Charges and must licence the New IPR and Supplier Existing IPR to the Buyer on equivalent terms as apply under this Contract;
 - 1.7.1.2. where the Supplier proposes to exploit the New IPR, that it provides a detailed proposal of its plans for exploitation of the New IPR and the forecast returns, including (but not limited to) details of the goods and services to be offered by the Supplier which use the New IPR, the target markets and territory, the estimated level of orders, the marketing strategy; full details of the estimated costs, prices, revenues and profits; impact assessment on services delivered under the Contract; and any other information that would reasonably be required by the Buyer to enable it to consider the commercial, legal and financial implications to the Parties of the proposal and any further information which the Buyer may reasonably request; and

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- 1.7.1.3. where the Supplier proposes to discount the prices offered to the Buyer in return for the right to exploit the New IPR, that it provides clear evidence to demonstrate how the exploitation plans and financial information provided under Paragraph 1.7.1.2 above have been applied to the price for the Deliverables offered to the Buyer and other potential End Users;
- 1.7.1.4. The Buyer shall be under no obligation to:
 - (a) offer the New IPR (where this is owned by the Buyer) or the Buyer Existing IPR on an exclusive licence basis or on any other alternative terms of licensing and ownership; or
- 1.7.1.5. accept any alternative arrangement proposed by the Supplier under this Clause and the Buyer shall be entitled to require the Supplier to deliver the solution on the basis of the same position on ownership and licensing of the New IPR (where this is owned by the Buyer) or Buyer Existing IPR as applies under this Contract. Such agreement does not confer any exclusive right on the Supplier to negotiate with the Buyer in relation to the New IPR (where this is owned by the Buyer), Buyer Existing IPR or any Crown IPR and the Buyer shall be entitled to licence, assign and otherwise deal with such IPR (where it owns such IPR) with any other person (except to the extent that the Buyer has entered into an exclusive licence with the Supplier in respect of such IPR pursuant to this Contract).
- 1.7.1.6. The Supplier acknowledges and agrees that the Buyer is under an obligation to comply with procurement Laws and state aid rules when considering proposals for alternative IPR arrangements and the Buyer will need to consider its position and approach on a case by case basis.

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ANNEX 1: NEW IPR

Name of New IPR	Details

New IPR which must be recorded in this Annex does not include all forms of IPR which may be created by the Supplier and the Supplier Staff during the completion of their obligations under the Contract. Only New IPR which is part of the Deliverables, or is necessary for the use of the Deliverables by the Buyer, or as part of the Buyer's ownership of IPR will need to be recorded here. IPR such as email communications or documents which do not form part of the Deliverables need not be recorded in this Annex.

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Project Version: v1.0

Model Version: Mid-Tier Contract v1.1