



Crown  
Commercial  
Service

**CONTRACT BETWEEN**

**DEPARTMENT FOR TRANSPORT**

**- and -**

**PWC LLP**

**relating to**

**PROVISION OF INTERCITY EXPRESS PROGRAMME  
FINANCIAL ADVISOR**

**Contract Ref : CCFI17A32**

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## ANNEX 1 – TERMS AND CONDITIONS

### 1 INTERPRETATION

#### 1.1 In these terms and conditions:

“Agreement”	means the contract between (i) the Customer acting as part of the Crown and (ii) the Supplier constituted by the Supplier’s countersignature of the Award Letter and includes the Award Letter;
“Award Letter”	means the letter (including the Annexes thereto) from the Customer to the Supplier via the e-Sourcing Suite at the point of award;
“Central Government Body”	means 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;
“Charges”	means the charges for the Services as specified in the Award Letter;
“Confidential Information”	means all information, whether written or oral (however recorded), provided by the disclosing Party to the receiving Party and which (i) is known by the receiving Party to be confidential; (ii) is marked as or stated to be confidential; or (iii) ought reasonably to be considered by the receiving Party to be confidential;
“Customer”	means the person named as Customer in the Award Letter;
“DPA”	means the Data Protection Act 1998;
“Expiry Date”	means the date for expiry of the Agreement as set out in the Award Letter;
“FOIA”	means the Freedom of Information Act 2000;
“Information”	has the meaning given under section 84 of the FOIA;
“Key Personnel”	means any persons specified as such in the Award Letter or otherwise notified as such by the Customer to the Supplier in writing;
“Party”	means the Supplier or the Customer (as appropriate) and “Parties” shall mean both of them;
“Personal Data”	means personal data (as defined in the DPA) which is processed by the Supplier or any Staff on behalf of the Customer pursuant to or in connection with this Agreement;
“Purchase	means the Customer’s unique number relating to the supply of the

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Order Number”	Services;
“Request for Information”	has the meaning set out in the FOIA or the Environmental Information Regulations 2004 as relevant (where the meaning set out for the term “request” shall apply);
“Services”	means the services to be supplied by the Supplier to the Customer under the Agreement;
“Specification”	means the specification for the Services (including as to quantity, description and quality) as specified in the Award Letter;
“Start Date”	means the commencement date of the Agreement as set out in the Award Letter; for the avoidance of doubt this is deemed to be the 5 <sup>th</sup> January 2018;
“Staff”	means all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any sub-contractor of the Supplier engaged in the performance of the Supplier’s obligations under the Agreement;
“Staff Vetting Procedures”	means vetting procedures that accord with good industry practice or, where requested by the Customer, the Customer’s procedures for the vetting of personnel as provided to the Supplier from time to time;
“Supplier”	means the person named as Supplier in the Award Letter;
“Term”	means the period from the Start Date of the Agreement set out in the Award Letter to the Expiry Date as such period may be extended in accordance with clause 4.2 or terminated in accordance with the terms and conditions of the Agreement;
“VAT”	means value added tax in accordance with the provisions of the Value Added Tax Act 1994; and
“Working Day”	means a day (other than a Saturday or Sunday) on which banks are open for business in the City of London.

1.2 In these terms and conditions, unless the context otherwise requires:

- 1.2.1 references to numbered clauses are references to the relevant clause in these terms and conditions;
- 1.2.2 any obligation on any Party not to do or omit to do anything shall include an obligation not to allow that thing to be done or omitted to be done;
- 1.2.3 the headings to the clauses of these terms and conditions are for information only and do not affect the interpretation of the Agreement;
- 1.2.4 any reference to an enactment includes reference to that enactment as amended or replaced from time to time and to any subordinate legislation or byelaw made under that enactment; and
- 1.2.5 the word ‘including’ shall be understood as meaning ‘including without limitation’.

## 2 BASIS OF AGREEMENT

2.1 The Award Letter constitutes an offer by the Customer to purchase the Services subject to and in accordance with the terms and conditions of the Agreement.

2.2 The offer comprised in the Award Letter shall be deemed to be accepted by the Supplier

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on receipt by the Customer, within 7 days of the date of the award letter, of a copy of the Award Letter countersigned by the Supplier.

### **3 SUPPLY OF SERVICES**

- 3.1 In consideration of the Customer's agreement to pay the Charges, the Supplier shall supply the Services to the Customer for the Term subject to and in accordance with the terms and conditions of the Agreement.
- 3.2 In supplying the Services, the Supplier shall:
- 3.2.1 co-operate with the Customer in all matters relating to the Services and comply with all the Customer's instructions;
  - 3.2.2 perform the Services with all reasonable care, skill and diligence in accordance with good industry practice in the Supplier's industry, profession or trade;
  - 3.2.3 use Staff who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Supplier's obligations are fulfilled in accordance with the Agreement;
  - 3.2.4 ensure that the Services shall conform with all descriptions, requirements, service levels and specifications set out in the Specification;
  - 3.2.5 comply with all applicable laws; and
  - 3.2.6 provide all equipment, tools and vehicles and other items as are required to provide the Services.
- 3.3 The Customer may by written notice to the Supplier at any time request a variation to the scope of the Services. In the event that the Supplier agrees to any variation to the scope of the Services, the Charges shall be subject to fair and reasonable adjustment to be agreed in writing between the Customer and the Supplier.

### **4 TERM**

- 4.1 The Agreement shall take effect on the Start Date of 5<sup>th</sup> January 2018 and shall expire on the Expiry Date of 4<sup>th</sup> January 2020 unless it is otherwise extended in accordance with clause 4.2 or terminated in accordance with the terms and conditions of the Agreement.
- 4.2 The Customer may extend the Agreement for a period of up to 2 x 6 month periods by giving not less than 10 Working Days' notice in writing to the Supplier prior to the Expiry Date. The terms and conditions of the Agreement shall apply throughout any such extended period.

### **5 CHARGES, PAYMENT AND RECOVERY OF SUMS DUE**

- 5.1 The Charges for the Services shall be as set out in the Award Letter and shall be the full and exclusive remuneration of the Supplier in respect of the supply of the Services. Unless otherwise agreed in writing by the Customer, the Charges shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services.
- 5.2 All amounts stated are exclusive of VAT which shall be charged at the prevailing rate. The Customer shall, following the receipt of a valid VAT invoice, pay to the Supplier a sum equal to the VAT chargeable in respect of the Services.
- 5.3 The Supplier shall invoice the Customer as specified in the Agreement. Each invoice

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shall include such supporting information required by the Customer to verify the accuracy of the invoice, including the relevant Purchase Order Number and a breakdown of the Services supplied in the invoice period.

- 5.4 In consideration of the supply of the Services by the Supplier, the Customer shall pay the Supplier the invoiced amounts no later than 30 days after verifying that the invoice is valid and undisputed and includes a valid Purchase Order Number. The Customer may, without prejudice to any other rights and remedies under the Agreement, withhold or reduce payments in the event of unsatisfactory performance.
- 5.5 If the Customer fails to consider and verify an invoice in a timely fashion the invoice shall be regarded as valid and undisputed for the purpose of paragraph 5.4 after a reasonable time has passed.
- 5.6 If there is a dispute between the Parties as to the amount invoiced, the Customer shall pay the undisputed amount. The Supplier shall not suspend the supply of the Services unless the Supplier is entitled to terminate the Agreement for a failure to pay undisputed sums in accordance with clause 16.4. Any disputed amounts shall be resolved through the dispute resolution procedure detailed in clause 19.
- 5.7 If a payment of an undisputed amount is not made by the Customer by the due date, then the Customer shall pay the Supplier interest at the interest rate specified in the Late Payment of Commercial Debts (Interest) Act 1998.
- 5.8 Where the Supplier enters into a sub-contract, the Supplier shall include in that sub-contract:
- 5.8.1 provisions having the same effects as clauses 5.3 to 5.7 of this Agreement; and
  - 5.8.2 a provision requiring the counterparty to that sub-contract to include in any sub-contract which it awards provisions having the same effect as 5.3 to 5.8 of this Agreement.
  - 5.8.3 In this clause 5.8, “sub-contract” means a contract between two or more suppliers, at any stage of remoteness from the Authority in a subcontracting chain, made wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of this Agreement.
- 5.9 If any sum of money is recoverable from or payable by the Supplier under the Agreement (including any sum which the Supplier is liable to pay to the Customer in respect of any breach of the Agreement), that sum may be deducted unilaterally by the Customer from any sum then due, or which may come due, to the Supplier under the Agreement or under any other agreement or contract with the Customer. The Supplier shall not be entitled to assert any credit, set-off or counterclaim against the Customer in order to justify withholding payment of any such amount in whole or in part.

## **6 PREMISES AND EQUIPMENT**

- 6.1 If necessary, the Customer shall provide the Supplier with reasonable access at reasonable times to its premises for the purpose of supplying the Services. All equipment, tools and vehicles brought onto the Customer’s premises by the Supplier or the Staff shall be at the Supplier’s risk.
- 6.2 If the Supplier supplies all or any of the Services at or from the Customer’s premises, on completion of the Services or termination or expiry of the Agreement (whichever is the

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earlier) the Supplier shall vacate the Customer's premises, remove the Supplier's plant, equipment and unused materials and all rubbish arising out of the provision of the Services and leave the Customer's premises in a clean, safe and tidy condition. The Supplier shall be solely responsible for making good any damage to the Customer's premises or any objects contained on the Customer's premises which is caused by the Supplier or any Staff, other than fair wear and tear.

- 6.3 If the Supplier supplies all or any of the Services at or from its premises or the premises of a third party, the Customer may, during normal business hours and on reasonable notice, inspect and examine the manner in which the relevant Services are supplied at or from the relevant premises.
- 6.4 The Customer shall be responsible for maintaining the security of its premises in accordance with its standard security requirements. While on the Customer's premises the Supplier shall, and shall procure that all Staff shall, comply with all the Customer's security requirements.
- 6.5 Where all or any of the Services are supplied from the Supplier's premises, the Supplier shall, at its own cost, comply with all security requirements specified by the Customer in writing.
- 6.6 Without prejudice to clause 3.2.6, any equipment provided by the Customer for the purposes of the Agreement shall remain the property of the Customer and shall be used by the Supplier and the Staff only for the purpose of carrying out the Agreement. Such equipment shall be returned promptly to the Customer on expiry or termination of the Agreement.
- 6.7 The Supplier shall reimburse the Customer for any loss or damage to the equipment (other than deterioration resulting from normal and proper use) caused by the Supplier or any Staff. Equipment supplied by the Customer shall be deemed to be in a good condition when received by the Supplier or relevant Staff unless the Customer is notified otherwise in writing within 5 Working Days.

## **7 STAFF AND KEY PERSONNEL**

- 7.1 If the Customer reasonably believes that any of the Staff are unsuitable to undertake work in respect of the Agreement, it may, by giving written notice to the Supplier:
- 7.1.1 refuse admission to the relevant person(s) to the Customer's premises;
  - 7.1.2 direct the Supplier to end the involvement in the provision of the Services of the relevant person(s); and/or
  - 7.1.3 require that the Supplier replace any person removed under this clause with another suitably qualified person and procure that any security pass issued by the Customer to the person removed is surrendered,
- and the Supplier shall comply with any such notice.
- 7.2 The Supplier shall:
- 7.2.1 ensure that all Staff are vetted in accordance with the Staff Vetting Procedures;
  - 7.2.2 if requested, provide the Customer with a list of the names and addresses (and any other relevant information) of all persons who may require admission to the Customer's premises in connection with the Agreement; and
  - 7.2.3 procure that all Staff comply with any rules, regulations and requirements reasonably specified by the Customer.
- 7.3 Any Key Personnel shall not be released from supplying the Services without the

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agreement of the Customer, except by reason of long-term sickness, parental leave and termination of employment or other extenuating circumstances.

- 7.4 Any replacements to the Key Personnel shall be subject to the prior written agreement of the Customer (not to be unreasonably withheld). Such replacements shall be of at least equal status or of equivalent experience and skills to the Key Personnel being replaced and be suitable for the responsibilities of that person in relation to the Services.

## **8 ASSIGNMENT AND SUB-CONTRACTING**

- 8.1 The Supplier shall not without the written consent of the Customer assign, sub-contract, novate or in any way dispose of the benefit and/ or the burden of the Agreement or any part of the Agreement. The Customer may, in the granting of such consent, provide for additional terms and conditions relating to such assignment, sub-contract, novation or disposal. The Supplier shall be responsible for the acts and omissions of its sub-contractors as though those acts and omissions were its own.
- 8.2 Where the Customer has consented to the placing of sub-contracts, the Supplier shall, at the request of the Customer, send copies of each sub-contract, to the Customer as soon as is reasonably practicable.
- 8.3 The Customer may assign, novate, or otherwise dispose of its rights and obligations under the Agreement without the consent of the Supplier provided that such assignment, novation or disposal shall not increase the burden of the Supplier's obligations under the Agreement.

## **9 INTELLECTUAL PROPERTY RIGHTS**

- 9.1 All intellectual property rights in any materials provided by the Customer to the Supplier for the purposes of this Agreement shall remain the property of the Customer or the respective owner of such intellectual property rights but the Customer hereby grants the Supplier a royalty-free, non-exclusive and non-transferable licence to use such materials as required until termination or expiry of the Agreement for the sole purpose of enabling the Supplier to perform its obligations under the Agreement.
- 9.2 All intellectual property rights in any materials created or developed by the Supplier pursuant to the Agreement or arising as a result of the provision of the Services shall vest in the Supplier. If, and to the extent, that any intellectual property rights in such materials vest in the Customer by operation of law, the Customer hereby assigns to the Supplier by way of a present assignment of future rights that shall take place immediately on the coming into existence of any such intellectual property rights all its intellectual property rights in such materials (with full title guarantee and free from all third party rights).
- 9.3 The Supplier hereby grants the Customer:
- 9.3.1 a perpetual, royalty-free, irrevocable, non-exclusive licence (with a right to sub-license) to use all intellectual property rights in the materials created or developed pursuant to the Agreement and any intellectual property rights arising as a result of the provision of the Services; and
  - 9.3.2 a perpetual, royalty-free, irrevocable and non-exclusive licence (with a right to sub-license) to use:
    - (a) any intellectual property rights vested in or licensed to the Supplier on the date of the Agreement; and

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- (b) any intellectual property rights created during the Term but which are neither created or developed pursuant to the Agreement nor arise as a result of the provision of the Services,

including any modifications to or derivative versions of any such intellectual property rights, which the Customer reasonably requires in order to exercise its rights and take the benefit of the Agreement including the Services provided.

- 9.4 The Supplier shall indemnify, and keep indemnified, the Customer in full against all costs, expenses, damages and losses (whether direct or indirect), including any interest, penalties, and reasonable legal and other professional fees awarded against or incurred or paid by the Customer as a result of or in connection with any claim made against the Customer for actual or alleged infringement of a third party's intellectual property arising out of, or in connection with, the supply or use of the Services, to the extent that the claim is attributable to the acts or omission of the Supplier or any Staff.

## **10 GOVERNANCE AND RECORDS**

- 10.1 The Supplier shall:

10.1.1 attend progress meetings with the Customer at the frequency and times specified by the Customer and shall ensure that its representatives are suitably qualified to attend such meetings; and

10.1.2 submit progress reports to the Customer at the times and in the format specified by the Customer.

- 10.2 The Supplier shall keep and maintain until 6 years after the end of the Agreement, or as long a period as may be agreed between the Parties, full and accurate records of the Agreement including the Services supplied under it and all payments made by the Customer. The Supplier shall on request afford the Customer or the Customer's representatives such access to those records as may be reasonably requested by the Customer in connection with the Agreement.

## **11 CONFIDENTIALITY, TRANSPARENCY AND PUBLICITY**

- 11.1 Subject to clause 11.2, each Party shall:

11.1.1 treat all Confidential Information it receives as confidential, safeguard it accordingly and not disclose it to any other person without the prior written permission of the disclosing Party; and

11.1.2 not use or exploit the disclosing Party's Confidential Information in any way except for the purposes anticipated under the Agreement.

- 11.2 Notwithstanding clause 11.1, a Party may disclose Confidential Information which it receives from the other Party:

11.2.1 where disclosure is required by applicable law or by a court of competent jurisdiction;

11.2.2 to its auditors or for the purposes of regulatory requirements;

11.2.3 on a confidential basis, to its professional advisers;

11.2.4 to the Serious Fraud Office where the Party has reasonable grounds to believe that the other Party is involved in activity that may constitute a criminal offence under the Bribery Act 2010;

11.2.5 where the receiving Party is the Supplier, to the Staff on a need to know basis to enable performance of the Supplier's obligations under the Agreement provided that the Supplier shall procure that any Staff to whom it discloses Confidential Information pursuant to this clause 11.2.5 shall observe the Supplier's confidentiality obligations under the Agreement; and

11.2.6 where the receiving Party is the Customer:

- (a) on a confidential basis to the employees, agents, consultants and contractors of the Customer;
- (b) on a confidential basis to any other Central Government Body, any successor body to a Central Government Body or any company to which the Customer transfers or proposes to transfer all or any part of its business;
- (c) to the extent that the Customer (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions; or
- (d) in accordance with clause 12.

AND FOR THE PURPOSES OF THE FOREGOING, REFERENCES TO DISCLOSURE ON A CONFIDENTIAL BASIS SHALL MEAN DISCLOSURE SUBJECT TO A CONFIDENTIALITY AGREEMENT OR ARRANGEMENT CONTAINING TERMS NO LESS STRINGENT THAN THOSE PLACED ON THE CUSTOMER UNDER THIS CLAUSE 11.

11.3 The Parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of the Agreement is not Confidential Information and the Supplier hereby gives its consent for the Customer to publish this Agreement in its entirety to the general public (but with any information that is exempt from disclosure in accordance with the FOIA redacted) including any changes to the Agreement agreed from time to time. The Customer may consult with the Supplier to inform its decision regarding any redactions but shall have the final decision in its absolute discretion whether any of the content of the Agreement is exempt from disclosure in accordance with the provisions of the FOIA.

11.4 The Supplier shall not, and shall take reasonable steps to ensure that the Staff shall not, make any press announcement or publicise the Agreement or any part of the Agreement in any way, except with the prior written consent of the Customer.

## **12 FREEDOM OF INFORMATION**

12.1 The Supplier acknowledges that the Customer is subject to the requirements of the FOIA and the Environmental Information Regulations 2004 and shall:

12.1.1 provide all necessary assistance and cooperation as reasonably requested by the Customer to enable the Customer to comply with its obligations under the FOIA and the Environmental Information Regulations 2004;

12.1.2 transfer to the Customer all Requests for Information relating to this Agreement that it receives as soon as practicable and in any event within 2 Working Days of receipt;

12.1.3 provide the Customer with a copy of all Information belonging to the Customer

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requested in the Request for Information which is in its possession or control in the form that the Customer requires within 5 Working Days (or such other period as the Customer may reasonably specify) of the Customer's request for such Information; and

12.1.4 not respond directly to a Request for Information unless authorised in writing to do so by the Customer.

12.2 The Supplier acknowledges that the Customer may be required under the FOIA and the Environmental Information Regulations 2004 to disclose Information concerning the Supplier or the Services (including commercially sensitive information) without consulting or obtaining consent from the Supplier. In these circumstances the Customer shall, in accordance with any relevant guidance issued under the FOIA, take reasonable steps, where appropriate, to give the Supplier advance notice, or failing that, to draw the disclosure to the Supplier's attention after any such disclosure.

12.3 Notwithstanding any other provision in the Agreement, the Customer shall be responsible for determining in its absolute discretion whether any Information relating to the Supplier or the Services is exempt from disclosure in accordance with the FOIA and/or the Environmental Information Regulations 2004.

### **13 PROTECTION OF PERSONAL DATA AND SECURITY OF DATA**

13.1 The Supplier shall, and shall procure that all Staff shall, comply with any notification requirements under the DPA and both Parties shall duly observe all their obligations under the DPA which arise in connection with the Agreement.

13.2 Notwithstanding the general obligation in clause 13.1, where the Supplier is processing Personal Data for the Customer as a data processor (as defined by the DPA) the Supplier shall:

13.2.1 ensure that it has in place appropriate technical and organisational measures to ensure the security of the Personal Data (and to guard against unauthorised or unlawful processing of the Personal Data and against accidental loss or destruction of, or damage to, the Personal Data), as required under the Seventh Data Protection Principle in Schedule 1 to the DPA;

13.2.2 provide the Customer with such information as the Customer may reasonably request to satisfy itself that the Supplier is complying with its obligations under the DPA;

13.2.3 promptly notify the Customer of:

- (a) any breach of the security requirements of the Customer as referred to in clause 13.3; and
- (b) any request for personal data; and

13.2.4 ensure that it does not knowingly or negligently do or omit to do anything which places the Customer in breach of the Customer's obligations under the DPA.

13.3 When handling Customer data (whether or not Personal Data), the Supplier shall ensure the security of the data is maintained in line with the security requirements of the Customer as notified to the Supplier from time to time.

### **14 LIABILITY**

14.1 The Supplier shall not be responsible for any injury, loss, damage, cost or expense

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suffered by the Customer if and to the extent that it is caused by the negligence or wilful misconduct of the Customer or by breach by the Customer of its obligations under the Agreement.

14.2 Subject always to clauses 14.3 and 14.4:

14.2.1 the aggregate liability of the Supplier in respect of all defaults, claims, losses or damages howsoever caused, whether arising from breach of the Agreement, the supply or failure to supply of the Services, misrepresentation (whether tortious or statutory), tort (including negligence), breach of statutory duty or otherwise shall in no event exceed a sum equal to 125% of the Charges paid or payable to the Supplier; and

14.2.2 except in the case of claims arising under clauses 9.4 and 18.3, in no event shall the Supplier be liable to the Customer for any:

- (a) loss of profits;
- (b) loss of business;
- (c) loss of revenue;
- (d) loss of or damage to goodwill;
- (e) loss of savings (whether anticipated or otherwise); and/or
- (f) any indirect, special or consequential loss or damage.

14.3 Nothing in the Agreement shall be construed to limit or exclude either Party's liability for:

14.3.1 death or personal injury caused by its negligence or that of its Staff;

14.3.2 fraud or fraudulent misrepresentation by it or that of its Staff; or

14.3.3 any other matter which, by law, may not be excluded or limited.

14.4 The Supplier's liability under the indemnity in clause 9.4 and 18.3 shall be unlimited.

## **15 FORCE MAJEURE**

Neither Party shall have any liability under or be deemed to be in breach of the Agreement for any delays or failures in performance of the Agreement which result from circumstances beyond the reasonable control of the Party affected. Each Party shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so. If such circumstances continue for a continuous period of more than two months, either Party may terminate the Agreement by written notice to the other Party.

## **16 TERMINATION**

16.1 The Customer may terminate the Agreement at any time by notice in writing to the Supplier to take effect on any date falling at least 1 month (or, if the Agreement is less than 3 months in duration, at least 10 Working Days) later than the date of service of the relevant notice.

16.2 Without prejudice to any other right or remedy it might have, the Customer may terminate the Agreement by written notice to the Supplier with immediate effect if the Supplier:

16.2.1 (without prejudice to clause 16.2.5), is in material breach of any obligation under the Agreement which is not capable of remedy;

16.2.2 repeatedly breaches any of the terms and conditions of the Agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent

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- with it having the intention or ability to give effect to the terms and conditions of the Agreement;
- 16.2.3 is in material breach of any obligation which is capable of remedy, and that breach is not remedied within 30 days of the Supplier receiving notice specifying the breach and requiring it to be remedied;
- 16.2.4 undergoes a change of control within the meaning of section 416 of the Income and Corporation Taxes Act 1988;
- 16.2.5 breaches any of the provisions of clauses 7.2, 11, 12, 13 and 17;
- 16.2.6 becomes insolvent, or if an order is made or a resolution is passed for the winding up of the Supplier (other than voluntarily for the purpose of solvent amalgamation or reconstruction), or if an administrator or administrative receiver is appointed in respect of the whole or any part of the Supplier's assets or business, or if the Supplier makes any composition with its creditors or takes or suffers any similar or analogous action (to any of the actions detailed in this clause 16.2.6) in consequence of debt in any jurisdiction; or
- 16.2.7 fails to comply with legal obligations in the fields of environmental, social or labour law.
- 16.3 The Supplier shall notify the Customer as soon as practicable of any change of control as referred to in clause 16.2.4 or any potential such change of control.
- 16.4 The Supplier may terminate the Agreement by written notice to the Customer if the Customer has not paid any undisputed amounts within 90 days of them falling due.
- 16.5 Termination or expiry of the Agreement shall be without prejudice to the rights of either Party accrued prior to termination or expiry and shall not affect the continuing rights of the Parties under this clause and clauses 2, 3.2, 6.1, 6.2, 6.6, 6.7, 7, 9, 10.2, 11, 12, 13, 14, 16.6, 17.4, 18.3, 19 and 20.7 or any other provision of the Agreement that either expressly or by implication has effect after termination.
- 16.6 Upon termination or expiry of the Agreement, the Supplier shall:
- 16.6.1 give all reasonable assistance to the Customer and any incoming supplier of the Services; and
- 16.6.2 return all requested documents, information and data to the Customer as soon as reasonably practicable.

## 17 COMPLIANCE

- 17.1 The Supplier shall promptly notify the Customer of any health and safety hazards which may arise in connection with the performance of its obligations under the Agreement. The Customer shall promptly notify the Supplier of any health and safety hazards which may exist or arise at the Customer's premises and which may affect the Supplier in the performance of its obligations under the Agreement.
- 17.2 The Supplier shall:
- 17.2.1 comply with all the Customer's health and safety measures while on the Customer's premises; and
- 17.2.2 notify the Customer immediately in the event of any incident occurring in the performance of its obligations under the Agreement on the Customer's premises where that incident causes any personal injury or damage to property which could give rise to personal injury.

17.3 The Supplier shall:

17.3.1 perform its obligations under the Agreement in accordance with all applicable equality Law and the Customer's equality and diversity policy as provided to the Supplier from time to time; and

17.3.2 take all reasonable steps to secure the observance of clause 17.3.1 by all Staff.

17.4 The Supplier shall supply the Services in accordance with the Customer's environmental policy as provided to the Supplier from time to time.

17.5 The Supplier shall comply with, and shall ensure that its Staff shall comply with, the provisions of:

17.5.1 the Official Secrets Acts 1911 to 1989; and

17.5.2 section 182 of the Finance Act 1989.

## 18 PREVENTION OF FRAUD AND CORRUPTION

18.1 The Supplier shall not offer, give, or agree to give anything, to any person an inducement or reward for doing, refraining from doing, or for having done or refrained from doing, any act in relation to the obtaining or execution of the Agreement or for showing or refraining from showing favour or disfavour to any person in relation to the Agreement.

18.2 The Supplier shall take all reasonable steps, in accordance with good industry practice, to prevent fraud by the Staff and the Supplier (including its shareholders, members and directors) in connection with the Agreement and shall notify the Customer immediately if it has reason to suspect that any fraud has occurred or is occurring or is likely to occur.

18.3 If the Supplier or the Staff engages in conduct prohibited by clause 18.1 or commits fraud in relation to the Agreement or any other contract with the Crown (including the Customer) the Customer may:

18.3.1 terminate the Agreement and recover from the Supplier the amount of any loss suffered by the Customer resulting from the termination, including the cost reasonably incurred by the Customer of making other arrangements for the supply of the Services and any additional expenditure incurred by the Customer throughout the remainder of the Agreement; or

18.3.2 recover in full from the Supplier any other loss sustained by the Customer in consequence of any breach of this clause.

## 19 DISPUTE RESOLUTION

19.1 The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with the Agreement and such efforts shall involve the escalation of the dispute to an appropriately senior representative of each Party.

19.2 If the dispute cannot be resolved by the Parties within one month of being escalated as referred to in clause 19.1, the dispute may by agreement between the Parties be referred to a neutral adviser or mediator (the "**Mediator**") chosen by agreement between the Parties. All negotiations connected with the dispute shall be conducted in confidence and without prejudice to the rights of the Parties in any further proceedings.

19.3 If the Parties fail to appoint a Mediator within one month, or fail to enter into a written agreement resolving the dispute within one month of the Mediator being appointed, either Party may exercise any remedy it has under applicable law.

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## 20 GENERAL

- 20.1 Each of the Parties represents and warrants to the other that it has full capacity and authority, and all necessary consents, licences and permissions to enter into and perform its obligations under the Agreement, and that the Agreement is executed by its duly authorised representative.
- 20.2 A person who is not a party to the Agreement shall have no right to enforce any of its provisions which, expressly or by implication, confer a benefit on him, without the prior written agreement of the Parties.
- 20.3 The Agreement cannot be varied except in writing signed by a duly authorised representative of both the Parties.
- 20.4 The Agreement contains the whole agreement between the Parties and supersedes and replaces any prior written or oral agreements, representations or understandings between them. The Parties confirm that they have not entered into the Agreement on the basis of any representation that is not expressly incorporated into the Agreement. Nothing in this clause shall exclude liability for fraud or fraudulent misrepresentation.
- 20.5 Any waiver or relaxation either partly, or wholly of any of the terms and conditions of the Agreement shall be valid only if it is communicated to the other Party in writing and expressly stated to be a waiver. A waiver of any right or remedy arising from a breach of contract shall not constitute a waiver of any right or remedy arising from any other breach of the Agreement.
- 20.6 The Agreement shall not constitute or imply any partnership, joint venture, agency, fiduciary relationship or other relationship between the Parties other than the contractual relationship expressly provided for in the Agreement. Neither Party shall have, nor represent that it has, any authority to make any commitments on the other Party's behalf.
- 20.7 Except as otherwise expressly provided by the Agreement, all remedies available to either Party for breach of the Agreement (whether under the Agreement, statute or common law) are cumulative and may be exercised concurrently or separately, and the exercise of one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.
- 20.8 If any provision of the Agreement is prohibited by law or judged by a court to be unlawful, void or unenforceable, the provision shall, to the extent required, be severed from the Agreement and rendered ineffective as far as possible without modifying the remaining provisions of the Agreement, and shall not in any way affect any other circumstances of or the validity or enforcement of the Agreement.

## 21 NOTICES

- 21.1 Any notice to be given under the Agreement shall be in writing and may be served by personal delivery, first class recorded or, subject to clause 21.3, e-mail to the address of the relevant Party set out in the Award Letter, or such other address as that Party may from time to time notify to the other Party in accordance with this clause:
- 21.2 Notices served as above shall be deemed served on the Working Day of delivery provided delivery is before 5.00pm on a Working Day. Otherwise delivery shall be deemed to occur on the next Working Day. An email shall be deemed delivered when sent unless an error message is received.
- 21.3 Notices under clauses 15 (Force Majeure) and 16 (Termination) may be served by email only if the original notice is then sent to the recipient by personal delivery or recorded

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delivery in the manner set out in clause 21.1.

## **22 GOVERNING LAW AND JURISDICTION**

The validity, construction and performance of the Agreement, and all contractual and non-contractual matters arising out of it, shall be governed by English law and shall be subject to the exclusive jurisdiction of the English courts to which the Parties submit.

**ANNEX 2 – PRICE SCHEDULE**

REDACTED CONTENT

**ANNEX 3 – STATEMENT OF REQUIREMENT**

## 1. PURPOSE

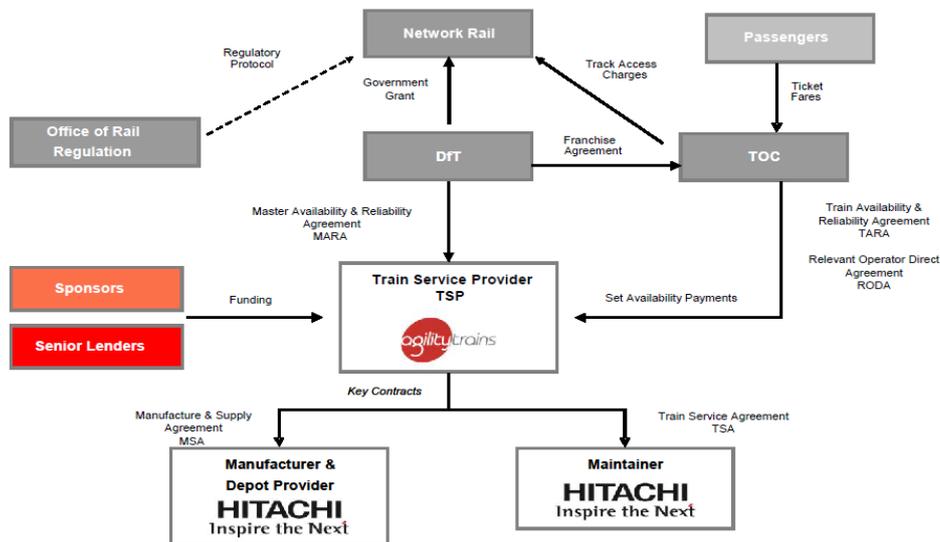
The purpose of this assignment is to provide financial advice to the DfT in the delivery of the IEP. This is a 24 month contract with DfT having the option to extend for two six month increments of up to one year.

## 2. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

### IEP commercial structure

- 2.1 The key feature of the IEP commercial structure is the 'bundled' procurement of rolling stock, maintenance services, facilities and finance via a single Train Service Provider (TSP), in this instance Agility (a Special Purpose Vehicle owned by Hitachi Rail Europe and John Laing). The TSP contract is a 27.5 year PFI-style deal to design, build, finance, and maintain intercity trains.
- 2.2 The agreement between the Department and TSP is structured through a number of contractual documents including a Master Availability and Reliability Agreement (MARA) a Train Availability and Reliability Agreement (TARA) between the TSP and the relevant Train Operating Company (TOC).

### Contracts (excluding property documents)



### IEP Procurement Document Structure

- 2.3 The MARA is the contract between the Secretary of State and the TSP which obliges the TSP to design, build and introduce trains and maintenance facilities to the DfT specification and then enter into agreements with TOCs to make the trains available under an agreed performance and availability regime. The MARA includes an undertaking that the IEP trains will continue to be used over the 27.5 year life of the contract. The TSP will enter into a TARA with each TOC (initially Great Western Railway (GWR) and Virgin Trains East Coast (VTEC)) which sets out the TSP's obligation to make trains available on a daily basis as defined within the contract, and the payment and penalty mechanisms that will apply. If trains are not available, the TSP does not receive the full availability payment.
- 2.4 To put this into context Agility has separate contracts with the franchise operators: Agility receives payments from the operators for provision of each train each day. Agility suffers payment deductions if it fails to meet tough contractual targets around timeliness, reliability, performance and cleanliness. The government pays for the trains and depots indirectly through

its franchise contracts with the TOCs, currently with GWR (until the franchise review in 2019) and VTEC (until the franchise review in 2023).

### 3. DEFINITIONS

Expression or Acronym	Definition
<b>DfT</b>	Department for Transport
<b>ECML</b>	East Coast Main Line
<b>IEP</b>	Intercity Express Programme
<b>HST</b>	High Speed Train
<b>HRE</b>	Hitachi Rail Europe
<b>GWR</b>	Great Western Railway
<b>GWML</b>	Great Western Main Line
<b>MARA</b>	Master Availability and Reliability Agreement
<b>PFI</b>	Public Finance Initiative
<b>PPP</b>	Public Private Partnership
<b>TARA</b>	Train Availability and Reliability Agreement
<b>TSP</b>	Train Service Provider – Agility Trains Ltd
<b>TOC</b>	Train Operating Company – currently Great Western Railway and Virgin Trains East Coast
<b>Open book</b>	The transparent sharing of all accounting information including actual costs in order to aid financial governance and to enable structured cost reduction initiatives.
<b>VTEC</b>	Virgin Trains East Coast

### 4. SCOPE OF REQUIREMENT

The Supplier will provide financial, tax and accounting advice on a complex PFI-type deal. This will also include providing opinions on Value for Money (as defined within the Treasury Green Book); analysis of complex financial models to support variations or refinancing and other ad-hoc modelling advice

### 5. THE REQUIREMENT

- 5.1 The Supplier will hold regular briefing meetings to confirm the scope of the advice. Advice will be provided in a range of formats including written reports, contributions to DfT papers and discussions with the client team.
- 5.2 The supplier will attend knowledge sharing meetings with the DfT in relation to the Intercity Express Programme, and/or meetings with other similar project leads such as Crossrail, to share their findings and best practices which may be useful to the DfT. Meetings will be agreed and arranged with the programme lead approximately every two months or as and when required

## Mandatory Requirements

- 5.2.1 Ad hoc advice in relation to financial matters arising from the GWML or ECML contracts, including for example implementation of variations, refinancing and financial aspects of any dispute.
- 5.2.2 Strategic financial advice as required, including advice on current market conditions.
- 5.2.3 Commercial advice, assistance and support to DfT in negotiations with Agility, its financiers and sub-contractors, Network Rail, franchisees and any other relevant party.
- 5.2.4 Assistance in updating the commercial and financial structure and financial modelling to support DfT decision making and to monitor and analyse Agility's financial models.
- 5.2.5 Advice on the financial risks and commercial impacts of managing the IEP contract. This will include the preparation of written advice to be used by the Department for Transport.
- 5.2.6 Tax and accounting advice as required.
- 5.2.7 Advice on Value for Money, as defined by the HM Treasury Green Book guidance.
- 5.2.8 Support to DfT on financial risk and investment strategy e.g. monitoring the process for entering into and the pricing of any hedging arrangements (including interest rate and foreign exchange hedging).
- 5.2.9 Attendance at meetings with DfT and other parties as required, including HM Treasury.
- 5.2.10 Throughout the contract the Supplier will share skills and knowledge. At the end of the contract the Supplier will be required to complete a knowledge transfer to the Department and, where appropriate, to other external advisers (this may include other financial advisers). This will include the compilation of a set of core commercial documents and legal advice notes, which must also be made available in electronic form prior to the end of the contract.

### 5.2.11 Exit Strategy

The supplier will embed an exit strategy leading up to the end of this Financial Advisor Contract to ensure that any skills or information is passed onto the programme team or successor Financial Advisor for future use - enabling the contract to be closed-off with no outstanding dependencies.

## 6. KEY MILESTONES

- 6.1 The Potential Supplier will deliver against the following project milestones, the Authority will measure the quality of delivery:

Milestone	Description	Timeframe
1	Kick-off meeting	Within one week of contract award
2	Financial Model Familiarisation	Within two weeks of contract award

## **7. REPORTING**

- 7.1 Dependences that should be taken into account, but have not been identified in the product/service specifications, and that are to be provided by the supplier are set out in the list below:
- 7.1.1 Task implementation plan.
  - 7.1.2 Forecast completion dates for phase activities;
  - 7.1.3 Progress on agreed tasks;
  - 7.1.4 Preparation for future tasks (to be agreed with the Contract Manager);
  - 7.1.5 Risks and issues impacting progress
  - 7.1.6 Performance against Service Levels and Performance (as stated in Section 15); and
  - 7.1.7 Actual time and costs incurred to date by activity and estimated time and cost to completion (to be updated on a four-weekly basis that coincides with the Department's internal reporting cycle).
- 7.2 The supplier will require the capacity to adapt to changes in the volume of work over time, and in particular to respond to peaks of workflow at key times.
- 7.3 This contract will be managed by the DfT. The nominated contract manager is the IEP Project Sponsor.

## **8. VOLUMES**

- 8.1 Financial advice has previously been provided on a call off basis and as and when required. Due to the complex PFI-type contract and ongoing negotiations on variations there has been more reliance on financial advice to ensure value for money and management. The DfT cannot provide a thorough breakdown of the volume of work.

## **9. CONTINUOUS IMPROVEMENT**

- 9.1 The supplier will continually improve the way in which the required Services are to be delivered throughout the Contract duration.
- 9.2 The supplier should present new ways of working to the Authority during monthly and then quarterly Contract review meetings.
- 9.3 Changes to the way in which the Services are to be delivered must be brought to the Authority's attention and agreed prior to any changes being implemented.
- 9.4 Throughout the contract the supplier will share skills and knowledge. At the end of the contract the Supplier will be required to complete a knowledge transfer to the Department and, where appropriate, to other external advisers (this may include other financial advisers). This will include the compilation of a set of core commercial documents and legal advice notes, which must also be made available in electronic form.
- 9.5 The supplier will continually improve the way in which the required Services are to be delivered throughout the Contract duration.

## **10. PRICE**

- 10.1 In the interests of improving the utilisation of consultancy and achieving better value for money for the tax payer on long term contracts, each Statement of Work will be priced individually and presented to DfT for sign off prior to any work taking place.
- 10.2 Price will be made up in accordance with the agreed rate card and all materials and time must be listed as part of the quote.
- 10.3 DfT will require a monthly summary of the tasks undertaken in that period and a statement of the costs incurred as well as forward estimates of costs based on the DfT's requirements
- 10.4 Prices must be submitted exclusive of any expenses, but should exclude VAT.
- 10.5 Expenses should be listed separately and will be capped at the DfT usage policy e.g. the mileage allowance rate would be in line with current DfT policy, details contained within Annex 7.
- 10.6 The Potential supplier is required to provide a transparent breakdown of their pricing.
- 10.7 All prices and rates shall be dealt with on an "open book" basis.
- 10.8 The IEP expects the supplier, if requested to, price and deliver against specific milestones in order to fulfil the requirements.

## **11. STAFF AND CUSTOMER SERVICE**

- 11.1 The Authority requires the Potential supplier to provide a sufficient level of resource (to include a named Partner) throughout the duration of the IEP Financial Adviser Contract in order to consistently deliver a quality service to all Parties.
- 11.2 Supplier's staff assigned to the IEP Financial Adviser Contract shall have the relevant qualifications and experience to deliver the Contract.
- 11.3 The supplier will put in place, from the start of the contract, a contract management plan and agree with the Authority. This is to provide added assurance of the supplier's capacity and resources to deliver the requirements within the agreed scope, which should incorporate sound approaches for quality of service and risk management.
- 11.4 The supplier shall ensure that staff understand the Authority's vision and objectives and will provide excellent customer service to the Authority throughout the duration of the Contract.

### Mandatory

- A track record of working on very large scale and complex PFI-style transactions demonstrating the skills and capability to deliver the key Programme requirements.
- Demonstrable ability to work efficiently to tight timescales in pressurised circumstances, deliver quality outputs and work collaboratively with the DfT commercial team, in-house and external lawyers as well as policy officials.
- Strong business and commercial management experience including the ability to build and maintain a correctly balanced team, taking into account skills, expertise and delivery (at the appropriate level), and managing out any conflicts of interest.
- An ability to work on a high profile project with a high degree of confidentiality.

- Robust team structure, matching the right individuals with the appropriate skills needed and including a process to ensure resilience within the team.
- The ability to communicate succinctly both verbally and in writing at all levels right up to board level, within the DfT and industry stakeholders.

Desirable

- Demonstration of other commissions working for Government, National Rail, ROSCOs and Train Operating Companies.
- A track record of working with rolling stock contracts and understanding industry mechanics and risks around the introduction and acceptance of trains.
- A thorough understanding of Rail Franchise Service Agreements.

**12. SERVICE LEVELS AND PERFORMANCE**

12.1 The Authority will measure the quality of the supplier’s delivery by:

12.1.1 The objectives of the Service Levels are to ensure that the Contract Services are of a consistently high quality and meet the requirements of the Client.

12.1.2 The Authority will measure the quality of the supplier’s delivery by:

KPI/SLA	Service Area	KPI/SLA description	Target
1	The Requirement	The supplier provides the necessary understanding and expertise to meet Client expectations. Demonstrated through providing advice that is clearly articulated and unambiguous, without errors and is in accordance with Public-Private Partnership / infrastructure finance best practice; and meets the Delivery Timescales set out in KPI/SLA 4.	99%
2	Optimising Costs	supplier is open and proactive in optimising costs including through: <ul style="list-style-type: none"> <li>• Efforts made to minimise expenses;</li> <li>• Identifying where Fixed Price, Capped Time and Materials and Time and Materials can be applied;</li> <li>• Aligning prices with market expectations;</li> <li>• An open approach to explaining price breakdowns and working with the client to identify opportunities to reduce costs;</li> <li>• Accurate and timely billing of client and invoices provided in line with client requirements.</li> </ul>	99%

3	Managing Risk	<ul style="list-style-type: none"> <li>supplier is proactive in identifying and managing risks.</li> <li>In particular: supplier is proactive in identifying and allocating risk ownership within 24 hrs.</li> <li>supplier supports client in assigning and managing identified risks within 48 hrs;</li> <li>supplier is proactive in assessing impact of risks in the course of performing the contract and raising issues as appropriate. Producing a risk report within 48 hrs.</li> </ul>	98%
4	Delivery Timescales	The supplier will provide rapid advice as and when required. Advice is to be provided within the determined reasonable deadlines agreed and set between the supplier and the Authority. These will vary between tasks so that a very urgent task will require a response the next day whilst a routine piece of advice would only require a response in 3-5 working days.	98%
5	Time Sheets	Monthly timesheets for approval by the Department. To be submitted on the first working day of a new month for the previous month.	First day of the next month.

### 13. SECURITY REQUIREMENTS

13.1 In line with the DfT's security procedures all staff that form part of the proposed team and will have regular access to or will be based at the DfT's premises must have complied with the DfT's Baseline Personnel Security Standard (BPSS) which can be found in the link at:

13.2 <https://www.gov.uk/government/publications/security-policy-framework/hmg-security-policy-framework>

13.3 The supplier will take all appropriate measures to ensure that confidential or sensitive material is not disclosed, in accordance with the provisions of RM3719 Corporate Financial Services Framework Lot 6 (Infrastructure Sector Specific).

### 14. INTELLECTUAL PROPERTY RIGHTS (IPR)

14.1 Any IPR which is developed during this project will be the property of the DfT.

### 15. PAYMENT

15.1 Hourly rates will be charged for any exceptional out of hours or weekend working which may be required. Charging for exceptional out of hours or weekend working is subject to approval of the DfT with notice given.

- 15.2 Fixed price may be agreed by both Parties in a Statement of Work, when appropriate.
- 15.3 The Supplier will require the capacity to adapt to changes in the volume of work over time, and in particular to respond to peaks of workflow at key times.
- 15.4 The Supplier will be required to produce timesheets for approval by DfT associated with each work package, detailing:
- 15.4.1 work completed by task;
  - 15.4.2 hours charged together with the name of the person who has carried out the work and their hourly rate;
  - 15.4.3 recoverable expenses; and
  - 15.4.4 approved disbursements.
  - 15.4.5 It should be noted that recoverable expenses should be listed separately and will be considered in line with DfT's travel and subsistence policy.
- 15.5 Monthly management reports shall be provided that summarise the progress made on the project, broken down into appropriate tasks or subject matters. It would be expected that this report should include:
- 15.5.1 costs incurred to date;
  - 15.5.2 forecast costs to completion;
  - 15.5.3 major issues which may impact on costs or timescales;
  - 15.5.4 reasons for changes to initial/previous forecasts;
  - 15.5.5 any applicable cost reduction plans in the relevant period; and
  - 15.5.6 a comparison of actual costs to date with the estimate and the forecast.
- 15.6 This contract will be managed by the IEP Programme in DfT.
- 15.7 Approved timesheets should be submitted with draft invoices to the IEP Director and copied to the Programme Management Office and the DfT Internal Legal Lead. Once a DfT 'Goods Received Notice' (GRN) has been produced DfT will confirm that the invoice may be submitted for payment.
- 15.8 All invoices must be submitted to the DfT Shared Services Centre, Invoices must include the Purchase Order number provided by the DfT at contract start. Invoices should be submitted to:
- Shared Service Arvato  
5 Sandringham Park,  
Swansea Vale,  
Swansea,  
SA7 0EA  
Swansea SA7 0EA

**16. LOCATION**

16.1 It is expected that the supplier will work mainly at their own office, but attendance at meetings in London will be required.

16.2 The supplier will not be required to reside at the DfT's base office location, however occasional meetings will require attendance at this location and other parties main offices also located in Central London. The address is:

Great Minster House,

33 Horseferry Road,

London

SW1P 4DR.

**ANNEX 4 – SUPPLIERS BID RESPONSE**

REDACTED CONTENT

## [ANNEX 5 – CLARIFICATIONS]

REDACTED CONTENT

## [ANNEX 6 – ADDITIONAL TERMS & CONDITIONS]

Not Applicable

## [ANNEX 7 – DfT MILEAGE POLICY]

You are entitled to be paid motor mileage allowance either at public transport rate (PTR) or at standard mileage rate (SMR). The current rates are set out in the attached [table](#). You should note the maximum limit of 10,000 miles per annum that may be reimbursed at the higher SMR rate.

If you could reasonably have used public transport for the journey in question, you must claim PTR. You are entitled to be reimbursed at SMR if;

- it is not practicable to use public transport for the journey or
- if the total costs of the journey (including subsistence costs) are less than public transport because you share the journey with colleagues or
- you need to carry heavy equipment or
- you are pregnant or have a temporary or permanent disability which makes the use of public transport difficult

To claim either you must you satisfy the vehicle ownership, insurance and documentation requirements set out below.

First 10,000 miles	Over 10,000 miles	
	per tax year	per tax year
Cars and vans	45p	25p
Motor cycles	24p	24p
Bicycles	20p	20p
Passenger rate	5p	5p
Public Transport rate	25p	25p
Equipment supplement ( <b>taxable</b> )	2p	2p

## ANNEX 8 – CHANGE CONTROL FORMS

### Contract Management Guidance – Template #10 CHANGE CONTROL FORM- General – v. 4

**Contract Name:**

**Contract Ref. No.**

*[This is a template format for a Change Control Form, to be used for initiation and management of contract changes from change initiation to sign off. The change details and progress should be also captured in the central Change Control Register (#9). The form headings correlate to key stages in the change approval process. Not all the information listed under each stage will necessarily be needed for every contract and the content may need to be supplemented with contract-specific provisions. However all the stages need to be filled in and signed off before the change is regarded as complete.]*

***Before progressing the change from stage to stage always make sure that representatives signing the change on behalf of the customer, supplier and CCS have the authority to approve the scope and cost of the relevant change. Refer to CM Standards Change Control stage for further guidance]***

*[Guidance on how to fill in specific stages or the wording to be added in relation to each specific contract is put in square brackets and in Italics throughout the document]*



Change

Change Control Process map: Management Process

#### CUSTOMER CHANGE NOTICE (CCN)

*[insert summary of contractual provision/ process agreed with the supplier for contractual change control]*

Initiated by:

*[name/ job title/ organisation]*

CCN Reference:

*[unique ref. No., as recorded in Change Control Register]*

Source of change:

*[Customer/ CCS/ Supplier]*

Date CCN  
Raised by  
relevant  
party:

#### **STAGE 1 - CUSTOMER**

Summary of proposals/  
requirements

This is a variation to the contract between the *[insert authority]* and *[insert supplier]*.  
The Terms and Conditions of the Contract apply but with the following amendments:  
Reason for change: *[change in customer requirements; savings initiative; change in law/ regulations etc]*

Proposed payment:

*[lump sum/ ongoing payments]*

Required delivery date, with rationale:

*[specify if there is a critical deadline by which the change needs to be complete (e.g. specific event such as a scheduled date for opening of a new office or government committee date)]*

Change authorised to proceed to Stage 2  
**(Customer organisation representative)**

Signature

Print Name & Position

Date

Change authorised to proceed to Stage 2  
**(CCS representative):**

Signature

Print Name & Position

Date

**STAGE 2 – SUPPLIER**

**Comments/ Caveats on requested change**

*[e.g. proposed implementation route; conditions of delivery]*

**CAPITAL / IMPLEMENTATION COST**

**Labour**

**Materials**

**Other Costs**

**TOTAL:**

**REVENUE COSTS (per annum)**

**Contract Base Rate**

**Current Contract Rate**

Breakdown

Breakdown

Breakdown

Breakdown

**TOTAL**

**ABORTIVE COSTS:**

*[Cost incurred if CCN is withdrawn. Delete this row if no abortive costs can be expected (e.g. supplier is unlikely to incur professional fees in costing and submitting a costed proposal )*

*NB: Any abortive costs to be discussed with the customer before being incurred*

Anticipated period from CCN being authorised by customer to start of related provision

Anticipated implementation period, if any

Signed (**Supplier Representative**):

Print Name & Position:

Date:

Change authorised to proceed to Stage 4 (CCS):

Signature

Print Name & Position

Date

### **STAGE 3 - CLARIFICATIONS**

*[this stage is to be used if CCS/ customer organisation are not clear on or don't agree with the supplier's proposals for CCN implementation.]*

Clarifications/ queries to supplier regarding their proposals:

Date:

Supplier Response

Date:

### **STAGE 4 - CUSTOMER CCN SIGN-OFF TO PROCEED TO IMPLEMENTATION**

CCN Withdrawn:

*[Yes/ no]*

By signing below, unless CCN is withdrawn, the *[Customer / Authority, as defined in the contract]* agrees to pay the *[Supplier/ Contractor, as defined in the contract]* the costs detailed in Stage 2, by deadlines agreed with the supplier, or as defined in the contract.

Signed  
(Customer  
Representative)

Print Name & Position

Date:

Change  
authorised to  
proceed to  
implementation  
(CCS):

Signature

Print Name & Position

Date:

### **STAGE 5 - CCN COMPLETION SIGN-OFF**

I confirm that the *[works have been completed/ provision required under the CCN commenced]* in accordance with the customer requirements and supplier proposals in this CCN.

Date works have been  
completed/ provision  
required under the CCN  
commenced:

Date Signed  
by Customer:

Signed  
(Customer  
representative)

Print Name &  
Position

**Contract Management Guidance – Template #10  
CHANGE CONTROL FORM- Extensions – v. 5**

<b>Contract Name:</b>	XXXX	<b>Contract Ref. No.</b>	XXXX [Insert CCN Change Number]
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*[This is a template format for a Change Control Form, to be used for initiation and management of contract changes from change initiation to sign off. The change details and progress should be also captured in the central Change Control Register (#9). The form headings correlate to key stages in the change approval process. Not all the information listed under each stage will necessarily be needed for every contract and the content may need to be supplemented with contract-specific provisions. However all the stages need to be filled in and signed off before the change is regarded as complete.]*

***Before progressing the change from stage to stage always make sure that representatives signing the change on behalf of the customer, supplier and CCS have the authority to approve the scope and cost of the relevant change. Refer to CM Standards Change Control stage for further guidance***

*[Guidance on how to fill in specific stages or the wording to be added in relation to each specific contract is put in square brackets and in Italics throughout the document]*



Change

Change Control Process map: **Management Process**

**CLIENT CHANGE NOTICE (CCN)**

*[insert summary of contractual provision/ process agreed with the supplier for contractual change control]*

Initiated by:

*[name/ job title/ organisation]*

CCN Reference:

*[unique ref. No., as recorded in Change Control Register]*

Source of change:

*[Customer/ CCS/ Supplier]*

Date CCN Raised by relevant party:

**STAGE 1 - CLIENT**

Summary of proposals/ requirements :

Further to the current contract expiry date of *[insert date]* the *[insert contracting authority name]* wishes to take up the option of a *[insert extensions duration]* extension to *[insert new expiry date]* as per the *[Contract/ Agreement/ Call off]*.

The contract extension will be in line with the current contract terms and conditions and based upon the initial pricing schedule.

Proposed payment:

***In line with the Terms and Conditions of Contract***

Required delivery date, with rationale: *[Contract current expiry date]*

Change authorised to proceed to Stage 2 <b>(Customer organisation representative):</b>			
	Signature	Print Name & Position	Date
Change authorised to proceed to Stage 2 <b>(CCS representative)</b>			
	Signature	Print Name & Position	Date

**STAGE 2 – SUPPLIER**

Comments/ caveats on requested change: *[e.g. proposed implementation route; conditions of delivery]*

**ABORTIVE COSTS :** *[Cost incurred if CCN is withdrawn. Delete this row if no abortive costs can be expected (e.g. supplier is unlikely to incur professional fees in costing and submitting a costed proposal )]*

*NB: Any abortive costs to be discussed with the client before being incurred*

Anticipated period from CCN being authorised by client to start of related provision

*[Supplier name, as appears in the contract]* confirms that the costs identified above are the agreed figures that will be payable on CCN implementation

Signed ( <b>Supplier Representative</b> ):	
Print Name & Position:	
Date:	

**STAGE 3 – CLARIFICATIONS**

*[this stage is to be used if CCS/ customer organisation are not clear on- or don't agree with the supplier's proposals for CCN implementation.]*

Clarification/ queries to  
to supplier regarding  
their proposals:

Date:

Supplier response

Date:

**STAGE 4 - CUSTOMER CCN SIGN-OFF TO PROCEED TO IMPLEMENTATION**

Variation Withdrawn

By signing below, unless CCN is withdrawn, *the [Client / Authority, as defined in the contract]* agrees to pay the *[Supplier/ Contractor, as defined in the contract]* the costs detailed in Stage 2, by deadlines agreed with the supplier.

Signed  
**(Customer  
Representative)**

Signature

Print Name & Position

Date

Change  
authorised to  
proceed to  
implementation  
**(CCS):**

Signature

Print Name & Position

Date

**STAGE 5 - CCN COMPLETION SIGN-OFF**

*[This section doesn't need to be filled in, if the extension is granted on the same terms and based on same rates as the original contract]*

I confirm that the *[works have been completed/ provision required under the CCN commenced]* in accordance with the customer requirements and supplier proposals in this CCN.

Date works have been completed/ provision required under the CCN commenced:

Date Signed by Customer:

Signed (Customer representative):

Print Name & Position