



Department
for Education

DATED: 23rd May 2023

Contract

For

**The Provision of the National Fast Track Child and Family Social Work Training
Programme**

Between

THE SECRETARY OF STATE FOR EDUCATION

and

THE FRONTLINE ORGANISATION

CONTRACT REFERENCE NUMBER: Con_20840

THIS CONTRACT is made on 23rd day of May 2023

between the Parties

- 1 **THE SECRETARY OF STATE FOR EDUCATION** of Sanctuary Buildings, 20 Great Smith Street, London, SW1P 3BT (the "**Authority**"); and
 - 2 **THE FRONTLINE ORGANISATION** whose registered office is at Frontline, Coram Campus, 41 Brunswick Square, London, WC1N 1AZ and whose company number is 09605966 (the "**Contractor**")
- each a "**Party**" and together the "**Parties**".

It is agreed that:

1. this contract, together with the attached Schedules and annexes, collectively form the "**Contract**"; and
2. if there is a conflict between the provisions of the Clauses of the Contract and the provisions of the Schedules, the following order of precedence shall apply:
 - (a) Schedule 2 (Terms and Conditions);
 - (b) Schedule 1 (Specification);
 - (c) Schedules 3 to 14, 16 to 21; and
 - (d) Schedule 15 (Contractor's Solution).

The Contract has been executed on the date stated at the beginning of this page.

Signed by a person authorised to sign on behalf of The Frontline Organisation:

Signature:

Name:

Role:

Date:

Signed by a person authorised to sign on behalf of The Secretary of State for Education:

Signature:

Name:

Role:	
Date:	

EMBEDDED FILES

This Contract contains the files set out in the Table below, in embedded format. The Parties confirm that they have reviewed the content of the files and agree that that they are correct. The Parties therefore agree that the versions as set out in the Table form part of this Contract and are binding on each Party.

Contract Reference	Document	Attachment Name	Date and Timestamp
Schedule 2 Clause 1	SME Data Collection Reporting Template	"SME MI Reporting Template"	22/05/2023 @ 11:56
Schedule 3 Annex 2	Pricing Schedule	"Schedule 3 Annex 2 – Pricing Schedule"	
Schedule 3 Annex 4	Risk Register	"FTSW Programme Risk Register"	
Schedule 3 Annex 5	Historical Staff Data	"FTSW TUPE May 2023"	
Schedule 5 Annex 1	Implementation Plan	"Schedule 5 Annex 1 - Implementation Plan"	
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SCHEDULE 1 THE SPECIFICATION

Programme Delivery

1. The Contractor must deliver the following Services

- 1.1. **Attraction and Promotion:** Develop a strong national campaign with locally adapted messaging to attract graduate and career changer Candidates with the potential to develop skills, behaviours and resilience to make effective long term social workers; the campaign should align the Programme to compete against top graduate recruitment programmes.
- 1.2. **Candidate Recruitment and Selection:** Develop and manage a robust Candidate assessment process, selecting up to 500 Candidates per Cohort to participate in the Programme. Ensure those selected have the potential to develop skills, behaviours and resilience to succeed within the Programme and to have long term careers in child and family social work practice. The Contractor may deliver the Candidate Recruitment and Selection requirement on a multi-stage basis.
- 1.3. **Child and Family Social Worker Training and Qualification:** Design a high-quality child and family social work Programme, grounded in a recent and robust evidence base which prepares Participants to gain an initial social work qualification sufficient for them to seek registration with Social Work England. Qualify at least 450 social workers per Cohort, for three Cohorts, with the first Cohort qualifying between September 2025 and Aug 2026.
- 1.4. **Local Authority Recruitment and Placements:** Work in partnership with English LAs to identify, secure and manage sufficient training and high-quality statutory children's social care Placements that meet regulatory standards. Secure subsequent employment offers that meet LA staffing needs.
- 1.5. **Participant Retention and Ongoing Support:** Develop effective mechanisms to provide academic and pastoral support to Participants throughout the duration of the Programme and promote long term retention in LAs, of at least 3 continuous years post-qualification, by concentrating on appropriate recruitment and Placement approaches and effective post Programme support.

2. Attraction and Promotion

The Contractor must:

- 2.1. Develop and implement a high impact communications and marketing recruitment strategy to promote the Programme. This must attract applications from graduates and career changers with potential to be highly skilled social workers. The communications message(s) should have a clear focus on those who would not otherwise have considered a career in social work. It must also convey a message that prepares Candidates for the reality of social work roles.

- 2.2. Focus on ensuring the marketing of the Programme competes favourably with other high-profile graduate schemes, giving full consideration to where the Programme is most appropriately positioned. This Contractor's delivery of this requirement should contribute towards the Authority's wider aim of raising the overall positive profile of social work, positively influencing attitudes of the profession, so that it is viewed as an attractive profession for graduates and career changers.
- 2.3. Develop a Programme brand that aligns with your communications and marketing strategy.
- 2.4. Develop and implement a strategy for attracting Candidates to the Programme, locally adapting the national communications approach, to ensure the attraction message encourages a wide range of Candidates to apply for the Programme such that Participants are representative of the diverse communities they will serve.
- 2.5. Be data driven in developing and implementing attraction activity, continually monitoring and correcting any adverse impact on conversion into Candidates from those that are under-represented such as those with Protected Characteristics and those from lower Socio-Economic Groups.
- 2.6. Ensure interested Candidates can engage with the detail of the application process, it's requirements and timeline, and that information is fully accessible, including for those who have impairments.
- 2.7. Raise awareness of the programme to recruit a target of up to 500 participants per cohort, with proportionate attractions and registration leads

[Contractor drafting note:

The target numbers for attractions and registration leads will be agreed during mobilisation based on the phases of the proposed campaign activity.]

- 2.8. Comply with the Authority's branding guidelines, and seek the approval of and work collaboratively with, the Authority in the development of, or refresh of the branding for the Programme and also any major strategic developments or shifts in the marketing of the Programme.
- 2.9. Activity should consider, where possible, budget efficiencies and no cost/low cost engagement and communications. Any paid-for communications activity and spend undertaken by the Contractor is subject to Cabinet Office communications approval of the spend, together with DfE strategic communications approval of the plan. The Cabinet Office approvals process for the approval of all marketing spend under the Contract is set out in the Contract at Schedule 2 clause 16 (Publicity and Promotion) clauses 16.5 – 16.7.
- 2.10. Report to the Authority regularly against the Performance Measures set out in Schedule 4 (Performance Levels) of the Contract. The Contractor should also submit to the Authority a monthly update on marketing spend against budget.

[Contractor drafting **note**: *The metric used to set a baseline and benchmark for measurement of these will be agreed during mobilisation based on the phases of the proposed campaign activity.*]

The Contractor should:

- 2.11. Ensure the marketing of the Programme complements and does not compete with the Step Up to Social Work programme.

3. Recruitment and Selection

The Contractor must:

- 3.1. Have a robust recruitment and selection process for Candidates, which is undertaken in a way that is fair, open, and transparent, promotes equality of opportunity and avoids discrimination.
- 3.2. Ensure all Candidates meet a minimum academic entry requirement of a 2:2 undergraduate degree classification.
- 3.3. Work with LAs to determine an appropriate recruitment and selection process, that ensures appropriate geographical matches are available to Participants in order to encourage better local knowledge in practice and longer retention in the Placement LA.
- 3.4. Assess Candidate (and thereby select Participants), ensuring those entering the Programme have the capability and capacity to develop the skills, behaviours and resilience to become excellent social workers and have a positive impact on the lives and outcomes of children and families.
- 3.5. Ensure all Candidates meet the minimum admissions standards as outlined in section 1 of the Education and Training Standards (2021):
<https://www.socialworkengland.org.uk/standards/education-and-training-standards/>

- 3.6. Assess Candidates' skills and aptitude to succeed on the Programme, through demonstrating an understanding of what skills and aptitudes should be required of Candidates. This must include, but not be limited to; leadership, building relationships, critical thinking and analysis, verbal and written communication skills, valuing diversity and having strategies for resilience and wellbeing.
- 3.7. Outline any additional skills and aptitudes included in assessment, and detail evidence for why these have been chosen.
- 3.8. Recruit up to 500 Participants per Cohort for three Cohorts, in single or multiple Intakes to a maximum of 2 Intakes per cohort;
 - 3.8.1. The first Cohort of Participants qualifying from September 2025 – Aug 2026;
 - 3.8.2. The second Cohort qualifying from September 2026 – August 2027;
 - 3.8.3. The third Cohort qualifying from September 2027 – August 2028.
 - 3.8.4. If the Contract is extended into further Cohorts, the Contractor will be expected to deliver subsequent Cohorts against the same annual timelines.
- 3.9. Ensure that appropriate support is provided to encourage applications from Candidates that are under-represented such as those with Protected Characteristics, and those from lower Socio-Economic Groups, demonstrating knowledge of and compliance with the Public Sector Equality Duty.
- 3.10. Continually monitor the conversion of Candidates that are under-represented such as those with Protected Characteristics and those from lower Socio-Economic Groups into Participants. Work to correct any adverse impacts of the assessment process in this conversion. This must include regular review of Attraction and Promotion and Recruitment and Selection processes.
- 3.11. Ensure appropriate pre-employment checks are embedded in recruitment and selection processes, including but not limited to enhanced DBS checks and appropriate health checks for candidates in line with Social Work England Education and Training Standard 1.4:
<https://www.socialworkengland.org.uk/standards/education-and-training-standards/>.

The Contractor should:

- 3.12. Devise and deliver an approach focused on first identifying and securing LA Placements, and then working in partnership with these LAs to recruit appropriate Participants. (The Authority recognises this may take time to implement over the life cycle of the Contract).
- 3.13. Maintain up to date knowledge of inequities in the social work workforce demographics and address these through the Recruitment and Selection process. This should include, but is not limited to a knowledge of biases within recruitment and selection tools, and action to mitigate these if they are being used.

- 3.14. Respond flexibly to changes in workforce demand across LAs.
- 3.15. Have and deliver a strategy for maximising the conversion from initial registrations/expressions of interest to Candidates, to selection of Participant who start the Programme; including systems for monitoring conversions of Candidates from under-represented groups such as those with Protected Characteristics and those from lower Socio-Economic Groups to Participants, and addressing any disproportionalities.
- 3.16. Seek input into the Recruitment and Selection process from care experienced people.

The Contractor may:

- 3.17. Deliver single or multiple Intakes within each Cohort of the Programme.

4. Child and Family Social Worker Training and Qualification

The Contractor must:

- 4.1. Design and deliver a high-quality Programme with content and pedagogy with a strong evidence base. This will include a PG Diploma qualification in Social Work within the generic framework.
 - 4.1.1. This must be based on recent (within the last 3 years) and robust evidence available, to enable social workers to be effective in a range of child and family roles and social work environments.
 - 4.1.2. It must include the development of Culturally Competent practice.
 - 4.1.3. It must develop knowledge and understanding of supporting adults and of multi-agency ways of working.
- 4.2. Ensure the Programme delivers specialised child and family social work training, preparing Participants for a qualification within the (generic) standards framework for all social work education and training in England. All initial education and training programmes must meet [Education and Training standards](#) set by the professional regulator, Social Work England; social workers must be trained to meet the [“Professional Standards”, also set by Social Work England](#). The Professional Standards set out that social workers must, for example, promote the rights, strengths and wellbeing of people, communities and families; and establish and maintain the trust of people. It is for the Contractor to decide how adult social work content may be accommodated, to meet regulatory standards.
- 4.3. Deliver an accelerated, employment-based training route. The qualification should take between 12 and 16 months to complete, with a clear rationale for the timeline and Programme outline provided.
- 4.4. Qualify a Cohort of a minimum of 450 Practice Ready Social Workers annually, with the first Cohort qualifying between September 2025 and August 2026.

- 4.5. Fully and comprehensively align the curriculum with Social Work England's Professional Standards, so that it is sufficient for graduates to seek registration with Social Work England:
<https://www.socialworkengland.org.uk/standards/professional-standards/>
- 4.6. Have a clear plan for regulatory approval and an awareness of the issues that may be encountered in this process.
- 4.7. Ensure all training and employment Placements meet the regulator Social Work England's requirements:
<https://www.socialworkengland.org.uk/standards/education-and-training-standards/>.
- 4.8. Ensure all Placements are embedded within a team delivering statutory child and family social work, in roles involving work on cases carried out under Section 17 and Section 47 under the Children Act 1989 requiring case records to be updated by the Participant, under appropriate supervision.
- 4.9. Ensure that the curriculum and training provision is kept up to date and maintained in line with Social Work England's Initial Education and Training Standards during the life of the Contract.
- 4.10. Ensure that the curriculum draws from broad and diverse literature base.
- 4.11. Employ expert staff with recent (within the past 5 years) or current social work practice experience in the design and delivery of the curriculum, with representation of registered social workers within the Contractor Staff. Outline social work experience and registration status of key curriculum design and delivery staff.
- 4.12. Develop sound proposals to deliver learning through an employment-based process, and then to support Participants into employment and to Completion of the Programme.
- 4.13. Ensure Participants are prepared to progress at the point of qualification to an ASYE social work role within the employer to which they are attached.
- 4.14. Demonstrate a clear understanding of the Government's vision for improving child and family social work by providing a clear articulation of the role of the Programme in achieving these aims.
- 4.15. Respond flexibly to changes and issues within the children's social care sector and any guidance in relation to the Professional Standards issued by SWE; and work with the Authority and LAs to be responsive to these. This might include adaptations to the training where necessary.
- 4.16. Develop robust quality assurance processes that will ensure a high quality of academic provision is maintained.

The Contractor should:

- 4.17. Ensure the curriculum is aligned to the Post Qualifying Standards: Knowledge and Skills statements for child and family practitioners: [Social work post-qualifying standards: knowledge and skills statements - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/social-work-post-qualifying-standards-knowledge-and-skills-statements)
- 4.18. Identify and facilitate opportunities for LA involvement in relevant aspects of training.
- 4.19. Employ Contractor Staff from a range of backgrounds and experiences to deliver a well-rounded training offer.

The Contractor may:

- 4.20. Demonstrate how quality assurance processes will ensure high quality provision, including the use of external bodies for scrutiny.
- 4.21. Identify and involve key sector stakeholders in the design and delivery of the qualification.

5. LA Recruitment and Placements

The Contractor must:

- 5.1. Have in place a process and sufficient resource to administer LA payments, as set out in paragraphs 2.10 – 2.14 of Annex 1 (Payment Process) of Schedule 3 (Financials).
- 5.2. Ensure that the delivery of LA Placements is fully compliant with the regulatory standards: <https://www.socialworkengland.org.uk/standards/education-and-training-standards/>. Further guidance is available at: [Practice placements guidance - Social Work England](#)
- 5.3. Deliver the Programme at (i) LAs or (ii) children's trusts that deliver services on behalf of an LA, within England.
- 5.4. Work in partnership with LAs to secure and manage high quality Placements in statutory Children's Social Care (CSC) with English providers, and subsequent employment offers.
- 5.5. Support LAs to ensure Placements maintain their quality and suitability for Participants, recognising that different LAs will have different requirements to ensure they are providing a conducive learning environment.
- 5.6. Develop and deliver a clear strategy for identifying and targeting LA partnerships that reflect the Authority's priorities.
- 5.7. Ensure main Placements are fully embedded within a team delivering statutory child and family social work – in roles involving work on [section 17](#) and [section 47](#) cases.

- 5.8. Ensure that Placements enable case records to be updated by the Participant, under appropriate supervision.
- 5.9. Design and deliver an approach for matching Participants to appropriate Placements, taking into account criteria including but not limited to;
 - 5.9.1. Participant locality
 - 5.9.2. Participant, service user and workforce demography
 - 5.9.3. Participant suitability for team and LA environment
 - 5.9.4. LA workforce needs and specialisms.
- 5.10. Ensure all Participants secure a contrasting placement that meets at least the minimum requirements as specified by Social Work England, section 2.1: [Education and training standards - Social Work England](#).
- 5.11. Develop and deliver processes to gather and action feedback on LA satisfaction.
- 5.12. Develop and deliver processes to support both LAs and Participants should unexpected circumstances impact the viability of a Placement, including but not limited to a serious incident or Ofsted Inadequate judgement.

The Contractor should:

- 5.13. Develop mechanisms for working collaboratively with LAs to involve them in Participant recruitment, being responsive to their requirements.
- 5.14. Work in partnership with LAs to source, secure and organise contrasting Placements, or support LAs to do so.
- 5.15. Seek opportunities to use a regional approach to support Participants based in LAs which may be less able to maintain a sufficiently high quality or varied and suitable learning environment.

The Contractor may:

- 5.16. Enable LAs to be directly involved in aspects of Participant recruitment and selection and/or onboarding and training.
- 5.17. Develop LA Placements in multi-year partnerships where appropriate.
- 5.18. Seek opportunities to collaborate with Teaching Partnerships.
- 5.19. Develop opportunities for Participants to observe or participate in practice in more than one LA.

Eligible LAs

- 5.20. The identification of LAs who are eligible to participate in the Programme is a joint activity between the Authority and the Contractor. Day to day partnership development and decision-making responsibility will rest with the Contractor, but the Contractor is required to liaise with the Authority to gather and ensure understanding of intelligence and policy steers, and must take these into account when making partnership decisions. This will take place through an annual process as part of ongoing Contract management. These will include workforce census data, vacancy and agency rates, ministerial and senior civil servant priorities and Interventions and Improvement Division intelligence.
- 5.21. At least 50% of LAs partnering with the Programme per Cohort should be Ofsted rated Requires Improvement or Inadequate.
- 5.22. The Contractor must work with Authority to ensure that the appropriateness of the environment for Participants is maintained as the principal priority and managed alongside other criteria for LA eligibility.

6. Participant Retention and Ongoing Support

Support during PG Diploma Period

The Contractor must:

- 6.1. Have in place a process and sufficient resource to administer Bursary Maintenance Payments, as set out in Schedule 21 (Administration of Pass-Through Costs).
- 6.2. Have robust mechanisms to provide academic and pastoral support to Participants throughout the duration of the PG Diploma course, including:
 - 6.2.1. Structured support and ringfenced time for all Participants, through supervision mechanisms.
- 6.3. Develop and monitor criteria that all LAs hosting Participant Placements must meet to support students, including but not limited to;
 - 6.3.1. All criteria within Social Work England Education and Training Standards, available at: [Education and training standards - Social Work England](#)
 - 6.3.2. A trained practice educator with ringfenced time.
 - 6.3.3. Ensuring a balanced and sustainable workload for Participants during their Placement.
- 6.4. Ensure that all Participants, including those with Protected Characteristics and those from lower Socio-Economic Groups, receive appropriately tailored support to successfully complete the Programme, and detail what this will entail.

- 6.5. Monitor outcomes for Participants from under-represented groups such as those with Protected Characteristics and those from lower Socio-Economic Groups, including but not limited to assessment outcomes, Deferrals, and disciplinary procedures, addressing any disproportionalities.
- 6.6. Carry out Participant Satisfaction Survey with all active Participants at the end of the PG Diploma Period as set out in Schedule 16 (Records Provision and Management Information).
- 6.7. Carry out Participant Exit Reviews with all Participants completing the ASYE or leaving the Programme, and where appropriate facilitate exit interviews with the Authority as set out in Schedule 16 (Records Provision and Management Information).
- 6.8. Provide assistance with dispute resolution and problem solving between Participants and other relevant stakeholders, including their Placement LA, any validating Higher Education Institute (HEI) partner, Social Work England, or where appropriate at service user level.
- 6.9. Develop and maintain a formal complaints procedure with arrangements for reporting complaints.

The Contractor should:

- 6.10. Create opportunities for Participants to share learning and best practice from the Programme with each other and social workers in their LA and beyond.
- 6.11. Enable Placement LAs to provide effective support to Participants in line with all existing and where appropriate, future government policy relating to social work initial education, and offer training and support where required.
- 6.12. Demonstrate an understanding of the impact of child protection social work practice on Participant wellbeing, and how Participants will be supported in managing their emotional wellbeing during and after the Programme.
- 6.13. Maximise the number of Participants who successfully complete the Programme, and register with the regulator Social Work England, by:
 - 6.13.1. monitoring Participant progress.
 - 6.13.2. implementing measures to identify and remedy the causes of non-Completion – either directly with Participants or through work with LAs.
 - 6.13.3. managing an effective Deferral process for Participants who intend to return to the Programme after a period of delay or absence, ensuring that this has due consideration for Term and the specified end of the Contract.
 - 6.13.4. managing an effective withdrawal process for Participants wishing to leave the Programme.

- 6.13.5. managing the underperformance of Participants and implementing an appropriate process for removing under-performing Participants.

The Contractor may:

- 6.14. Create opportunities for peer-to-peer support during the Programme, either between current Participants, or between current Participants and programme graduates.

Support during Newly Qualified Period

The Contractor must:

- 6.15. Develop a package of support for Participants, delivered in the Newly Qualified Period focused on supporting Participants transition into qualified social work roles, skill development and career exploration. This should recognise the support needs of NQSWs who have trained through an accelerated route with limited prior relevant work experience.
- 6.16. Ensure that this offer complements, but does not compete with or duplicate the Assessed and Supported Year in Employment (ASYE) provision within the LA and recognise that offers can differ between LAs and individuals.
- 6.17. Ensure the offer is in line with all existing government policy relating to NQSWs, and is adaptable in line with any future policy.
- 6.18. Provide up to two options or pathways, of which Participants must select one. These must be equivalent in terms of approximate cost, and one of which must include:
 - 6.18.1. the development of further social work skills, aimed at developing a depth of understand on the range of harms and threats that children and young people face from both within and outside the home, with a comprehensive overview of Programme content and clear rationale for why.
- 6.19. Ensure that support during the Newly Qualified Period is carried out within a maximum of 12 months of Participants completing the PG Diploma Period.

The Contractor may:

- 6.20. Create opportunities for peer-to-peer support following the Programme, either between Programme graduates, or between current Participants and Programme graduates, including development of an alumni community or network.

7. Support during Retention Support Period

The Contractor must:

- 7.1. Design, offer and deliver a Masters degree, as an optional component for all Participants who wish to undertake this option. This must be delivered in the Retention Support Period after the Completion of the ASYE.
- 7.2. Develop a clear retention strategy and plan to maintain the engagement of graduated Participants, in child and family social work post-qualification either;
 - 7.2.1. In their Placement LA; or
 - 7.2.2. In social work practice but having left their Placement LA.
- 7.3. Ensure that the Masters degree component is carried out within a maximum of 12 months of Participants completing the Newly Qualified Period.
- 7.4. Demonstrate a clear plan for linking any additional academic qualification post PG Dip to participant retention.

8. Support the Evaluation of the Programme

- 8.1. The Contractor must support the evaluation of the Programme.
- 8.2. The Authority will monitor and evaluate the Programme to gather evidence about the effectiveness of the Programme and assess the extent to which the Programme is meeting its objectives;
- 8.3. The evaluation process and the Data which will be required to support it, will need to be scrutinised and approved by the Authority's Research Board.
- 8.4. The Authority will evaluate the Programme for a variety of reasons, including but not limited to determining the impact of the Programme upon Participants and the sector, assessing whether and how the Programme has delivered value for money overall, tracking recruitment and retention outcomes.
- 8.5. The evaluation of the Programme may be conducted by the Authority or an independent third party contractor appointed by the Authority. The Contractor shall cooperate fully with any evaluation of the Programme that is undertaken by the Authority and/or a third party acting on behalf of the Authority.
- 8.6. The Authority will require access to identifying records for Participants so that the Authority may contact them for evaluation purposes.
- 8.7. The Authority will require access to programme data collected as follows:

- 8.7.1. Attraction and Promotion
 - 8.7.2. Candidate Recruitment and Selection
 - 8.7.3. Local Authority allocation and Placements
 - 8.7.4. Participant Recruitment and Ongoing Support
- 8.8. The Contractor will share programme data from applications required for evaluation purposes with the Authority and the third party contractor within two weeks of request by the Authority.

**SCHEDULE 2
TERMS AND CONDITIONS**

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1. DEFINITIONS AND INTERPRETATION

1.1. In the Contract, the following expressions have the following meanings, unless inconsistent with the context:

Phrase	Meaning
“ABI Model Form of Guarantee Bond”	means the model form of guarantee bond published by the Association of British Insurers;
“Academic Year”	means the 12 month period from 1 August to 31 July in the following year;
“Attraction and Selection Plan”	means the timeline and methodology as to how and when the Contractor will deliver the attraction and selection obligations set out in Schedule 5 as amended from time to time in writing with the agreement of both Parties;
“Affiliate”	in relation to a body corporate, any other entity which directly or indirectly controls, is controlled by, or is under direct or indirect common control with, that body corporate from time to time;
“Allowable Assumption”	means the assumption, if any, set out in Annex 2 of Schedule 3 (Financials);
“Annual Review”	means the process and meeting set out in clause 24;
“Associated Company”	means any company which is, in relation to another company, its holding company or its subsidiary or a subsidiary of its holding company. “Holding company” and “subsidiary” will have the meanings attributed to them in section 736 and 736A of the Companies Act 1985 and section 1159 of the Companies Act 2006;
“ASYE” or “The Assessed and Supported Year”	means a programme that gives newly qualified social workers extra support during their first year of employment by developing their skills, knowledge and professional confidence;
“Attraction and Selection Period”	means the period of time in which the Contractor will carry out all Promotion, Attraction, Recruitment and Selection activity, up until Candidates have accepted places on the Programme, passed all necessary checks and are ready to commence their PG Diploma training;
“Audit”	means any exercise by the Authority of its Audit Rights pursuant to clause 29 (Audit Rights and Financial Reports) and Schedule 13 (Financial Reports and Audit Rights);
“Audit Agents”	means: (a) the Authority’s internal and external auditors (b) the Authority’s statutory or regulatory auditors;

Phrase	Meaning
	<ul style="list-style-type: none"> (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 Authority to carry out audit or similar review functions; and (f) successors or assigns of any of the above;
“Audit Rights”	means the audit and access rights referred to in clause 29 and Schedule 13 (Financial Reports and Audit Rights).
“Authority” or “DfE”	means the Secretary of State for Education acting as part of the Crown through his/her representatives in the Department for Education.
“Authority Premises”	means any premises owned by, leased or hired to or otherwise controlled by Authority or which Authority nominates as such by notice in writing to the Contractor.
"Authority Representative"	means the representative appointed by the Authority pursuant to Clauses 30.2 and 30.4 (Representatives);
“Authority Requirements”	means the requirements of the Authority set out in Schedule 1 (Services Description), Schedule 4 (Performance Levels), Schedule 5 Implementation Plan, Schedule 8 Data, Systems Handling and Security, Schedule 10 (Staff Transfer, Schedule 16 Records Provision and Management Information and Schedule 18 Business Continuity and Disaster Recovery Plan);
“Authority Security Standards”	means the security standards as set out in Schedule 8;
“Authority Trade Marks”	means proprietary trade mark rights of Authority including those notified to the Contractor by Authority from time to time;
“BCDRP Review Report”	has the meaning given to it in Paragraphs 2.2(a) to 2.2(c) of Schedule 18 (Business Continuity and Disaster Recovery Plan);
“Business Continuity and Disaster Recovery Plan”	means any plan prepared pursuant to Schedule 18 detailing the processes and arrangements which the Prime Contractor shall follow to ensure continuity of business processes and operations supported by the Services following any failure or disruption of the Services and the recovery of the Services in the event of a loss of service;
“Business Days”	means Mondays to Fridays (inclusive) in each week, excluding bank and other public holidays in England;

Phrase	Meaning
“Candidate”	a person who has expressed an interest in applying for the Programme or who has applied for the Programme;
“CCN”	means a Change Control Note in the form set out in Schedule 6;
“Change Control Procedure”	has the meaning given to it in Clause 34;
“Change of Control”	means a change in the top two tiers of management, merger, take-over, change of control, change of name or status including if the Contractor undergoes a change of control within the meaning of section 1124 of the Corporation Taxes Act 2010;
“Charges”	means the fees subject to Clause 8 payable to the Contractor for the provision of the Services calculated in accordance with Schedule 3;
“Children’s Social Care”	means services commissioned by Local Authorities related to their duties and powers to safeguard and promote the welfare of children;
“Cohort”	means the group of students who begin the programme within an academic year cycle
“Commercially Sensitive Information”	<p>means the information set out in Schedule 9 comprising the information of a commercially sensitive nature relating to:</p> <ul style="list-style-type: none"> (a) the Price; (b) details of the Contractor’s Intellectual Property Rights; and (c) the Contractor’s business and investment plans; <p>which the Contractor has indicated to the Authority that, if disclosed by the Authority, would cause the Contractor significant commercial disadvantage or material financial loss;</p>
“Completers/Completion”	means a minimum of 450 newly qualified social workers having completed their Assessed and Supported Year in Employment in a local authority in where they have trained
“Confidential Information”	means any information which has been designated as confidential by either Party in writing or that ought to be considered as confidential (however it is conveyed or on whatever media it is stored) including information the disclosure of which would, or would be likely to, prejudice the commercial interests of any person or trade secrets or Intellectual Property Rights of either Party and all personal data and sensitive personal data within the meaning of the

Phrase	Meaning
	Data Protection Legislation. Confidential Information shall not include information which: <ul style="list-style-type: none"> (a) was public knowledge at the time of disclosure; (b) was in the possession of the receiving Party, without restriction as to its disclosure, before receiving it from the disclosing Party; (c) is received from a third party (who lawfully acquired it) without restriction as to its disclosure; or (d) is independently developed without access to the Confidential Information;
“Consortium”	means an association of 2 or more persons acting together to deliver the Services but excludes Sub-Contractors;
“Consortium Agreement”	means, if the Contractor is a Consortium, an agreement: <ul style="list-style-type: none"> (a) signed by all the Consortium Members as at the Effective Date; and (b) adhered to by Consortium Members who join the Consortium after the Effective Date by signing a Deed of Adherence; which sets out, amongst other things, how the Consortium Members will work together to deliver the Services;
“Consortium Member”	means a member of a Consortium (if any);
“Contracting Authority”	means any contracting authority as defined in Regulation 2 of the Public Contracts Regulations 2015 (as amended), for the avoidance of doubt including the Authority;
“Contractor Equipment”	means the Contractor’s ICT equipment;
"Continuous Improvement Plan"	means the Contractor’s plan for improving the Services in accordance with Clause 3.11.5 and Schedule 17 (Continuous Improvement);
“Contract Performance Review” or “CPR”	shall have the meaning as set out in Schedule 14 (Contract Management Provisions);
“Contractor’s BCDRP”	has the meaning given to it in Paragraph 2.2(c) of Schedule 18 (Business Continuity and Disaster Recovery Plan);
“Contract Date”	the date on which this Contract becomes effective as set out above;
“Contract Management Plans”	means the Implementation Plan, Risk Register and Resource Plan as set out in Schedule 14 (Contract Management Provisions);

Phrase	Meaning
“Contract Year”	<p>means:</p> <p>(a) a period of twelve (12) months commencing on the Effective Date; or</p> <p>(b) thereafter a period of twelve (12) months commencing on each anniversary of the Effective Date; provided that the final Contract Year shall end on the expiry or termination of the Term;</p>
“Contractor”	means The Frontline Organisation
“Contractor Staff”	means all directors, officers, employees, workers, agents, consultants and contractors of the Contractor or of any Sub-Contractor engaged in the performance of the Contractor’s obligations under this Contract;
“Contractor’s Solution”	means the Contractor’s proposal submitted in response to the Authority’s invitation to tender attached at Schedule 15 (Contractor’s Solution);
“Contractor’s Technology Solution”	means the Contractor’s technology and ICT systems including any portal that will be used to deliver the Services and detailed in the Contractor’s Solution attached at Schedule 15 (Contractor’s Solution);
"Contractor Representative"	means the representative appointed by the Contractor pursuant to Clause 30.3 (Representatives);
“Contracts Finder”	means the Government’s publishing portal for public sector procurement opportunities;
“Copyright”	means as it is defined in s.1 of Part 1 Chapter 1 of the Copyright, Designs and Patents Act 1988;
“Crown”	means the government of the United Kingdom (including the Northern Ireland Executive Committee and Northern Ireland Departments, the Scottish Executive and the National Assembly for Wales), including, but not limited to, government ministers, government departments, government offices and government agencies and “Crown Body” is an emanation of the foregoing;
“Culturally Competent”	means a set of congruent behaviours, attitudes and policies that come together in a system, agency or among professionals that enables work in cross-cultural situations;
“Data Protection Legislation”	<p>means:</p> <p>(i) the General Data Protection Regulation 2016/679 (“GDPR”), the Law Enforcement Directive 2016/680 (“LED”) and any applicable national implementing Laws as amended from time to time</p>

Phrase	Meaning
	<ul style="list-style-type: none"> (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;
“Database Rights”	means as rights in databases are defined in s.3A of Part 1 Chapter 1 of the Copyright, Designs and Patents Act 1988;
“DBS” or “Disclosure and Barring Service”	means Disclosure and Barring Service check, which shows unspent convictions, reprimands and final warnings and are used as a pre-employment or Programme commencement check when working with children and vulnerable adults;
“Deed of Adherence”	means a deed under which a new Consortium Member shall covenant with the other Consortium Members to adhere to the terms of the Consortium Agreement which shall be in a form approved by the Authority in writing;
“Default”	means breach of the obligations of the relevant Party (including abandonment of the Contract in breach of its terms, repudiatory breach or breach of a fundamental term) or any other default, act, omission, negligence or statement of the relevant Party or the Contractor Staff in connection with the subject-matter of the Contract and in respect of which such Party is liable to the other;
“Deferral”, “Defer”, “Deferred”	where a Participant takes an extended break from both the practice and academic elements of the Programme due to a specific extenuating circumstance;
"Dispute"	means any dispute between the Parties in connection with the Contract;
“DOTAS”	means the Disclosure of Tax Avoidance Schemes rules which require a promotor 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 by the National Insurance (Application of Part 7 of the Finance Act 2004) regulations 2012, SI 2012/1868 made under section 132A of the Social Security Administration Act 1992;
“Disaster”	means the occurrence of one or more events which, either separately or cumulatively, mean that the Services, or a material part of the Services will be unavailable or which is reasonably anticipated will mean that the Services or a material part of the Services will be unavailable;

Phrase	Meaning
“Due Diligence Information”	means any information supplied to the Contractor by or on behalf of the Authority prior to the Effective Date;
“Effective Date”	means the date written above;
“EIR”	means the Environmental Information Regulations 2004 and any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to them;
“Employment Liabilities”	<p>means all actions, proceedings, costs (including reasonable legal costs), losses, damages, fines, penalties, compensation, awards, demands, orders, expenses and liabilities connected with or arising from all and any laws including, without limitation, directives, statutes, secondary legislation, orders, codes of practice, contractual obligations and other common law rights whether of the European Union, United Kingdom or any other relevant authority relating to or connected with:</p> <p>(a) the engagement, employment and dismissal of employees (including their health and safety at work); and</p> <p>(b) the engagement, use and termination of individuals other than employees who provide services (including their health and safety at work);</p> <p>and all wages, holiday pay and employment benefit costs due in respect of (a) or (b) above, including claims for protective awards and PAYE deductions and any other liabilities in respect of income tax or NICs and any penalties, costs or interest payable in respect of any such deductions or liabilities;</p>
“English Regions”	means the regions of East Midlands, East of England, London, North East, North West, South East, South West, West Midlands, and Yorkshire as defined by the Office for National Statistics;
“Enrolled”	means a Participant who has met the required application and recruitment criteria has accepted a place and has been enrolled on to the Programme;
“Existing IPR”	means any and all IPR that are owned by or licensed to either Party which are or have been developed independently of the Contract prior to the Contract Date;
“Extension Period”	means each period that the Initial Contract Period is extended pursuant to Clauses 2.2;
“First Extension Period”	means an Extension Period of any length that follows on immediately from the Initial Contract Period as set out in Clause 2.2.1;

Phrase	Meaning
“Expiry Date”	means the last day of the Initial Contract Period unless the Term is extended in accordance with Clause 2 in which case the Expiry Date shall be the last day of the Term as extended;
“Financial Distress Event”	means the occurrence of one or more of the events listed in Paragraph 1.8 of Schedule 11 (Financial Distress);
“Financial Distress Business Continuity Plan”	means a plan setting out how the Contractor will ensure the continued performance and delivery of the Services in accordance with this Contract in the event that a Financial Distress Event occurs;
“Financial Monitoring Plan”	has the meaning given to it in Paragraph 1.4 of Schedule 11 (Financial Distress);
“FOIA”	means the Freedom of Information Act 2000 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to it;
“Force Majeure”	<p>means any event or occurrence which is outside the reasonable control of the Party concerned and which is not attributable to any act or failure to take reasonable preventative action by that Party, including fire; flood; violent storm; pestilence; explosion; malicious damage; armed conflict; acts of terrorism; nuclear, biological or chemical warfare; or any other catastrophe, natural or man-made, but excluding:</p> <p>(a) any industrial action occurring within the Contractor’s or any of its Sub-Contractor’s organisation, or otherwise involving the Contractor Staff; or</p> <p>(b) the failure by any Sub-Contractor of the Contractor to perform its obligations under any sub-contract;</p>
“General Anti-Abuse Rule”	<p>means:</p> <p>(a) the legislation in Part 5 of the Finance Act 2013; and</p> <p>(b) any future legislation introduced into parliament to counteract tax advantages arising from abusive arrangements to avoid NICs;</p>
“Good Industry Practice”	means the standards, practices, methods and procedures conforming to the law and 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 in a similar type of undertaking under the same or similar circumstances;
“Grant”	means a sum of money given to an organisation in anticipation of it being applied for an agreed purpose;

Phrase	Meaning
“Guarantee”	means a guarantee in the form set out in Schedule 12 of Volume 3 (Conditions of Contract);
“Halifax Abuse Principle”	means the principle explained in the CJEU Case C-255/02 Halifax and others;
“HEI”	means an organisation providing higher, post-secondary, tertiary, and/or third-level education;
“HMRC”	means Her Majesty’s Revenue and Customs;
“ICT”	means information and communications technology;
“Implementation Plan”	means the plan and time schedule for the completion of the obligations of the Contractor under the Contract as set out in Schedule 5 as the same may be replaced by any subsequent more detailed plan and time schedule as the Parties may agree in writing from time to time;
“Inadequate”	means the rating of a Local Authority or setting judged by Ofsted in which there are widespread or serious failures, which leave children being harmed or at risk of harm;
“Inclusive Recruitment Fund”	means the £100,000 ringfenced budget per Cohort made available to cover costs incurred by the Contractor for the Attraction and Selection of under-represented Participants, based on their Protected Characteristics or Socio-Economic Status;
“Initial Contract Period”	means the period from the Service Commencement Date to the date on which delivery to the third cohort is completed or 31 October 2030, whichever is the earlier;
“Intake”	means the Participants who begin the Programme at a Particular starting point within the academic year
“Intellectual Property Rights”	means patents, inventions, trade-marks, service marks, logos, design rights (whether registrable or otherwise), applications for any of the foregoing, copyright, database rights, domain names, trade and/or business names, rights in confidential information and know how, moral rights and other similar rights or obligations whether registrable or not in any country (including but not limited to the United Kingdom) and the right to sue for passing off;
“IP Materials”	shall have the meaning given to it in Clause 14.1;
“Key Contractor Staff”	means any of the Contractor Staff identified as such in Schedule 7;
“Key Sub-Contract”	means each Sub-Contract with a Key Sub-contractor;

Phrase	Meaning
“Key Sub-Contractor”	means any Sub-Contractor identified as such in Schedule 7, a co-owner of the Contractor that delivers £25,000 or more of the Services during a Contract Year (who should be included in Schedule 7) or any other economic operator otherwise identified as a Key Sub-Contractor by the Authority;
“LA Contribution Payments”	means an annual funding contribution made from the Authority and distributed via the Contractor directly to Local Authorities to financially assist them in the management of Participants during the PD Diploma Period;
“Law”	means any law, statute, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, bye-law, enforceable right within the meaning of section 2 of the European Communities Act 1972, regulation, order, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Contractor is bound to comply;
“Leadership”	means, for this Programme, a focus on providing a Fast-Track to Social Work qualification that enables Participants to demonstrate professional authority, influence and effectiveness, in front line social work. This includes development and promotion of strong social work practice, contribution to the development of a learning culture, and recognition of the importance of leading alongside professional peers and with children and families.
“Local Authority /Authorities/LAs”	means the administrative body responsible for public services and facilities, including children’s services, in England;
“Maintenance Bursary Payments”	means payments made by the Authority and distributed via the Contractor directly to Participants during the PG Diploma Period;
“Management Information”	means the management information specified in Schedule 16 (Records Provisions and Management Information);
“Material Breach”	means a breach (including an anticipatory breach) that is serious in the widest sense of having a serious effect on the benefit which the Authority would otherwise derive from: (a) a substantial portion of the Contract; or

Phrase	Meaning
	(b) any of the obligations set out in Clauses 9, 10, 12, 15, 17 and 37, Schedule 8 and Paragraph 1.6 of Schedule 21;
“MI Failure”	means when an MI Report: <ul style="list-style-type: none"> (a) Contains any material errors or material omissions or missing mandatory field; or (b) Is submitted using an incorrect MI reporting template; or (c) Is not submitted by the Reporting Date (including where a Nil Return should have been filed);
“MI Report”	means a report containing Management Information submitted to the Authority in accordance with Clause 23.1 and Schedule 16 (Records Provisions and Management Information);
“Mobilisation Period”	means the period from the Effective Date to the Service Commencement Date;
“Month”	means calendar month;
“National Archives’ Records Management Code”	means the National Archives records management code as further set out at http://www.nationalarchives.gov.uk/information-management/manage-information/planning/records-management-code/ (as may be amended from time to time);
“Net Promoter Score”	means the widely used market research metric that typically takes the form of a single survey question asking respondents to rate the likelihood that they would recommend a company, product, or a service to a friend or colleague, as set out at https://en.wikipedia.org/wiki/Net_promoter_score
“Newly Qualified Period”	means the second phase of the Programme where the students become Newly Qualified social workers, and transition into paid employment within a local authority. This includes any further training and support activities undertaken by the Contractor in support of their NQSW status, up until the passage of the ASYE;
“NICs”	means National Insurance Contributions;
“Nil Return”	has the meaning given to it in Schedule 16 (Records Provision and Management Information);
“NQSW”	means Newly Qualified Social Worker(s), which is a social worker who has completed their social work training and

Phrase	Meaning
	registered with Social Work England for the duration of their ASYE;
“Occasion of Tax Non-Compliance”	<p>means:</p> <p>(a) any tax return of the Contractor submitted to a Relevant Tax Authority on or after 1 October 2012 which is found on or after 1 April 2013 to be incorrect as a result of:</p> <ul style="list-style-type: none"> (i) a Relevant Tax Authority successfully challenging the Contractor under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation 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 Contractor was involved in, and which was, or should have been, notified to the Relevant Tax Authority under the DOTAS or any equivalent or similar regime; and/or <p>(b) any tax return of the Contractor submitted to a Relevant Tax Authority on or after 1 October 2012 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 Commencement Date or to a civil penalty for fraud or evasion;</p>
“Open Book Data”	has the meaning given in Schedule 13 (Financial Reports and Audit Rights);
"Operating Environment"	<p>means the Authority System and any premises (including the Authority Premises, the Contractor’s premises or third party premises) from, to or at which:</p> <ul style="list-style-type: none"> (a) the Services are (or are to be) provided; or (b) the Contractor manages, organises or otherwise directs the provision or the use of the Services; or (c) where any part of the Contractor System is situated;
“Partial Termination”	means the partial termination of this Contract (to the extent that it relates to the provision of any part of the Services) as provided for in Clauses 26.1, 26.2, 26.3, 26.4, 26.5, 26.7, 26.8, 26.9, 26.11, 26.13 and 26.18 or otherwise by mutual agreement of the Parties;
“Participant”	means a person who has been accepted to take part in the Programme and remains engaged on the Programme until they have completed the Programme or Withdrawn from it;
“Pass-Through Costs”	means a form of Grant paid by the Authority to the Contractor to be applied for the purpose of Maintenance

Phrase	Meaning
	Bursary Payments and Local Authority Contribution Payments which the Contractor must pass through to the relevant Recipient and shall not incur any overhead, administrative expense or profit such that the exact amount of such cost is passed through without modification;
“Performance Improvement End Date”	means the date set out in the Performance Improvement Notice;
“Performance Improvement Notice”	means a written notice given by the Authority to the Contractor pursuant to Clause;
“Performance Improvement Period”	means the period from the date of issue of the Performance Improvement Notice until the Performance Improvement End Date;
“Performance Improvement Plan” or “PIP”	means the plan agreed in accordance with Clause 30.21;
“Performance Improvement Plan Failure”	has the meaning set out in Clause 30.27;
“Performance Improvement Process”	means the process set out in Clauses 30.17 to 30.28;
“Performance Measures”	means the Performance Measures set out in Schedule 4, including Table 1 – Performance Measures embedded in the Payment Mechanism; Table 2 – Performance Measures with Service Credits Applicable; and Table 3 – Subsidiary Performance Measures, which the Contractor will be measured against in respect of the delivery of the Contract;
PG Diploma	means a university accredited postgraduate level qualification in Social Work
“PG Diploma Period”	means the first phase of the Programme where Participants will undertake their social work training, including taught components, placement days and any other Programme elements, up until Participants receive their final PG Diploma qualification and prepare to register with Social Work England;
“Placement”	means the local authority child and family social work setting where a Participant is placed for their Training, and progresses to employment in during their Assessed and Supported Year in Employment;
“Practice Ready Social Workers”	means social workers who, on the completion of their Postgraduate (PG) Diploma training, register with the regulator, Social Work England, and are ready to

Phrase	Meaning
	transition into effective practitioners undertaking their Assessed and Supported Year in Employment in their host-local authorities. Training within this programme should sufficiently equip Participants for the context in which they will be working, combining the skills, knowledge and theoretical understanding associated with Newly Qualified Social Worker readiness to support children and families effectively in practice in section 17 and section 47 cases;
“Process Variation”	means a Variation or a proposed Variation in the way in which the Services are delivered;
“Prohibited Act”	means: <ul style="list-style-type: none"> (a) to directly or indirectly offer, promise or give any person working for or engaged by the Authority a financial or other advantage to: <ul style="list-style-type: none"> (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; (b) 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 the Contract; (c) an offence: <ul style="list-style-type: none"> (i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act); (ii) under legislation or common law concerning fraudulent acts; or (iii) the defrauding, attempting to defraud or conspiring to defraud the Authority; (d) any activity, practice or conduct which would constitute one of the offences listed under (c) above if such activity, practice or conduct has been carried out in the UK;
“Programme”	means the Authority’s National Fast Track Child and Family Social Work Programme;
“Protected Characteristics”	has the meaning given to it Chapter 1 of the Equality Act 2010
“Quality Standards”	means the quality standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardization or other reputable or equivalent body, (and their successor bodies) that a skilled and

Phrase	Meaning
	experienced operator in the same type of industry or business sector as the Contractor would reasonably and ordinarily be expected to comply with, and as may be further detailed in the Specification;
“Recipients”	means in the case of the Maintenance Bursary Payment the Participants and in the case of the Local Authority Contribution Payments those Local Authorities providing Placements;
“Records”	has the meaning set out in Schedule 16 (Records Provision and Management Information);
“Regulations”	means the Public Contract Regulations 2015;
“Regulatory Body”	means a government department and regulatory, statutory and other entities, committees, ombudsmen and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate, or influence the matters dealt with in the Contract or any other affairs of the Authority;
“Relevant Conviction”	means a conviction for an offence involving violence or dishonesty, of a sexual nature or against minors, or for any other offence that is relevant to the nature of the Services;
“Relevant Requirements”	means all applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State for Justice pursuant to section 9 of the Bribery Act 2010;
“Relevant Tax Authority”	means HMRC or, if applicable, a tax Authority in the jurisdiction in which the Contractor is established;
“Replacement Contract”	means a contract entered into by a Replacement Contractor with the Authority for Replacement Services;
“Replacement Contractor”	means any third party provider of Replacement Services appointed by the Authority from time to time (or where the Authority is providing Replacement Services for its own account, the Authority);
“Replacement Services”	means any services which are the same as or substantially similar to any of the Services and which the Authority receives in substitution for any of the Services following the expiry or termination or Partial Termination of this Contract, whether those services are provided by the Authority internally or by any third party;
“Reporting Date”	means the date given in Table 1 in Schedule 16 (Records Provision and Management Information) following the period to which the relevant Management Information

Phrase	Meaning
	relates, or such other date as may be agreed between the Parties from time to time;
“Request for Information”	means a request for information under the FOIA or the EIR;
“Requires Improvement”	means the rating of a Local Authority or setting judged by Ofsted in which there are no widespread or serious failures that create or leave children being harmed or at risk of harm but the local authority is not yet consistently delivering good help and protection for children, young people and families;
“Restricted Country”	means: <ul style="list-style-type: none"> (a) any country outside the United Kingdom; and (b) any country not deemed adequate by the European Commission pursuant to Article 25(6) of Directive 95/46/EC;
“Retention Support Period”	means the final phase of the Programme, where the Contractor will undertake additional support and engagement activities in order to encourage retention in local authorities and the wider social work sector.
“Risk Premium”	means any sum identified for specific items relating to key delivery risks, as included within the Risk Premium section of the Contractor’s Pricing Schedule;
“Risk Register”	means the register of risks and contingencies that have been factored into any Costs due under this Contract, a copy of which is set out in Annex 3 of Schedule 3 (<i>Financials</i>) and which is required for the purposes of Schedule 14 (<i>Contract Management</i>);
“Service Failure”	means a failure by the Contractor to deliver any part of the Services in accordance with the Performance Measures, as set out in Schedule 4;
“Services”	means the services described in the Specification;
“Service Commencement Date”	means the date on which the Contractor begins to deliver the Services or any part of the Services;
“Service Credits”	means the service credits specified in Schedule 4 which shall be payable to the Authority by the Contractor in the event that the Key Performance Indicators are not met in respect of Services;
“Service Levels”	means the levels of Service defined in Table A of Schedule 19 (Contractor’s Technology Solution);

Phrase	Meaning
“Service Period”	means the period of time as stated under the Service Period Column in Table 1 and Table 2 of Schedule 4
“Service Thresholds”	means the thresholds set out in Schedule 4 which, if reached by the Contractor in its performance of the Service, trigger (without prejudice to its other rights and remedies) the Authority’s Step-in rights and right of termination under Clauses 25.1.2 and 26.18;
“Service Users”	means those receiving the Services;
“SME”	means 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;
"SME MI Reporting Template"	means the departmental contract SME data collection template found here which may be amended from time to time;
	 SME MI Reporting Template.xlsx
“Socio – Economic status” or “Socio-Economic Group”	A person’s socio-economic status or group is based on the type of work they do, or what they used to do if they are retired.
“Specification”	means the description of the Services to be supplied under the Contract set out in Schedule 1;
“Step Up to Social Work”	means the DfE programme, delivered by Local Authorities in partnership with Higher Education Institutions, for the delivering into the sector, of a consistent supply of high-quality social workers, from wide ranging backgrounds;
“Sub-Contract”	means a contract between 2 or more suppliers, at any stage of remoteness from the Authority in a sub-contracting chain, made wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of the Contract or any Replacement Contract and “Sub-Contractor” and “Replacement Sub-Contractor” shall be construed accordingly;
"Subsidiary Performance Indicator"	means the subsidiary performance indicators set out in Table 3 of Schedule 4;
“SWE”	means Social Work England, being the specialist Social Work regulator for England;

Phrase	Meaning
“Term”	means the period from the Effective Date until the Expiry Date unless terminated in accordance with the provisions of this Contract in which case such earlier date of termination shall take effect before the Expiry Date and Term shall be interpreted accordingly;
“Termination Date”	means the date set out in a termination notice on which this Contract (or a part of it as the case may be) is to terminate;
“Termination Services”	the services and activities to be performed by the Contractor pursuant to the Exit Plan;
“TUPE”	means the Transfer of Undertakings (Protection of Employment) Regulations 2006;
“Variation”	means any variation to the Contract requiring a Change Control Note to be completed in accordance with Schedule 6;
“VCSE”	means a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives;
“Withdraw”, “Withdrawn”, “Withdrawal”	means any activity undertaken by either Party or a Participant that leads to the Participant leaving the Programme with no intention of returning to the Programme at a later date (see “Deferral”).

1.2. The following notes of construction and interpretation apply to the Contract:

- 1.2.1. references to a statute or statutory provision shall, unless the context otherwise requires, include a reference to that statute or statutory provision as from time to time amended, modified, extended, re-enacted, replaced or consolidated (including as a consequence of the Retained EU Law (Revocations and Reform Bill) becoming law) and all statutory instruments or orders made pursuant to it whether replaced before or after the date of the Contract which are in force prior to the date of the Contract;
- 1.2.2. the expression “person” means any individual, firm, body corporate, unincorporated association, partnership, government, state or agency of a state or joint venture;
- 1.2.3. the words “include”, “includes”, “including” and “included” will be construed without limitation unless inconsistent with the context;
- 1.2.4. the masculine includes the feminine and the neuter, and the singular includes the plural and vice versa as the context shall admit or require;
- 1.2.5. any reference in the Contract to a Schedule is a reference to a Schedule of the Contract;
- 1.2.6. references to “Clause” in any of the Schedules refer to clauses in this Schedule 2;
- 1.2.7. references to “Paragraph” in any of the Schedules refer to paragraphs in any of the schedules excluding this Schedule 2;

- 1.2.8. the Clause headings are included for convenience only and shall not affect the interpretation of the Contract; and
- 1.2.9. the Schedules and appendices form part of the Contract and shall have effect as if set out in full in the body of the Contract and any reference to the Contract includes the Schedules.

2. TERM

- 2.1. The Contract commences on the Effective Date and, subject to any provision of this Contract for earlier termination, or extension as set out in this Clause 2, will terminate at the end of the Initial Contract Period.
- 2.2. The Authority shall have the right to request that the Term be extended for one or more Extended Periods on one or more occasions up to a maximum cumulative Extension Period of twenty-four months, as follows:
 - 2.2.1. In relation to the first Extension Period that is to follow on immediately from the Initial Contract Period, by giving the Contractor at least thirty-nine (39) months' written notice before the end of the Initial Contract Period;
 - 2.2.2. In relation to any Extension Periods that follows on from a first Extension Period, by giving written notice to the Contractor at least thirty-nine (39) months' before the end of the first Extension Period, subject always to the maximum cumulative Extension Period referred to in Clause 2.2.

3. THE SERVICES

- 3.1. The Contractor shall provide the Services from the Service Commencement Date in accordance with the Specification and undertake and be responsible for all obligations of the Contractor in respect of the Services.
- 3.2. The Authority may appoint other Contractors for the Services in the Area.
- 3.3. The Contractor shall, in performing its obligations under the Contract:
 - 3.3.1. conform to the requirements of the Specification and the Contractor's Solution or as otherwise agreed in writing between the Parties;
 - 3.3.2. carry out and complete the Services in a proper professional manner (taking account of the standards of a reasonably proficient practitioner) and in conformity with all reasonable directions and requirements of the Authority specified by the Authority from time to time;
 - 3.3.3. comply with Good Industry Practice;
 - 3.3.4. ensure that the Services are provided by competent and appropriately trained Staff;
 - 3.3.5. comply with the Quality Standards and where applicable, shall maintain accreditation with the relevant Quality Standards authorisation body;
 - 3.3.6. comply with the Performance Measures and Service Credit requirements set out in Schedule 4;
 - 3.3.7. comply with the Implementation Plan;
 - 3.3.8. in so far as is reasonably practicable, comply with any policies and procedures adopted by the Authority from time to time within 14 days of the same being brought to the attention of the Contractor by the Authority;
 - 3.3.9. comply with applicable law, any applicable codes of practice or governmental regulation, and monitor compliance with relevant legislation;

- 3.3.10. comply with all health and safety legislation, adopt and maintain safe operating systems of work and appropriate safety policies in order to protect the health and safety of Contractor Staff, employees of the Authority, the Service Users and all other persons including members of the public; and
- 3.3.11. comply with all safety, security, acceptable use and other policies of the Authority from time to time notified to it and procure that the Contractor Staff also comply.
- 3.4. The Authority may provide data and materials to the Contractor and access to systems for the purposes of providing the Services that the Contractor may use but only to the extent necessary to enable the Contractor to provide the Services.
- 3.5. All equipment and other property brought onto Authority Premises shall be at the Contractor's own risk and the Authority shall have no liability for any loss of or damage to any such equipment and property unless the Contractor is able to demonstrate that such loss or damage was caused by the negligence of the Authority.
- 3.6. Any land or Authority Premises made available from time to time to the Contractor by the Authority in connection with the Contract shall be made available to the Contractor on a non-exclusive licence basis free of charge and shall be used by the Contractor solely for the purpose of performing its obligations under the Contract. The Contractor shall have the use of such land or Authority Premises as a licensee and shall vacate the same on completion, termination or abandonment of the Contract or the task in respect of which such land or Authority Premises was made available.
- 3.7. The Contract does not create a tenancy of any nature whatsoever in favour of the Contractor or any of the Contractor Staff and no such tenancy has or shall come into being and, notwithstanding any rights granted pursuant to the Contract, the Authority retains the right at any time to use any Authority Premises in any manner.
- 3.8. This Contract should in no way be interpreted as granting the Contractor an exclusive right to deliver the Services for the Term. The Authority has the right to procure the same or similar services to the Services outside of this Contract at any time during the Term.
- 3.9. On or before the Contract Date the Contractor shall procure the execution of a Guarantee by the Guarantor in favour of the Authority substantially in the form annexed at Schedule 12 (Guarantee).

Services Improvement

- 3.10. The Contractor shall have an ongoing obligation throughout the Term to identify new or potential improvements to the Services in accordance with Clauses 3.10 and Schedule 17 (Continuous Improvement).
- 3.11. As part of this obligation the Contractor shall:
 - 3.11.1. undertake regular reviews of each element of the Service and record and act on lessons learned;
 - 3.11.2. have processes in place to gather and action feedback and satisfaction rates from Participants, LAs and other key stakeholders;
 - 3.11.3. benchmark and learn from other high performing graduate recruitment programmes;
 - 3.11.4. identify and capture best practice, emerging trends and insights from supply chain partners and stakeholders; and
 - 3.11.5. draft and keep updated a Continuous Improvement Plan that includes content that is relevant to each of Clauses 3.10.1 to 3.11.4

- 3.12. The Contractor shall identify and report to the Authority once every 3 months on:
- 3.12.1. the emergence of new and evolving relevant technologies which could improve the Services, and those technological advances potentially available to the Contractor and the Authority which the Parties may wish to adopt;
 - 3.12.2. new or potential improvements to the Services including the quality, responsiveness, procedures, performance mechanisms and Participant support services in relation to the Services;
 - 3.12.3. new or potential improvements to the interfaces or integration of the Services with other services provided by third parties or the Authority which might result in efficiency or productivity gains or in reduction of operational risk;
 - 3.12.4. changes in business processes and ways of working that would enable the Services to be delivered at lower cost and/or with greater benefits to the Authority;
 - 3.12.5. changes to the IT, business processes and ways of working that would enable reductions in the total energy consumed in the delivery of the Services; and
 - 3.12.6. a programme of continuous improvement to the Services in accordance with Paragraph 2.4 of Schedule 17 (Continuous Improvement).
- 3.13. The Contractor shall ensure that the information that it provides to the Authority shall be sufficient for the Authority to decide whether any improvement should be implemented. The Contractor shall provide any further information that the Authority requests.
- 3.14. If the Authority wishes to incorporate any improvement identified by the Contractor, the Authority shall send the Contractor a Change Control Note in accordance with the Change Control Procedure.

4. CONSORTIA

- 4.1. If the Contractor is an unincorporated Consortium it shall comply with the terms of this Clause 4.
- 4.2. The Contractor may appoint additional or replacement Consortium Members to assist it in carrying out its obligations under the Contract subject to compliance with Clause 4.3.
- 4.3. No new person or entity may become a Consortium Member until:
- 4.3.1. the Authority has given its prior written consent to the new Consortium Member;
 - 4.3.2. the new Consortium Member has signed a Deed of Adherence; and
 - 4.3.3. a copy of the Deed of Adherence has been given to the Authority.
- 4.4. The Contractor shall promptly inform the Authority if and how any Consortium Member breaches the terms of the Consortium Agreement.

5. TRANSFER AND SUB-CONTRACTING

- 5.1. Save as set out in this Clause 5 the Contractor may not sub-contract, assign, transfer, charge the benefit and/or delegate the burden of the whole or any part of the Contract (a “**Transfer**”) without the prior written consent of the Authority which shall not be unreasonably withheld.

- 5.2. If the Authority consents to a Transfer the Contractor will evidence the Transfer in writing and provide a copy of the Transfer document on request.
- 5.3. The Contractor may award Sub-Contracts with a cumulative value per annum not exceeding £25,000 without the Authority's consent.
- 5.4. Where the Authority has consented to a Sub-Contract, copies of each Sub-Contract shall, at the request of the Authority, be sent by the Contractor to the Authority as soon as reasonably practicable.
- 5.5. The Contractor shall not terminate or materially amend the terms of any Sub-Contract without the Authority's prior written consent.
- 5.6. The Authority may require the Contractor to terminate a Sub-Contract if the acts or omissions of the Sub-Contractor have given rise to the Authority's right of termination pursuant to Clause 26 unless the Sub-Contractor can remedy the breach to the Authority's satisfaction within 21 days of receipt by the Contractor of written notice from the Authority requiring the Sub-Contract to be terminated.
- 5.7. The Contractor shall remain responsible for all acts and omissions of its Sub-Contractors as if they were its own.
- 5.8. If the Authority believes there are:
 - 5.8.1. compulsory grounds for excluding a Sub-Contractor pursuant to regulation 57 of the Regulations, the Contractor shall replace or not appoint the Sub-Contractor; or
 - 5.8.2. non-compulsory grounds for excluding a Sub-Contractor pursuant to regulation 57 of the Regulations, the Authority may require the Contractor to replace or not appoint the Sub-Contractor and the Contractor shall comply with such requirement.
- 5.9. The Contractor shall:
 - 5.9.1. subject to Clause 5.9.7, advertise on Contracts Finder all subcontract opportunities arising from or in connection with the provision of the Services above a minimum threshold of £25,000 that arise during the Term;
 - 5.9.2. within 90 days of awarding a subcontract to a subcontractor, update the notice on Contracts Finder with details of the successful sub-contractor;
 - 5.9.3. monitor the number, type and value of the subcontract opportunities placed on Contracts Finder advertised and awarded in its supply chain during the Term;
 - 5.9.4. provide reports on the information at Clause 5.9.3 to the Authority in the format and frequency as reasonably specified by the Authority;
 - 5.9.5. promote Contracts Finder to its suppliers and encourage those organisations to register on Contracts Finder;
 - 5.9.6. Each advertisement referred to at Clause 5.9.1 above shall provide a full and detailed description of the subcontract opportunity with each of the mandatory fields being completed on Contracts Finder by the Contractor;
 - 5.9.7. The obligation at Clause 5.9.1 shall only apply in respect of subcontract opportunities arising after the contract award date;
 - 5.9.8. Notwithstanding Clause 5.9.1, the Authority may by giving its prior written approval, agree that a subcontract opportunity is not required to be advertised on Contracts Finder;

- 5.10. In addition to any other management information requirements set out in this Contract, the Contractor agrees and acknowledges that it shall, on request and at no charge, provide timely, full, accurate and complete SME Management Information (MI) Reports to the Authority including:
- 5.10.1. the total contract revenue received directly on a specific contract;
 - 5.10.2. the total value of sub-contracted revenues under the contract (including revenues for non-SMEs/non-VCSEs); and
 - 5.10.3. the total value of sub-contracted revenues to SMEs and VCSEs.

6. TUPE

- 6.1. The Parties agree that:

- 6.1.1. the commencement of the provision of the Services or of any part of the Services will not be a Relevant Transfer in relation to any employees of the Authority and that Part B of Schedule 10 will apply in respect of any such employees in relation to such commencement; and
- 6.1.2. where the commencement of the provision of the Services or of any part of the Services results in one or more Relevant Transfers of Transferring Former Contractor Employees, Part A of Schedule 10 shall apply and Part B of Schedule 10 shall not apply in respect of those Transferring Former Contractor Employees; and
- 6.1.3. where the commencement of the provision of the Services or of any part of the Services does not result in a Relevant Transfer of any employees of any Former Contractor, Part B of Schedule 10 shall apply and Part A of Schedule 10 shall not apply in respect of the employees of each and any Former Contractor in relation to such commencement; and
- 6.1.4. Part C of Schedule 10 shall apply on the expiry or termination of the Services or any part of the Services, including in relation to pension issues on such expiry or termination.

- 6.2. The Contractor agrees that, in performing the Contract, it will,:

- 6.2.1. divide, or procure the division of, the Services into such separate parts as the Authority may from time to time notify to it in writing, subject on each such occasion to the Authority having first consulted the Contractor about the proposed division; and
- 6.2.2. divide, or procure the division of, the Contractor Staff into separate organised groupings within the meaning of regulation 3(3)(a)(i) of TUPE, each such grouping corresponding to one only of each such part of the Services as so notified by the Authority, and the members of each such grouping being assigned to it within the meaning of regulation 4(1) of TUPE,

such that, should the Authority so require, the assumption of responsibility for any Replacement Services or any part or parts of any Replacement Services by any Replacement Contractor or Replacement Sub-Contractor (as defined in the Definitions in Paragraph 1 of Schedule 10) may be undertaken in phases, each such phase corresponding to the point in time at which each such Replacement Contractor or Replacement Sub-Contractor (as the case may be) assumes responsibility for the provision of each relevant part of the Replacement Services, so that (unless TUPE does not apply for any other reason that is outside the Contractor's control) the

commencement of the relevant part of the Replacement Services in respect of each such phase will be a Service Transfer and a Relevant Transfer and the date of

7. CONTRACTOR STAFF

- 7.1. The Authority may refuse admission to Authority Premises and/or direct the Contractor to end the involvement in the Services of any Contractor Staff whom the Authority believes is a security risk.
- 7.2. If the Authority require the removal of any Contractor Staff pursuant to Clause 7.1, any Employment Liabilities and any other costs connected with that removal shall be at the Contractor's cost.
- 7.3. The Contractor shall use its reasonable endeavours to ensure continuity of Contractor Staff and to ensure that the turnover rate of Contractor Staff is at least equal to the prevailing industry norm for similar services, locations and environments.
- 7.4. The Contractor shall ensure that no person who discloses a Relevant Conviction or who is found to have any Relevant Convictions (whether as a result of a police check or through the Disclosure and Barring Service Procedures or otherwise), is employed or engaged in providing the Services without the Authority's prior written consent.
- 7.5. For each of the Contractor Staff who, in providing the Services, has, will have or is likely to have access to children, vulnerable persons or other members of the public to whom the Authority owes a special duty of care the Contractor shall (and shall procure that any relevant Sub-Contractor shall) ensure a police check is completed and such other checks as may be carried out through the Disclosure and Barring Service, and the Contractor shall not (and shall ensure that any Sub-Contractor shall not) engage or continue to employ in the provision of the Services any person who has a Relevant Conviction or what would reasonably be regarded as having an inappropriate record.
- 7.6. If the Contractor places a Participant in a setting where they will have or are likely to have access to children, vulnerable persons or other members of the public to whom the Authority owes a special duty of care, it shall (and shall procure that any relevant Sub-Contractor shall) ensure a police check is completed and such other checks as may be carried out through the Disclosure and Barring Service. The Contractor shall not place a Participant who has a Relevant Conviction or what would reasonably be regarded as having an inappropriate record in a setting where they will have or are likely to have access to children, vulnerable persons or other members of the public to whom the Authority owes a special duty of care.
- 7.7. The Contractor acknowledges that Key Contractor Staff and Key Sub-Contractors are essential to the proper provision of the Services. The Parties have agreed to the appointment of Key Contractor Staff and Key Sub-Contractors listed in Schedule 7 as at the Effective Date.
- 7.8. Key Sub-Contractors shall not be released from delivering the Services or new Key Sub-Contractors appointed without prior discussion and consent from the Authority.
- 7.9. Key Contractor Staff shall not be released from supplying the Services without the Authority's consent except by reason of long-term sickness, maternity leave, paternity leave or termination of employment or other similar reason.
- 7.10. Any replacements of Key Contractor Staff shall be subject to the Authority's consent and shall be of at least equal status, experience and skills to Key Contractor Staff being replaced and be suitable for the responsibilities of that person in relation to the Services.
- 7.11. The Authority shall not unreasonably withhold consent under Clauses 7.8, 7.9 or 7.10. Such consent shall be conditional on appropriate arrangements being made by the

Contractor to minimise any adverse effect on Services which could be caused by a change in Key Contractor Staff or Key Sub-Contractors.

- 7.12. The Authority may require the Contractor to remove any Key Contractor Staff who the Authority considers is in any respect unsatisfactory.
- 7.13. The Authority shall not be liable for the cost of replacing any Key Contractor Staff and the Contractor shall indemnify the Authority against all Employment Liabilities that may arise in this respect.
- 7.14. Except in respect of any Relevant Transfer, neither Party shall for the Term and for 12 months after the Term (except with the prior written consent of the other) solicit the services of any Staff of the other Party who have been engaged in providing the Services or the management of the Contract or any significant part thereof whether as principal, agent, employee, independent contractor or in any other form of employment or engagement other than by means of an open national advertising campaign and not specifically targeted at any Staff of the other Party.

8. CHARGES

- 8.1. Except where otherwise expressly stated in the Contract the only payments to be paid by the Authority for the performance by the Contractor of its obligations under the Contract shall be the Charges which shall be inclusive of all costs and expenses incurred by the Contractor in the performance of its obligations.
- 8.2. In consideration for the provision of the Services the Authority shall pay the Charges in accordance with the Schedule 3 subject to the receipt of Valid Invoices pursuant to Clauses 8.10 to 8.12 being issued by the Contractor.
- 8.3. The Contractor is not permitted to re-allocate any underspends in Funding without the prior written consent of the Authority.
- 8.4. The Contractor shall submit the first invoice by the 12th Business Day of June 2023 and subsequent invoices shall be submitted by the 12th Business Day of the month following the month in respect to which the invoice relates.
- 8.5. The Department shall accept and process for payment an electronic invoice submitted for payment by the Contractor where the invoice is undisputed and where it complies with the standard on electronic invoicing. For the purposes of this paragraph, an electronic invoice complies with the standard on electronic invoicing where it complies with the UK government standard as set out on the www.gov.uk website.
- 8.6. Except where otherwise expressly stated in Schedule 3 the Contractor shall not be entitled to increase the Charges or any rates identified in Schedule 3 throughout the Term.
- 8.7. The Charges are exclusive of Value Added Tax ("VAT") and all other taxes, duties and levies, but shall be inclusive of all charges, costs and expenses of whatever nature the Contractor incurs in providing the Services, and performing all other obligations of the Contractor, under the Contract (unless expressly stated otherwise in the Contract). The Contractor should notify the Authority of any direct VAT charges for the delivery of the Contract. The Contractor shall identify VAT and other applicable taxes, duties and levies separately on invoices, including identifying the elements of the Charges that are subject to VAT at the standard rate or at any other rates and that are zero rated or exempt from VAT.
- 8.8. Payment of the Charges by the Authority shall be without prejudice to any rights the Authority may have by reason of any Services, or any part thereof, failing to comply with any provision of the Contract and any breach by the Contractor of the Contract

- shall not be deemed to be accepted or waived by the Authority by reason of such payment.
- 8.9. The Authority may deduct from or offset against any monies due or becoming due to the Contractor under the Contract (including the Charges) any monies due from the Contractor under the Contract or otherwise under any other agreement or account whatsoever.
- 8.10. Invoices shall be submitted electronically by email to accountspayable.OCR@education.gov.uk by the relevant date as specified in Clause 4. To request a statement or remittance, please email DfE.TREASURY@education.gov.uk
- 8.11. There is no postal address. Paper invoices or supporting documents will not be accepted. All supporting documents must be sent digitally along with the invoice to fast.track@education.gov.uk.
- 8.12. An invoice is a "Valid Invoice" if it is legible and includes:
- 8.12.1. the date of the invoice;
 - 8.12.2. Contractor's full name and address;
 - 8.12.3. Contractors bank details;
 - 8.12.4. Contract reference number;
 - 8.12.5. Purchase Order number;
 - 8.12.6. the charging period;
 - 8.12.7. a detailed breakdown of the appropriate Charges including deliverables or milestones achieved (if applicable);
 - 8.12.8. days and times worked (if applicable);
 - 8.12.9. Service Credits (if applicable); and
 - 8.12.10. VAT if applicable.
- 8.13. The Authority shall not pay an invoice which is not a Valid Invoice.
- 8.14. The Authority intends to pay Valid Invoices within 5 days of receipt. Valid Invoices not paid within 30 days are subject to interest at the rate of 2% above the base rate from time to time of Barclays Bank. This Clause 8.14 is a substantial remedy for late payment of any sum payable under the Contract in accordance with section 8(2) Late Payment of Commercial Debts (Interest) Act 1998.
- 8.15. The Authority shall not be responsible for any delay in payment caused by receipt of invoices which are not Valid Invoices and shall, within 10 Business Days of receipt, return to the Contractor for correction invoices that are not Valid Invoices together with an explanation of the need for correction.
- 8.16. At the end of the Term the Contractor shall promptly draw-up a final invoice which shall cover all Services provided up to the end of the Term which have not already been invoiced to the Authority. The final invoice shall be submitted not later than 30 days after the end of the Term.
- 8.17. The Authority shall not be obliged to pay the final invoice until the Contractor has carried out all of the Services.
- 8.18. The Contractor shall ensure that a term is included in all Sub-Contracts which requires payment to be made of all sums due to Sub-Contractors within 30 days from the receipt of a valid invoice.

- 8.19. If the Authority disputes any amount specified in a Valid Invoice it shall pay such amount of the invoice as is not in dispute and within 10 Business Days notify the Contractor of the reasons for disputing the invoice. The Authority may withhold the disputed amount pending resolution of the dispute.
- 8.20. The Parties shall use all reasonable endeavours to resolve any dispute over invoices within 10 Business Days of the dispute being raised, after which period either Party may refer the matter for resolution in accordance with Clause 40.

9. FINANCIAL DISTRESS

- 9.1. The Parties shall comply with the provisions of Schedule 11 (Financial Distress) in relation to the assessment of the financial standing of the Contractor and the consequences of a change to that financial standing.

10. TAX AND VAT

- 10.1. Where the Contractor is liable to be taxed in the UK in respect of consideration received under the Contract it shall at all times comply with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax in respect of that consideration.
- 10.2. If the Services are liable for VAT the Contractor shall comply with HMRC rules and regulations. The Contractor will be liable for paying to HMRC any identified VAT including those which may fall due.
- 10.3. If the Contractor is liable to NICs in respect of consideration received under the Contract it shall comply with the Social Security Contributions and Benefits Act 1992 and all other statutes and regulations relating to NICs in respect of that consideration.
- 10.4. The Authority may ask the Contractor to provide information which demonstrates how the Contractor complies with Clauses 10.1 to 10.3 or why those Clauses do not apply to it.
- 10.5. A request under Clause 10.4 may specify the information which the Contractor must provide and the period within which that information must be provided.
- 10.6. The Authority may terminate this Contract if:
- 10.6.1. in the case of a request mentioned in Clause 10.4 the Contractor:
- a) fails to provide information in response to the request within a reasonable time; or
 - b) provides information which does not demonstrate either how the Contractor complies with Clauses 10.1 or why those Clauses 10.1 to 10.3 do not apply to it;
- 10.6.2. it receives information which demonstrates that, if Clauses 10.1 to 10.3 apply, the Contractor is not complying with those Clauses.
- 10.7. The Authority may supply any information which it receives under Clause 10.4 to HMRC.
- 10.8. The Contractor bears sole responsibility for the payment of tax and national insurance contributions due from it in relation to any payments or arrangements made under the Contract or in relation to any payments made by the Contractor to its officers or employees in connection with the Contract.
- 10.9. The Contractor will account to the appropriate authorities for any applicable income tax, national insurance, VAT and all other taxes, liabilities, charges and duties relating to any payments made to the Contractor under the Contract or in relation to any

payments made by the Contractor to its officers or employees in connection with the Contract. The Contractor shall indemnify the Authority against any liability, assessment or claim made by the HMRC or any other relevant authority arising out of the performance by the Contractor of its obligations under the Contract (other than in respect of employer's secondary national insurance contributions) and any costs, expenses, penalty fine or interest incurred or payable by the Authority in connection with any such assessment or claim.

- 10.10. The Contractor authorises the Authority to provide HMRC and all other departments or agencies of the Government with any information which they may request as to fees and/or expenses paid or due to be paid under the Contract whether or not the Authority is obliged as a matter of law to comply with such request.
- 10.11. If, during the Term, an Occasion of Tax Non-Compliance occurs, the Contractor shall:
- 10.11.1. notify the Authority in writing of such fact within 5 Business Days of its occurrence; and
 - 10.11.2. promptly give the Authority:
 - a) details of the steps it is taking to address the Occasion of Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors it considers relevant; and
 - b) such other information in relation to the Occasion of Tax Non-Compliance as the Authority may reasonably require.

11. PREVENTION OF CORRUPTION

- 11.1. The Contractor represents and warrants that neither it, nor to the best of its knowledge any Contractor Staff, have at any time prior to the Effective Date:
- 11.1.1. committed a Prohibited Act or been formally notified that it is subject to an investigation or prosecution which relates to an alleged Prohibited Act; or
 - 11.1.2. been listed by any government department or agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in government procurement programmes or contracts on the grounds of a Prohibited Act.
- 11.2. The Contractor shall not:
- 11.2.1. commit a Prohibited Act; or
 - 11.2.2. do or suffer anything to be done which would cause the Authority or any of its employees, consultants, contractors, Sub-Contractors or agents to contravene any of the Relevant Requirements or otherwise incur any liability in relation to the Relevant Requirements.
- 11.3. The Contractor shall:
- 11.3.1. procure that its Sub-Contractors shall, establish, maintain and enforce, policies and procedures which are adequate to ensure compliance with the Relevant Requirements and prevent the occurrence of a Prohibited Act; and
 - 11.3.2. keep appropriate records of its compliance with its obligations under Clause 11.3.1 and make such records available to the Authority on request.
- 11.4. The Contractor shall immediately notify the Authority in writing if it becomes aware of any breach of Clauses 11.1 and/or 11.2, or has reason to believe that it has or any of the Contractor Staff have:

- 11.4.1. been subject to an investigation or prosecution which relates to an alleged Prohibited Act;
 - 11.4.2. been listed by any government department or agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in government procurement programmes or contracts on the grounds of a Prohibited Act; or
 - 11.4.3. received a request or demand for any undue financial or other advantage of any kind in connection with the performance of the Contract or otherwise suspects that any person directly or indirectly connected with the Contract has committed or attempted to commit a Prohibited Act.
- 11.5. If the Contractor notifies the Authority pursuant to Clause 11.4, the Contractor shall respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the Authority to audit any books, records and any other relevant documentation.
- 11.6. If the Contractor is in Default under Clauses 11.1 and/or 11.2, the Authority may by notice:
- 11.6.1. require the Contractor to remove from performance of the Contract any Staff whose acts or omissions have caused the Default; or
 - 11.6.2. immediately terminate the Contract.
- 11.7. Any notice served by the Authority under Clause 11.6 shall specify the nature of the Prohibited Act, the identity of the party who the Authority believes has committed the Prohibited Act and the action that the Authority has taken (including, where relevant, the date on which the Contract shall terminate).

12. DISCRIMINATION

- 12.1. The Contractor shall perform its obligations under the Contract in accordance with all applicable equality law.
- 12.2. The Contractor shall comply with Authority's equality and diversity policy as given to the Contractor from time to time and any other requirements and instructions which the Authority reasonably imposes in connection with any equality obligations imposed on the Authority at any time under equality law.
- 12.3. The Contractor indemnifies the Authority in full from and against all Employment Liabilities that may arise as a result of any claims brought against the Authority by any of its employees, agents, consultants and contractors ("**Authority Contractor Staff**") and/or any of the Contractor Staff where such claim arises from any act or omission of the Contractor Staff in respect of anti-discrimination legislation. The Contractor will also provide all reasonable cooperation, assistance and information as the Authority may request in connection with any investigation by the Authority into any complaint or other grievance received by it from any of the Authority Contractor Staff or Contractor Staff in respect of anti-discrimination legislation which may have arisen from, or been contributed to by, any act or omission of the Contractor or any Contractor Staff.

13. MODERN SLAVERY, CHILD LABOUR AND INHUMANE TREATMENT

- 13.1. The Contractor:
- 13.1.1. shall not use, or allow its Sub-Contractors to use, forced, bonded or involuntary prison labour;
 - 13.1.2. shall not require any Contractor Staff to lodge deposits or identify papers with the employer or deny Contractor Staff freedom to leave their employer after reasonable notice;

- 13.1.3. warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world;
- 13.1.4. 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 offenses anywhere around the world;
- 13.1.5. shall make reasonable enquiries to ensure that its officers, employees and Sub-Contractors have not been convicted of slavery or human trafficking offences anywhere around the world;
- 13.1.6. shall have and maintain throughout the Term its own policies and procedures to ensure its compliance with the Modern Slavery Act 2015 and shall include in its Sub-Contracts anti-slavery and human trafficking provisions;
- 13.1.7. 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 the Contract;
- 13.1.8. shall prepare and deliver to the Authority at the commencement of the Contract and updated on a frequency defined by the Authority, a 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;
- 13.1.9. shall not use, or allow its employees or Sub-Contractors 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 Sub-Contractors;
- 13.1.10. shall not use, or allow its Sub-Contractors to use, child or slave labour; and
- 13.1.11. shall report the discovery or suspicion of any slavery or trafficking by it or its Sub-Contractors to the Authority and the Modern Slavery Helpline.

14. INTELLECTUAL PROPERTY

- 14.1. All Intellectual Property Rights in materials:
 - 14.1.1. that are Existing IPR remain in the ownership of the Party that owns them. The Contractor gives the Authority a non-exclusive, perpetual, royalty-free, irrevocable, transferable worldwide licence to use, change and sub-license the Contractor's Existing IPR to enable it to:
 - a) receive and use the Services;
 - b) make use of the services provided by a Replacement Contractor.; and
 - c) make any Service Specific IP Materials that include Existing IPR available for use by all on the terms of the Open Government Licence for the Management of IPR on a non-exclusive basis.
 - 14.1.2. furnished to or made available to the Contractor by or on behalf of the Authority (the "**Authority IP Materials**") shall remain the property of the Authority (save for Copyright and Database Rights which shall remain the property of the Crown); and
 - 14.1.3. prepared by or for the Contractor on behalf of the Authority in connection with the Contract (the "**Service Specific IP Materials**") shall vest in the

Authority (save for Copyright and Database Rights which shall vest in the Crown)

(together the “**IP Materials**”).

- 14.2. The Contractor shall not, and shall ensure that Contractor Staff shall not, use or disclose IP Materials (except the Contractor’s Existing IPR) without the Authority’s approval save to the extent necessary for the performance by the Contractor of its obligations under the Contract.
- 14.3. The Contractor hereby assigns to the Authority or undertakes to procure the assignment to the Authority of all Intellectual Property Rights which may subsist in the Service Specific IP Materials (save for Copyright and Database Rights which it hereby assigns to the Crown or undertakes to procure the assignment of to the Crown). These assignments shall be given with full title guarantee, shall take effect on the Effective Date or as a present assignment of future rights that will take effect immediately on the coming into existence of the Intellectual Property Rights in the Service Specific IP Materials and shall include, without limitation, an assignment to the Authority (or the Crown as appropriate) of all rights arising in the United Kingdom and the world together with the right to sue for damages and other remedies for infringement occurring prior to the date of assignment. The Contractor shall execute all documents and do all other acts requested by the Authority and necessary to execute and perfect these assignments and to otherwise evidence the Authority’s or the Crown’s ownership of such rights.
- 14.4. The Contractor shall waive or procure a waiver on an irrevocable and unconditional basis of any moral rights subsisting in copyright produced by or in connection with the Contract or the performance of the Contract.
- 14.5. After the Contract has expired or terminated, the Authority will make the Service Specific IP Materials available for use by all on the terms of the Open Government Licence for the Management of IPR on a non-exclusive basis.
- 14.6. The Contractor shall ensure that the third party owner of any Intellectual Property Rights that are or which may be used to perform the Services grants to the Authority a non-exclusive licence or, if itself a licensee of those rights, shall grant to the Authority an authorised sub-licence, to use, reproduce, modify, develop and maintain the Intellectual Property Rights in the same. Such licence or sub-licence shall be non-exclusive, perpetual, royalty-free, worldwide and irrevocable and shall include the right for the Authority to sub-licence, transfer, novate or assign to a Replacement Contractor. The Contractor shall notify the Authority of any third party Intellectual Property Rights to be used in connection with the Contract prior to their use in connection with the Contract or the creation or development of the Service Specific IP Materials.
- 14.7. The Contractor shall not infringe any Intellectual Property Rights of any third party in performing its obligations under the Contract and the Contractor shall indemnify and keep indemnified the Authority and any Replacement Contractor from and against all actions, suits, claims, demands, losses, charges, damages, costs and expenses and other liabilities which the Authority may suffer or incur as a result of or in connection with any breach of this Clause 14.13, except to the extent that any such claim arises from:
 - 14.7.1. items or materials supplied by the Authority; or
 - 14.7.2. the use of data supplied by the Authority which is not required to be verified by the Contractor under any provision of the Contract.

- 14.8. The Authority shall notify the Contractor in writing of any claim or demand brought against the Authority for infringement or alleged infringement of any Intellectual Property Right in materials supplied and/or licensed by the Contractor.
- 14.9. The Contractor shall at its own expense conduct all negotiations and any litigation arising in connection with any claim for infringement of Intellectual Property Rights in materials supplied and/or licensed by the Contractor to the Authority, provided always that the Contractor shall:
 - 14.9.1. consult the Authority on all substantive issues which arise during the conduct of such litigation and negotiations;
 - 14.9.2. take due and proper account of the interests and concerns of the Authority; and
 - 14.9.3. not settle or compromise any claim without the Authority's prior written consent (not to be unreasonably withheld or delayed).
- 14.10. Notwithstanding Clause 14.9 the Authority may take any action it deems appropriate with respect to any such claim and shall have exclusive control of such claim. If the Authority takes action the Contractor shall at the request of the Authority afford to the Contractor all reasonable assistance to the Authority for the purpose of contesting such claim.
- 14.11. The Authority shall at the request of the Contractor afford to the Contractor all reasonable assistance for the purpose of contesting any claim or demand made or action brought against the Authority or the Contractor by a third party for infringement or alleged infringement of any third party Intellectual Property Rights in connection with the performance of the Contractor's obligations under the Contract subject to the Contractor indemnifying the Authority on demand and in full for all reasonable costs and expenses (including, but not limited to, legal costs and disbursements) incurred in doing so.
- 14.12. If a claim, demand or action for infringement or alleged infringement of any Intellectual Property Right is made in connection with the Contract or in the reasonable opinion of the Contractor is likely to be made, the Contractor shall notify the Authority and, at its own expense and subject to the consent of the Authority (not to be unreasonably withheld or delayed), use reasonable endeavours to:
 - 14.12.1. modify any or all of the Service Specific IP Materials and, where relevant, the Services without reducing the performance or functionality of the same, or substitute alternative materials or services of equivalent performance and functionality, so as to avoid the infringement or the alleged infringement, provided that the provisions of this Clause 14.13 shall apply mutatis mutandis to such modified materials or services or to the substitute materials or services; or
 - 14.12.2. procure a licence to use and supply the Service Specific IP Materials, other relevant Intellectual Property Rights and Services, which are the subject of the alleged infringement, on terms which are acceptable to the Authority.
- 14.13. If the Contractor is unable to comply with Clauses 14.12.1 and 14.12.2 within 20 Business Days of receipt of the Contractor's notification the Authority may terminate the Contract with immediate effect by notice in writing.
- 14.14. The Contractor grants to the Authority and, if requested by Authority, to a Replacement Contractor, a royalty-free, perpetual, irrevocable and non-exclusive licence (with a right to sub-licence) to use any Intellectual Property Rights the Contractor owned or developed prior to the Effective Date or otherwise, not in connection with the Contract and which the Authority (or a Replacement Contractor) reasonably requires in order to

exercise its rights and take the benefit of the Contract including the Services provided and the use and further development of the IP Materials (“**Contractor IP**”).

- 14.15. The Authority shall comply with the reasonable instructions of the Contractor in respect of the way in which it uses the Contractor IP.
- 14.16. If the Contractor is not able to grant to the Authority a licence to use any Contractor IP for any reason, including due to any Intellectual Property Rights that a third party may have in such Contractor IP, the Contractor shall use its reasonable endeavours to:
 - 14.16.1. procure that the third party owner of any Intellectual Property Rights that are or that may be used to perform the Contract grants to the Authority a licence on the terms set out in Clause 14.14; or
 - 14.16.2. if the Contractor is itself a licensee of those rights and is able to do so under the terms of its licence, grant to the Authority a sub-licence on the terms set out in Clause 14.14.
- 14.17. The Contractor shall not knowingly do or permit to be done, or omit to do in connection with its use of Intellectual Property Rights which are or are to be the Authority IP Materials any act or thing which:
 - 14.17.1. would or might jeopardise or invalidate any trade mark application or registration comprised within the same or give rise to an application to remove or amend any such application or registration from the register maintained by the relevant trade mark registry; or
 - 14.17.2. would or might prejudice the right or title of the Authority to any of the Authority IP Materials.
- 14.18. The Contractor shall comply with the Authority’s branding guidelines and shall not use any other branding, including its own, other than as set out in the Authority’s branding guidelines or as otherwise agreed with the Authority.
- 14.19. When using Authority Trade Marks the Contractor shall observe all reasonable directions given by the Authority from time to time as to colour and size and the manner and disposition thereof on any materials it provides to persons in connection with the Services. The Contractor may not:
 - 14.19.1. adopt or use any trade mark, symbol or device which incorporates or is confusingly similar to, or is a simulation or colourable imitation of, any Authority Trade Mark, or unfairly competes with any Authority Trade Mark; or
 - 14.19.2. apply anywhere in the world to register any trade marks identical to or so nearly resembling any Authority Trade Mark as to be likely to deceive or cause confusion.
- 14.20. The provisions of Schedule 19 (Contractor’s Technology Solution) shall apply in relation to the Intellectual Property Rights in and licensing of Software.

15. DATA, SYSTEMS HANDLING AND SECURITY

- 15.1. The Parties shall comply with the provisions of Schedule 8.

16. PUBLICITY AND PROMOTION

- 16.1. Subject to Clause 17.2, without prejudice to the Authority’s obligations under the FOIA, the EIR, the Regulations, or any policy requirements as to transparency, neither Party shall make any press announcement or publicise the Contract or any part thereof in any way, except with the written consent of the other Party.

- 16.2. The Contractor shall use reasonable endeavours to ensure its Contractor Staff comply with Clause 16.1.
- 16.3. Without prejudice to the generality of Clauses 14.19 and 16.1, the Contractor shall not itself, and shall procure that Consortium Members shall not, use the Authority's name, brand or Authority Trade Marks or the Personal Data of the Authority to sell, promote, market or publicise the Contractor's other programmes, courses, services or other activities.
- 16.4. Subject to Clauses 13 and 17 Authority may disclose, copy and otherwise distribute to the public, including but not limited to, by way of the Open Government Licence, any information arising out of the Services or comprised in any work relating to the Services.
- 16.5. Any marketing activity relating to the Services planned by the Contractor must be approved by or on behalf of the Authority's Director of Communications and it must be approved in writing by the Cabinet Office.
- 16.6. In order to apply for Cabinet Office approval as set out in Clause 16.5, the Contractor must complete a Professional Assurance (PASS) application in conjunction with the Authority using the PASS form which the Authority will provide to the Contractor. The proposed marketing activity must be approved in writing by the Cabinet Office before any material expense is incurred in relation to it.
- 16.7. The Contractor must comply with any amendments to the marketing activity that are required by the Authority and / or the Cabinet Office.

17. CONFIDENTIALITY

- 17.1. Except to the extent set out in this Clause 17 or if disclosure or publication is expressly permitted elsewhere in the Contract each Party shall treat all Confidential Information belonging to the other Party as confidential and shall not disclose any Confidential Information belonging to the other Party to any other person without the other Party's consent, except to such persons and to such extent as may be necessary for the performance of the Party's obligations under the Contract.
- 17.2. The Contractor hereby gives its consent for the Authority to publish the whole Contract including from time to time agreed changes to the Contract.
- 17.3. The Contractor may only disclose the Authority's Confidential Information to those Contractor Staff who are directly involved in the provision of the Services and who need to know the information, and shall ensure that Contractor Staff are aware of and shall comply with these obligations as to confidentiality.
- 17.4. The Contractor shall not, and shall procure that Contractor Staff do not, use any of the Authority's Confidential Information received otherwise than for the purposes of the Contract.
- 17.5. Clause 17.1 shall not apply to the extent that:
 - 17.5.1. such disclosure is a requirement of law placed upon the Party making the disclosure, including any requirements for disclosure under the FOIA or the EIR;
 - 17.5.2. such information was in the possession of the Party making the disclosure without obligation of confidentiality prior to its disclosure by the information owner;
 - 17.5.3. such information was obtained from a third party without obligation of confidentiality;

- 17.5.4. such information was already in the public domain at the time of disclosure otherwise than by a breach of the Contract; or
 - 17.5.5. it is independently developed without access to the other Party's Confidential Information.
- 17.6. Nothing in this Clause 17 shall prevent the Authority disclosing any Confidential Information obtained from the Contractor:
- 17.6.1. for the purpose of the examination and certification of the Authority's accounts;
 - 17.6.2. for the purpose of any examination pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources;
 - 17.6.3. to any other crown body and the Contractor hereby acknowledges that all government departments receiving such Confidential Information may further disclose the Confidential Information to other government departments on the basis that the information is confidential and is not to be disclosed to a third party which is not part of any government department; or
 - 17.6.4. to any consultant, contractor or other person engaged by the Authority provided that in disclosing information under Clauses 17.6.2 and 17.6.3 the Authority discloses only the information which is necessary for the purpose concerned and requests that the information is treated in confidence and that a confidentiality undertaking is given where appropriate.
- 17.7. Nothing in Clauses 17.1 to 17.6 shall prevent either Party from using any techniques, ideas or know-how gained during the performance of its obligations under the Contract in the course of its normal business, to the extent that this does not result in a disclosure of the other Party's Confidential Information or an infringement of the other Party's Intellectual Property Rights.
- 17.8. The Authority shall endeavour to ensure that any government department, employee, third party or Sub-Contractor to whom the Authority's Confidential Information is disclosed pursuant to Clause 17.6 is made aware of the Authority's obligations of confidentiality.
- 17.9. If the Contractor does not comply with Clauses 17.1 to 17.5 the Authority may terminate the Contract immediately on notice to the Contractor.

18. FREEDOM OF INFORMATION

- 18.1. The contractor acknowledges that the authority is subject to the requirements of the FOIA and the EIR
- 18.2. The Contractor shall transfer to the Authority all Requests for Information that it receives as soon as practicable and in any event within 2 Business Days of receipt:
- 18.2.1. give the Authority a copy of all Information in its possession or control in the form that the Authority requires within 5 Business Days (or such other period as the Authority may specify) of the Authority's request;
 - 18.2.2. provide all necessary assistance as reasonably requested by the Authority to enable the Authority to comply with its obligations under the FOIA and EIR; and
 - 18.2.3. not respond to directly to a Request for Information unless authorised to do so in writing by the Authority.

18.3. The Authority shall determine in its absolute discretion and notwithstanding any other provision in the Contract or any other agreement whether the Commercially Sensitive Information and any other information is exempt from disclosure in accordance with the provisions of the FOIA and/or the EIR.

19. OFFICIAL SECRETS ACTS AND FINANCE ACT

19.1. The Contractor shall comply with the provisions of:

19.1.1. the Official Secrets Acts 1911 to 1989; and

19.1.2. section 182 of the Finance Act 1989.

20. LIABILITY

20.1. Neither Party excludes or limits its liability (if any) to the other:

20.1.1. for breach of any obligations arising under section 12 Sale of Goods Act 1979 or section 2 Supply of Goods and Services Act 1982;

20.1.2. for personal injury or death resulting from its negligence;

20.1.3. under section 2(3) Consumer Protection Act 1987;

20.1.4. any breach of Clause 17 (Confidentiality) or Schedule 8 (Data Systems, Handling and Security)

20.1.5. for its own fraud; or

20.1.6. for any other matter which it would be unlawful for it to exclude or to attempt to exclude its liability.

20.2. Subject to Clauses 20.1 and 20.3 and the cap on liability set out in Clause 20.5, the Contractor shall indemnify the Authority and keep the Authority indemnified fully against all claims, proceedings, demands, charges, actions, damages, costs, breach of statutory duty, expenses and any other liabilities which may arise out of the supply, or the late or purported supply, of the Services or the performance or non-performance by the Contractor or any Contractor Staff on the Premises, including in respect of death or personal injury, loss of or damage to property (including the personal property of a Participant), financial loss arising from any advice given or omitted to be given by the Contractor, or any other loss which is caused directly by any act or omission of the Contractor.

20.3. The Contractor does not exclude or limit its liability (if any) pursuant to any indemnities given by it in Clauses 13 (Intellectual Property) and 10 (Tax).

20.4. Subject to Clauses 20.1, 20.3 and 20.6, neither Party shall have any liability to the other under or in connection with the Contract, whether in contract, tort (including negligence) or otherwise:

20.4.1. for any losses of an indirect nature;

20.4.2. for any claims for loss of profits, revenue, business or opportunity (whether direct, indirect or consequential); or

20.4.3. to the extent that it is prevented from meeting any obligation under the Contract as a result of any breach or other default by the other Party.

20.5. Subject to Clauses 20.1 and 20.3, the maximum liability of either Party to the other under the Contract, whether in contract, tort (including negligence) or otherwise:

20.5.1. in respect of damage to property is limited to £10m in respect of any one incident or series of connected incidents; and

- 20.5.2. in respect of any claim not covered by Clause 20.5.1, is limited in each calendar year in aggregate to 150% of the sum of the Charges payable in that year.
- 20.6. The Authority may recover from the Contractor the following losses incurred by the Authority to the extent they arise as a result of a Default by the Contractor:
- 20.6.1. any additional operational and/or administrative costs and expenses incurred by the Authority, including costs relating to time spent by or on behalf of the Authority in dealing with the consequences of the default;
- 20.6.2. any wasted expenditure or charges;
- 20.6.3. the additional costs of procuring a Replacement Contractor for the remainder of the Contract and/or replacement deliverables which shall include any incremental costs associated with the Replacement Contractor and/or replacement deliverables above those which would have been payable under the Contract;
- 20.6.4. any compensation or interest paid to a third party by the Authority; and
- 20.6.5. any fine or penalty incurred by the Authority and any costs incurred by the Authority in defending any proceedings which result in such a fine or penalty.
- 20.7. Except as otherwise expressly provided by the Contract, all remedies available to either Party for breach of the Contract are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.
- 20.8. Each Party shall use all reasonable endeavours to mitigate any loss or damage suffered arising out of or in connection with this Contract, including any losses for which the relevant Party is entitled to bring a claim against the other Party pursuant to the indemnities in this Contract.
- 20.9. All property of the Contractor whilst on the Authority's premises shall be there at the risk of the Contractor and the Authority shall accept no liability for any loss or damage howsoever occurring to it.
- 20.10. The Contractor shall effect and maintain in force with a reputable insurance company employer's liability and public liability insurances for the sum and range of cover as the Authority deems to be appropriate but not less than £5,000,000 for any one claim, for professional indemnity insurances for the sum and range of cover as the Authority deems to be appropriate but not less than £5,000,000 for any one claim and insurance to cover the liability of the Contractor under the Contract. Such insurances shall be maintained for the Term and for a minimum of 6 years following the end of the Term.
- 20.11. The Contractor shall supply to the Authority on demand copies of the insurance certificates maintained under Clause 20.10.
- 20.12. The provisions of any insurance or the amount of cover shall not relieve the Contractor of any liabilities under the Contract.
- 20.13. It shall be the responsibility of the Contractor to determine the amount of insurance cover that will be adequate to enable the Contractor to satisfy any liability it has under, or in connection with, the Contract.

21. WARRANTIES AND REPRESENTATIONS

- 21.1. The Contractor warrants and represents that:
- 21.1.1. it has full capacity and Authority and all necessary consents (including where its procedures so require, the consent of its parent company) to enter into

- and perform its obligations under the Contract and that the Contract is executed by a duly authorised representative of the Contractor;
- 21.1.2. in entering the Contract it has not committed any fraud;
 - 21.1.3. as at the Effective Date, all information contained in the Contractor's Solution remains true, accurate and not misleading, save as may have been specifically disclosed in writing to the Authority prior to execution of the Contract;
 - 21.1.4. no claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress or, to the best of its knowledge and belief, pending or threatened against it or any of its assets which will or might, and it is not subject to any contractual obligation, compliance with which is likely to, have a material adverse effect on its ability to perform its obligations under the Contract;
 - 21.1.5. it owns, has obtained or is able to obtain valid licences for all Intellectual Property Rights that are necessary for the performance of its obligations under the Contract;
 - 21.1.6. the Service Specific IP Materials will be its original work and will not have been copied wholly or substantially from another party's work or materials provided that this Clause 21.1.6 shall not apply to any IP Materials used by the Contractor under permission or licence from any other person or entity (including, without limitation, any Sub-Contractor); and
 - 21.1.7. the use by the Authority of any Intellectual Property Rights assigned or licensed to it by the Contractor under the Contract will not infringe or conflict with the rights of any third party;
 - 21.1.8. in the 3 years (or actual period of existence if the Contractor has been in existence for less time) prior to the Effective Date:
 - a) it has conducted all financial accounting and reporting activities in compliance in all material respects with the generally accepted accounting principles that apply to it in any country where it files accounts;
 - b) it has been in full compliance with all applicable securities and tax laws and regulations in the jurisdiction in which it is established; and
 - c) it has not done or omitted to do anything which could have a material adverse effect on its assets, financial condition or position as an ongoing business concern or its ability to fulfil its obligations under the Contract;
 - 21.1.9. it has and will continue to hold all necessary regulatory approvals from the Regulatory Bodies necessary to perform its obligations under the Contract; and
 - 21.1.10. it has notified the Authority in writing of any Occasions of Tax Non-Compliance or any litigation in which it is involved that is in connection with any Occasion of Tax Non-Compliance.

22. FORCE MAJEURE

- 22.1. If either Party is prevented or delayed in the performance of any of its obligations under the Contract by Force Majeure, that Party shall immediately serve notice in writing on the other Party specifying the nature and extent of the circumstances giving rise to Force Majeure, and shall subject to service of such notice and to Clause 22.3 have no

liability in respect of the performance of such of its obligations as are prevented by the Force Majeure events during the continuation of such events, and for such time after they cease as is necessary for that Party, using all reasonable endeavours, to recommence its affected operations in order for it to perform its obligations.

- 22.2. If either Party is prevented from performance of its obligations for a continuous period in excess of 3 months, the other Party may terminate the Contract forthwith on service of written notice upon the Party so prevented, in which case neither Party shall have any liability to the other except such rights and liabilities which accrued prior to such termination shall continue to subsist.
- 22.3. The Party claiming to be prevented or delayed in the performance of any of its obligations under the Contract by reason of Force Majeure shall use reasonable endeavours to end Force Majeure or to find solutions by which the Contract may be performed despite the Force Majeure.

23. MONITORING AND REMEDIATION

- 23.1. The Contractor shall comply with Schedule 16 (Records Provision and Management Information) in relation to the keeping of records and the management of information.
- 23.2. The Contractor shall provide to the Authority such supporting documentation as the Authority may reasonably require in order to verify the Contractor's performance.
- 23.3. The Authority reserves the right to verify any aspect of this Agreement either with the Contractor or independently including through requesting information, records or data from the Contractor and / or from a third party.
- 23.4. The Authority or its authorised representatives may visit on reasonable notice to the Contractor any premises of the Contractor, any Consortium Member or any other premises at which the Services (or any part of them) are being or are to be performed to ascertain that the Contractor is conforming in all respects with its obligations arising under the Contract and otherwise to monitor and quality assure the provision of the Services.
- 23.5. During such visits, the Authority may inspect and take copies of such of the records of the Contractor and any Consortium Member as relate to the performance of their obligations under the Contract.
- 23.6. If the Authority reasonably considers that any provision of the Contract is at risk of not being complied with it may, notwithstanding and without prejudice to any other right or remedy that it may have under the Contract or otherwise:
- 23.6.1. require the Contractor to produce a plan of remedial action in order to remedy or remove such risk, which shall be subject to the approval of the Authority (not to be unreasonably withheld) and which, once approved, the Contractor shall implement; and
- 23.6.2. monitor, supervise, direct and/or guide the Contractor's provision of the Services until the Authority reasonably considers that any such risk has been remedied or removed. The Contractor shall cooperate at all times with the Authority in this regard.
- 23.7. If the Contractor fails to comply with any provision of the Contract or fails to supply any of the Services in accordance with the provisions of the Contract and such failure is capable of remedy, then the Authority may instruct the Contractor to remedy the failure and the Contractor shall at its own cost and expense remedy such failure (and any damage resulting from such failure) within 21 days or such other period of time as the Authority may direct.

- 23.8. The Authority may review from time to time the progress of the Contractor against the Implementation Plan. The Contractor shall cooperate with the Authority in this regard and provide any information and evidence reasonably required by the Authority.
- 23.9. The Authority may instruct the Contractor to take appropriate remedial action where the Authority reasonably considers that the Implementation Plan is not being complied with or is at risk of not being complied with and the Contractor shall take such remedial action.

24. ANNUAL REVIEW

- 24.1. The Contractor shall submit to the Authority by the second (2nd) Wednesday of May in each Contract Year an Annual Review report that includes the content as set out in Schedule 16 (Records Provision and Management Information).
- 24.2. The parties shall undertake an Annual Review meeting of the Services and Charges in each Contract Year. The first Annual Review meeting shall take place no later than the third (3rd) Wednesday of May 2024. Subsequent Annual Review meetings shall take place in each Contract Year on the anniversary of the first Annual Review or such other date as the Authority and the Contractor agree.
- 24.3. During each Annual Review, the parties shall:
- 24.3.1. review the Contractor's performance against the Performance Measures;
 - 24.3.2. consider potential improvements in the Performance Measures;
 - 24.3.3. consider potential improvements in the delivery of the Services;
 - 24.3.4. review and agree amendments as relevant to the Contractor's Contract Management Plans including but not limited to risk management;
 - 24.3.5. Review the Charges and the provisions of Schedule 3 with a view to identifying potential efficiencies and cost savings; and
 - 24.3.6. initiate the gain share mechanism outlined in Schedule 3;
- 24.4. Any changes to the Charges or Performance Measures or Services shall be subject to agreement in accordance with the Change Control Procedures set out in Schedule 6 and the Charges shall be calculated utilising the Financial Model.
- 24.5. In the event of a dispute arising between the Authority and the Contractor at Annual Review, such dispute shall be dealt with in accordance with the dispute resolution provisions in Clause 40.

25. STEP IN RIGHTS

- 25.1. Without prejudice to the Authority's rights of termination under Clause 26 the Authority may exercise one or more of the rights set out in this Clause 25 ("**Step In Rights**") if:
- 25.1.1. there is a Default by the Contractor which materially prevents or materially delays performance of the Services or any part of the Services;
 - 25.1.2. the Contractor fails to meet any of the Service Thresholds specified in Schedule 4 (Performance Levels);
 - 25.1.3. an event of Force Majeure occurs which materially prevents or materially delays the performance of the Services or any part of the Services;
 - 25.1.4. a Regulatory Body has advised the Authority that exercise by the Authority of its Step In Rights is necessary;

- 25.1.5. a serious risk exists to the health and safety of persons, property or the environment;
 - 25.1.6. it is necessary to discharge a statutory duty; or
 - 25.1.7. the Contractor becomes insolvent.
- 25.2. If the Authority has a Step In Right it may serve notice on the Contractor (a “**Step-In Notice**”) that it will take action under this Clause 25 either itself or with the assistance of a third party.
- 25.3. The Step-In Notice shall set out:
- 25.3.1. the action the Authority wishes to take and in particular the Services that it wishes to control (the “**Required Action**”);
 - 25.3.2. the event triggering the Step In Rights and whether the Authority believes that the Required Action is due to the Contractor's Default;
 - 25.3.3. the date on which it wishes to commence the Required Action;
 - 25.3.4. the time period which it believes will be necessary for the Required Action;
 - 25.3.5. whether the Authority will require access to the Contractor's premises; and
 - 25.3.6. to the extent practicable, the effect the Authority anticipates the Required Action will have on the Contractor's obligations to provide the Services during the period that the Required Action is being taken.
- 25.4. Following service of a Step-In Notice, the Authority shall:
- 25.4.1. take the Required Action set out in the Step-In Notice and any consequential
 - 25.4.2. additional action as it reasonably believes is necessary to achieve the Required Action;
 - 25.4.3. keep records of the Required Action taken and provide information about the Required Action to the Contractor;
 - 25.4.4. co-operate wherever reasonable with the Contractor in order to enable the Contractor to continue to provide those Services of which the Authority is not assuming control; and
 - 25.4.5. act reasonably in mitigating the cost that the Contractor will incur as a result
 - 25.4.6. of the exercise of the Step In Rights.
- 25.5. For as long as and to the extent that the Required Action continues:
- 25.5.1. the Contractor shall not be obliged to provide the Services to the extent that they are the subject of the Required Action; and
 - 25.5.2. the Authority shall pay the Contractor the Charges after subtracting any applicable Service Credits and the Authority's costs of taking the Required Action.
- 25.6. If the Contractor demonstrates to the Authority's reasonable satisfaction that the Required Action has resulted in the degradation of any Services not subject to the Required Action beyond that which would have been the case had the Authority not taken the Required Action, the Authority may adjust the Charges.
- 25.7. Before ceasing to exercise its Step In Rights the Authority shall deliver a written notice to the Contractor (a “**Step-Out Notice**”), specifying:
- 25.7.1. the Required Action it has taken; and

- 25.7.2. the date on which the Authority plans to end the Required Action subject to the Authority being satisfied with the Contractor's ability to resume the provision of the Services and the Contractor's plan developed in accordance with Clause 25.8.
- 25.8. The Contractor shall, following receipt of a Step-Out Notice and not less than 20 Business Days prior to the date specified in Clause 25.7.2, develop for the Authority's approval a draft plan relating to the resumption by the Contractor of the Services, including any action the Contractor proposes to take to ensure that the affected Services satisfy the requirements of the Contract.
- 25.9. If the Authority does not approve the draft plan, it shall inform the Contractor of its reasons for not approving it and the Contractor shall then revise the draft plan taking those reasons into account and shall re-submit the revised plan to the Authority for approval. The Authority shall not withhold or delay its approval of the draft plan unreasonably.
- 25.10. The Contractor shall bear its own costs in connection with any Step-In under this Clause 25, provided that the Authority shall reimburse the Contractor's reasonable additional expenses incurred directly as a result of any Step-In action taken by the Authority under Clauses 25.1.3 to 25.1.6 (insofar as the primary cause of the Authority serving the Step-In Notice is identified as not being the result of a Contractor's Default).

26. TERMINATION

- 26.1. The Authority may terminate the Contract (or any part of it) with immediate effect and without paying compensation to the Contractor where the Contractor is a company and in respect of the Contractor:
- 26.1.1. a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or of any other composition scheme or arrangement with, or assignment for the benefit of, its creditors;
- 26.1.2. a shareholders' meeting is convened for the purpose of considering a resolution that it be wound up or a resolution for its winding-up is passed (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation);
- 26.1.3. a petition is presented for its winding up (which is not dismissed within 14 days of its service) or an application is made for the appointment of a provisional liquidator or a creditors' meeting is convened pursuant to section 98 of the Insolvency Act 1986;
- 26.1.4. a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets;
- 26.1.5. an application order is made either for the appointment of an administrator or for an administration order, an administrator is appointed, or notice of intention to appoint an administrator is given;
- 26.1.6. it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986;
- 26.1.7. being a "small company" within the meaning of section 247(3) of the Companies Act 1985, a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or
- 26.1.8. any event similar to those listed in Clauses 26.1.1 to 26.1.7 occurs under the law of any other jurisdiction.

- 26.2. The Authority may terminate the Contract (or any part of it) with immediate effect by notice and without paying compensation to the Contractor where the Contractor is an individual and:
- 26.2.1. an application for an interim order is made pursuant to sections 252-253 of the Insolvency Act 1986 or a proposal is made for any composition scheme or arrangement with, or assignment for the benefit of, the Contractor's creditors;
 - 26.2.2. a petition is presented and not dismissed within 14 days or order made for the Contractor's bankruptcy;
 - 26.2.3. a receiver, or similar officer is appointed over the whole or any part of the Contractor's assets or a person becomes entitled to appoint a receiver, or similar officer over the whole or any part of his assets;
 - 26.2.4. the Contractor is unable to pay his debts or has no reasonable prospect of doing so, in either case within the meaning of section 268 of the Insolvency Act 1986;
 - 26.2.5. a creditor or encumbrancer attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the Contractor's assets and such attachment or process is not discharged within 14 days;
 - 26.2.6. he dies or is adjudged incapable of managing his affairs within the meaning of Part VII of the Mental Capacity Act 2005;
 - 26.2.7. he suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of his business; or
 - 26.2.8. any event similar to those listed in Clauses 26.2.1 to 26.2.7 occurs under the law of any other jurisdiction.
- 26.3. The Contractor shall notify the Authority immediately in writing of any proposal or negotiations which will or may result in a Change of Control. The Authority may terminate the Contract (or any part of it) with immediate effect by notice and without compensation to the Contractor within 6 months of:
- 26.3.1. being notified that a Change of Control has occurred; or
 - 26.3.2. where no notification has been made, the date that the Authority becomes aware of the Change of Control
- but shall not be permitted to terminate where approval was granted prior to the Change of Control.
- 26.4. The Authority may terminate the Contract (or any part of it) with immediate effect and without paying compensation to the Contractor where the Contractor is a partnership and:
- 26.4.1. a proposal is made for a voluntary arrangement within Article 4 of the Insolvent Partnerships Order 1994 or a proposal is made for any other composition, scheme or arrangement with, or assignment for the benefit of, its creditors;
 - 26.4.2. it is for any reason dissolved;
 - 26.4.3. a petition is presented for its winding up or for the making of any administration order, or an application is made for the appointment of a provisional liquidator;
 - 26.4.4. a receiver, or similar officer is appointed over the whole or any part of its assets;

- 26.4.5. the partnership is deemed unable to pay its debts within the meaning of sections 222 or 223 of the Insolvency Act 1986 as applied and modified by the Insolvent Partnerships Order 1994; or
- 26.4.6. any of the following occurs in relation to any of its partners:
 - a) an application for an interim order is made pursuant to sections 252-253 of the Insolvency Act 1986 or a proposal is made for any composition scheme or arrangement with, or assignment for the benefit of, his creditors;
 - b) a petition is presented for his bankruptcy;
 - c) a receiver, or similar officer is appointed over the whole or any part of his assets; or
 - d) any event similar to those listed in Clauses 26.4.1 to 26.4.6 occurs under the law of any other jurisdiction.
- 26.5. The Authority may terminate the Contract (or any part of it) with immediate effect and without paying compensation to the Contractor where the Contractor is a limited liability partnership and:
 - 26.5.1. a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or a proposal is made for any other composition, scheme or arrangement with, or assignment for the benefit of, its creditors;
 - 26.5.2. it is for any reason dissolved;
 - 26.5.3. an application is made either for the appointment of an administrator or for an administration order, an administrator is appointed, or notice of intention to appoint an administrator is given within Part II of the Insolvency Act 1986;
 - 26.5.4. any step is taken with a view to it being determined that it be wound up (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation) within Part IV of the Insolvency Act 1986;
 - 26.5.5. a petition is presented for its winding up (which is not dismissed within 14 days of its service) or an application is made for the appointment of a provisional liquidator within Part IV of the Insolvency Act 1986;
 - 26.5.6. a receiver, or similar officer is appointed over the whole or any part of its assets; or
 - 26.5.7. it is or becomes unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;
 - 26.5.8. a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or
 - 26.5.9. any event similar to those listed in Clauses 26.5.1 to 26.5.8 occurs under the law of any other jurisdiction.
- 26.6. References to the Insolvency Act 1986 in Clause 26.5.1 shall be construed as being references to that Act as applied under the Limited Liability Partnerships Act 2000 subordinate legislation.
- 26.7. The Authority may terminate the Contract (or any part of it) with immediate effect and without paying compensation to the Contractor if the Contractor commits a Default and:
 - 26.7.1. the Contractor has not remedied the Default to the satisfaction of the Authority within 21 Business Days or such other period as may be specified by the Authority, after issue of a notice specifying the Default and requesting it to be remedied;

- 26.7.2. the Default is not, in the opinion of the Authority, capable of remedy; or
 - 26.7.3. the Default is a Material Breach; or
 - 26.7.4. the Default (not being a Material Breach) has occurred twice in any three month period.
- 26.8. The Authority may terminate the Contract (or any part of it) with immediate effect and without paying compensation to the Contractor if:
- 26.8.1. the Contractor's warranty in Clause 21.1.10 is materially untrue;
 - 26.8.2. the Contractor commits a material breach of its obligation to notify the Authority of any Occasion of Non-Tax Compliance;
 - 26.8.3. the Contractor has not, in performing the Services, complied with its legal obligations in respect of environmental, social or labour law.
 - 26.8.4. the Contractor is in breach of Paragraph 1.13 of Schedule 11 (Financial Distress).
- 26.9. The Authority may terminate the Contract (or any part of it) with immediate effect and without paying compensation to the Contractor if:
- 26.9.1. the Contract has been subject to a substantial modification which requires a new procurement procedure pursuant to regulation 72(9) of the Regulations; or
 - 26.9.2. the Contractor was, at the time the Contract was awarded, in one of the situations specified in regulation 57(1) of the Regulations, including as a result of the application of regulation 57(2), and should therefore have been excluded from the procurement procedure which resulted in the award of the Contract.
- 26.10. If the Authority terminates the Contract (or any part of it) under Clauses 26.7, 26.8 or 26.9:
- 26.10.1. and makes other arrangements for the supply of the Services (or any part of the Services), the Authority may recover from the Contractor the cost reasonably incurred of making those other arrangements; and
 - 26.10.2. the Authority shall make no further payments to the Contractor (for Services supplied by the Contractor prior to termination and in accordance with the Contract but where the payment has yet to be made by the Authority), until the Authority has established the final cost of making the other arrangements envisaged under this Clause 26.
- 26.11. The Authority may terminate the Contract (or any part of it) at any time during the Term by giving at least 3 months' prior written notice to the other Party.
- 26.12. If the Authority terminates the Contract under Clause 26.11 the Authority shall make no further payments to the Contractor except for a Breakage Costs Payment assessed in accordance with Schedule 20 (Breakage Costs), Services supplied by the Contractor prior to termination where the payment has yet to be made by the Authority and for Termination Services agreed with the Authority in accordance with the Contract.
- 26.13. If any funding from governmental or other sources for the provision of the Services, or for a programme or a project to which the provision of the Services relates is withdrawn, reallocated or no longer available in such a way that the Contract (or any part of it) cannot reasonably continue the Authority may terminate the Contract (or that part of it) by serving 3 months' written notice on the Contractor.
- 26.14. If the Authority terminates the Contract (or any part of it) under Clause 26.13 the Authority shall pay to the Contractor for Services supplied prior to the termination and

in accordance with the Contract, and any disengagement costs and other costs reasonably incurred by the Contractor as a direct consequence of such termination (excluding any loss of profit and any possible redundancy or other severance costs), provided that the Contractor shall use all reasonable endeavours to mitigate the amount of such costs and has provided written evidence of the reasonableness and unavailability of such costs.

- 26.15. If, through any Default of the Contractor, data transmitted or processed in connection with the Contract is either lost or sufficiently degraded as to be unusable, the Contractor shall be liable for the cost of reconstitution of that data and shall reimburse the Authority in respect of any charge levied for its transmission and any other costs charged in connection with such Default.
- 26.16. If the Authority fails to pay the Contractor undisputed sums of money when due the Contractor shall give notice to the Authority of its failure to pay. If the Authority fails to pay such undisputed sums within 30 Business Days of the date of such notice, the Contractor may terminate the Contract in writing with immediate effect, save that such right of termination shall not apply where the failure to pay is due to the Authority exercising its rights of deduction and / or set-off under Clause 8.9 or to Force Majeure.
- 26.17. Save as otherwise expressly provided in the Contract:
- 26.17.1. termination or expiry of the Contract (or any part of it) shall be without prejudice to any rights, remedies or obligations accrued under the Contract prior to such termination or expiration and nothing in the Contract shall prejudice the right of either Party to recover any amount outstanding at such termination or expiry; and
- 26.17.2. termination of the Contract (or any part of it) shall not affect the continuing rights, remedies or obligations of the Authority or the Contractor under Clauses 8 (Payment), 10 (Tax and VAT), 11 (Prevention of Fraud), 13 (Intellectual Property Rights), 15 (Data), 17 (Confidentiality), 18 (Freedom of Information), 19 (Official Secrets Acts 1911 to 1989, Section 182 of the Finance Act 1989), 20 (Liability), 21 (Warranties and Representations), 26 (Termination), 28 (Exit Management), 29 (Audit), 41 (Governing Law and Jurisdiction) Schedule 3 (Financials), Schedule 10 (Staff Transfer) and Schedule 16 (Records Provision and Management Information).
- 26.18. The Authority may terminate the Contract (or any part of it) with immediate effect and without paying compensation to the Contractor in the event that the Contractor's performance of the Service is such that any Service Threshold is reached or exceeded.

27. RETENDERING AND HANDOVER

- 27.1. Within 30 days of being requested by the Authority, the Contractor shall provide, and thereafter keep updated, in a fully indexed and catalogued format, all the information reasonably necessary to enable the Authority to issue tender documents for the future provision of replacement services. This will include but is not limited to the information required to be disclosed by the Contractor in accordance with Part C of Schedule 10 (Staff Transfer).
- 27.2. The Authority shall take reasonable precautions to ensure that the information referred to in Clause 27.1 is given only to potential contractors who have qualified to tender for the future provision of the replacement services.
- 27.3. The Authority shall require that all potential Contractors treat the information in confidence; that they do not communicate it except to such persons within their organisation and to such extent as may be necessary for the purpose of preparing a

response to an invitation to tender issued by the Authority; and that they shall not use it for any other purpose.

- 27.4. The Contractor shall allow access to the Premises in the presence of the Authority's authorised representative, to any person representing any potential contractor whom the Authority has selected to tender for the future provision of the Services.
- 27.5. If access is required to the Contractor's Premises for the purposes of Clause 27.4, the Authority shall give the Contractor 7 days' notice of a proposed visit together with the names of all persons who will be visiting.
- 27.6. The Contractor shall co-operate fully with the Authority during any handover at the end of the Contract including allowing full access to, and providing copies of, all documents, reports, summaries and any other information necessary to achieve an effective transition without disruption to routine operational requirements.
- 27.7. Within 10 Business Days of being requested by the Authority, the Contractor shall transfer to the Authority, or any person designated by the Authority, free of charge, all computerised filing, recording, documentation, planning and drawing held on software and utilised in the provision of the Services. The transfer shall be made in a fully indexed and catalogued disk format, to operate on a proprietary software package identical to that used by the Authority.

28. EXIT MANAGEMENT

- 28.1. If the Authority requires a continuation of all or any of the Services at the end of the Term or on the earlier termination of any part of the Contract or cessation of the provision of any part of the Services by the Contractor, either by performing them itself or by engaging a third party to perform them as a Replacement Contractor or otherwise, the Contractor shall co-operate fully with the Authority and any such third party and shall take all reasonable steps to ensure the timely and effective transfer of the Services or the relevant part of the Services without disruption to routine operational requirements.
- 28.2. The Contractor will, within 3 months of the Effective Date, deliver to the Authority, a plan in accordance with paragraph 17.1.1 of Schedule 1 (Specification) which sets out the Contractor's proposals for achieving an orderly transition of Services from the Contractor to the Authority and/or its Replacement Contractor at the end of the Term or on the earlier termination of any part of the Contract or cessation of the provision of any part of the Services by the Contractor (an "**Exit Plan**").
- 28.3. Within 30 days of the submission of the Exit Plan, both Parties will use reasonable endeavours to agree the Exit Plan. If the Parties are unable to agree the Exit Plan the dispute shall be referred to the dispute resolution procedure in Clause 40.
- 28.4. The Contractor will review and (if appropriate) update the Exit Plan in each year of the Term in the month of the Effective Date to reflect changes to the Services. Following such update, the Contractor will submit the revised Exit Plan to the Authority for review. Within 30 days following submission of the revised Exit Plan, the Parties shall meet and use reasonable endeavours to agree the revised Exit Plan and the changes that have occurred in the Services since the Exit Plan was last agreed. If the Parties are unable to agree the revised Exit Plan within 30 days, such dispute shall be referred to the dispute resolution procedure in Clause 40.
- 28.5. The Contractor shall implement its Exit Plan not less than 9 Months prior to whichever occurs first out of the Termination Date or the Expiry Date.
- 28.6. If the Contractor:

- 28.6.1. does not have to use resources in addition to those normally used to deliver the Services prior to termination or expiry, there shall be no change to the Charges; or
- 28.6.2. reasonably incurs additional costs;
- the Parties shall agree a variation of the Charges through the Change Control Procedure.
- 28.7. If the Authority requests, the Contractor shall deliver to the Authority details of all licences for software used in the provision of the Services including the software licence agreements.
- 28.8. As part of the Exit Plan, the Contractor shall record the details of all enquiries received from potential Participants for a Programme that begins after the Expiry Date or Termination, whichever is the earlier, and pass this information on to the Authority and/or the Replacement Contractor.
- 28.9. Within one month of receiving the software licence information described above, the Authority shall notify the Contractor of the licences it wishes to be transferred, and the Contractor shall provide for the approval of the Authority a plan for licence transfer.
- 28.10. The Contractor shall co-operate fully with the Authority in order to enable an efficient and detailed knowledge transfer from the Contractor to the Authority or any other Replacement Contractor at the end of the Term or on the earlier termination of any part of the Contract or cessation of the provision of any part of the Services by the Contractor and shall provide the Authority free of charge with full access to Contractor Staff, copies of all documents, reports, summaries and any other information requested by the Authority. The Contractor shall comply with the Authority's request for information no later than 15 Business Days from the date that that request was made.

29. AUDIT RIGHTS AND FINANCIAL REPORTS

- 29.1. The Contractor shall keep and maintain until 6 years after the end of the Term, or as long a period as may be agreed between the Parties, full and accurate records of the Contract including the Services supplied under it and all Charges.
- 29.2. The Contractor agrees to make available to the Authority, free of charge, whenever requested, copies of audit reports obtained by the Contractor in relation to the Services.
- 29.3. The Contractor shall permit duly authorised representatives of the Authority and/or the National Audit Office to examine the Contractor's records and documents relating to the Contract and to provide such copies and oral or written explanations as may reasonably be required.
- 29.4. The Contractor (and its agents) shall permit the Comptroller and Auditor General (and his appointed representatives) access free of charge during normal business hours on reasonable notice to all such documents (including computerised documents and data) and other information as the Comptroller and Auditor General may reasonably require for the purposes of his financial audit of the Authority and for carrying out examinations into the economy, efficiency and effectiveness with which the Authority has used its resources. The Contractor shall provide such explanations as are reasonably required for these purposes.
- 29.5. The Contractor shall comply with the provisions of Part A of Schedule 13 (Financial Reports and Audit Rights) in relation to the maintenance of Open Book Data.
- 29.6. The Parties shall comply with the provisions of Part B of Schedule 13 (Financial Reports and Audit Rights) in relation to the exercise of the Audit Rights by the Authority or any Audit Agents.

30. CONTRACT MANAGEMENT PROVISIONS

- 30.1. The Parties shall comply with the provisions of this Clause and Schedule 14 (Contract Management Provisions) in relation to the management and governance of this Contract.
- 30.2. Each Party shall have a representative for the Term who shall have the authority to act on behalf of their respective Party on the matters set out in, or in connection with, this Agreement.
- 30.3. The initial Contractor Representative shall be the person named as such in Schedule 7 (Key Contractor Staff and Key Sub-Contractors). Any change to the Contractor Representative shall be agreed in accordance with Clause 7 (Contractor Staff).
- 30.4. The Authority shall notify the Contractor of the identity of the initial Authority Representative within 5 Business Days of the Effective Date. The Authority may, by written notice to the Contractor, revoke or amend the authority of the Authority Representative or appoint a new Authority Representative.

Monitoring of Contract Performance

- 30.5. The Authority (including any representative of the Authority) shall monitor the Contractor's performance of the Services in accordance with the provisions of Schedule 14 (Contract Management Provisions) or such other requirements as notified by the Authority to the Contractor from time to time.
- 30.6. The Parties shall have regular meetings to monitor and review:
 - 30.6.1. the performance of the contract;
 - 30.6.2. the achievement of the Performance Measures;
 - 30.6.3. the supply of the Services;
 - 30.6.4. the performance by the Contractor of any of its other obligations under the Contract; and
 - 30.6.5. any other matter the Parties consider appropriate;
 - 30.6.6. and the Contractor shall comply with the provisions of Schedule 14 (Contract Management Provisions) and Schedule 16 (Records Provision and Management Information) in this regard.
- 30.7. The Authority reserves the right to verify any aspect of this Contract either with the Contractor or independently including through requesting information, records or data from the Contractor and/or from a third party.
- 30.8. The Authority may organise regular monitoring and spot checks of the premises at which the Services (or part of them) are being performed, at any time to ensure that the Contractor is complying with its obligations under the Contract and the Contractor shall co-operate fully, at its own cost, with the Authority. The Authority shall use all reasonable endeavours to ensure that the onsite monitoring will not interfere with the delivery of the Services by the Contractor.
- 30.9. The Authority may appoint an assessor (which may be an internal or an external assessor, subject (in the case of an external assessor) to the external assessor entering into a non-disclosure arrangement and having the relevant expertise and competence), to participate in the monitoring of the Contractor's performance of the Services and the Contractor will co-operate with the assessor and take all reasonable and necessary steps to implement recommendations made. Any changes to any Services made as a result of a recommendation of any such persons shall be made in writing and in accordance with Schedule 6 (Change Control).

- 30.10. The Contractor shall ensure that the Authority (and its authorised representatives) have access upon reasonable notice to all relevant property, including the premises, and information (and where requested are given a copy of such information) necessary to carry out the monitoring referred to in this Clause including putting in place arrangements to permit legal access to information as may be required.
- 30.11. From the Effective Date of the Contract, the Authority and the Contractor shall meet at the times and with such frequency as specified in Schedule 14 (Contract Management Provisions) or as notified by the Authority to the Contractor from time to time. Such meetings shall be convened by the Authority upon the Authority giving reasonable notice to the Contractor.

Performance Levels

- 30.12. The Contractor shall ensure that the Services meet or exceed the Performance Measures at all times from the Service Commencement Date.
- 30.13. The Authority shall conduct regular Contract Performance Review meetings (“CPRs”) in accordance with Schedule 14 (Contract Management Provisions) to monitor and review the performance of the Contract, the achievement of the Performance Measures and the provision of the Services.
- 30.14. The Contractor shall comply with the provisions of Schedule 14 (Contract Management Provisions) in relation to the review, monitoring and reporting of its performance against the Performance Measures.
- 30.15. If there is a Service Failure, the Contractor shall:
- 30.15.1. take all reasonable steps to notify the Authority immediately of the Service Failure (and in any event as soon as the Contractor becomes aware that the Service Failure has occurred);
 - 30.15.2. provide the Authority with a Performance Improvement Plan in accordance with Clause 30.21.
 - 30.15.3. deploy all additional resources and take all remedial action that is necessary to rectify or to prevent the Service Failure from recurring; and
 - 30.15.4. carry out the actions identified in the Performance Improvement Plan in accordance with its terms.
- 30.16. The Authority may, at its sole discretion, elect to make changes to the Performance Measures from time to time. If the Authority elects to make changes to the Performance Measures, the Authority shall propose such variation by serving a Change Control Notice on the Contractor, and the Contractor shall promptly comply with the Change Control Procedure as detailed in Schedule 6.

Performance Improvement Process

- 30.17. In the event that:
- 30.17.1. there is, or is reasonably likely to be, a Service Failure; or
 - 30.17.2. the Contractor commits a Default that is capable of remedy,
 - 30.17.3. the Authority may at any time (in its absolute discretion) elect to issue a Performance Improvement Notice to the Contractor in respect of such Service Failure or Default and thereby initiate the Performance Improvement Process in accordance with this Clause and the following Clauses.
- 30.18. A Performance Improvement Notice given in accordance with this Clause shall indicate:

- 30.18.1. that it is a Performance Improvement Notice;
 - 30.18.2. the Service Failure;
 - 30.18.3. the Default;
 - 30.18.4. the actions the Authority in its absolute discretion requires the Contractor to take to satisfy the Authority that the Contractor can ensure compliance with its contractual obligations in relation to the matter of the Service Failure, which for the avoidance of doubt, may include the requirement to remedy the Service Failure where it is capable or remedy; and
 - 30.18.5. the Performance Improvement Period which will start on the date of issue of the Performance Improvement Notice and will end on the Performance Improvement End Date specified in the Performance Improvement Notice.
- 30.19. For the avoidance of doubt, the Authority may issue a Performance Improvement Notice and initiate the Performance Improvement Process at any time after the occurrence of a Service Failure and any delay in exercising its right to issue a Performance Improvement Notice and/or initiate the Performance Improvement Process shall not constitute a waiver or cause of diminution of the Authority's right to do so.
- 30.20. For the avoidance of doubt, the Authority shall be under no obligation to initiate the Performance Improvement Process including, without limitation, if it serves notice to terminate the Contract pursuant to any other termination rights under the Contract.
- 30.21. Within such timescales as notified by the Authority to the Contractor (taking into account all relevant circumstances in relation to the subject matter and nature of the Service Failure) but in any event no less than ten (10) Business Days following receipt of a Performance Improvement Notice the Contractor shall either:
- 30.21.1. submit a draft Performance Improvement Plan, or
 - 30.21.2. inform the Authority that it does not intend to submit a Performance Improvement Plan.
- 30.22. In the event that the Contractor either fails to submit a draft Performance Improvement Plan or the Contractor informs the Authority that it does not intend to submit a draft Performance Improvement Plan the Authority shall be entitled to terminate the Contract by giving written notice to the Contractor.
- 30.23. The Authority shall either approve the draft Performance Improvement Plan within ten (10) Business Days (or such other period as notified by the Authority to the Contractor) of its receipt pursuant to Clause 30.21 or it shall inform the Contractor why it cannot accept the draft Performance Improvement Plan. In such circumstances, the Contractor shall address all such concerns in a revised Performance Improvement Plan, which it shall submit to the Authority within a minimum period of ten (10) Business Days (or such greater period as notified by the Authority to the Contractor) of its receipt of the Authority's comments. If no such notice is given, the Contractor's draft Performance Improvement Plan shall be deemed to be agreed.
- 30.24. The Authority and the Contractor may agree temporary variations to the Contract in relation to the subject matter and nature of the Service Failure as part of the Performance Improvement Plan.
- 30.25. Once agreed, the Contractor shall immediately implement the Performance Improvement Plan.
- 30.26. If, despite the measures taken under Clause 30.23 a revised Performance Improvement Plan cannot be agreed within the minimum period of ten (10) Business Days (or such greater period as notified by the Authority to the Contractor) of receipt

by the Contractor of the Authority's comments in respect of the Contractor's draft Performance Improvement Plan then the Authority may elect to end the Performance Improvement Process and (a) refer the matter for resolution by the dispute resolution procedure set out in Clause 40 (Dispute Resolution) or (b) terminate the Contract by giving written notice to the Contractor with immediate effect and without liability.

30.27. If a Performance Improvement Plan is agreed between the Parties, but the Contractor fails to implement the Performance Improvement Plan in accordance with its terms and by the Performance Improvement End Date as specified in the Performance Improvement Notice such that the Contractor fails to rectify the Service Failure and/or undertake all the actions specified by the Authority in the Performance Improvement Notice by the Performance Improvement End Date (a "Performance Improvement Plan Failure"), the Authority may, at its absolute discretion, but shall not be obliged to:

30.27.1. terminate the Contract by giving written notice to the Contractor;

30.27.2. give the Contractor a further opportunity to resume full implementation of the Performance Improvement Plan; or

30.27.3. escalate any issues arising out of the failure to implement the Performance Improvement Plan in accordance with the dispute resolution procedure set out in Clause 40 (Dispute Resolution).

30.28. Any subsequent Service Failure, which the Authority regards, at its sole discretion, as being substantially the same in character to a Service Failure in respect of which a Performance Improvement Notice has been issued in accordance with this Clause 30 which occurs not less than six (6) months of the Performance Improvement End Date shall entitle the Authority to terminate the Contract by giving written notice to the Contractor.

Provision of Management Information

30.29. The Contractor shall operate and maintain appropriate systems, processes and records to ensure that it can, at all times deliver timely and accurate Management Information to the Authority in accordance with the provisions of this Clause 30 and Schedule 16 (Records Provision and Management Information).

31. ENTIRE AGREEMENT

31.1. The Contract contains all the terms which the Parties have agreed in relation to the subject matter of the Contract and supersedes any prior written or oral agreements, representations or understandings between the Parties.

31.2. Nothing in this Clause 31 shall exclude any liability which one Party would otherwise have to the other Party in respect of any statements made fraudulently.

32. PARTNERSHIP

32.1. Nothing in the Contract is intended to or shall operate to create a legal partnership between the Parties or to authorise either Party to act as an agent for the other, and neither Party shall have Authority to act in the name or on behalf of or otherwise to bind the other in any way (including making any representation or warranty, the assumption of any obligation or liability and the exercise of any right or power).

33. WAIVER

33.1. No failure or delay by any Party to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same, or of some other right, power or remedy.

34. CHANGE CONTROL

- 34.1. Either Party may at any time request in writing a Variation in accordance with the change control procedure set out in Schedule 6 (the “**Change Control Procedure**”). No Variation shall be effective unless made in accordance with the Change Control Procedure.

35. COUNTERPARTS

- 35.1. The Contract may be executed in any number of counterparts, each of which so executed and delivered shall constitute an original, but together shall constitute one and the same instrument.

36. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

- 36.1. The provisions of Clauses 7.5 and 14.7 confer benefits on a Replacement Contractor and are intended to be enforceable by a Replacement Contractor by virtue of the Contracts (Rights of Third Parties) Act 1999 (“**CRTPA**”).
- 36.2. Subject to Clause 36.1, a person who is not a Party has no right under CRTPA to enforce provisions of the Contract but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to the CRTPA and does not apply to the Crown.
- 36.3. A Replacement Contractor may not enforce or take steps to enforce the provisions of Clauses 7.5 or 14.7 without the Authority’s prior written consent.
- 36.4. The Parties may amend the Contract without the consent of any Replacement Contractor.

37. CONFLICTS OF INTEREST

- 37.1. The Contractor shall:
- 37.1.1. not permit its obligations to its other clients and third parties (including other governmental bodies and organisations providing services to other governmental bodies) to interfere or conflict in any material way with its duty (which the Contractor hereby acknowledges) to comply with its obligations under the Contract to the required standards; and
 - 37.1.2. take appropriate steps to ensure that neither the Contractor nor any of the Contractor Staff is placed in a position where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Contractor or any of the Contractor Staff and the duties owed to the Authority under the provisions of the Contract in either case, referred to in this Clause 37 as a “**Conflict of Interest**”.
- 37.2. If the Contractor becomes aware of any Conflict of Interest (or potential Conflict of Interest) or other situation which has arisen or may arise and which may cause a breach of this Clause 37 the Contractor shall forthwith provide full particulars to the Authority.
- 37.3. In performing its obligations under the Contract, the Contractor shall conduct its business, operations and activities in a politically neutral fashion.
- 37.4. Without prejudice to the foregoing provisions of this Clause 37.1, if any Conflict of Interest (or potential Conflict of Interest) arises or is likely to arise, the Contractor shall:

- 37.4.1. take all reasonable steps to remove or avoid the Conflict of Interest or to prevent it occurring in each case, or to manage the conflict to the satisfaction of the Authority (acting reasonably); and
 - 37.4.2. give the Authority a comprehensive and detailed written statement of the action it had taken.
- 37.5. If the Authority is not satisfied with the Contractor's actions, the Contractor shall, on request by the Authority promptly end any relationship it may have with any third party, where that relationship has given rise to the Conflict of Interest (or potential Conflict of Interest).
- 37.6. Without prejudice to any other right or remedy it may have, the Authority may terminate the Contract with immediate effect by notice in writing and/or to take such other steps it deems necessary where, in the reasonable opinion of the Authority, there is any continuing breach by the Contractor of the provisions of this Clause 37.

38. FURTHER ASSURANCE

- 38.1. The Parties shall do or procure the doing of all such acts and things and will execute or procure the execution of all such documents as may be reasonably required including on or subsequent to the end of the Contract to vest in the relevant all rights granted under the Contract and otherwise to comply with its terms.

39. NOTICES

- 39.1. Any notice, demand or communication in connection with the Contract shall be in writing and may be delivered by hand, pre-paid first class post or (where being sent to an address in a different country to where posted) airmail, facsimile or e-mail, addressed to the recipient at its registered office or its address (or such other address, facsimile number or e-mail address as may be notified in writing from time to time).
- 39.2. The notice, demand or communication shall be deemed to have been duly served:
- 39.2.1. if delivered by hand, when left at the proper address for service;
 - 39.2.2. if given or made by prepaid first class post 48 hours after being posted or in the case of airmail 14 days after being posted;
 - 39.2.3. if given or made by facsimile or e-mail, at the time of transmission, provided that a confirming copy is sent by first class pre-paid post or (where being sent to an address in a different country to where posted) airmail to the other Party within 24 hours after transmission and that, in the case of transmission by e-mail where the time of transmission is not between 9.00 am and 5.00 pm, service shall be deemed to occur at 9.00 am on the next following Business Day (such times being local time at the address of the recipient).
- 39.3. If proceedings to which the Civil Procedure Rules apply have been issued, the provisions of Civil Procedure Rule 6 must be complied with in respect of the service of documents in connection with those proceedings.

40. DISPUTE RESOLUTION

- 40.1. Any Dispute shall be dealt with in accordance with this Clause 40.
- 40.2. In the first instance, a representative of each Party will each use their reasonable endeavours to resolve the Dispute. If the Dispute cannot be resolved by such representatives within 15 days of the Dispute arising, it will be referred to a senior representative of each Party, who shall each use their reasonable endeavours to resolve the Dispute.

- 40.3. If a Dispute cannot be resolved by negotiation as referred to in Clause 40.2 within 30 days of the Dispute arising, either Party may refer the Dispute for determination in accordance with the mediation procedure administered by the Centre for Effective Dispute Resolution, the costs of the mediator being split equally between the Parties, who shall otherwise bear their own costs.

41. GOVERNING LAW AND JURISDICTION

- 41.1. The Contract and any non-contractual obligations arising out of or connection with it will be governed by and construed in accordance with English Law.
- 41.2. The courts of England shall have exclusive jurisdiction to settle any dispute which arises out of or in connection with the Contract.
- 41.3. If any provision of the Contract is held by any court or other competent Authority to be void or unenforceable in whole or part, the other provisions of the Contract and the remainder of the affected provisions shall continue to be valid.

42. DUE DILIGENCE

- 42.1. The Contractor acknowledges that:
- 42.1.1. The Authority has delivered or made available to the Contractor all of the information and documents that the Contractor considers necessary or relevant for the performance of its obligations under this Contract;
- 42.1.2. It has made its own enquiries to satisfy itself as to the accuracy and adequacy of the Due Diligence Information;
- 42.1.3. It has satisfied itself (whether by inspection or having raised all relevant due diligence questions with the Authority before the Effective Date) of all relevant details relating to:
- a) The Authority Requirements;
 - b) The suitability of the existing and (to the extent that it is defined or reasonably foreseeable at the Effective Date) future Operating Environment;
 - c) The operating processes and procedures and the working methods of the Authority;
 - d) The ownership, functionality, capacity, condition and suitability for use in the services of the Authority Property; and
 - e) The existing contracts (including any licences, support, maintenance and other agreements relating to the Operating Environment) referred to in the Due Diligence information which may be novated to, assigned to or managed by the Contractor under this Contract and/or which the Contractor will require the benefit of for the provision of the Services; and
- 42.1.4. It has advised the Authority in writing of:
- a) Each aspect, if any, of the Operating Environment that is not suitable for the provision of the services;
 - b) The actions needed to remedy each such unsuitable aspect; and
 - c) A timetable for and, to the extent that such costs are to be payable to the Contractor, the costs of those actions,

d) And such actions, timetable and costs are fully reflected in this Contract, including the Specification as applicable.

42.2. The Contractor shall not be excused from the performance of any of its obligations under this Contract on the grounds of, nor, subject to clause 41.3, shall the Contractor be entitled to recover any additional costs or charges, arising as a result of:

42.2.1. Any unsuitable aspects of the Operating Environment;

42.2.2. Any misinterpretation of the Authority Requirements; and/or

42.2.3. Any failure by the Contractor to satisfy itself as to the accuracy and/or adequacy of the Due Diligence Information.

SCHEDULE 3 FINANCIALS

1 DEFINITIONS

1.1 In this Schedule, the following terms shall have the meanings set out below:

Phrase	Meaning
“Attraction and Selection Funding”	means payments made to the Contractor by the Authority for Attraction and Selection Activity for each Cohort, as set out by the Contractor in the Pricing Schedule, to establish the necessary infrastructure to attract, recruit and select participants for the Programme. Calculated in accordance with Annex 1 (Payment Process) Paragraph 1.4 of this Schedule;
“Base Period”	means the period from the Service Commencement Date to 30 th June 2028
“Base Price”	means the Contractor’s prices for Cohorts 1 and 2 as set out in the Original Pricing Schedule, to be used for the Base Period and for the calculation of Indexation, where applicable, as set out at paragraph 3.4 of Annex 1 (Payment Process) of this Schedule;
“Cohort Commencement Date”	means the date Participants start on the Programme
“Core Delivery Price per Participant”	means the price as set per Participant in the Pricing Schedule for the delivery of Services within the PG Dip Period and Newly Qualified Period;
“Charges”	means the fees payable by the Authority for the performance of the Services by the Contractor as set out in the tables in Annex 1 (Payment Process) of this Schedule;
“Contractor’s Staff Data”	means the staff data for the Contractor supplied to the Authority by the Contractor and made available by the Authority to the Contractor on 5 December 2022, a true copy of which is attached in Annex 5 to this Schedule;
“Delivery Milestone”	means an event or task that needs to be achieved during the Establishment and Mobilisation Period and the Attraction and Selection Period, by the requisite date specified in Table 1 and Table 2 of Annex 1 (Payment Process) of this Schedule;
“Establishment and Mobilisation Costs”	means costs incurred by the Contractor during the Establishment and Mobilisation Period and other period(s) defined by the Contractor in their Implementation Plan, to establish the necessary infrastructure to enable operational delivery, calculated in accordance with Paragraph 1.2 of Annex 1 (Payment Process) of this Schedule;
“Forecast Contingency Costs”	means the costs which the Contractor forecasts may be incurred in relation to the risks and contingencies that are identified in the Risk Register, such costs being those set out in the column headed ‘Forecast

	Contingency Costs' in the Risk Register (as such costs are updated from time to time);
“Gainshare Assessment”	has the meaning set out in Paragraph 2.18 of this Schedule;
“Gainshare Payment”	has the meaning set out in paragraph 2.18 of this Schedule;
“Indexation”	means the adjustment of an amount or sum that is made in accordance with Paragraph 3 of Annex 1 (Payment Process) of this Schedule;
“Masters Payment”	means payment by the Authority to the Contractor for activity relating to the planning and delivery of the Masters qualification to Participants during the Retention Support Period;
“Masters Price per Participant”	means the price set per Participant in the Pricing Schedule for the delivery of Services within the Retention Support Period;
“Milestone Certificate”	means the written confirmation issued by the Authority to the Contractor on the Authority's satisfaction that a Delivery Milestone has been achieved;
“Milestone Date”	means the date the Contractor must submit relevant Management Information to the Authority as evidence in claims for payment, in accordance with the Annex 2 (Pricing Schedule) of this Schedule and Schedule 16 (Records Provision and Management Information);
“Milestone Payment”	means payment by the Authority to the Contractor for activity relating to the relevant milestone;
“Minimum Delivery Target”	means 450 newly qualified child and family social workers per Cohort;
“Operating Surplus”	means any sum identified as the Operating Surplus in the Pricing Schedule;
“Original Pricing Schedule”	means the Pricing Schedule, in its original form as at the Effective Date;
“Output”	means the successful completion of specific deliverables per Participant as set out in Tables 4 and 5 of Annex 1 (Payment Process) to this schedule;
“Output Payment”	means the price the Authority will pay the Contractor per Output achieved in accordance with paragraph 1.6 of Annex 1 (Payment Process);
“Paragraph”	means a paragraph of this Schedule unless expressly indicated to the contrary.
“Price per Participant”	means the price set per Participant in the Pricing Schedule;
“Pricing Schedule”	means the spreadsheet populated by the Contractor with its prices and costs as set out in Annex 2 (Pricing Schedule) of this Schedule, as may be amended by the Parties from time to time in accordance with the

Change Control Procedure, Financial Reports and/or the Risk Premium provisions;

“Profit Margin” means any sum identified as the Profit Margin or Operating Surplus in the Pricing Schedule.

“Programme Delivery Price Per Participant” means the total Core Delivery Price Per Participant plus the Masters Price Per Participant as set out in the Pricing Schedule.

“Service Fee” means a monthly fee paid per Cohort with effect from the applicable Cohort Commencement Date as detailed in Paragraph 1.5 of Annex 1 (Payment Process);

“Total Contract Value” means the total value of the Services to be delivered during the Term as included in the Pricing Model tab of this Schedule 3, Annex 2 as submitted by the Contractor. The Total Contract Value is detailed in Annex 2 (Pricing Schedule).

2 APPLICABLE PRICING METHODOLOGY

2.1 General

- 2.1.1 The Authority shall pay the Contractor the Charges in accordance with Annex 1 (Payment Process) and as set out in Annex 2 (Pricing Schedule) for the delivery of the Services, based on costs as agreed in line with the submitted Pricing Schedule, subject to satisfying the Authority’s payment conditions for the delivery of Services. These include satisfactorily meeting the Performance Measures, as set out in Schedule 4 (Performance Levels) and the submission of the required Management Information as set out in Schedule 16 (Records Provision and Management Information).
- 2.1.2 The Charges are inclusive of all expenses incurred by the Contractor in relation to its provision of the Services and unless agreed otherwise in writing between the Contractor and the Authority, the Contractor shall not be entitled to claim any expenses in addition to the Charges.
- 2.1.3 The Charges should be submitted in a single monthly invoice for all the relevant Charges that have been generated and can be evidenced and are permitted to be invoiced in that month.
- 2.1.4 Indexation shall be applied in accordance with Annex 1 (Payment Process), Paragraph 3.
- 2.1.5 At any time during the Term (including, for the avoidance of doubt, at any time before and/or after payment by the Authority to the Contractor) the Authority shall be entitled to validate any claim for payment made by the Contractor. At all times the Contractor shall provide all necessary assistance as requested by the Authority (including without limitation, procuring the consent of Participants) to enable the Authority to validate any claim for payment made by the Contractor.
- 2.1.6 If, due to severe circumstances, unforeseeable by a reasonable Contractor, a Cohort is required to be extended, the Authority reserves the right to enter into negotiations on the profile of payments over the Term and for this to be varied via a Contract Change Notice.

2.2 Fees to Participants

- 2.2.1 Neither the Contractor nor its Agents or Sub-Contractors shall levy any charge on Participants except as expressly permitted in advance and in writing by the Authority (at its sole discretion).

2.3 Recovery of Sums Due

- 2.3.1 Whenever under the Contract any sum of money is recoverable from the Contractor, or payable by the Contractor (including any sum which the Contractor is liable to pay to the Authority in respect of any breach of the Contract), the Authority may set off the sum from any sum due, or which at any later time may become any other agreement or contract with the Authority or the Crown.
- 2.3.2 Any overpayment by either Party, whether of the Charges or of VAT or otherwise shall be the sum of money recoverable by the Party who made the overpayment from the Party in receipt of the overpayment.
- 2.3.3 The Contractor shall make any payments due to the Authority without any deductions whether by way of offset, counterclaim, discount, abatement or otherwise unless the Contractor has a valid court order requiring an amount equal to such deduction to be paid by Authority to the Contractor.
- 2.3.4 All payments due shall be made within 28 calendar days once agreed between the parties that a sum of money is recoverable, unless otherwise specified in the Contract, in cleared funds, to such bank or building society as the recipient Party may from time to time direct.

2.4 Disputed Claims

- 2.4.1 Notwithstanding paragraph 2.1.5 of this Schedule 3, payment by the Authority of all or any part of any Charges rendered or other claim for payment by the Contractor shall not signify approval. The Authority reserves the right to verify Charges after the date of payment and subsequently to recover any sums, which have been overpaid.
- 2.4.2 If any part of a claim rendered by the Contractor is disputed or subject to question by the Authority either before or after payment then, upon request, the Contractor shall provide such further documentary and oral evidence as the Authority may reasonably require to verify its liability to pay the amount which is disputed or subject to question and the Contractor shall promptly provide such evidence in a form satisfactory to the Authority.
- 2.4.3 If any part of a claim for the Charges by the Contractor is disputed or subject to question by the Authority, the Authority shall not withhold payment of any part of the claim for the Charges which is not in dispute.
- 2.4.4 If any of the Charges rendered by the Contractor are paid but any part of the Charges are disputed or subject to question by the Authority and such part is subsequently agreed or determined not to have been properly payable then the Contractor shall immediately repay such part of the Charges to the Authority.
- 2.4.5 The Authority shall be entitled to deduct from sums due to the Contractor by way of offset any amounts owed to it or which are in dispute or subject to question either in respect of the Charges for which payment is being made or any previous Charges.

2.5 Adjustment of the Charges

- 2.5.1 The Charges may only be varied by means of a Contract Change Notice, and in accordance with the provisions of this Contract.
- 2.5.2 The Authority reserves the right to adjust the monthly Service Fee in the following circumstances:
- (a) If the staffing headcount profile of the Contractor is less than 75% of that specified in the Original Pricing Schedule, when the Contractor submits their first bi-annual full time equivalent ("FTE") profile as per paragraph 2.6.2.
 - (b) If the Contractor fails to recruit at least 75% of the Minimum Delivery Target of Participants per Cohort.

- 2.5.3 In the circumstances set out in paragraphs 2.5.2(a) and 2.5.2(b), the Authority will enter into discussions with the Contractor. If the Authority decides to adjust the monthly Service Fee due to a negative impact on the quality of Services delivered and/or the number of Participants recruited, the Authority will use Open Book Data, or any other contractual data available to the Authority, to validate the actual costs incurred by the Contractor and adjust the Charges accordingly via a Contract Change Notice.

2.6 Financial Reporting and Audit

- 2.6.1 The Contractor must comply with the provision of Schedule 13 (Financial Reports and Audit Rights).
- 2.6.2 The Contractor shall provide, during the Term, bi-annual (and prior to any Gainshare Assessment) updated information on costs incurred for the purpose of comparing forecast costs to actual costs incurred. The Contractor will also supply a bi-annual profile of deployed FTE, which is updated for actuals every month and submitted to the Authority. The first bi-annual update will be required at 1st March 2024 and then at 6 months intervals after that point.
- 2.6.3 The Contractor shall co-operate fully and in a timely manner with any reasonable request, from time to time, of the Authority or any Audit Agents and at the expense of the Contractor to provide documents, or to procure the provision of documents, relating to this Contract, and to provide, or to procure the provision of, any oral or written explanation relating to the same.
- 2.6.4 The Contractor shall instruct its external auditor to provide reasonable co-operation with the Audit Agents for the purposes of verifying financial information.
- 2.6.5 The Authority shall during each Audit comply with those security, sites, systems and facilities operating procedures of the Contractor that the Authority deems reasonable and use its reasonable endeavours to ensure that the conduct of each Audit does not unreasonably disrupt the Contractor or delay the provision of the Services.

2.7 Pricing of Variations

- 2.7.1 The provisions of this Paragraph 2.7 shall apply to the pricing of any Variation, or proposed Variation, and the calculation of any change to the Charges consequent upon a Variation (or proposed Variation).
- 2.7.2 The Parties acknowledge that a Variation or proposed Variation may have an impact on the Charges in one or more of the following ways:
- (a) a one-off cost, in which case paragraph 2.8 shall apply;
 - (b) Subject to the Contractor's obligation to mitigate increases in the Charges, a Process Variation may result in an amendment to the Charges, in which case paragraph 2.9 shall apply;
 - (c) The cost of any up-front investment by the Contractor in order to achieve a Variation.
- 2.7.3 In any of the cases referred to in paragraphs 2.7.2(a) to 2.7.2(c) above, and without prejudice to Paragraph 2.7.4, the Contractor shall use the Pricing Schedule provided by the Authority to demonstrate and justify any claim for additional or reduced Charges arising as a result of any proposed Variation.
- 2.7.4 Where a Variation is requested by either Party under the Change Control Procedure then, subject to the terms of the Change Control Procedure, the Contractor shall at its own cost prepare, populate and submit for the Authority's approval a specific version of the Pricing Schedule demonstrating the impact of the proposed Variation which shall:
- (a) Be based on and reflect the principles of the Pricing Schedule, having regard to any assumptions stated in the Pricing Schedule which affect the Charges;
 - (b) Include estimated volumes of each type of resource to be employed and the applicable average annual salary for resource employed specified in the Pricing Schedule;

- (c) Include full disclosure of any assumptions underlying such a quotation. The Authority reserves the right to request further clarity around these assumptions and the underlying calculations until it is satisfied as to their validity; and include evidence of the cost of any assets required for the Variation.

2.8 Where paragraph 2.7.2(a) applies:

- 2.8.1 The Contractor shall be paid in full upon completion, or by an agreed schedule of milestone payments (both payment options subject to meeting specified acceptance criteria agreed at the outset).
- 2.8.2 The Authority shall issue a separate purchase order and the Contractor shall raise a separate invoice or credit note in respect of the one-off cost.

2.9 Where paragraph 2.7.2(b) applies:

- 2.9.1 Any necessary changes to the Charges shall be affected by means of changes to the relevant Price Per Participant, Service Fee and/or Output Payments set out in the relevant Tables at Annex 1 (Payment Process) of this Schedule; and
- 2.9.2 Any necessary changes to the Charges will be in accordance with the original requirements for the completion of the Pricing Schedule as set out in the Invitation to Tender, for example the maximum cap on Service Fee will still apply.

2.10 The Charges shall not be adjusted more frequently than on a quarterly basis. The date any Charges adjustment (“Price Adjustment Effective Date”) takes effect shall be at the start of the quarter (1 January, 1 April, 1 July or 1 October) immediately following implementation of the Variation in question.

2.11 For example, where a Process Variation is implemented during the month of September in a Contract Year; the Price Adjustment Effective Date will be 1 January in that Contract Year. If there are several adjustments in one quarter, these will be aggregated to make one adjustment at the start of the quarter.

2.12 The Authority shall provide the Contractor with a revised copy of the relevant Tables of this Schedule by the date any such Variation takes effect (1 January, 1 April, 1 July, 1 October) as part of any Contract Variation request.

2.13 A Process Variation shall be implemented in a timely fashion and promptly, and such implementation shall not await the Price Adjustment Effective Date.

2.14 If a Process Variation is implemented and there is a demonstrable and unavoidable financial loss incurred as a direct consequence of the agreed variation to a Party due to the relevant Charges not being adjusted until the Price Adjustment Effective Date (first day of next quarter), then the Party impacted in this way can seek recovery of the amount due in the following manner:

- 2.14.1 if it is the Contractor, by notifying the Authority and providing supporting documentation to the Authority’s satisfaction and then (if the claim is accepted by the Authority) submitting a separate invoice; or
- 2.14.2 if it is the Authority, by issuing a credit note request and supporting documentation.

2.15 Any request to seek recovery of such an amount must be submitted within 3 (three) months of the Price Adjustment Effective Date.

2.16 Where paragraph 2.7.2(c) applies, the Process Variation element shall be dealt with in accordance with paragraph 2.9 above and any up-front investment required to implement such a Process Variation shall itself be dealt with through an adjustment to the relevant Charges under paragraph 2.9 above or treated as a one-off cost in accordance with paragraph 2.8 above.

2.17 Following implementation of a Variation, the Authority shall make any necessary consequential changes and/or updates to the relevant Tables in Annex 1 (Payment Process).

2.18 Gainshare

- 2.18.1 The Authority reserves the right to assess (a “Gainshare Assessment”) on an annual basis and or within 12 months of the end of the Term if the actual cost of the delivering

the Services under this Contract is less than the amount of Charges paid by the Authority. If the Gainshare Assessment identifies that the Contractor's cost of delivering the Services was less than the Charges already paid to the Contractor for the Services included in the Gainshare Assessment, the Authority will recover an amount ("Gainshare Payment") equal to 50% of the savings generated.

- 2.18.2 The Contractor shall submit to the Authority any proposal for improvement that requires an investment cost from the Contractor. The Authority shall consider any such proposal and whether it will take a full or part share of the investment risk, if any. If the Authority decides, at its absolute discretion to take any investment risk, the Contractor shall pay back to the Authority the full amount of the investment as well as any Gainshare Payment generated by the investment.
- 2.18.3 Savings which may be eligible for a Gainshare Payment may be generated either by way of the Contractor delivering the Services more efficiently through continuous improvement and / or through the Contractor submitting to the Authority a Change Control Note for a Variation through the Change Control Procedure.
- 2.18.4 For example, if the Gainshare Assessment identifies the actual cost of delivering the Services was £50,000 (fifty thousand) less than the total amount of Charges paid to the Contractor for the Services, the Authority would be entitled to a £25,000 Gainshare Payment.
- 2.18.5 The Contractor pays the Authority the Gainshare Payment by crediting the amount to the invoice that is raised immediately after the Gainshare Payment is identified, or if no invoice is due, the Contractor issues a credit note equal to the Gainshare Payment to the Authority on the 25th day of the month after the Gainshare Payment has been identified.

2.19 Risk Premium

- 2.19.1 Items agreed for inclusion within Risk Premium will be included as part of the Charges invoiced by the Contractor over the Term.
- 2.19.2 In the event that a previously identified risk from within the Risk Premium is realised, the Authority will require to its satisfaction, evidence from the Contractor to demonstrate that the risk has occurred, either in part or full, and the mitigatory action that was undertaken by the Contractor to reduce the risk materialising.
- 2.19.3 In the event that a previously identified risk does not either fully or partially materialise by the anticipated date, as identified in the Pricing Schedule, the Authority will seek reimbursement of those unrealised risk values included within the Risk Premium cost lines as identified within the Pricing Schedule.
- 2.19.4 The Authority will seek reimbursement by offsetting the total value of the unrealised Risk Premium values against future invoices from the Contractor.

ANNEX 1 – PAYMENT PROCESS

1 PAYMENT PROCESS

1.1 General Costs

The Charges payable to the Contractor by the Authority shall consist of:

- 1.1.1 Establishment and Mobilisation Costs;
- 1.1.2 Attraction and Selection Funding;
- 1.1.3 Inclusive Recruitment Funding;
- 1.1.4 Monthly Service Fee;
- 1.1.5 Output Payments;
- 1.1.6 Masters Payments;
- 1.1.7 Pass-Through Costs

All subject to and in accordance with the provisions of this Contract.

1.2 Establishment and Mobilisation Costs

- 1.2.1 The Charges for Establishment and Mobilisation Costs will be payable upon completion of each Delivery Milestone and the Contractor shall provide evidence to prove the Delivery Milestone has been achieved and the details of the costs incurred.
- 1.2.2 The Contractor shall submit invoices relating to Establishment and Mobilisation activity within 20 Working Days following the month in respect to which Services to which the invoice relates, were delivered. The Contractor must provide supporting evidence that the Delivery Milestones have been completed by the requisite Milestone Date set out in Table 1 below, through either a Management Information return, submission of materials produced or submission of the updated Establishment and Mobilisation Costs tab in the Pricing Schedule, with actual costs incurred. Where the Authority is satisfied that a Delivery Milestone has been met it will issue the Contractor with a Milestone Certificate and release the relevant payment of the Establishment and Mobilisation Costs.
- 1.2.3 Any additional activity relating to the Establishment and Mobilisation Period requested by the Authority and agreed with the Contractor must be requested via the Change Control Procedure, as detailed in Schedule 6. Alongside this any additional costs for additional activity relating to the Establishment and Mobilisation Period shall be submitted to the Authority through the 'Set Up' Costs tab in the Pricing Schedule template provided.
- 1.2.4 The Authority reserves the right to benchmark any additional activity relating to the Establishment and Mobilisation Period against the original Establishment and Mobilisation Costs tab submitted in the Original Pricing Schedule.
- 1.2.5 The Establishment and Mobilisation Costs are exclusive of VAT and must not include any administration or management costs incurred as a result of a Relevant Transfers or redundancies.

Table 1 – Establishment and Mobilisation Costs

Ref	Delivery Milestone Description	Delivery Milestone Date	Establishment and Mobilisation Cost	Anticipated Delivery Milestone Payment Date
E&M 1	[REDACTED]	31 August 2023	[REDACTED]	30 September 2023
E&M 2	[REDACTED]	30 September 2023	[REDACTED]	31 October 2023
E&M 3	[REDACTED]	30 November 2023	[REDACTED]	31 December 2023
E&M 4	[REDACTED]	31 December 2023	[REDACTED]	31 January 2024
E&M 5	[REDACTED]	29 February 2024	[REDACTED]	31 March 2024
E&M 6	[REDACTED]	31 May 2024	[REDACTED]	30 June 2024
E&M 7	[REDACTED]	30 June 2024	[REDACTED]	31 July 2024
E&M 8	1. [REDACTED]	31 August 2024	[REDACTED]	30 September 2024
E&M 9	[REDACTED]	31 August 2024	[REDACTED]	30 September 2024
Total value of Establishment and Mobilisation Costs			[REDACTED]	

1.3 Costing Management Information and Open Book Contract Management of Establishment and Mobilisation Costs

1.3.1 Notwithstanding the provisions of Schedule 8 (Data Systems Handling and Security), the Contractor shall submit an updated version of the Establishment and Mobilisation Costs tab

in the Pricing Schedule with each Invoice to support its claims for payment of the Charges as they relate to Establishment and Mobilisation costs.

- 1.3.2 The Pricing Schedule shall be in the form prescribed by the Authority and provide a breakdown of all the forecast and actual costs incurred by the Contractor relative to the Establishment and Mobilisation Phase.
- 1.3.3 The Pricing Schedule shall include a comparison of the forecast included in the Contractor's Proposals to the actual costs incurred during the Establishment and Mobilisation Phase.
- 1.3.4 The Contractor shall also submit a monthly profile of FTE employees delivering the Establishment and Mobilisation Phase, which is updated every month and submitted to the Authority.
- 1.3.5 The Authority reserves the right to request detailed information to support any actual cost incurred information as supplied by the Contractor.
- 1.3.6 Establishment and Mobilisation Costs will not be subject to a Gainshare Assessment and Gainshare Payment. If the Contractor's actual costs for the Establishment and Mobilisation Phase are less than set out in the Original Pricing Schedule the Authority reserves the right to recover funds paid.

1.4 Attraction and Selection Funding

- 1.4.1 The Charges for Attraction and Selection Funding will be payable upon completion of each Delivery Milestone. There will be a maximum of eight (8) Delivery Milestones per Cohort. The Contractor shall provide evidence to prove the Delivery Milestone has been achieved by the Milestone Date and the details of the costs incurred.
- 1.4.2 The Contractor shall submit invoices relating to Attraction and Selection activity within 20 calendar days following the month in respect of the Services to which the invoice relates were delivered. The Contractor must provide supporting evidence that the Delivery Milestones have been completed by the requisite Milestone Dates set out in Table 2 below, through either a Management Information return, or submission of materials produced. The data provided will be verified by the Authority. Where the Authority is satisfied that the Delivery Milestone has been met it will issue the Contractor with a Milestone Certificate and release the relevant payment of the Attraction and Selection Funding.
- 1.4.3 Any additional activity relating to Attraction and Selection Funding requested by the Authority and agreed with the Contractor under a Variation shall be submitted to the Authority in the Pricing Schedule template provided.
- 1.4.4 The Authority reserves the right to benchmark the additional activity costs against the original Attraction and Recruitment Funding submitted in the Pricing Schedule in the Contractor's Original Pricing Schedule.
- 1.4.5 For Cohort 1 Attraction and Selection Funding, if the Contractor's actual costs are less than set out in in the Original Pricing Schedule, due to target volumes being less than planned, the Authority reserves the right to recover funds paid.
- 1.4.6 For Cohorts 1 – 3 Attraction and Selection Funding, if the Contractor's actual costs are less than set out in in the Original Pricing Schedule due to cost efficiencies being made, the Authority will enact a gain-share mechanism with the Contractor, in accordance with Paragraph 2.18 of this Schedule.

Table 2 – Attraction and Selection Funding

Reference	Delivery Milestone Description	Delivery Milestone Date	Delivery Milestone Price	Anticipated Delivery Milestone Payment Date
Cohort 1				

A&SM 1	• [REDACTED]	30 June 2023	[REDACTED]	17 Jul 2023
A&SM 2	• [REDACTED]	31 July 2023	[REDACTED]	17 Aug 2023
A&SM 3	• [REDACTED]	31 August 2023	[REDACTED]	17 September 2023
A&SM 4	• [REDACTED]	30 September 2023	[REDACTED]	17 October 2023
A&SM 5	• [REDACTED]	31 October 2023	[REDACTED]	17 November 2023
A&SM 6	• [REDACTED]	31 December 2023	[REDACTED]	17 January 2024
A&SM 7	• [REDACTED]	31 January 2024	[REDACTED]	17 February 2024
A&SM 8	• [REDACTED]	30 April 2024	[REDACTED]	17 May 2024
Total value of Attraction and Selection Funding			[REDACTED]	
Cohort 2				
A&SM 9	• [REDACTED]	30 June 2024	[REDACTED]	17 Jul 2024

A&SM 10	• [REDACTED]	31 July 2024	[REDACTED]	17 Aug 2024
A&SM 11	• [REDACTED]	31 August 2024	[REDACTED]	17 September 2024
A&SM 12	• [REDACTED]	30 September 2024	[REDACTED]	17 October 2024
A&SM 13	• [REDACTED]	31 October 2024	[REDACTED]	17 November 2024
A&SM 14	• [REDACTED]	31 December 2024	[REDACTED]	17 January 2025
A&SM 15	• [REDACTED]	31 January 2025	[REDACTED]	17 February 2025
A&SM 16	• [REDACTED]	30 April 2025	£146,235	17 May 2025
Total value of Attraction and Selection Funding			[REDACTED]	
Cohort 3				
A&SM 17	• [REDACTED]	30 June 2025	[REDACTED]	17 Jul 2025
A&SM 18	• [REDACTED]	31 July 2025	[REDACTED]	17 Aug 2025
A&SM 19	• [REDACTED]	31 August 2025	[REDACTED]	17 September 2025

A&SM 20	• [REDACTED]	30 September 2025	[REDACTED]	17 October 2025
A&SM 21	• [REDACTED]	31 October 2025	[REDACTED]	17 November 2025
A&SM 22	• [REDACTED]	31 December 2025	[REDACTED]	17 January 2026
A&SM 23	• [REDACTED]	31 January 2026	[REDACTED]	17 February 2026
A&SM 24	• [REDACTED]	30 April 2026	[REDACTED]	17 May 2026
Total value of Attraction and Selection Funding			[REDACTED]	

1.5 Service Fee

- 1.5.1 Subject to the terms of the Contract, the Authority shall pay the Contractor a monthly Service Fee per Cohort, with effect from the Cohort Commencement Date, on the basis set out in Paragraphs 1.5.2 and 1.5.3 of this Annex 1 (Payment Process), for a period of up to 24 months per Cohort.
- 1.5.2 40% of the Core Delivery Price Per Participant equals the Service Fee payable per Participant. The Service Fee per Participant is multiplied by the corresponding Participant recruitment target per Cohort to generate the total Service Fee sum for each Cohort in Table 3 below.
- 1.5.3 Of the total Service Fee sum, 60% will be paid in Y1 (PGDip year) and 40% will be paid in Y2 (Newly Qualified Period). The total Service Fee sum for each Cohort will be multiplied by the percentage payable in each respective year and divided by twelve (12) to determine the Monthly Service Fee for Y1 and Monthly Service Fee for Y2, as set out in Table 3 below.
- 1.5.4 The first invoice for the relevant Cohort Service Fee will be submitted within 20 Working Days of the month of the relevant Cohort Commencement Date.
- 1.5.5 Clawback will not apply for the monthly Service Fee where Participants Withdraw or defer.

Table 3 – Targets and Service Fee (£)					
	Total Service Fee Sum (£)	Service Fee Payable	Yearly Service Fee	# Months	Monthly Service Fee
Cohort 1					
PG Dip year				12	
Newly Qualified Period				12	
Cohort 2					
PG Dip year				12	
Newly Qualified Period				12	
Cohort 3					
PG Dip year				12	
Newly Qualified Period				12	

1.6 Output Payment

- 1.6.1 Subject to the terms of the Contract, the Authority shall pay the Contractor the applicable Output Payment for each Output that is achieved in accordance with the requirements of the Contract. The applicable Output Payment shall be ascertained by reference to the mechanism described in Paragraphs 1.6.2 to 1.6.20 of this Annex 1 (Payment Process).
- 1.6.2 The Authority will expect the Contractor to conduct a full reconciliation and validation of Output Payments once every financial year to ensure that the Contractor has not been overpaid or underpaid for Outputs completed. The Authority will undertake validation as necessary and this may include the contacting of Local Authorities to confirm Participant's status on the Programme at specified points.
- 1.6.3 The first reconciliation will take place in October 2025. Subsequent reconciliations will take place on a date determined by the Authority and agreed with the Contractor.
- 1.6.4 If, in accordance with paragraph 1.6.2 the Authority discovers the Contractor has been underpaid for Output Payments due, the Contractor may invoice for the relevant Output Payments in the following month after confirmation. If the Authority discovers the Contractor

has been overpaid for Output Payments where Participants have Withdrawn, the Authority will offset monies owed against the next future invoice submitted for payment, unless otherwise agreed with the Authority.

- 1.6.5 Output Payments make up 60% of the Core Delivery Price Per Participant, of which a maximum of 70% of the funding available for Output Payments is eligible for payment in Y1 (PGDip period).
- 1.6.6 In order to trigger payment for Output 1 – Participant Start, each Participant must start on the Programme by 1st July of the year of the Cohort Commencement Date.
- 1.6.7 . To receive payment for Outputs 2-6 in Table 4 below, each individual must remain a Participants until the corresponding Milestone Date.
- 1.6.8 If a Participant Withdraws from the Programme in between two retention points as set out in Table 4, an Output Payment will be paid for the period between the retention points in which the Participant withdrew. No further Output Payments will be made beyond the date of the retention point that follows the date of the Participant’s Withdrawal.
- 1.6.9 If a Participant chooses to Defer their participation on the Programme between two retention points, an Output Payment will be paid for the period between the retention points in which the Participant decided to Defer, but no Output Payments will be made past this retention point for that Participant until they restart the Programme. The Contractor must inform the Authority of any recruited Participants who have applied for Deferral of their place on the Programme.
- 1.6.10 At the point the Deferred Participant re-joins and re-engages with the Programme, the Contractor will be entitled to claim the subsequent Output Payment. For example, if a Participant deferred between Outputs 2 and 3, the Contractor would be paid for Output 3 at that point, then would be entitled to claim for Output 4 onwards when the Participant re-joins.
- 1.6.11 Participants are entitled to re-join the Programme within a reasonable timescale after their Deferral date, as required based on the original circumstances for the Deferral, but in all instances in accordance with Paragraphs 1.6.16 and 1.6.17 of this Annex 1 of Schedule 3.
- 1.6.12 In accordance with Paragraph 1.6.16 of this Annex 1 of Schedule 3, the Contractor will be liable for any costs associated with the delivery of any additional support or training required to enable the Participant to effectively re-join the Programme as required.
- 1.6.13 The Authority will be liable for any costs of Maintenance Bursary Payments required to support and effective re-joining of the Participant in all instances where the Contractor can demonstrate that:
- (a) they have a policy that describes how they will maintain a relationship with any Participant that defers whilst on the Programme, and that this policy was followed,
 - (b) prior to the Deferral the Contractor undertook all Contractual, Legislative, and Statutory obligations in order to support the Participant and minimise the risk of Deferral, and
 - (c) they have worked towards minimising the cost of Maintenance Bursary Payment to the Authority by ensuring that the Participant is re-joining at the appropriate point within the Programme.

Failure to adhere to these obligations will mean that the Contractor will be liable for the costs of Maintenance Bursary Payments required to support and effective re-joining of the Participant, but the Authority will not unreasonably withhold funding.

- 1.6.14 If the Deferred Participant chooses not to re-join and re-engage with the Programme, the Contractor will not be eligible to claim payment for any further Output Payments for that Participant. If a Participant defers their participation on the Programme and an Output Payment continues to be made for that Participant due to incorrect information being supplied by the Contractor or Local Authority, the Authority will be eligible to offset the total

value of these overpayment against future invoices from the Contractor as set out in Paragraph 1.6.4 of this Annex 1 (Payment Process).

Table 4 – Output Payment Retention Points		
Cohort 1		
Outputs	Milestone Date	Anticipated Payment Made
Output –1 - Participant Start	31 July 2024	17 August 2024
Output 2 – Retention Point	30 November 2024	17 December 2024
Output 3 – Retention Point	28 February 2025	17 March 2025
Output 4 – Retention Point	30 April 2025	17 May 2025
Output 5 – Participant Completion of PG Dip	31 August 2025	17 September 2025
Output 6 – Participant Completion of AYSE	31 August 2026	17 September 2026
Cohort 2		
Outputs	Milestone Date	Anticipated Payment Made
Output –1 - Participant Start	31 July 2025	17 August 2025
Output 2 – Retention Point	30 November 2025	17 December 2025
Output 3 – Retention Point	28 February 2026	17 March 2026
Output 4 – Retention Point	30 April 2026	17 May 2026
Output 5 – Participant Completion of PG Dip	31 August 2026	17 September 2026
Output 6 – Participant Completion of AYSE	31 August 2027	17 September 2027
Cohort 3		
Outputs	Milestone Date	Anticipated Payment Made
Output –1 - Participant Start	31 July 2026	17 August 2026
Output 2 – Retention Point	30 November 2026	17 December 2026
Output 3 – Retention Point	28 February 2027	17 March 2027
Output 4 – Retention Point	30 April 2027	17 May 2027
Output 5 – Participant Completion of PG Dip	31 August 2027	17 September 2027
Output 6 – Participant Completion of AYSE	31 August 2028	17 September 2028

- 1.6.15 In order to trigger payment for the final Output Payment, each Participant must pass their ASYE, by the 12th month after the start of the Newly Qualified year.
- 1.6.16 For Cohort 1 and 2 only, if a Participant is not on track to pass their PG Dip or ASYE by June of the final year of their Cohort due to any absences, inclusive of but not exclusively related to parental leave, sabbatical leave, or due to illness, but the Participant will continue the Programme, the Contractor may, with the Authority’s express agreement, re-profile the payments, through a Contract Change Notice, over an amended timeframe as shall be agreed with Authority.
- 1.6.17 For Cohort 3, if a Participant is not on track to pass their PG Dip or ASYE by June of the final year of their Cohort due to any absences, inclusive of but not exclusively related to parental leave, sabbatical leave, or due to illness, the Contractor will not be eligible for any

further Output Payments past the contract expiry date if a contract extension for Cohorts 4 or/and 5 does not apply. If the extension for Cohorts 4 or/and 5 do apply Paragraph 1.6.14 above will apply to Cohorts 3 and 4 only (as applicable) and Cohorts 4 or 5 (as applicable) will be treat as Cohort 3 is under this Paragraph 1.6.15.

- 1.6.18 Output Payments made shall not exceed the total amount of Output Payments eligible per Participant in the Pricing Schedule.
- 1.6.19 In accordance with Schedule 16 (Records Provision and Management Information), the Authority will pay the Contractor Output Payments based on the submission of accurate monthly Management Information returns by the Contractor.
- 1.6.20 If a Management Information return or other evidence submitted by the Contractor of continued engagement is not accurate and following the Authority validating and verifying the data provided, it emerges that payments have been made for Participants who did not start or remain on the course, the Authority will recover these payments made.
- 1.6.21 Payment will be made based upon the successful delivery of each individual output as set out in Table 5 below.
- 1.6.22 Table 5 below shows the percentage to be applied to each Output Payment, and how this equates to the maximum Output Payments that shall apply at each output during the Contract.

Table 5 – Charges for Output Payments				
Cohort 1				
Output Number	% per Output Payment	Output Payment per Participant	Max # Participants	Max Output Payment
Output-1 - Participant Start	[REDACTED]	[REDACTED]	500	[REDACTED]
Output-2 - Retention Point	[REDACTED]	[REDACTED]	500	[REDACTED]
Output-3 - Retention Point	[REDACTED]	[REDACTED]	500	[REDACTED]
Output-4 - Retention Point	[REDACTED]	[REDACTED]	500	[REDACTED]
Output-5 - Participant Completion of PG Dip	[REDACTED]	[REDACTED]	500	[REDACTED]
Output-6 - Participant Completion	[REDACTED]	[REDACTED]	500	[REDACTED]
Total value of Output Payments		[REDACTED]	[REDACTED]	[REDACTED]
Cohort 2				

Output Number	% per Output Payment	Output Payment per Participant	Max # Participants	Max Output Payment
Output-1 - Participant Start			500	
Output-2 - Retention Point			500	
Output-3 - Retention Point			500	
Output-4 - Retention Point			500	
Output-5 - Participant Completion of PG Dip			500	
Output-6 - Participant Completion			500	
Total value of Output Payments				
Cohort 3				
Output Number	% per Output Payment	Output Payment per Participant	Max # Participants	Max Output Payment
Output-1 - Participant Start			500	
Output-2 - Retention Point			500	
Output-3 - Retention Point			500	
Output-4 - Retention Point			500	
Output-5 - Participant Completion of PG Dip			500	

Output-6 - Participant Completion			500	
Total value of Output Payments				

1.7 Masters Payments

- 1.7.1 The Contractor shall divide the Masters Per Participant Price into a minimum of 4 equal instalments across the Masters Period, as stated in Table 6 below.
- 1.7.2 The Contractor must invoice the Authority for each Masters Payment on a quarterly basis in arrears over the duration of the Masters Period for each Cohort. To receive payment, as per Schedule 16 (Records Provision and Management Information), the Contractor must provide Management Information to confirm the Participants meet the criteria stated by the Milestone Date. The data provided will be verified by the Authority before payment is issued.
- 1.7.3 In order to be eligible for Masters Payment 1 each Participant must have started the Masters course by 1st September of the Final Year of each Cohort..
- 1.7.4 If a Participant Withdraws prior to the last Business Day of the quarter and Masters Payments are made for that Participant due to incorrect information being supplied by the Contractor, the Authority will be entitled to offset to the total value of these overpayments against future invoices from the Contractor as per paragraph 2.4.5 of this Schedule.
- 1.7.5 To trigger Masters Payments 2-4, the Participant must remain Enrolled and fully engaged on the Masters course until the Milestone Date specified in Table 6 below for each Cohort.
- 1.7.6 If a Participant leaves the Programme in between Milestone Dates, a Masters Payment will be paid for the period between Milestone Dates but no Masters Payments will be made past beyond this point for that Participant.
- 1.7.7 The Contractor must ensure that Funding remains available for up to 500 Participants per Cohort to undertake and complete a Masters qualification, as required by Paragraph 7.1 of Schedule 1.
- 1.7.8 Subject to Clause 8.3 of Schedule 2, if fewer than 500 Participants in a particular Cohort undertake and complete the Masters qualification, the resulting Funding underspend will not be available to the Contractor for spending elsewhere in delivery of the Programme.
- 1.7.9 For Cohort 1-3 Masters Payment, if the volume of Participants Enrolled onto the Masters course exceeds 50% of the Minimum Delivery Target the Authority reserves the right to negotiate the Masters Per Participant Price submitted as part of the Contractor's Original Pricing Schedule.

Table 6 – Masters Payment Retention Points –		
Cohort 1		
	Milestone Date	Anticipated Payment Made
Participant Start Masters	30 November 2026	17 December 2026
Retention Point	28 February 2027	17 March 2027
Retention Point	31 May 2027	17 June 2027
Participant Completion of Masters	31 August 2027	17 September 2027
Cohort 2		

	Milestone Date	Anticipated Payment Made
Participant Start Masters	30 November 2027	17 December 2027
Retention Point	28 February 2028	17 March 2028
Retention Point	31 May 2028	17 June 2028
Participant Completion of Masters	31 August 2028	17 September 2028
Cohort 3		
	Milestone Date	Anticipated Payment Made
Participant Start Masters	30 November 2028	17 December 2028
Retention Point	28 February 2029	17 March 2029
Retention Point	31 May 2029	17 June 2029
Participant Completion of Masters	31 August 2029	17 September 2029
Table 7 – Masters Payments		
Output Number	Max Masters Payment Amount (£)	
Masters Payment–1 - Participant Start	[REDACTED]	
Masters Payment–2 - Retention Point	[REDACTED]	
Masters Payment–3 - Retention Point	[REDACTED]	
Masters Payment–4 - Participant Completion	[REDACTED]	

1.8 Profit Margin / Operating Surplus

- 1.8.1 *Operating Surplus* will apply only to the Establishment and Mobilisation Costs, Service Fee, Output Payments and Masters Funding. *Operating Surplus* shall be determined by the Contractor as a weighted percentage as stated within the Original Pricing Schedule.
- 1.8.2 The *Operating Surplus* is a weighted average determined by the percentage of *Operating Surplus* applied to each Activity. The average will then be weighted by the proportion of total cost spent on each Activity.
- 1.8.3 *Operating Surplus* should be included within the regular invoices and purchase orders submitted to the Authority and will remain subject to recovery for under-delivery as one of the Applicable Charges as set out in the column entitled “Applicable Charges” in Table 2 (Service Credits) in Schedule 4 (Performance Levels).

2 PASS-THROUGH COSTS

- 2.1 The Authority will make the Pass-Through Costs available to the Contractor in accordance with the funding schedule at Appendix A to this Annex 1 (Payment Process), subject to the Contractor meeting the requirements of this paragraph 2.

Maintenance Bursary Payments

- 2.2 The Maintenance Bursary Payments per Participant shall be:

- 2.2.1 £18,000 (eighteen thousand pounds) per Participant based in a Local Authority Placement outside of London, and
- 2.2.2 £20,000 (twenty thousand pounds) per Participant based in a Local Authority Placement within one of the 32 boroughs in London.
- 2.3 The Maintenance Bursary Payments outlined in paragraph 2.2 above will be fixed for the Contract Period.
- 2.4 The Contractor shall verify with the Local Authority providing the Participants Placement that the Participant is registered to begin their PG Diploma before releasing any funding.
- 2.5 The Contractor shall divide the total Maintenance Bursary Payment available per Participant, as set out in paragraph 2.2 into thirteen (13) equal instalments. The Contractor shall pay each instalment directly to each relevant Participant on the first Working Day of the month in which the Participant will commence the PG Diploma and shall continue making the Maintenance Bursary Payments on the first Working Day of each consecutive month (each such date a "Maintenance Bursary Payment Release Date") until each relevant Participant has completed their PG Diploma Period, or Deferred or Withdrawn, for each Cohort.
- 2.6 The Authority will release Maintenance Bursary Payments to the Contractor, in advance of the Contractor paying out the Maintenance Bursary Costs to Participants provided that the Contractor, by an authorised senior officer, completes the claim form as set out at Appendix B ("the Appendix B Claim Form") by returning the Appendix B Claim Form to the Authority via email to Fast.TRACK@education.gov.uk with the supporting evidence required under the Pass-Through Cost report, as described in Table 1 of Schedule 16 of the Contract. The Contractor should submit the first Appendix B Claim Form no later than the first working day and two calendar months prior to which it will make the first Maintenance Bursary Payment to Participants and thereafter should submit Appendix B Claim forms on a monthly basis on the first working day of the month.
- 2.7 Where the Authority approves the Appendix B Claim Form submitted by the Contractor, it will release the Maintenance Bursary Payments as set out in the Appendix B Claim Form to the Contractor on or before the last Working Day in the same month that the Appendix B Claim Form has been submitted to the Authority in accordance with Paragraph 2.6 of this Annex.
- 2.8 Where the Authority does not approve the Appendix B Claim Form submitted by the Contractor, the release of the Maintenance Bursary Payments will be withheld until such time as the Contractor provides an updated Appendix B Claim Form, alongside evidence to the satisfaction of the Authority.
- 2.9 The Contractor must put in place mechanisms to ensure that if a Participants Defers or Withdraws, that Participant's Maintenance Bursary Payment will be highlighted to the Authority on the next submitted Appendix B Claim Form. The Authority will only permit Maintenance Bursary Payments for a Participant up to the end of the month including the date of the Deferral or Withdrawal, but not after this month. For example:
 - 2.9.1 Participant A defers from the Programme on 14 March 2024. The Authority will cease paying the Maintenance Bursary Payments for Participant A made to the Contractor for payment to the Participant from 1 April 2024 onward, until Participant A re-commences the Programme and the Contractor notifies the Authority, using the Appendix B Claim Form, accordingly.
 - 2.9.2 Participant B Withdraws from the Programme on 25 June 2024. The Authority will cease paying the Maintenance Bursary Payment made to the Contractor for Payment to Participant B from 1 July 2024 onward.
- 2.10 In the event that the Authority makes an overpayment of Maintenance Bursary Payments where a Participant has Deferred or Withdrawn (as set out in paragraph 2.9) subsequent to receipt by

the Authority of the Appendix B Claim Form submitted by the Contractor, in accordance with paragraph 2.6, the Authority will be entitled to offset the total value of the overpayment of Maintenance Bursary Payment against future invoices from the Contractor in accordance with paragraph 2.3 of Schedule 3 of the Contract whether such invoices relate to Maintenance Bursary Payments, Local Authority Contribution Payments or the delivery of the Programme.

- 2.11 The Authority will be entitled to offset the total value of any and all interest paid to the Contractor in relation to the separate bank account in which the Contractor is obliged, in accordance with paragraph 1.7 of Schedule 21 (Pass-Through Costs), to hold the Pass-Through Costs, against future invoices from the Contractor in accordance with paragraph 2.3 of Schedule 3 of the Contract whether such invoices relate to Maintenance Bursary Payments, Local Authority Contribution Payments or the delivery of the Services.
- 2.12 In the event that the Authority offsets any interest in accordance with paragraph 2.11 above, the Contractor will within 10 Working Days withdraw an equivalent sum from the separate bank account in which grant funding must be kept and transfer to the bank account used to fund the Programme delivery, the Authority will be entitled to assume that the Contractor has made such a withdrawal of interest when considering future statements of interest.

LA Contributions

- 2.13 The LA Contribution Payments will be £4,500 (four thousand five hundred pounds) per Participant Placement per Cohort. The amount per Participant Placement will be fixed for the Term. The purpose of the LA Contribution Payment is to support the costs of hosting a Participant in placement and may contribute to the cost of supporting supervisory staff, training or other associated hosting costs.
- 2.14 In advance of the release of the annual LA Contributions by the Contractor to Local Authorities, the claim form at Appendix C should be completed by an authorised senior officer of the Contractor and returned to the Authority via email to Fast.TRACK@education.gov.uk no later than the 5th day of the month prior to which the annual Grant is being released by the Contractor, which will be September, and must be supported by a forecast breakdown of anticipated expenditure by the Contractor.
- 2.15 Following approval of the Appendix C claim form submitted by the Contractor for each Cohort, the Contractor will be provided with the funds in advance to make the annual payment of LA Contributions upon the submission of an invoice in accordance with Clause 8 of Schedule 2 of the Contract by no later than the last Business Day of the month prior to which the annual Grant is being released (each such date a "LA Contribution Payment Date").
- 2.16 The Contractor shall release the LA Contribution to the relevant Local Authority in a single annual payment in advance of Participants starting their Placement, but not until Participants have confirmed their acceptance of the Placement, on or before the first Business Day of the month on which the annual Grant is being released (each such date a "LA Contribution Release Date") for each Cohort.
- 2.17 Should an error to Appendix C be identified by either party following the LA Contribution Release Date, for any reason, the Authority will act as follows:
- 2.17.1 For any identified underpayment in the LA Contribution Payment, the Authority will require the Contractor to re-submit Appendix C in accordance with Paragraph 2.14 of this Schedule 21. Following verification of this additional information the Authority may release additional LA Contributions to the Contractor up to the value of the identified shortfall in LA Contributions.
- 2.17.2 For any identified overspend in the LA Contribution Payment, the Authority will require the Contractor to re-submit Appendix C in accordance with Paragraph 2.144 of this Annex. The Authority reserves the right to seek to re-coup the LA Contribution Payment in instances where a change of circumstance occurs sufficiently early that costs associated with supporting Participant Placements are unlikely to have been incurred. For example, a Local Authority can no longer successfully host Participant(s) or all Participant(s) Withdraw from the Programme before it commences, the LA Contribution Payment may

be recouped. Following verification of this additional information the Authority reserves the right to offset the total value of the LA Contribution overpayments against future invoices from the Contractor as per Paragraph 2.3 of Schedule 3 of the Contract.

Clawback will not apply for Local Authority Contributions where Participants Withdraw or defer but may be applied where false or inaccurate information has been supplied by the Local Authority.

3 INDEXATION

- 3.1 The Contractor will be required to evidence and justify to the Authority any pricing increases due to Indexation. The Authority reserves the right to assess the Contractor's submitted evidence and ask clarification questions to better understand this.
- 3.2 Any amounts or sums in this Agreement which are expressed to be "subject to Indexation" shall be adjusted in accordance with the provisions of this Paragraph 3 to reflect the effects of inflation.
- 3.3 Indexation will only apply to a portion of the Base Price. The only components of the Base Price that will be subject to Indexation are:
 - 3.3.1 Attraction and Selection Funding, including the Inclusive Recruitment Fund; and
 - 3.3.2 Programme Delivery Price per Participant only
- 3.4 Where Indexation applies, as set out in Paragraph 3.3, the relevant price adjustment value shall be:
 - 3.4.1 applied on a Cohort basis only, commencing with Cohort 3;
 - 3.4.2 applied a fixed interval on the first Working Day of the of the Attraction and Selection Period for Cohort 3 and on the first Working Day of the Attraction and Selection Period for each subsequent Cohort (each such date an "Adjustment Date");
 - 3.4.3 reviewed and calculated, at single point in time for each Cohort, four months prior to the first Working Day of the Attraction Selection Period for Cohort 3 and prior to the first Working Day of the Attraction and Selection Period for any subsequent Cohort (each such date a "calculation adjustment date");
 - 3.4.4 determined by multiplying the relevant amount or sum of items from the Base Price by the latest annual percentage change increase (rounded to no more than one decimal place) in the Services Producer Price Index (known as 'SPPI') for Education Services; index 6150850000 and code: I392, as published in the SPPI Statistical Bulletin published by the Office for National Statistics;
 - 3.4.5 calculated using the final version of the latest annual percentage change in [SPPI records](#) published by the Office for National Statistics immediately preceding the calculation adjustment date; and
- 3.5 There will be no change in the contract price in a period in which there is a fall in the in the Services Producer Price Index for Education Services; index 6150850000 and code: I392, as published in the SPPI Statistical Bulletin published by the Office for National Statistics.
- 3.6 Except as set out in this Paragraph 3, neither the Charges nor any other costs, expenses, fees or charges shall be adjusted to take account of any inflation, change to exchange rate, change to interest rate or any other factor or element which might otherwise increase the cost to the Supplier or Subcontractors of the performance of their obligations.

4 RISK REGISTER

The Parties shall review the Risk Register set out in Annex 3 from time to time and as otherwise required for the purposes of Schedule 14 (*Contract Management*)

Appendix A

Grant Payment Schedule for Payment of Pass-Through Costs from the Authority to the Contractor Per Cohort

Grant Project Name		National Fast Track Child & Family Social Work Programme	
Grant Reference Number		Project_6167	
Cohort		[2024 / 2025 / 2026]	
Period	Anticipated Payment date	Activity Details / Outputs	Anticipated Payment Amount
Year 1: September - August	01 September [2024/25/26]	Payment of LA Contributions, evidenced via the submission of the Participant Progression Report as described in Table 1 of Schedule 16 of the Contract	[Max £2,250,000 £4,500 (LA Contribution) x 500 (Maximum Participants/Cohort)]
Month 1: August [2024/25/26]	01 July [2024/25/26]	Payment of monthly Maintenance Bursary Payment based on evidence provided via the Pass-Through Cost report, as described in Table 1 of Schedule 16 of the Contract, to demonstrate the number of Participants on Programme.	£692,308 ((# of Participant outside of London x (£18,000/13)) + (# of Participants in London x (£20,000/13)))
Month 2: September [2024/25/26]	01 August [2024/25/26]		£692,308
Month 3: October [2024/25/26]	01 September [2024/25/26]		£692,308
Month 4: November [2024/25/26]	31 October [2024/25/26]		£692,308
Month 5: December [2024/25/26]	30 November [2024/25/26]		£692,308
Month 6: January [2024/25/26]	31 December [2024/25/26]		£692,308
Month 7: February [2025/26/27]	30 January [2024/25/26]		£692,308
Month 8: March [2025/26/27]	27 February [2024/25/26]		£692,308
Month 9: April [2025/26/27]	31 March [2025/26/27]		£692,308
Month 10: May [2025/26/27]	29 April [2025/26/27]		£692,308
Month 11: June [2025/26/27]	31 May [2025/26/27]		£692,308
Month 12:	30 June [2025/26/27]		£692,308

July [2025/26/27]			
Month 13: August [2025/26/27]	31 July [2025/26/27]		£692,308
TOTAL MAXIMUM PASS-THROUGH COSTS			£12,000,000

Appendix B

Grant claim form for The Frontline Organisation

project_6167 - National Fast Track Child & Family Social Work Programme

Amount of claim in respect of **[insert month#]** and **[insert Cohort #]**:

Supporting Evidence	
Submission of Monthly Pass-Through Cost report, as described in Table 1 of Schedule 16 of the Contract, to demonstrate the number of Participants on Programme based in a Local Authority Placement outside of London as of [date] who will be eligible for Maintenance Bursary Payments for [insert dates for the first period/quarter]	[insert # of Participants] * (£18,000/[13]) = £
Submission of Monthly Pass-Through Cost report as described in Table 1 of Schedule 16 of the Contract, to demonstrate the number of Participants on Programme based in a Local Authority Placement within one of the 32 boroughs in London as of [date] who will be eligible for Maintenance Bursary Payments for [insert dates for the first period/quarter]	[insert # of Participants] * (£20,000/13) = £
Sum Claimed for this period	£
TOTAL GRANT CLAIMED TO DATE	£

I certify that:

- the above claim is made in accordance with the requirements of Schedule 21 of the Contract for the provision of the National Fast Track Child and Family Social Work Training Programme;
- the claim is in respect of eligible expenditure to be incurred;
- the information I have provided in this form is complete and correct, and
- no claim has been made for funding in respect of these items from any other body.

Signed by a senior officer authorised to sign on behalf of [insert name of the body]	
Date	
Signature	
Name (please print)	
Position in organisation	

Appendix C

Grant claim form (in advance) for The Frontline Organisation

Claim for [insert year]	
Committed expenditure for LA Contributions, evidenced via the submission of the Participant Progression Report as described in Table 1 of Schedule 16 of the Contract	[insert # of Participants] * £4,500 = £
TOTAL CLAIMED TO DATE	£

I certify that:

- the above claim is made in accordance with the requirements of Schedule 21 of the Contract for the National Fast Track Child & Family Social Work Programme;
- the grant received and spent has been used wholly for the purposes for which it was given;
- the information I have provided in this form is complete and correct, and
- the amount of grant claimed on this form represents expenditure incurred or to be incurred for the purposes for which grant is given.

Signed by a senior officer authorised to sign on behalf of [insert name of the body]	
Date	
Signature	
Name (please print)	
Position in organisation	

Annex 2
Pricing Schedule



Annex 3

Allowable Assumptions

NOT USED

Annex 4
Risk Register



**Annex 5
Contractor's Staff Data**



SCHEDULE 4 PERFORMANCE LEVELS

1 OBJECTIVES

- 1.1 The objectives of the Performance Measures are to:
 - 1.1.1 ensure that the Services delivered by the Contractor are of a consistently high quality and meet the requirements of the Authority;
 - 1.1.2 provide a mechanism whereby the Authority can, without prejudice to its other rights and remedies, attain meaningful recognition of inconvenience and/or loss resulting from the Contractor's failure to deliver the level of Service in relation to particular Performance Measures which it has contracted to deliver; and
 - 1.1.3 incentivise the Contractor to meet the Performance Measures and to remedy any failure to meet the Performance Measures expeditiously.

2 PERFORMANCE INDICATORS

- 2.1 This Schedule 4 sets out the Performance Measures against which the Contractor shall measure its performance.
- 2.2 The Contractor shall provide the Services in such a manner so as to meet or exceed the Performance Measures from the Service Commencement Date.
- 2.3 The Contractor shall manage and monitor its performance against each of the Performance Measures and send the Authority Management Information ("MI") Reports detailing the Performance Measures which were achieved in accordance with the provisions of Schedule 16 (Records Provision and Management Information).
- 2.4 The Contractor shall achieve or better the standards specified for each identified Performance Measure as set out in:
 - 2.4.1 Table 1 – Performance Measures embedded in Payment Mechanism,
 - 2.4.2 Table 2 – Performance Measures with Service Credits Applicable, and
 - 2.4.3 Table 3 – Subsidiary Performance Measures,below within the agreed Service Period.
- 2.5 Where a Performance Measure is stated with reference to percentages, it shall be calculated, and rounded up or down to the nearest 0.1%.
- 2.6 Evidence provided by the Contractor will be collected through Contractor's Management Information as detailed in Schedule 16 (Records Provision and Management Information) of the Contract. Audits of the evidence provided will be carried out as described in Schedule 13 (Financial Reports and Audit Rights) of the Contract.
- 2.7 If the Contractor fails to achieve PM-2 or its performance fails to be within 10% the Service Threshold for PM-1 and PM-3, as set out in Table 1 below, this will constitute a Default which is a Material Breach and the Authority may terminate the Contract in accordance with Clause 26.7.3 and/or claim losses under Clause 20.6 in addition to any Service Credits which have already been accrued by the Contractor and are payable by the Contractor to the Authority.

3 SERVICE CREDITS

- 3.1 Service Credits are a reduction of the Charges payable in respect of the relevant parts of the Service to reflect the reduced value of the Service received and are stated exclusive of VAT.
- 3.2 If during a Service Period the Contractor achieves a Performance Measure stated in Table 2, no Service Credit will accrue to the Contractor in respect of that Performance Measure
- 3.3 In the event of a failure by the Contractor to achieve any Performance Measure stated in Table 2, the Service Credits shall be applied to the Charges payable to the Contractor as prescribed in Table 2.
- 3.4 The Contractor shall monitor the performance of its obligations under this Contract, at no additional cost to the Authority, and shall provide the Authority with Management Information in order for the Authority to determine the Service Credits applicable.
- 3.5 Following agreement of the Service Credit, the Contractor will process the credit against the next invoice (in accordance with the offset provisions detailed in Paragraph 2.3 of Schedule 3 (Financials) until such time as the full amount of the Service Credit is paid.
- 3.6 In the event of a dispute arising between the Authority and the Contractor over any matter relating to Service Credits under this Schedule, such dispute shall be dealt with in accordance with the Dispute Resolution Procedure set out in Clause 40.
- 3.7 In the event that new Performance Measures are introduced into Table 2, the Authority and the Contractor shall agree the Service Credits which will apply for failures to meet such Performance Measures. In the event of a dispute arising in matters relating to the introduction of new Service Credits such dispute shall be dealt with in accordance with the Dispute Resolution Procedure set out in Clause 40 of the Contract.
- 3.8 The Parties acknowledge and agree that the Performance Measures and Service Credits set out in this Schedule 4 represent a fair and reasonable method to adjust the Charges to account for the Contractor's underperformance against the Performance Measures.
- 3.9 The maximum value of Service Credits to be paid by the Contractor in the Initial Contract Period shall not exceed the value of the total Profit Margin or Operating Surplus for this Contract (the "Service Credit Cap"). If the Contract is extended in accordance with Clause 2.2, the Service Credit Cap will be reset.
- 3.10 If the Contractor's performance is such that the Service Credit Cap would have been exceeded but for paragraph 3.9, this will amount to a Default that is a Material Breach. The Authority may terminate the Contract in accordance with Clause 26.7.3 and/or claim losses under Clause 20.6.

4 SERVICE THRESHOLDS

- 4.1 The Authority reserves the right to exercise its remedies under Clause 25.1.2 and Clause 26.18 in the event that the Service Threshold is not reached or exceeded by the Contractor in relation to any individual Performance Indicator.

5 ANNUAL REVIEW

- 5.1 The Performance Measures may be revised each Contract Year in accordance with the Annual Review process as set out in Schedule 2, Clause 24.

6 TRANSPARENCY

- 6.1 The Authority is committed to providing transparency of its most important contracts, of which this Contract to deemed one.
- 6.2 The Contractor will commit to working with the Authority to determine and report performance quarterly against 4 of its most important Performance Measures of which Social Value must be one.
- 6.3 The quarterly reporting will be undertaken in line with the publications available at <https://www.gov.uk/government/publications/key-performance-indicators-kpis-for-governments-most-important-contracts>. All responses provided by the Contractor will be submitted by the Authority and will form part of the quarterly return.

Table 1 – Performance Measures embedded in Payment Mechanism

PM No	PM Desired Outcome	Cross Reference	Service Threshold	Service Period	Performance Evidence	Financial Element
PM-1	Placement Placements meet the requirements of the Programme Specification	<ul style="list-style-type: none"> • Schedule 1 (Specification) • Schedule 3, Volume fee for Participants, paid at retention points 	100% of Participants (up to a maximum of 500) will be placed into Placements that meet the standards detailed in the Schedule 1 (the Specification) of this Contract	Quarterly	<p>Monthly Performance Report and Participation Progression Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.</p> <p>Please also see Subsidiary Performance Indicator 3 below</p>	Volume fee paid in line with the description provided in Schedule 3 (Financials) of the Contract.
PM-2	PG Diploma Participants achieve a post graduate Diploma in Social Work	<ul style="list-style-type: none"> • Schedule 1 (Specification) • Schedule 3, Volume fee for Participants, paid at retention points 	At least 450 Participants per Cohort will become NQSW 14 months of starting their qualification	15 months after starting on Programme, with the start being no later than July for each Cohort, starting from 2024 (Update reporting required Quarterly via KPI 1 response)	Monthly Performance Report and Participation Progression Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.	Volume fee paid in line with the description provided in Schedule 3 (Financials) of the Contract.
PM-3	Completing ASYE NQSW complete their ASYE	<ul style="list-style-type: none"> • Schedule 1 (Specification) • Schedule 3, Volume fee for Participants, paid at retention points 	90% of all Participants who achieve their PG Diploma will complete their ASYE within 12months following registration with SWE	12 months post qualification and annually thereafter (Update reporting required Quarterly via KPI 1 response)	Monthly Performance Report and Participation Progression Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.	Volume fee paid in line with the description provided in Schedule 3 (Financials) of the Contract.

Table 2 – Performance Indicators with Service Credits Applicable

PM No	PM Desired Outcome	Cross Reference	Target Performance Levels	Service Period	Performance Evidence	Financial Element
PM-4	Attraction Increasing the number of Applicants from under-represented groups	<ul style="list-style-type: none"> Schedule 1 (Specification) Schedule 4 - Service Credit applied as per clauses 4.1-4.9 	<p>% Increase of Applicants based on:</p> <ul style="list-style-type: none"> Under-representation by reference to Protected Characteristic and/or Socio-Economic Group as a proportion of total Applicants per Cohort as follows: <ul style="list-style-type: none"> Cohort 2024 – Baseline* Cohort 2025 – [% to be agreed] Cohort 2026 – [% to be agreed] <p><i>* Service Credit will not apply to Cohort 2024 but reporting via management information will still be required</i></p>	<p>Annually (updated quarterly)</p> <p><i>First update due December, Second update due March, Final report, on which success against the KPI will be based, due June of each Cohort.</i></p>	Annual report via Attraction and Selection Report and quarterly update via Monthly Performance Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.	1% Service Credit applied to the value of the Inclusive Recruitment Fund spend for each percentage under the specified Target Performance Level
PM-5	Supplier Performance Management Information Submission of Performance	<ul style="list-style-type: none"> Schedule 16 (Records Provision and Management information) 	100% submission of Management Information as required under clause 5 of Schedule 16 of this Contract.	Monthly no later than the third Wednesday of each month.	<p>a) Electronic, dated submission of MI Reports</p> <p>b) Electronic requests from Authority</p>	0.5% Service Credit applied to the Service Fee applicable for the month in which the

	Management Information in accordance Schedule 16 of the Contract	<ul style="list-style-type: none"> Schedule 4 - Service Credit applied as per clauses 4.1-4.9 				report was due for each working day over the specified Target Performance Level
PM-6	Quality of Attraction and Selection Period Candidates are promoters of the Attraction and Selection Period	<ul style="list-style-type: none"> Schedule 1 (Specification) 	The Net Promoter Score for the Attraction and Selection process is greater than; <ul style="list-style-type: none"> Cohort 2024 – Baseline* Cohort 2025 – [To be agreed] Cohort 2026 – [To be agreed] <p>* Service Credit will not apply to Cohort 2024 but reporting via management information will still be required</p>	Annually, within 3 months of the end of the Attraction and then Selection activity <i>To be submitted by no later than the last Business Day of September following the end of the Attraction and Selection activity for every Cohort.</i>	Satisfaction Survey Report as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.	0.025% Service Credit applied to the Attraction and Selection spend applicable for the Service Period for every 5 points under the specified Target Performance Level
PM-7	Quality of PG Diploma Period Participants are promoters of the PG Dip Period	<ul style="list-style-type: none"> Schedule 1 (Specification) 	The Net Promoter Score for the PG Dip Period is greater than; <ul style="list-style-type: none"> Cohort 2024 – Baseline* Cohort 2025 – [To be agreed] Cohort 2026 – [To be agreed] 	6 months <i>PG Dip NPS to be submitted to the Authority in the following May and November after the start of the PG Dip for every Cohort</i>	Satisfaction Survey Report as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.	0.025% Service Credit applied to the Service Fee applicable for the Service Period for every 5 points under the specified

			<i>* Service Credit will not apply to Cohort 2024 but reporting via management information will still be required</i>			Target Performance Level
PM-8	Quality of Newly Qualified Period Participants are promoters of the Newly Qualified Period	<ul style="list-style-type: none"> Schedule 1 (Specification) 	<p>The Net Promoter Score for the Newly Qualified Period is greater than;</p> <ul style="list-style-type: none"> Cohort 2024 – Baseline* Cohort 2025 – % [To be agreed] Cohort 2026 – % [To be agreed] <p><i>* Service Credit will not apply to Cohort 2024 but reporting via management information will still be required</i></p>	<p>6 months</p> <p><i>Newly Qualified NPS to be submitted to the Authority in the following March and the September, after the start of the Newly Qualified Period for every Cohort</i></p>	Satisfaction Survey Report as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract	0.025% Service Credit applied to the Service Fee applicable for the Service Period for every 5 points under the specified Target Performance Level
PM-9	Quality of Masters delivery Participants are promoters of the Masters delivery	<ul style="list-style-type: none"> Schedule 1 (Specification) 	<p>The Net Promoter Score for the Masters delivery is greater than;</p> <ul style="list-style-type: none"> Cohort 2024 – Baseline* Cohort 2025 – % [To be agreed] Cohort 2026 – % [To be agreed] <p><i>* Service Credit will not apply to Cohort 2024</i></p>	<p>6 months</p> <p><i>Masters NPS to be submitted to the Authority in the following March and the September, after the start of the Masters Period for every Cohort</i></p>	Satisfaction Survey Report as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract	0.025% Service Credit applied to the Service Fee applicable for the Service Period for every 5 points under the specified Target

			<i>but reporting via management information will still be required</i>			Performance Level.
PM-10	Quality of Programme LA are promoters of the Programme	<ul style="list-style-type: none"> Schedule 1 (Specification) 	<p>The Net Promoter Score for the Programme is greater than;</p> <ul style="list-style-type: none"> Cohort 2024 – Baseline* Cohort 2025 – % [To be agreed] Cohort 2026 – % [To be agreed] <p>* Service Credit will not apply to Cohort 2024 but reporting via management information will still be required</p>	<p>6 months</p> <p><i>LA NPS to be submitted to the Authority in every January and July, after the start of the Cohort for every Cohort</i></p>	Satisfaction Survey Report as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract	0.025% Service Credit applied to the Service Fee applicable for the Service Period for every 5 points under the specified Target Performance Level
PM-11	Pass-Through Cost payment Payments of Pass-Through Costs are paid in line with the timescales permitted under the Contracts	<ul style="list-style-type: none"> Schedule 21 (Administration of Pass-Through Costs) Schedule 4 - Service Credit applied as per clauses 4.1-4.9 	0 (zero) Pass-Through Cost issue unresolved within the timescales permitted under paragraph 3.1.6 of Schedule 21 of the Contract:	Monthly no later than the third Wednesday of each month.	Monthly report via Monthly Performance Return as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.	0.15% Service Credit applied to the Service Fee applicable for the Service Period in which the failure occurred for each day for each issue unresolved issue

Table 3 – Subsidiary Performance Measures				
SPM No	Title	SPI Description & Standard	Monitoring Period	Monitoring Method
SPM-1	Participant recruitment	Each Cohort will demonstrate a % Increase of conversion rate from Candidate to Participant of Applicants from groups identified	Annually during Attraction and Selection Period <i>Updates to be provided as part of Monthly Contract Management meetings. Final figure to be submitted by no later than the last Business Day of September following the end of the Attraction and Selection activity for every Cohort.</i>	Monthly Performance Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.
SPM-2	Primary Placement ILAC rating	At least 50% of Participants of each Cohort will be placed in a Placements that have received an ILAC rating of “Inadequate” or “Requires Improvement”	Monthly during PG Diploma Period. Beginning from July 2024, to be included in the Monthly Performance Report.	Participant Progression Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.
SPM-3	Participant Exit Interview	100% of Participants starting the Programme will receive an Exit Review if leaving the Programme during the PG Diploma or Newly Qualified Period.	Monthly from the start of PG Diploma Period through to the end of the Newly Qualified Period. Beginning from July 2024, to be included in the Monthly Performance Report.	Performance Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.
SPM-4	Participant Exit Interview	50% of Participants leaving the Programme following the Newly Qualified Period will receive an Exit Review on leaving the Programme, this includes those who may be leaving the Programme early.	Monthly from the end of the Newly Qualified Period through to the end of the Retention Support Period. Beginning from September 2026, to be included in the Monthly Performance Report.	Performance Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.

SPM-5	Participant Tracking	<p>The supplier will track the retention and destination of:</p> <p>(i) 100% of Participants from the start of Year 1 until 3 years post qualification; and at least 20%] of participants who Withdraw from the Programme early</p>	<p>Quarterly from the start of Year 1 through to the end of the 3rd year post qualification. Beginning from July 2024 and due in the months July, October, January and April.</p>	<p>Participant Progression Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.</p>
SPM-6	Curriculum development	<p>Evidence of a curriculum that meets the requirement of the Specification and Social Work England (SWE) Professional Standards and is suitable for approval by SWE and capable of being a recognised qualification by a regulated awarding body, which will be Lancaster University, in advance of PG Diploma Period Starting</p>	<p>No later than the last Business Day of May, annually in advance of Year 1 start</p>	<p>Evidence provided by the Contractor to be collected through CPR process as described in Schedule 14 (Contract Management Provisions) of the Contract</p>
SPM-7	Retention Post Qualification	<p>80% of Completers will remain employed in LA child and family social work workforce for at least 3 years post qualification.</p>	<p>6, 12, 15 and 36 months post qualification</p> <p>This means reporting the retention by the following March, September, December and the September 36 months after qualification.</p>	<p>Monthly Performance Report and Participation Progression Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.</p>
SPM-8	Social Value	<p>Maintain net zero emissions throughout contract and carbon negative by end contract</p>	<p>Six (6) Monthly updates with an annual report provided every October for the Contract Period, as stated in Clause 2, Schedule 2 of this Volume 3</p>	<p>Monthly Performance Report and Participation Progression Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.</p>

SPM-9	Social Value	Reduce direct and indirect carbon emissions by at least 76tCO ₂ e		
SPM-10	Social Value	By the end of the Contract, 90% of suppliers have a net zero commitment by or before the 2050 government target.		
SPM-11	Social Value	Frontline's workforce is representative of racialised minority, disabled and LGBTQ+ identities (compared with national data) each year		
SPM-12	Social Value	>50% of the highest-paying jobs, which means the Leadership Group, are filled by women by September 2024		
SPM-13	Social Value	0% gender pay gap.		

SPM-14	Contractor Measure of Quality	Mean progression score of practice skill level from Year 1 to PGDip/SW qualification	Annually, by the last Business Day of December following the end of the PG Dip Period.	Monthly Performance Report and Participation Progression Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.
SPM-15	Contractor Measure of Quality	Mean progression score of practice skill level from Year 3 to MSc qualification.	Annually, by the last Business Day of December following the end of the Masters Period.	Monthly Performance Report and Participation Progression Report, as described in Table in Schedule 16 (Records Provision and Management Information) of the Contract.

SCHEDULE 5 IMPLEMENTATION PLAN

1. The Contractor shall provide the Services in accordance with the Implementation Plan set out at Annex 1 to this Schedule 5 (Implementation Plan).
2. The Implementation Plan shall be sufficiently detailed covering the entire Initial Contract Period including the Mobilisation Period as is necessary to deliver and manage the Services. The Implementation Plan will include:
 - 2.1 key milestones and the dates by which these will be achieved. These consist of;
 - 2.1.1 Key milestones applicable at each implementation phase of the Service, which can be described as
 - 2.1.1.1 Commencement of implementation activity
 - 2.1.1.2 Confirmation of required staff being in place (inclusive of staff transfer and recruitment)
 - 2.1.1.3 Confirmation of required systems, tools, facilities, and process being in place
 - 2.1.1.4 Confirmation of period delivery beginning
 - 2.1.2 Key milestones applicable prior to Attraction and Selection Period
 - 2.1.2.1 Agreement on brand name, identity and website
 - 2.1.3 Key milestones applicable prior to PG Dip period
 - 2.1.3.1 Confirmation of PG Dip qualification accreditation process in place, including confirmation of accreditation partner (if required)
 - 2.1.3.2 Confirmation of PG Dip curriculum verification from SWE
 - 2.1.3.3 Confirmation of LA partnerships, including sufficient numbers to offer Placements to committed Participants
 - 2.1.4 Key Milestones applicable prior to Newly Qualified period
 - 2.1.4.1 Confirmation of additional social work skills development pathways, including confirmation of required resources being secured.
 - 2.1.5 Key milestones applicable prior to the Retention Support Period
 - 2.1.5.1 Confirmation of Masters curriculum verification with SWE
 - 2.1.5.2 Confirmation of Masters qualification accreditation process in place, including confirmation of accreditation partner (if required)
 - 2.2. a critical path;
 - 2.3. critical dependencies and contingency arrangements; and
 - 2.4. the identification of key risks and assumptions.
3. The Contractor shall be responsible for implementing and managing the Services and for taking all such steps as may be necessary to ensure that from the Service Commencement Date the Contractor is able to:
 - 3.1. provide the Services in accordance with the provisions of the Contract;

- 3.2. provide the Services in a manner that maintains the continuity of Services to the Authority;
 - 3.3. execute all implementation activity through rigorous and robust contract management across the set-up and delivery of the Programme to secure the best value for money;
 - 3.4. set up and maintain robust governance and management arrangements, including identifying key personnel responsible for the delivery of the Implementation Plan to ensure visibility via reporting to the Authority of the progress of the plan throughout the Mobilisation and Initial Contract Period.
4. The Contractor shall monitor its performance against the Implementation Plan and report to the Authority by providing:
 - 4.1. weekly updates starting 2 (two) months prior to and for the duration of the Mobilisation Period of the Service,
 - 4.2. weekly updates starting 2 (two) months prior and for the duration of each phase of implementation during the first cohort, and
 - 4.3. from the Service Commencement Date quarterly updates throughout the remainder of the Initial Contract Period.

Following the Initial Contract Period the Contractor will report monthly (or more frequently if so required by the Authority) on its performance.
5. Any proposed changes to the Implementation Plan are subject to the Change Control Procedure.

Annex 1
Implementation Plan



SCHEDULE 6
CHANGE CONTROL PROCEDURE

1. The Parties acknowledge that minor changes to the Contract may be necessary to reflect operational and administrative procedures during the Term and that such minor changes may be agreed in writing between the Parties' respective contract managers.
2. The Contractor shall use reasonable endeavours to incorporate minor changes requested by the Authority within the current Charges and shall not serve a Contractor Notice of Change unless the change involves a demonstrable material increase to its costs or requires a material change to the Contract.
3. Either Party may request a Variation provided that such Variation does not amount to a material change.
4. The Contractor must request a Variation where it anticipates not delivering or is not delivering the Services or a part of the Services on an ongoing basis for a period that exceeds 5 (five) Business Days.
5. The Authority may request a Variation by completing the Change Control Note and giving the Contractor sufficient information to assess the extent of the Variation and consider whether any change to the Charges are required in order to implement the Variation within a reasonable time limit specified by the Authority. If the Contractor accepts the Variation, it shall confirm it in writing within 21 days of receiving the Change Control Note.
6. If the Contractor is unable to accept the Variation or where the Parties are unable to agree a change to the Charges, the Authority may allow the Contractor to fulfil its obligations under the Contract without Variation or if the Parties cannot agree to the Variation the Dispute will be determined in accordance with Clause 40.
7. If the Contractor wishes to introduce a change to the Contract it may request a Variation by serving the Change Control Note on the Authority.
8. The Authority shall evaluate the Contractor's proposed Variation in good faith, taking into account all relevant issues.
9. In relation to the pricing of Variations, the provisions of Paragraph **Error! Reference source not found.** of Schedule 3 (Financials) shall apply.
10. The Authority shall confirm in writing within 21 days of receiving the Change Control Note if it accepts or rejects the Variation.
11. The Authority may at its absolute discretion reject any request for a Variation proposed by the Contractor.

Change Control Note

Contract Number		Authority Contract / Programme Manager	
Contractor		Original Contract Value (£)	
Contract Start Date		Contract Expiry Date	
Variation Requested			
Originator of Variation (tick as appropriate)		Authority <input type="checkbox"/> Contractor <input type="checkbox"/>	
Date			
Reason for Variation			
Summary of Variation (e.g. specification, finances, Term)		•	
Date of Variation commencement			
Date of Variation expiry (if applicable)			
Total Value of Variation £ (if applicable)			
Payment Profile (if applicable) e.g. milestone payments			
Revised daily rate (if applicable)			
Impact on original contract (if applicable)			
Supporting Information (please attach all supporting documentation for this Change Control)			
Terms and Conditions		Save as herein amended all other terms and conditions of the Original Contract shall remain in full force and effect.	
Please note that no works/services described in this form should be undertaken, and no invoices will be paid until both copies of the CCN are signed, returned and counter-signed.			

To be entered by the Commercial department:			
Commercial Contact		Reference Number	
Date received		EC Reference	

**SCHEDULE 7
KEY CONTRACTOR STAFF AND KEY SUB CONTRACTORS**

Key Contractor Staff

The individuals listed in the table below are Key Contractor Staff:

Name	Role	Period of Involvement
Mary Jackson	Chief Executive	Overall accountability for organisation and relationships with government, funders and social work sector
Tomos Davies	Chief Operating Officer	<ul style="list-style-type: none"> - Finance (ACCA qualified) - Qualified project manager - Risk - Compliance - HR - Salesforce - IT/Facilities
Lisa Hackett	Chief Social Worker (Midlands)	<ul style="list-style-type: none"> - Programme operations - Qualified social worker - Certified family therapist - Mental health practitioner - HEI relationship - Social Work England approving manager - Applicant suitability - Safeguarding
Sanjeev Baga	Programmes Director	<ul style="list-style-type: none"> - Recruitment - Partnerships - Curriculum - Delivery - Managing contractual risks and mitigations through risk register - Leadership programmes (outside contract)

Jackie Sanders	External Relations Director	<ul style="list-style-type: none"> - Marketing - Communications - Public relations - Events - Fundraising (outside contract)
	Executive Assistant	Supports CEO and COO
	Executive Assistant	Supports Chief Social Worker and Programmes Director

Key Sub-Contractors

The Contractor may sub-contract its obligations under the Contract to the Sub-Contractors listed in the table below.

Key Sub-Contractor Name and Address (if not the same as the registered office)	Registered Office and Company Number	Geographical Cover	Sub-contract Price expressed as a percentage of total projected Charges over Term	Role in delivery of the Services
LANCASTER UNIVERSITY, Bailrigg, Lancaster, LA1 4YW, United Kingdom	RC000657	England	4.3%	<ul style="list-style-type: none">• Academic Assessment QA and Award• Student registration• Learning Resources• Student Support Services

**SCHEDULE 8
DATA, SYSTEMS HANDLING AND SECURITY**

1. Definitions

“Control”	means that a person possesses, directly or indirectly, 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" are interpreted accordingly;
“Contractor Personnel”	employees, agents, consultants and Sub-contractors of the Contractor engaged in the performance of its obligations under this Contract;
“Controller”, “Processor,” “Data Subject”, “Personal Data”, “Personal Data Breach”, “Data Protection Officer”, “Processing”	shall have the meanings given in the UK GDPR;
“Data Loss Event”	any event that results, or may result, in unauthorised access to Personal Data held by the Processor under this Contract, and/or actual or potential loss and/or destruction of Personal Data in breach of this Contract, including any Personal Data Breach;
“DPA 2018”	Data Protection Act 2018;
“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 as amended from time to time 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 Subject 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.
“Independent Control”	where a Controller has provided Personal Data to another Party which is neither a Processor or 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;
“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 such measures adopted by it including those outlined in Schedule 'Processing, Personal Data and Data Subjects';

“UK GDPR”

means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation) (United Kingdom General Data Protection Regulation), as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018 (and see section 205(4).

1 Processing Personal Data

- 1.1 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 Schedule shall be with the Authority at its absolute discretion.
- 1.2 The contact details of the Authority’s Data Protection Officer are: [REDACTED], DataProtection.OFFICE@education.gov.uk, Data Protection Officer, Department for Education (B2.28), 7 & 8 Wellington Place, Wellington Street, Leeds, LS1 4AW
- 1.3 The contact details of the Contractor’s Data Protection Officer are: [REDACTED], dpo@thefrontline.org.uk
- 1.4 Any such further instructions shall be incorporated into this Schedule.
- 1.5 The Processing Personal Data Table is as follows:

Description	Details
Identity of Controller for each Category of Personal Data	<p>The Parties are Joint Controllers</p> <p>The Parties acknowledge that they are Joint Controllers for the purposes of the Data Protection Legislation in accordance with Schedule 8, Annex 1, paragraph 1.1 in respect of:</p> <ul style="list-style-type: none"> Deciding what the purpose or outcome of the Processing will be; Deciding what type of Personal Data is to be collected, as set out in the table below; Processing the Personal Data <p>The Contractor is the Controller in respect of:</p> <ul style="list-style-type: none"> Deciding which individuals to collect Personal Data about;

	<ul style="list-style-type: none"> • Collecting the Personal Data; • Processing the Personal Data in order to meet its obligations under this Contract; <p>The Authority is the Controller in respect of:</p> <ul style="list-style-type: none"> • longitudinal and/or historical analysis to support long-term evaluation of the Programme, and understanding of the child and family social work workforce.
Subject matter of the processing	<p>The processing is needed for the delivery of the Contract:</p> <p>(a) in order to ensure that the Contractor can effectively deliver the Contract to provide the Programme;</p> <p>(b) in order that the Authority can effectively manage the delivery of the Contract by the Contractor; and</p> <p>(c) for the purposes of the Authority’s child and family social work recruitment and retention statistics. The data provided will give an insight and quantitative description of Candidate and Participant diversity and Participant outcomes in terms of entry into child and family social work, retentions, career progression and contribution to shortage of social workers in areas of disadvantage;</p>
Duration of the processing	<p>Processing of Personal Data will begin upon the Effective Date.</p> <p>Pursuant to the Expiry Date of this Contract, Processing of the Personal Data to complete administration of a cohort must be completed within 3 months of the completion date of that cohort, after which the data should be securely transferred back to the Authority or to another contractor, as designated by the Authority using a secure and encrypted file transfer programme.</p> <p>The Personal Data may be retained by the Controller performing the Processing for a maximum of six (6) months for storage and audit purposes only.</p>
Nature and purposes of the processing	<p>1. Legal Basis for Processing:</p> <p>(i) Personal Data is shared and processed in accordance with UK GDPR Article 6(1)(e) on the legal basis that the Processing is necessary for the performance of a task in the public interest pursuant to Section 14 of the Education Act 2002;</p> <p>(ii) Subject to there being an appropriate data sharing agreement in place, Personal Data may also be shared for the purposes of registration with Social Work England. This may include special category data which will be Processed in accordance with UK GDPR Article 9. The Article 9(2) condition being relied upon by the Authority is ‘(g) reasons of a substantial public interest’ using the condition detailed in Part 1 Schedule 1 of the DPA 2018 ‘statutory and government purposes’.</p> <p>2. The nature of the Processing under the Contract will be:</p> <p>(i) collection, analysis, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use,</p>

disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of data (whether or not by automated means) to enable the successful delivery of the Programme.

3. The purpose of the Processing under the Contract will be:

- (i) to set the marketing strategy to identify and attract suitably qualified graduates and career changers
- (ii) to invite applicants to interviews and assessments; inform successful applicants of the outcome of their interview and their assessment and invite them to take part in the Programme;
- (iii) work in partnership with local authorities to identify, secure and manage placements, matching applicants to local authorities child and family social work placements – dealing with S17 and S47cases;
- (iv) manage business as usual activities regarding the day to day delivery of the Programme including but not limited to the provision of Management Information to the Authority in accordance with Schedule 4 Performance Levels) and Schedule 16 (Records Provision and Management Information);
- (v) validate their claim for retention payments in accordance with Schedule 3 (Financials);
- (vi) to follow up with applicants and Participants for research and evaluation of the Programme;
- (vii) monitoring and evaluation of the performance of the Programme through the experience and outcomes of the applicants, Local Authorities and Participants of the Programme, including monitoring equalities impact, as part of the Public Sector Equality Duty;
- (viii) to collect, store and use the data to deliver the service, including any statutory obligations, employment processing, recruitment assessment, audit and assurance, invoicing and payments, withdrawals and deferrals, retention assessment, satisfaction and exit surveys.

Data will be collected from third parties, the Data Subject and generated through the delivery of the service. Any third party privacy notice will state that Personal Data will be shared with the Authority and/or Controller.

For data processing requirements (a), (b) and (c) in section 'Subject matter of the processing' above, all Candidate and Participant data

will be processed, shared, and retained. It is not possible to anonymise data for these purposes.

For data processing requirement (d) set out in section 'Subject matter of the processing' above, only that data required for registration with Social Work England to contact Data Subjects will be shared.

Frequency of Sharing

Data will be shared with the Authority in accordance with the provisions set out in Schedule 16 (Records Provision and Management Information)

Systems Used for Processing:

The Controller's standard data protection protocols will be followed

The Processor collects and processes Personal Data on its staff, programme applicants, participants, CSWs and LA contacts for multiple purposes, including:

- a. Attraction and selection of individuals to its programmes
- b. Staff recruitment
- c. Maintenance of the participant/leader record
- d. Employee performance management and professional development;
- e. Payroll and accounting;
- f. Building and managing external relationships;
- g. Research and development;
- h. Planning and delivering of education and training;
- i. Staff and participant support and facilities management;
- j. Knowledge management;
- k. Health, safety and security; and
- l. Other purposes required by law or regulation.

They define any collection, recording, storage, use, adaption, sharing or erasure of Personal Data for any of these purposes as processing (including if it is carried out by automated). For these processes they are governed by the law and Processors Data Protection and Retention Policies and associated privacy notices.

Method and Format of Transferring the Data

Personal Data of all Candidates and Participants will be transferred from the Contractor to the Authority in accordance with the following process.

	<p>The Contractor will transfer data to the Authority in a secure format. Any data transferred will be both password protected and encrypted to (or above) the standards specified in the contract.</p>
<p>Type of Personal Data</p>	<p>Personal identifiers include:</p> <ul style="list-style-type: none"> • First and last Names • Date of birth • Gender • Address • Post code • Current country of residence • Country of origin • Date of birth • Age • Telephone number • Email contact details (for contacting for programme evaluation) • Social Worker registration number (once qualified) • Data on historic academic achievement • Career status • Degree stage, subject and class • University • National Insurance number • Language • Visa • Criminal convictions (to be processed appropriately) • Socio-Economic Status • Educational achievement during the programme • Employment before and after programme completion • DBS status (to be processed appropriately) • Previous Consideration of Social Work as a career • Preferred region for LA placement • Actual LA placement • Initial Assessment outcome • Candidate type (student, career changer) <p>Special category data, if provided by the Data Subject and consent explicitly given under Article 9(a), include:</p> <ul style="list-style-type: none"> • Ethnicity • Sexual orientation • Disability and long term health issues • Biometric Data
<p>Categories of Data Subject</p>	<p>Applicants, Participants and graduates on the Programme as well as Local Authorities who partner with the Contractor for the delivery of the Programme.</p>

<p>Plan for return and destruction of the data once the processing is complete</p> <p>UNLESS requirement under union or member state law to preserve that type of data</p>	<p>The Personal Data may be retained (in a restricted folder) by the Controllers as long as is required for the purpose(s) of this Contract; this period shall not exceed <i>six months</i> after the completion date of the final cohort on the Programme.</p> <p>All Personal Data will be deleted or destroyed after this period unless the Authority wished to keep the Personal Data for longer period for research and statistical purposes only. Confirmation of destruction will be provided by either Controller, within 15 Business Days of a request being made.</p> <p>After the Expiry Date of this Contract, the Contractor will transfer Personal Data back to the Authority or to another contractor, as designated by the Authority using a secure and encrypted file transfer programme.</p> <p>Following the retention period of <i>six months</i> the Contractor will destroy copies of the Personal Data in accordance with Clause 1.16 of Schedule 8 Annex A.</p> <p>Personal Data will be retained by the Authority and anonymised at the earliest opportunity with an annual review to decide on further retention.</p> <p>Data will be anonymised wherever possible and may be preserved long-term by the Authority to allow for longitudinal and/or historical analysis to support long-term evaluation of the Programme and understanding of the child and family social work workforce.</p>
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SCHEDULE 8 ANNEX 1: 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 Schedule 8 Annex 1 (Joint Controller Agreement). 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 Contractor:
- (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 Services where consent is the relevant legal basis for that Processing; and
 - (e) shall make available to Data Subjects the essence of this Joint Controller Agreement (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 Contractor's 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 paragraph .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 Data Controller.

2. Undertakings of both Parties

- 2.1 The Contractor and the Authority each undertake that they shall:
- (a) discuss with the other Party every three (3) months on:
 - (i) the volume of Data Subject Access Requests (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 Agreement during that period;

- (b) notify each other immediately if it receives any request, complaint or communication made as referred to in Paragraphs ..1(a)(i) to (v); and
- (c) provide the other Party with full cooperation and assistance in relation to any request, complaint or communication made as referred to in Paragraphs ..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 Services and, for any disclosure or transfer of Personal Data to any third party, save where such disclosure or transfer is specifically authorised under this Agreement or is required by Law). For the avoidance of doubt 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 Services 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 Schedule 8 Annex 1 (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 that Party would not be permitted to do so;
 - (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 Data Loss Event having taken account of the:
 - (i) nature of the data to be protected;
 - (ii) harm that might result from a Data Loss Event;
 - (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 the Contractor holds; and
 - (j) ensure that it notifies the other Party as soon as it becomes aware of a Data Loss Event.
- 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 Paragraph .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;
 - (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 Authority 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;
 - (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 Paragraph .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 if 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 Contractor'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 Contractor shall permit:

- (a) the Authority, or a third-party auditor acting under the Authority's direction, to conduct, at the Authority's cost, data privacy and security audits, assessments and inspections concerning the Contractor's data security and privacy procedures relating to Personal Data, its compliance with this Schedule 8 Annex 1 and the Data Protection Legislation.
- (b) the Authority, or a third-party auditor acting under the 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 Contractor so far as relevant to the Agreement, and procedures, including premises under the control of any third party appointed by the Contractor to assist in the provision of the Services.

4.2 The Authority may, in its sole discretion, require the Contractor to provide evidence of the Contractor's compliance with Paragraph .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);
- (b) maintain full and complete records of all Processing carried out in respect of the Personal Data in connection with this Agreement, in accordance with the terms of Article 30 UK GDPR.

6. ICO Guidance

6.1 The Parties agree to take account of any guidance issued by the Information Commissioner and/or any relevant Central Government Body. The Authority may on not less than thirty (30) Working Days' notice to the Contractor amend this Agreement 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 Authority or the Contractor for a Personal Data Breach ("**Financial Penalties**") then the following shall occur:
- (a) If in the view of the Information Commissioner, the Authority is responsible for the Personal Data Breach, in that it is caused as a result of the actions or inaction of the Authority, its employees, agents, contractors (other than the Contractor) or systems and procedures controlled by the Authority, then the Authority shall be responsible for the payment of such Financial Penalties. In this case, the 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 data incident. The Contractor shall provide to the Authority and its third party investigators and auditors, on request and at the Contractor's reasonable cost, full cooperation and access to conduct a thorough audit of such data incident;
 - (b) If in the view of the Information Commissioner, the Contractor is responsible for the Personal Data Breach, in that it is not a breach that the Authority is responsible for, then the Contractor shall be responsible for the payment of these Financial Penalties. The Contractor will provide to the Authority and its auditors, on request and at the Contractor's sole cost, full cooperation and access to conduct a thorough audit of such data incident.
 - (c) If no view as to responsibility is expressed by the Information Commissioner, then the Authority and the Contractor shall work together to investigate the relevant data incident 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 40 (*Dispute Resolution Procedure*).
- 7.2 If either the Authority or the Contractor 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 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 Authority is responsible for the relevant breach, then the Authority shall be responsible for the Claim Losses;
 - (b) if the Contractor is responsible for the relevant breach, then the Contractor shall be responsible for the Claim Losses: and
 - (c) if responsibility is unclear, then the Authority and the Contractor shall be responsible for the Claim Losses equally.
- 7.4 Nothing in Paragraphs 7.2 and 7.3 shall preclude the Authority and the Contractor 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 breach and the legal and financial obligations of the Authority.

8. Termination

- 8.1 If the Contractor is in material Default under any of its obligations under this Schedule 8 Annex 1 (*Joint Control Agreement*), the Authority shall be entitled to terminate this Agreement by issuing a Termination Notice to the Contractor in accordance with Clause 26.7.3 (*Termination*).

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 this Agreement, 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

10.1 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 as set out in the table at Paragraph 1.5 of this Schedule and their privacy policy (save to the extent (and for the limited period) that such information needs to be retained by a Party for statutory compliance purposes or as otherwise required by this Agreement), and taking all further actions as may be necessary to ensure its compliance with Data Protection Legislation and its privacy policy.

SCHEDULE 8 – ANNEX 2

AUTHORITY SECURITY STANDARDS

1. DEFINITIONS

“BPSS” “Baseline Contractor Staff Security Standard”	a level of security clearance described as pre-employment checks in the National Vetting Policy. Further information can be found at: https://www.gov.uk/government/publications/government-baseline-Contractor-Staff-security-standard
“CCSC” “Certified Cyber Security Consultancy”	is NCSC's approach to assessing the services provided by consultancies and confirming that they meet NCSC's standards. This approach builds on the strength of CLAS and certifies the competence of suppliers to deliver a wide and complex range of cyber security consultancy services to both the public and private sectors. See website: https://www.ncsc.gov.uk/scheme/certified-cyber-consultancy
“CCP” “Certified Professional”	is a NCSC scheme in consultation with government, industry and academia to address the growing need for specialists in the cyber security profession and are building a community of recognised professionals in both the UK public and private sectors. See website: https://www.ncsc.gov.uk/scheme/certified-professional
“CC” “Common Criteria”	the Common Criteria scheme provides assurance that a developer's claims about the security features of their product are valid and have been independently tested against recognised criteria.
“Cloud Security Principles”	Is a set of guidance on cloud security principles, including their goals and technical implementation: https://www.ncsc.gov.uk/collection/cloud/the-cloud-security-principles
“CPA” “Commercial Product Assurance” [formerly called “CESG Product Assurance”]	is an ‘information assurance scheme’ which evaluates commercial off the shelf (COTS) products and their developers against published security and development standards. These CPA certified products can be used by government, the wider public sector and industry. See website: https://www.ncsc.gov.uk/scheme/commercial-product-assurance-cpa

“Cyber Essentials”
“Cyber Essentials Plus”

Cyber Essentials is the government backed, industry supported scheme to help organisations protect themselves against common cyber-attacks. Cyber Essentials and Cyber Essentials Plus are levels within the scheme.

There are a number of certification bodies that can be approached for further advice on the scheme; the link below points to one of these providers:
<https://www.iasme.co.uk/apply-for-self-assessment/>

“Department’s Data”
“Department’s Information”

is any data or information owned or retained in order to meet departmental business objectives and tasks, including:

- (a) any data, text, drawings, diagrams, images or sounds (together with any repository or database made up of any of these components) which are embodied in any electronic, magnetic, optical or tangible media, and which are:
 - (i) supplied to the Contractor by or on behalf of the Department; or
 - (ii) which the Contractor is required to generate, process, store or transmit pursuant to this Contract; or
- (b) any Personal Data for which the Department is the Data Controller;

“Authority”
“Department”

means the Department for Education

“Departmental Security Standards”

means the Department’s security policy or any standards, procedures, process or specification for security that the Contractor is required to deliver.

“Digital Marketplace / GCloud”

the Digital Marketplace is the online framework for identifying and procuring cloud technology and people for digital projects. Cloud services (e.g. web hosting or IT health checks) are on the G-Cloud framework.

“FIPS 140-2”

this is the Federal Information Processing Standard (FIPS) Publication 140-2, (FIPS PUB 140-2), entitled ‘Security Requirements for Cryptographic Modules’. This document is the de facto security standard used for the accreditation of cryptographic modules.

“Good Industry Practice”
“Industry Good Practice”

means the exercise of that degree of skill, care, prudence, efficiency, foresight and timeliness as would be expected from a leading company within the relevant industry or business sector.

<p>“Good Industry Standard” “Industry Good Standard”</p>	<p>means the implementation of products and solutions, and the exercise of that degree of skill, care, prudence, efficiency, foresight and timeliness as would be expected from a leading company within the relevant industry or business sector.</p>
<p>“GSC” “GSCP”</p>	<p>means the Government Security Classification Policy which establishes the rules for classifying HMG information. The policy is available at: https://www.gov.uk/government/publications/government-security-classifications</p>
<p>“HMG”</p>	<p>means Her Majesty’s Government</p>
<p>“ICT”</p>	<p>means Information and Communications Technology (ICT) is used as an extended synonym for information technology (IT), used to describe the bringing together of enabling technologies used to deliver the end-to-end solution</p>
<p>“ISO/IEC 27001” “ISO 27001”</p>	<p>is the International Standard for Information Security Management Systems Requirements</p>
<p>“ISO/IEC 27002” “ISO 27002”</p>	<p>is the International Standard describing the Code of Practice for Information Security Controls.</p>
<p>“ISO 22301”</p>	<p>is the International Standard describing for Business Continuity</p>
<p>“IT Security Health Check (ITSHC)” “IT Health Check (ITHC)” “Penetration Testing”</p>	<p>means an assessment to identify risks and vulnerabilities in systems, applications and networks which may compromise the confidentiality, integrity or availability of information held on that IT system.</p>
<p>“Need-to-Know”</p>	<p>the Need-to-Know principle is employed within HMG to limit the distribution of classified information to those people with a clear ‘need to know’ in order to carry out their duties.</p>
<p>“NCSC”</p>	<p>The National Cyber Security Centre (NCSC) formerly CESG is the UK government’s National Technical Authority for Information Assurance. The NCSC website is https://www.ncsc.gov.uk</p>
<p>“OFFICIAL” “OFFICIAL-SENSITIVE”</p>	<p>the term ‘OFFICIAL’ is used to describe the baseline level of ‘security classification’ described within the Government Security Classification Policy (GSCP) which details the level of protection to be afforded to information by HMG, for all routine public sector business, operations and services. the ‘OFFICIAL–SENSITIVE’ caveat is used to identify a limited subset of OFFICIAL information that could have more damaging consequences (for individuals, an organisation or government generally) if it were lost, stolen or published in the media, as described in the Government Security Classification Policy.</p>

<p>“RBAC” “Role Based Access Control”</p>	<p>Role Based Access Control, a method of restricting a person’s or process’ access to information depending on the role or functions assigned to them.</p>
<p>“Secure Sanitisation”</p>	<p>Secure sanitisation is the process of treating data held on storage media to reduce the likelihood of retrieval and reconstruction to an acceptable level. Some forms of sanitisation will allow you to re-use the media, while others are destructive in nature and render the media unusable. Secure sanitisation was previously covered by “Information Assurance Standard No. 5 - Secure Sanitisation” (“IS5”) issued by the former CESG. Guidance can now be found at: https://www.ncsc.gov.uk/guidance/secure-sanitisation-storage-media</p>
<p>“Security and Information Risk Advisor” “CCP SIRA” “SIRA”</p>	<p>The disposal of physical documents and hardcopy materials advice can be found at: https://www.cpni.gov.uk/secure-destruction</p> <p>the Security and Information Risk Advisor (SIRA) is a role defined under the NCSC Certified Professional (CCP) Scheme. See also: https://www.ncsc.gov.uk/articles/about-certified-professional-scheme</p>
<p>“Service Standards”</p>	<p>The Service Standard helps teams to create and run great public services ensuring user needs are at the centre of design</p> <p>https://www.gov.uk/service-manual/service-standard</p>
<p>“SPF” “HMG Security Policy Framework”</p>	<p>This is the definitive HMG Security Policy which describes the expectations of the Cabinet Secretary and Government’s Official Committee on Security on how HMG organisations and third parties handling HMG information and other assets will apply protective security to ensure HMG can function effectively, efficiently and securely. https://www.gov.uk/government/publications/security-policy-framework</p>
<p>“Technology Code of Practice”</p>	<p>The Technology Code of Practice is a set of criteria to help government design, build and operate technology services effectively and efficiently.</p> <p>https://www.gov.uk/guidance/the-technology-code-of-practice</p>
<p>”Tailored Assurance” [formerly called “CTAS”, or, ”CESG Tailored Assurance”]</p>	<p>is an ‘information assurance scheme’ which provides assurance for a wide range of HMG, MOD, Critical National Infrastructure (CNI) and public sector customers procuring IT systems, products and services, ranging from simple software components to national infrastructure</p>

networks.

<https://www.ncsc.gov.uk/documents/ctas-principles-and-methodology>

- 1.1. The Contractor shall comply with the relevant HMG security policy framework, NCSC guidelines, Cloud Security Principles, and where applicable Departmental Security Standards which include but are not constrained to the following paragraphs.
- 1.2. If the Contractor is providing a Technology Solution and / or as the Contractor will be handling information at OFFICIAL on behalf of the Department, the requirements under Cabinet Office Procurement Policy Note – Use of Cyber Essentials Scheme certification - Action Note 09/14 25 May 2016, or any subsequent updated document, are mandated; that “contractors supplying products or services to HMG shall have achieved, and retain certification at the appropriate level, under the HMG Cyber Essentials Scheme”. The certification scope must be relevant to the services supplied to, or on behalf of, the Department.
- 1.3. The Contractor shall be able to demonstrate conformance to, and show evidence of such conformance to the ISO/IEC 27001 (Information Security Management Systems Requirements) standard, including the application of controls from ISO/IEC 27002 (Code of Practice for Information Security Controls).
- 1.4. The Contractor shall follow the UK Government Security Classification Policy (GSCP) in respect of any Departmental Data being handled in the course of providing this service, and will handle this data in accordance with its security classification. (In the event where the Contractor has an existing Protective Marking Scheme then the Contractor may continue to use this but must map the HMG security classifications against it to ensure the correct controls are applied to the Departmental Data).
- 1.5. Departmental Data being handled in the course of providing an ICT solution or service must be segregated from all other data on the Contractor’s or Sub-Contractor’s own IT equipment to protect the Departmental Data and enable the data to be identified and securely deleted when required. In the event that it is not possible to segregate any Departmental Data then the Contractor and any Sub-Contractor shall be required to ensure that it is stored in such a way that it is possible to securely delete the data in line with Clause 1.14.
- 1.6. The Contractor shall have in place and maintain physical security, in line with those outlined in ISO/IEC 27002 including, but not limited to, entry control mechanisms (e.g. door access) to premises and sensitive areas.
- 1.7. The Contractor shall have in place and maintain an access control policy and process for the logical access (e.g. identification and authentication) to ICT systems to ensure only authorised Staff have access to Departmental Data. This policy should include appropriate segregation of duties and if applicable role based access controls (RBAC). User credentials that give access to Departmental Data or systems shall be considered to be sensitive data and must be protected accordingly.
- 1.8. The Contractor shall have in place and shall maintain procedural, Staff, physical and technical safeguards to protect Departmental Data, including but not limited to:
 - i. physical security controls;
 - ii. good industry standard policies and processes;
 - iii. malware protection;
 - iv. boundary access controls including firewalls, application gateways, etc;
 - v. maintenance and use of fully supported software packages in accordance with vendor recommendations;
 - vi. use of secure device configuration and builds;

- vii. software updates and patching regimes including malware signatures, for operating systems, network devices, applications and services;
 - viii. user identity and access controls, including the use of multi-factor authentication for sensitive data and privileged account accesses;
 - ix. any services provided to the department must capture audit logs for security events in an electronic format at the application, service and system level to meet the department's logging and auditing requirements, plus logs shall be:
 - a. retained and protected from tampering for a minimum period of six months;
 - b. made available to the department on request.
- 1.9. Any data in transit using either physical or electronic transfer methods across public space or cyberspace, including mail and couriers systems, or third party provider networks must be protected via encryption which has been certified to FIPS 140-2 standard or a similar method approved by the Department prior to being used for the transfer of any Departmental Data.
- 1.10. Storage of Departmental Data on any portable devices or media shall be limited to the absolute minimum required to deliver the stated business requirement and shall be subject to Paragraph 1.11 and 1.12 below.
- 1.11. Any portable removable media (including but not constrained to pen drives, flash drives, memory sticks, CDs, DVDs, or other devices) which handle, store or process Departmental Data to deliver and support the service, shall be under the control and configuration management of the contractor or (sub-)contractors providing the service, shall be both necessary to deliver the service and shall be encrypted using a product which has been certified to FIPS140-2 standard or another encryption standard that is acceptable to the Department.
- 1.12. All portable ICT devices, including but not limited to laptops, tablets, smartphones or other devices, such as smart watches, which handle, store or process Departmental Data to deliver and support the service, shall be under the control and configuration management of the contractor or Sub-Contractors providing the service, and shall be necessary to deliver the service. These devices shall be full-disk encrypted using a product which has been certified to FIPS140-2 standard or another encryption standard that is acceptable to the Department.
- 1.13. Whilst in the Contractor's care all removable media and hardcopy paper documents containing Departmental Data must be handled securely and secured under lock and key when not in use and shall be securely destroyed when no longer required, using either a cross-cut shredder or a professional secure disposal organisation.
- 1.14. When necessary to hand carry removable media and/or hardcopy paper documents containing Departmental Data, the media or documents being carried shall be kept under cover and transported in such a way as to ensure that no unauthorised person has either visual or physical access to the material being carried. This clause shall apply equally regardless of whether the material is being carried inside or outside of company premises. The term 'under cover' means that the information is carried within an opaque folder or envelope within official premises and buildings and within a closed briefcase or other similar bag or container when outside official premises or buildings.
- 1.15. In the event of termination of Contract due to expiry, as a result of an Insolvency Event or for breach by the Contractor, all products and materials provided, created or resulting from provision of the Services shall not be considered as the Contractor's assets and must be returned to the Authority and written assurance obtained from an appropriate officer of the Contractor that these assets regardless of location and format have been fully sanitised throughout the Contractor's organisation in line with paragraph 1.16.

- 1.16. At the end of the contract or in the event of equipment failure or obsolescence, all Departmental information and data, in either hardcopy or electronic format, that is physically held or logically stored on the Contractor's ICT infrastructure must be securely sanitised or destroyed and accounted for in accordance with the current HMG policy using a NCSC approved product or method. Where sanitisation or destruction is not possible for legal, regulatory or technical reasons, such as a Storage Area Network (SAN) or shared backup tapes, then the Contractor or Sub-Contractor shall protect the Department's information and data until the time, which may be long after the end of the contract, when it can be securely cleansed or destroyed. Evidence of secure destruction will be required in all cases.
- 1.17. In the event of termination of Contract due to expiry, the Contractor will ensure that any purchased domain name (or domain names) in connection with the provision of the Services transfers ownership of those domains to the Authority free of charge as part of Exit Plan activity. Agreement on domain name will be made between the Government Digital Service and the Authority.
- 1.18. Access by Contractor or Sub-Contractor Staff to Departmental Data shall be confined to those individuals who have a "need-to-know" in order to carry out their role; and have undergone mandatory pre-employment screening, to a minimum of HMG Baseline Contractor Staff Security Standard (BPSS); or hold an appropriate National Security Vetting clearance as required by the Department. All Contractor or Sub-Contractor Staff must complete this process before access to Departmental Data is permitted. Any Contractor Staff who will be in contact with children or vulnerable adults must, in addition to any security clearance, have successfully undergone an Enhanced DBS (Disclosure and Barring Service) check prior to any contact.
- 1.19. All Contractor or Sub-Contractor Staff who handle Departmental Data must have annual awareness training in protecting information.
- 1.20. Notwithstanding any other provisions as to business continuity and disaster recovery in the Contract, the Contractor shall, as a minimum, have in place robust Business Continuity arrangements and processes including IT disaster recovery plans and procedures that conform to ISO 22301 to ensure that the delivery of the contract is not adversely affected in the event of an incident. An incident shall be defined as any situation that might, or could lead to, a disruption, loss, emergency or crisis to the services delivered. If a ISO 22301 certificate is not available the supplier will provide evidence of the effectiveness of their ISO 22301 conformant Business Continuity arrangements and processes including IT disaster recovery plans and procedures. This should include evidence that the Contractor has tested or exercised these plans within the last 12 months and produced a written report of the outcome, including required actions.
- 1.21. Any suspected or actual breach of the confidentiality, integrity or availability of Departmental Data being handled in the course of providing this service, or any non-compliance with these Departmental Security Standards for Contractors, or other Security Standards pertaining to the solution, shall be recorded as an incident. This includes any non-compliance with the Departmental Security Standards and these provisions, or other security standards pertaining to the solution. Incidents shall be reported to the Authority immediately, wherever practical, even if unconfirmed or when full details are not known, but always within 24 hours of discovery. If incident reporting has been delayed by more than 24 hours, the Contractor should provide an explanation about the delay. Incidents shall be reported through the Authority's nominated system or service owner. Incidents shall be investigated by the Contractor with outcomes being notified to the Authority.

- 1.22. The Contractor shall ensure that any IT systems and hosting environments that are used to handle, store or process Departmental Data shall be subject to independent IT Health Checks (ITHC) using a NCSC approved ITHC provider before go-live and periodically (at least annually) thereafter. The findings of the ITHC relevant to the service being provided are to be shared with the Department and all necessary remedial work carried out. In the event of significant security issues being identified, a follow up remediation test may be required.
- 1.23. The Contractor or Sub-Contractors providing the service will provide the Department with full details of any storage of Departmental Data outside of the UK or any future intention to host Departmental Data outside the UK or to perform any form of ICT management, support or development function from outside the UK. The Contractor or Sub-Contractor will not go ahead with any such proposal without the prior written agreement from the Department.
- 1.24. The Department reserves the right to audit the Contractor or Sub-Contractors providing the service within a mutually agreed timeframe but always within seven days of notice of a request to audit being given. The audit shall cover the overall scope of the Service being supplied and the Contractor's, and any Sub-Contractors, compliance with the clauses contained in this Section.
- 1.25. The Contractor shall contractually enforce all these Departmental Security Standards for Contractors onto any third-party suppliers, Sub-Contractors or partners who could potentially access Departmental Data in the course of providing this service.
- 1.26. Contractor and Sub-Contractors shall undergo appropriate security assurance activities as determined by the Department. Contractor and Sub-Contractors shall support the provision of appropriate evidence of assurance and the production of the necessary security documentation such as completing the Authority Security Assurance Model (DSAM) process or the Business Service Assurance Model (BSAM). This will include obtaining any necessary professional security resources required to support the Contractor's and Sub-Contractor's security assurance activities such as: a NCSC Certified Cyber Security Consultancy (CCSC) or NCSC Certified Professional (CCP) Security and Information Risk Advisor (SIRA)
- 1.27. Where the Contractor is delivering an ICT solution to the Authority they shall design and deliver solutions and services that are compliant with the HMG Security Policy Framework in conjunction with current NCSC Information Assurance Guidance and Authority's Policy. The Contractor will provide the Authority with evidence of compliance for the solutions and services to be delivered. The Authority's expectation is that the Contractor shall provide written evidence of:
 - i. Compliance with HMG Minimum Cyber Security Standard.
 - ii. Any existing security assurance for the Services to be delivered, such as: ISO/IEC 27001 / 27002 or an equivalent industry level certification.
 - iii. Any existing HMG security accreditations or assurance that are still valid including: details of the awarding body; the scope of the accreditation; any caveats or restrictions to the accreditation; the date awarded, plus a copy of the residual risk statement.
 - iv. Documented progress in achieving any security assurance or accreditation activities including whether documentation has been produced and submitted. The Contractor shall provide details of who the awarding body or organisation will be and date expected.

**SCHEDULE 9
COMMERCIALLY SENSITIVE INFORMATION**

Commercially Sensitive Information	For Period Ending on Date Below
Plans for business diversification and/or external funding or details (beyond high level) of pro bono support	To be reviewed annually on the anniversary of the Effective Date
Any documents submitted on Jagger during the clarification and negotiations stage of the procurement of this Contract that are not part of the final bid submission.	To be reviewed annually on the anniversary of the Effective Date
Any details of protective measures and protective measures of subcontractors which are implemented to protect personal data processed under the agreement to prevent breach	To be reviewed annually on the anniversary of the Effective Date
Locations at which FI or its subcontractors process personal data under the agreement	To be reviewed annually on the anniversary of the Effective Date
Information related to rates and prices and any price benchmarking or market research, which doesn't impede the Authorities legal obligations to comply with PCR 2015 or the Transparency Code 2015.	To be reviewed annually on the anniversary of the Effective Date
Details of the Contractors bid as submitted for the Final Tender	To be reviewed annually on the anniversary of the Effective Date
Personal Details of individuals associated with the delivery of the Programme and the Contract as stated within the Contract	To be reviewed annually on the anniversary of the Effective Date

SCHEDULE 10 STAFF TRANSFER

1 DEFINITIONS

In this Schedule the following definitions shall apply:

- “Acquired Rights Directive”** the European Council Directive 2001/23/EC on the approximation of the laws of the member states of the European Union relating to the safeguarding of employees’ rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses, as amended or re-enacted from time to time;
- “Contractor’s Final Staff List”** a list provided by the Contractor of all Contractor Staff who will transfer under TUPE on the relevant Service Transfer Date;
- “Contractor’s Provisional Staff List”** a list prepared and updated by the Contractor of all Contractor 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 Contractor;
- “Employee”** has the meaning given to that term in regulation 2(1) of TUPE;
- “Fair Deal Employees”** any of:
- (i) the Transferring Former Contractor Employees;
 - (ii) those employees who are not Transferring Former Contractor Employees but to whom TUPE applies on the Relevant Transfer Date to transfer their employment to the Contractor or a Sub-Contractor, and whose employment is not terminated in accordance with the provisions of Paragraphs 2.5 of Part A or 1.4 of Part B of this Schedule 10; or
 - (iii) where a Former Contractor becomes the Contractor, employees, who at the Service Commencement Date or Relevant Transfer Date (as appropriate) are or become entitled to New Fair Deal protection in respect of any of the Statutory Schemes as notified by the Authority;
- “Former Contractor”** a contractor supplying services to the Authority before the Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services), including the Former Prime Contractor, and shall include any sub-contractor of such contractor (including the Former Prime Contractor);
- “Former Prime Contractor”** The Frontline Organisation, a company limited by guarantee and registered in England and Wales under Company Number 09605966, whose registered office is at Coram

Campus, 41 Brunswick Square, London, England, WC1N 1AZ;

“MSC Schedule 28”	Schedule 28 (Staff Transfer) in v2.0 of the Model Services Contract Combined Schedules (England & Wales) published online by the Cabinet Office as last updated on 11 April 2022, substituting for the definition of Fair Deal Employees in Paragraph 1 of Part D of the said Schedule 28 the definition of Fair Deal Employees in this Paragraph 1 of this Schedule 10;
“New Fair Deal”	the revised Fair Deal position set out in the HM Treasury guidance: “Fair Deal for staff pensions: staff transfer from central government” issued in October 2013 including: <ul style="list-style-type: none">(i) any amendments to that document in force immediately prior to the Relevant Transfer Date;(ii) any similar pension protection in accordance with Annexes D1 to D3 inclusive to Part D of MSC Schedule 28 as notified to the Contractor by the Authority;
“Old Fair Deal”	HM Treasury Guidance “Staff Transfers from Central Government: A Fair Deal for Staff Pensions” issued in June 1999 including the supplementary guidance “Fair Deal for Staff pensions: Procurement of Bulk Transfer Agreements and Related Issues” issued in June 2004;
“Programme”	the Fast Track to Social Work Programme to be operated for the Authority by the Contractor under the Contract;
“Relevant Transfer”	a transfer of employment to which TUPE applies;
“Relevant Transfer Date”	in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place;
“Replacement Sub-Contractor”	a Sub-Contractor of any Replacement Contractor to whom Transferring Contractor Employees will transfer on a Service Transfer Date;
“Service Transfer”	any transfer of the Services (or any part of the Services), for whatever reason, from the Contractor or any Sub-Contractor to a Replacement Contractor or a Replacement Sub-Contractor;
“Service Transfer Date”	the date of a Service Transfer or, if more than one, the date of the relevant Service Transfer, as the context requires;
“Statutory Schemes”	means the CSPS, NHSPS or LGPS (as the context may require) as defined in Annexes D1, D2 and D3 respectively to Part D of MSC Schedule 28;
“Transferring Contractor Employees”	those employees of the Contractor or any Contractor’s Sub-Contractors to whom TUPE will apply on the relevant Service Transfer Date;

“Transferring Former Contractor Employees”

in relation to a Former Contractor, those employees of the Former Contractor to whom TUPE will apply on any Relevant Transfer Date;

“TUPE Information”

in relation to all persons identified on the Contractor’s Provisional Staff List or the Contractor’s Final Staff List, as the case may be, all information that the Authority may reasonably request, including (without limitation) the following:

- (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, workers, agency workers or otherwise;
- (c)** the identity of the employer or relevant contracting party;
- (d)** their relevant contractual notice periods and all other terms and conditions of their employment or engagement, including all other terms relating to the termination of their employment or engagement, including redundancy procedures and redundancy and any other severance payments, and their job titles and qualifications;
- (e)** their wages, salaries, bonuses, profit sharing arrangements and any other remuneration, and any future pay settlements;
- (f)** details of all other employment-related benefits, including (without limitation) pension or any other retirement benefits or entitlements, medical insurance, life assurance, share option schemes and company car or similar benefits;
- (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 engagement (or relevant standard contracts if applied generally in respect of such employees);
- (j)** details of any current disciplinary or grievance proceedings ongoing or circumstances likely to give rise to such proceedings and details of any claims current or threatened;
- (k)** details of all collective agreements with a brief summary of the current state of negotiations with any

relevant trade unions or other representative bodies and details of any current industrial disputes or claims for recognition by any trade union; and

- (i) any other “employee liability information” as such term is defined in regulation 11 of TUPE.

2 INTERPRETATION

Where a provision in this Schedule or (if applicable) in Part D of MSC Schedule 28 imposes an obligation on the Contractor to provide an indemnity, undertaking or warranty, the Contractor shall procure that each of its Sub-Contractors shall comply with such obligation and provide such indemnity, undertaking or warranty to the Authority and any Former Contractor, Replacement Contractor or Replacement Sub-Contractor, as the case may be.

**PART A: TRANSFERRING FORMER CONTRACTOR EMPLOYEES AT
COMMENCEMENT OF SERVICES**

NOT USED

PART B: NO TRANSFER OF EMPLOYEES AT COMMENCEMENT OF SERVICES

3 PROCEDURE

- 3.1 The Authority and the Contractor agree that the commencement of the provision of the Services or of any relevant part of the Services will not be a Relevant Transfer in relation to any employees of the Authority or any Former Contractor.
- 3.2 If any employee of the Authority or of any Former Contractor claims, or it is determined in relation to any employee of the Authority or a Former Contractor, that his or her contract of employment or engagement has been transferred from the Authority or the Former Contractor to the Contractor or any Sub-Contractor pursuant to TUPE then:
- (a) the Contractor shall, or shall procure that the relevant Sub-Contractor shall, within 5 Business Days of becoming aware of that fact, give notice in writing to the Authority and, where required by the Authority, to the Former Contractor; and
 - (b) the Authority or the Former Contractor may offer (or may procure that a third party may offer) employment to such person within 15 Business Days of the notification by the Contractor or the Sub-Contractor (as the case may be) or take such other reasonable steps as the Authority or Former Contractor (as the case may be) considers appropriate to deal with the matter provided always that such steps are in compliance with any applicable law.
- 3.3 If an offer referred to in Paragraph 10.2(b) is accepted or if the situation has otherwise been resolved by the Authority or the Former Contractor, the Contractor shall, or shall procure that the Sub-Contractor shall, immediately release the person from his or her employment or alleged employment.
- 3.4 If by the end of the 15 Business Day period specified in Paragraph 10.2(b):
- (a) no such offer of employment has been made;
 - (b) such offer has been made but not accepted; or
 - (c) the situation has not otherwise been resolved,
- the Contractor or the Sub-Contractor (as appropriate) may within 20 Business Days give notice to terminate the employment or alleged employment of such person.

4 INDEMNITIES

- 4.1 Subject to the Contractor or the relevant Sub-Contractor acting in accordance with the provisions of Paragraphs 3.2 to 3.4 and in accordance with all applicable employment procedures set out in applicable law and subject also to Paragraph 11.4, the Authority shall:
- (a) indemnify the Contractor or the relevant Sub-Contractor (as the case may be) against all liabilities arising out of the termination of the employment of any employees of the Authority referred to in Paragraph 10 made pursuant to the provisions of Paragraph 10.4, provided that the Contractor takes, and procures that the relevant Sub-Contractor takes, all reasonable steps to minimise any such liabilities; and
 - (b) procure that the relevant Former Contractor indemnifies the Contractor or the relevant Sub-Contractor against all liabilities arising out of the termination of the employment of the employees of the Former Contractor referred to in Paragraph 10.2 made pursuant to the provisions of Paragraph 10.4, provided

that the Contractor takes, and procures that the relevant Sub-Contractor takes, all reasonable steps to minimise any such liabilities.

- 4.2 If any such person as is described in Paragraph 10.2 is neither re-employed by the Authority or the Former Contractor as appropriate nor dismissed by the Contractor or the relevant Sub-Contractor within the 15 Business Day period referred to in Paragraph 10.4, such person shall be treated as having transferred to the Contractor or the Sub-Contractor (as appropriate) and the Contractor shall, or shall procure that the Sub-Contractor shall, comply with such obligations as may be imposed upon it under law.
- 4.3 Where any person remains employed by the Contractor or any Sub-Contractor pursuant to Paragraph 11.2, all liabilities in relation to such employee shall remain with the Contractor or the relevant Sub-Contractor (as the case may be) and the Contractor shall indemnify the Authority and any Former Contractor, and shall procure that the Sub-Contractor shall indemnify the Authority and any Former Contractor, against any such liabilities that either of them may incur in respect of any such employees of the Contractor or any relevant Sub-Contractor.
- 4.4 The indemnities in Paragraph 11.1:
- (a) shall not apply to:
 - (i) any claim for:
 - (A) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy, maternity, sexual orientation, religion or belief; or
 - (B) 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 Contractor or any Sub-Contractor; or
 - (ii) any claim that the termination of employment was unfair because the Contractor or any Sub-Contractor neglected to follow a fair dismissal procedure; and
 - (b) shall apply only where the notification referred to in Paragraph 10.2(a) is made by the Contractor or the relevant Sub-Contractor to the Authority and, if applicable, the Former Contractor within 6 months of the Relevant Transfer Date.

5 **PROCUREMENT OBLIGATIONS**

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

6 **PENSIONS**

- 6.1 The Contractor shall, and shall procure that each Sub-Contractor shall, comply with:
- (a) 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, if and to the extent that the same shall apply to any transferring staff; and

- (b) Part D of MSC Schedule 28 and its Annexes, which shall apply mutatis mutandis as if it formed part of this Schedule, if and to the extent that the same shall apply to any transferring staff.

PART C: EMPLOYMENT EXIT PROVISIONS

7 PRE-SERVICE TRANSFER OBLIGATIONS

- 7.1 The Contractor agrees that within 20 Business Days of the earliest of:
- (a) receipt of a notification from the Authority of a Service Transfer or intended Service Transfer;
 - (b) receipt of the giving of notice of early termination or any Partial Termination of this Contract;
 - (c) the date which is 18 months before the end of the Term; and
 - (d) receipt of a written request by the Authority at any time (provided that the Authority 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 applicable Data Protection Legislation, the Contractor's Provisional Staff List, together with the TUPE Information in relation to the Contractor's Provisional Staff List and it shall provide an updated Contractor's Provisional Staff List and updated TUPE Information at such intervals as are reasonably requested by the Authority.

- 7.2 At least 20 Business Days prior to the Service Transfer Date, the Contractor shall provide to the Authority or at the direction of the Authority to any Replacement Contractor or any Replacement Sub-Contractor:
- (a) the Contractor's Final Staff List, which shall identify which members of the Contractor Staff are Transferring Contractor Employees; and
 - (b) the TUPE Information in relation to the Contractor's Final Staff List (insofar as such information has not previously been provided).
- 7.3 The Authority shall be permitted to use and disclose information provided by the Contractor under Paragraphs 14.1 and 14.2 for the purpose of informing any prospective Replacement Contractor or Replacement Sub-Contractor.
- 7.4 The Contractor warrants, for the benefit of the Authority, any Replacement Contractor and any Replacement Sub-Contractor, that all information provided pursuant to Paragraphs 14.1 and 14.2 shall be true and accurate in all material respects at the time of providing the information.
- 7.5 From the date of the earliest event referred to in Paragraphs 14.1(a), 14.1(b) and 14.1(c), the Contractor agrees that it shall not, and agrees to procure that each Sub-Contractor shall not, assign any person to the provision of the Services who is not listed on the Contractor's Provisional Staff List and shall not without the approval of the Authority (not to be unreasonably withheld or delayed):
- (a) replace or re-deploy any member of the Contractor Staff listed on the Contractor's Provisional Staff 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 or she replaces;
 - (b) make, promise, propose, permit or implement any material changes to the terms and conditions of employment of any of the Contractor Staff (including pay and any payments connected with the termination of employment);
 - (c) increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the Contractor Staff, save for fulfilling assignments and projects previously scheduled and agreed;

- (d) 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 Contractor's Provisional Staff List;
- (e) 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); or
- (f) terminate or give notice to terminate the employment or engagement of any persons on the Contractor's Provisional Staff List save by due disciplinary process,

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

7.6 During the Term, the Contractor shall provide, and shall procure that each Sub-Contractor shall provide, to the Authority, as soon as practicable following request and in any event within 20 Business Days of the request being made, any information the Authority may reasonably require relating to the manner in which the Services or any part of the Services are organised and provided, which shall include (without limitation):

- (a) the numbers of employees engaged in providing the Services or any part of the Services;
- (b) the percentage of their working time spent by each employee so engaged in providing the Services;
- (c) a description of the nature of the work undertaken by each employee by location and the part or parts of the Services in the provision of which each employee is engaged; and
- (d) the extent to which each employee qualifies for membership of any of the Statutory Schemes or any Broadly Comparable (as defined in Paragraph 1 of Part D of MSC Schedule 28) scheme set up pursuant to the provisions of any of the Annexes to Part D of MSC Schedule 28 (as appropriate).

7.7 The Contractor shall provide, and shall procure that each Sub-Contractor shall provide, all reasonable cooperation and assistance to the Authority, any Replacement Contractor and any Replacement Sub-Contractor to ensure the smooth transfer of the Transferring Contractor Employees on any 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 Contractor Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within 5 Business Days following any Service Transfer Date, the Contractor shall provide, and shall procure that each relevant Sub-Contractor shall provide, to the Authority or, at the direction of the Authority, to any Replacement Contractor or any Replacement Sub-Contractor (as appropriate), in respect of each person on the Contractor's Final Staff List who is a Transferring Contractor Employee:

- (a) the most recent month's copy pay slip data;
- (b) details of cumulative pay for tax and pension purposes;
- (c) details of cumulative tax paid;
- (d) tax code;
- (e) details of any voluntary deductions from pay; and

- (f) bank/building society account details for payroll purposes.

8 TUPE EXIT PROVISIONS

- 8.1 The Authority and the Contractor 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 this Contract or otherwise) resulting in the Services or the relevant part of the Services being undertaken by a Replacement Contractor or a Replacement Sub-Contractor. Such change in the identity of the supplier of such services may constitute a Relevant Transfer. The Authority and the Contractor further agree that, as a result of the operation of TUPE, where a Relevant Transfer occurs, the contracts of employment between the Contractor or the relevant Sub-Contractor (as the case may be) and the Transferring Contractor Employees (except in relation to any contract terms disapplied through the operation of regulation 10(2) of TUPE) will have effect on and from the relevant Service Transfer Date as if originally made between the Replacement Contractor or the relevant Replacement Sub-Contractor (as the case may be) and each such Transferring Contractor Employee.
- 8.2 The Contractor shall, and shall procure that each Sub-Contractor shall, comply with all its obligations in respect of the Transferring Contractor Employees arising under TUPE in respect of the period up to (and including) the Service Transfer Date and shall perform and discharge, and procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of all the Transferring Contractor Employees arising in respect of the period up to (and including) 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 all such sums due as a result of any Fair Deal Employees' participation in the Statutory 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 Contractor or the Sub-Contractor (as appropriate); and (ii) the Replacement Contractor or Replacement Sub-Contractor (as appropriate).
- 8.3 Subject to Paragraph 15.4, the Contractor shall indemnify the Authority and any relevant Replacement Contractor and Replacement Sub-Contractor against all actions, suits, claims, demands, losses, charges, damages, costs and expenses and other liabilities which they may suffer or incur as a result of or in connection with:
 - (a) any act or omission of the Contractor or any Sub-Contractor in respect of any Transferring Contractor Employee or any appropriate employee representative (as defined in TUPE) of any Transferring Contractor Employee whether occurring before, on or after the relevant Service Transfer Date;
 - (b) the breach or non-observance by the Contractor or any Sub-Contractor occurring on or before the relevant Service Transfer Date of:
 - (i) any collective agreement applicable to the Transferring Contractor Employees; or
 - (ii) any other custom or practice with a trade union or staff association in respect of any Transferring Contractor Employees which the Contractor or any Sub-Contractor is contractually bound to honour;
 - (c) any claim by any trade union or other body or person representing any Transferring Contractor Employees arising from or connected with any failure

by the Contractor or any Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or before the relevant Service Transfer Date;

- (d) any proceeding, claim or demand by HMRC or any other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (i) in relation to any Transferring Contractor Employee, to the extent that the proceeding, claim or demand by HMRC or such other statutory authority relates to financial obligations arising on or before the relevant Service Transfer Date; and
 - (ii) in relation to any employee who is not identified in the Contractor's Final Staff List, and in respect of whom it is later alleged or determined that TUPE applied so as to transfer his or her employment from the Contractor to the Authority or Replacement Contractor or any Replacement Sub-Contractor, to the extent that the proceeding, claim or demand by HMRC or such other statutory authority relates to financial obligations arising on or before the relevant Service Transfer Date;
 - (e) any failure of the Contractor or any Sub-Contractor 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 Contractor Employees in respect of the period up to (and including) the relevant Service Transfer Date;
 - (f) any claim made by or in respect of any person employed or formerly employed by the Contractor or any Sub-Contractor other than a Transferring Contractor Employee identified in the Contractor's Final Staff List for whom it is alleged the Authority or the Replacement Contractor or any Replacement Sub-Contractor may be liable by virtue of this Contract or TUPE or the Acquired Rights Directive; and
 - (g) any claim made by or in respect of a Transferring Contractor Employee or any appropriate employee representative (as defined in TUPE) of any Transferring Contractor Employee relating to any act or omission of the Contractor or any Sub-Contractor in relation to its obligations under regulation 13 of TUPE, except to the extent that the liability arises from the failure by the Authority, Replacement Contractor or Replacement Sub-Contractor (as the case may be) to comply with regulation 13(4) of TUPE.
- 8.4 The indemnities in Paragraph 15.3 shall not apply to the extent that the relevant liabilities arise or are attributable to any act or omission of the Replacement Contractor or any Replacement Sub-Contractor, whether occurring or having its origin before, on or after the relevant Service Transfer Date, including any such liabilities:
- (a) arising out of the resignation of any Transferring Contractor Employee before the Service Transfer Date on account of substantial detrimental changes to his or her working conditions proposed by the Replacement Contractor or any Replacement Sub-Contractor to occur in the period on or after the Service Transfer Date; or
 - (b) arising from any failure by the Replacement Contractor or any Replacement Sub-Contractor to comply with their obligations under TUPE.
- 8.5 If any person who is not identified in the Contractor's Final Staff List claims, or it is determined in relation to any person who is not identified in the Contractor's Final Staff List that his or her contract of employment or engagement has been

transferred from the Contractor or any Sub-Contractor to the Replacement Contractor or any Replacement Sub-Contractor pursuant to TUPE or the Acquired Rights Directive, then:

- (a) the Authority shall procure that the Replacement Contractor shall, or any relevant Replacement Sub-Contractor shall, within 5 Business Days of becoming aware of that fact, give notice in writing to the Contractor; and
- (b) the Contractor may offer (or may procure that a Sub-Contractor may offer) employment to such person within 15 Business Days of the notification by the Replacement Contractor or the relevant Replacement Sub-Contractor or take such other reasonable steps as it considers appropriate to deal with the matter, provided always that such steps are in compliance with all applicable law.

8.6 If such offer is accepted, or if the situation has otherwise been resolved by the Contractor or any Sub-Contractor, the Authority shall procure that the relevant Replacement Contractor shall, or procure that the Replacement Sub-Contractor shall, immediately release or procure the release of the person from his or her employment or alleged employment.

8.7 If after the 15 Business Day period specified in Paragraph 15.5(b) has elapsed:

- (a) no such offer of employment has been made;
- (b) such offer has been made but not accepted; or
- (c) the situation has not otherwise been resolved

the Authority shall advise the Replacement Contractor or Replacement Sub-Contractor, as appropriate, that it may within 20 Business Days give notice to terminate the employment or alleged employment of such person.

8.8 Subject to the Replacement Contractor or the relevant Replacement Sub-Contractor acting in accordance with the provisions of Paragraphs 15.5 to 15.7, and in accordance with all applicable proper employment procedures set out in applicable law, the Contractor shall indemnify the Replacement Contractor or the Replacement Sub-Contractor against all liabilities arising out of the termination of employment pursuant to the provisions of Paragraph 15.7, provided that the Replacement Contractor takes, or procures that the relevant Replacement Sub-Contractor takes, all reasonable steps to minimise any such liabilities.

8.9 The indemnity in Paragraph 15.8:

- (a) shall not apply to:
 - (i) any claim for:
 - (A) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy, maternity, sexual orientation, religion or belief; or
 - (B) 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 Contractor or Replacement Sub-Contractor; or
 - (ii) any claim that the termination of employment was unfair because the Replacement Contractor or Replacement Sub-Contractor neglected to follow a fair dismissal procedure; and

- (b) shall apply only where the notification referred to in Paragraph 15.5(a) is made by the Replacement Contractor or Replacement Sub-Contractor to the Contractor within 6 months of the relevant Service Transfer Date.
- 8.10 If any such person as is described in Paragraph 15.5 is neither re-employed by the Contractor or any Sub-Contractor nor dismissed by the Replacement Contractor or Replacement Sub-Contractor within the time scales set out in Paragraphs 15.5 to 15.7, such person shall be treated as a Transferring Contractor Employee.
- 8.11 The Contractor shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under TUPE and shall perform and discharge, and shall procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of any person identified in the Contractor's Final Staff List before and on each relevant 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 Statutory Schemes and any requirement to set up a broadly comparable pension scheme which in any case are attributable in whole or in part in respect of the period up to (and including) the relevant Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between:
- (a) the Contractor or any relevant Sub-Contractor; and
 - (b) the Replacement Contractor or the relevant Replacement Sub-Contractor.
- 8.12 The Contractor shall, and shall procure that each Sub-Contractor shall, promptly provide to the Authority and any Replacement Contractor and Replacement Sub-Contractor in writing such information as is necessary to enable the Authority, the Replacement Contractor and any Replacement Sub-Contractor to carry out their respective duties under regulation 13 of TUPE. The Authority shall procure that the Replacement Contractor and any relevant Replacement Sub-Contractor shall promptly provide to the Contractor and each Sub-Contractor in writing such information as is necessary to enable the Contractor and each Sub-Contractor to carry out their respective duties under regulation 13 of TUPE.
- 8.13 Subject to Paragraph 15.14, the Authority shall procure that the Replacement Contractor indemnifies the Contractor on its own behalf and on behalf of any Replacement Sub-Contractor and its Sub-Contractors against any liabilities arising from or as a result of:
- (a) any act or omission of the Replacement Contractor or any Replacement Sub-Contractor in respect of any Transferring Contractor Employee identified in the Contractor's Final Staff List or any appropriate employee representative (as defined in TUPE) of any such Transferring Contractor Employee;
 - (b) the breach or non-observance by the Replacement Contractor or any Replacement Sub-Contractor on or after the relevant Service Transfer Date of:
 - (i) any collective agreement applicable to the Transferring Contractor Employees identified in the Contractor's Final Staff List; or
 - (ii) any custom or practice in respect of any Transferring Contractor Employees identified in the Contractor's Final Staff List which the Replacement Contractor or any Replacement Sub-Contractor is contractually bound to honour;

- (c) any claim by any trade union or other body or person representing any Transferring Contractor Employees identified in the Contractor's Final Staff List arising from or connected with any failure by the Replacement Contractor or any Replacement Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or after the relevant Service Transfer Date;
- (d) any proposal by the Replacement Contractor or any Replacement Sub-Contractor to change the terms and conditions of employment or working conditions of any Transferring Contractor Employees identified in the Contractor's Final Staff List on or after their transfer to the Replacement Contractor or Replacement Sub-Contractor (as the case may be) on the relevant Service Transfer Date or to change the terms and conditions of employment or working conditions of any person identified in the Contractor's Final Staff List who would have been a Transferring Contractor Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of TUPE) before the relevant Service Transfer Date as a result of or for a reason connected to such proposed changes;
- (e) any statement communicated by the Replacement Contractor or any Replacement Sub-Contractor to, or action undertaken by the Replacement Contractor or any Replacement Sub-Contractor in respect of, any Transferring Contractor Employee identified in the Contractor's Final Staff List on or before the relevant Service Transfer Date regarding the relevant Service Transfer which has not been agreed in advance with the Contractor in writing;
- (f) any proceeding, claim or demand by HMRC or any other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (i) in relation to any Transferring Contractor Employee identified in the Contractor's Final Staff List, to the extent that the proceeding, claim or demand by HMRC or such other statutory authority relates to financial obligations arising after the relevant Service Transfer Date; and
 - (ii) in relation to any employee who is not a Transferring Contractor Employee identified in the Contractor's Final Staff List, and in respect of whom it is later alleged or determined that TUPE applied so as to transfer his or her employment from the Contractor or Sub-Contractor to the Replacement Contractor or Replacement Sub-Contractor, to the extent that the proceeding, claim or demand by HMRC or such other statutory authority relates to financial obligations arising after the relevant Service Transfer Date;
- (g) a failure of the Replacement Contractor or Replacement Sub-Contractor 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 Contractor Employees identified in the Contractor's Final Staff List in respect of the period after the Service Transfer Date; and
- (h) any claim made by or in respect of a Transferring Contractor Employee identified in the Contractor's Final Staff List or any appropriate employee representative (as defined in TUPE) of any such Transferring Contractor Employee relating to any act or omission of the Replacement Contractor or Replacement Sub-Contractor in relation to obligations under regulation 13 of TUPE.

8.14 The indemnities in Paragraph 15.13 shall not apply to the extent that the relevant liabilities arise or are attributable to any act or omission of the Contractor or any

Sub-Contractor (as applicable) whether occurring or having its origin before, on or after the relevant Service Transfer Date, including any such liabilities arising from the failure by the Contractor or any Sub-Contractor (as applicable) to comply with its obligations under TUPE.

SCHEDULE 11 FINANCIAL DISTRESS

1 INTRODUCTION AND DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

“Economic and Financial Standing Assessment” or “Assessment”	means an assessment of the Contractor’s and their Key Sub-Contractor’s economic and financial standing undertaken by the Contractor in accordance with this Schedule;
“Financial Distress Event”	means any one of the instances described in 4.1.1 to 4.1.10 of this schedule;
“Financial Distress Service Continuity Plan”	The plan produced by the Contractor in the event the Contractor suffers a Financial Distress Event;
“Financial Monitoring Plan”	The plan produced by the Contractor and updated in accordance with this Contract;

2 GENERAL

- 2.1 The Contractor acknowledges and agrees that the financial stability and solvency of the Contractor, its Affiliates and its Key Sub-Contractors is critical to the successful delivery of the Services and that any deterioration, or potential deterioration, of their financial position may have an adverse effect on the performance by them of the Contract including the Services.
- 2.2 The Contractor shall annually undertake and submit a completed Economic and Financial Standing assessment for the Contractor and each of its Key Sub-Contractors, in the format specified by the Authority, along with their last two sets of audited accounts.
- 2.3 If the Authority deems, from the assessment and audited accounts submitted, that there is a risk to continued performance of the Services, the Authority may ask the Contractor to submit a Financial Distress Service Continuity Plan, in line with paragraph 5.
- 2.4 The Contractor shall monitor its own financial standing and that of its Key Sub-Contractors on a regular basis throughout the Term using a Financial Monitoring Plan and shall report on this to the Authority.

3 FINANCIAL MONITORING PLAN

- 3.1 The Contractor shall develop and maintain a Financial Monitoring Plan.
- 3.2 The Financial Monitoring Plan shall be designed by the Contractor and agreed with the Authority to ensure that the Authority has an early and clear warning indicator of any Financial Distress Event affecting the Contractor and/or Key Sub-Contractors which may affect the Services. The content and design is to be proportionate for the circumstances taking into account the delivery and nature of the Services, the use and type of Sub-Contractors and the identity of the Contractor.
- 3.3 Except where the Authority has agreed otherwise, the Contractor shall within four (4) weeks of the Contract Date, prepare and submit for Approval by the Authority, a Financial Monitoring Plan which shall set out the Contractor’s proposals for the monitoring and reporting of its financial stability, and the financial stability of its Key Sub-Contractors, to the Authority on a regular basis throughout the Term.

- 3.4 The Financial Monitoring Plan must include (but shall not be limited to):
- (i) A summary of the Contractor's and Key Sub-Contractors' financial positions at the Contract Date and on a regular basis thereafter report to the Authority (including but not limited to credit ratings, financial ratios, details of current liabilities, value of marketable securities, cash in hand and bank, account receivables, Trustees' reports, routine management accounts etc);
 - (ii) how the Contractor and Key Sub-Contractors' financial standing will be reviewed on a regular basis throughout the Term against historical financial standing to show trend (including use of credit ratings, financial ratios and/or other financial indicators);
 - (iii) the Contractor's proposals for reporting financial standing to the Authority (including the template reporting forms which the Contractor intends to use);
 - (iv) the frequency of monitoring and reporting activity;
 - (v) provision of reporting lines for the supply chain to notify the Authority of incidents of non-payment of valid and undisputed invoices;
 - (vi) any other provisions which in the reasonable opinion of the Contractor may be required by the Authority to assess current financial standing of the Contractor and Key Sub-Contractors and which enable quick and easy assessment of any movement in financial standing.
- 3.5 The Authority shall notify the Contractor of its approval or rejection of the proposed Financial Monitoring Plan (or any updates to it) within twenty (20) Working Days of receipt. The Contractor shall make any reasonable amendments to the Financial Monitoring Plan as may be requested by the Authority.
- 3.6 Within ten (10) Working Days of receipt of the Department's notice of rejection and of the deficiencies of the proposed Financial Monitoring Plan, the Contractor shall submit to the Department a revised Financial Monitoring Plan reflecting the changes required.
- 3.7 If approved by the Authority, the Contractor shall promptly implement the Financial Monitoring Plan throughout the Term.
- 3.8 Following the approval of the submission of the first Financial Monitoring Plan, the Contractor shall regularly review, maintain and provide the Authority with an updated version of the Financial Monitoring Plan on at least a quarterly basis thereafter.
- 3.9 The Contractor shall comply with their Financial Monitoring Plan throughout the Term.

4 FINANCIAL DISTRESS EVENTS

- 4.1 In addition to its obligations under the paragraph 3, the Contractor shall promptly notify the Authority in writing if any of the following Financial Distress Events occur in respect of the Contractor or a Key Sub-Contractor:
- 4.1.1 there is a material deterioration of its (or any Consortium Member's or respective parent company's) financial standing
 - 4.1.2 the appointment of an administrator or receiver;
 - 4.1.3 late filing of statutory accounts with Companies House;
 - 4.1.4 it issues a profits warning or other similar public announcement about a deterioration in its finances or prospects;

- 4.1.5 it is being publicly investigated for improper financial accounting and reporting, fraud or any other financial impropriety;
 - 4.1.6 it commits a material breach of covenant to its lenders;
 - 4.1.7 a key sub-contractor not being paid any sums properly due under a specified invoice that is not subject to a genuine dispute;
 - 4.1.8 it is subject to any claims, litigation, investigations, actions or decisions in respect of financial indebtedness;
 - 4.1.9 in the auditor's opinion the Contractor or Key Sub-Contractor is no longer a 'going concern';
 - 4.1.10 there is a sudden and/or unexpected change in the Chief Executive Officer and/or the Finance Director (or equivalents).
- 4.2 The notification shall include a summary explanation and background information relevant to the Financial Distress Event.

5 CONSEQUENCES OF FINANCIAL DISTRESS EVENT

- 5.1 In the event of a Financial Distress Event occurring, then the Contractor shall, and shall procure that any affected Key Sub-Contractor shall, as soon as reasonably practicable, comply with the obligations of paragraph 4 of this schedule.
- 5.2 Where the Authority reasonably believes that the Financial Distress Event is likely to adversely impact on the performance of the Services, or on the Authority's request in accordance with paragraph 2.3, the Contractor shall submit to the Authority for Approval a Financial Distress Service Continuity Plan as soon as is reasonably practicable and shall provide any further financial information as the Authority may reasonably require to assess financial standing and risks.
- 5.3 The Financial Distress Service Continuity Plan shall set out how the Contractor intends to ensure it is still able to deliver the Services under this Contract and resolve any issues that were a contributory factor to the event occurring.
- 5.4 If the Authority acting reasonably considers that the Financial Distress Service Continuity Plan is insufficient to remedy the effects of the Financial Distress Event on the Service, then it may require the Contractor (and/or key sub-contractor) to redraft and resubmit an improved and updated plan or may require the issue to be escalated via the Dispute Resolution Procedure.
- 5.5 If the Authority approves the Financial Distress Service Continuity Plan, then the Contractor shall execute and continue to review the plan (with submissions to the Authority for Approval where it is updated).
- 5.6 Where the Parties agree that the Financial Distress Event no longer adversely affects the delivery of the Services, the Contractor shall be relieved of its obligations in respect of the current Financial Distress Service Continuity Plan.

6. TERMINATION RIGHTS

- 6.1. The Authority shall be entitled to terminate this Contract for material Default if:
- 3.1.1. The Contractor fails to notify the Authority of a Financial Distress Event;
 - 3.1.2. the Authority and the Contractor fail to agree a Financial Distress Service Continuity Plan or any updates to a plan within a reasonable timescale (taking into account the effects of the Financial Distress Event on the Services);
 - 3.1.3. the Contractor fails to comply with the terms of the Financial Distress Service Continuity Plan or any updates to the plan in accordance with paragraph 5.2 above;

- 3.1.4. the severity of the Financial Distress Event means the Contractor will no longer be able to deliver the Services to the required standard and it is not practicable to put in place a Financial Distress Service Continuity Plan.

**SCHEDULE 12
GUARANTEE**

NOT USED

[The Contractor should note that should the Authority:

- deem, from the assessment and audit of accounts submitted, that a change in Economic and Financial Standing of the Contractor, OR*
- reasonably believe that a Financial Distress Event,*

is likely to adversely impact on the performance of the Services, that there is a risk to continued performance of the Services, the Authority may require the Contractor to provide a guarantee arrangement that reflects the Economic and Financial Standing of the Contractor.

This alternative guarantee will be inserted into the Contract at this Schedule 12, in line with the Change Control Procedure as described under Clause 34 of Schedule 2, and will be required to be included within the required Financial Monitoring Plan or Financial Distress Service Continuity Plan in accordance with Paragraphs 2.3 and 5.2 or Schedule 11 respectively]

SCHEDULE 13
FINANCIAL REPORTS AND AUDIT RIGHTS

DEFINITIONS

In this Schedule, the following definitions shall apply:

“Annual Financial Report”	the Annual Financial Report to be provided by the Contractor to the Authority pursuant to Paragraph 1 of Part B;
“Audit Agents”	(a) the Authority’s internal and external auditors; (b) the 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 Authority to carry out audit or similar review functions; and (f) successors or assigns of any of the above;
“Contract Amendment Report”	the contract amendment report to be provided by the Contractor to the Authority pursuant to Paragraph 1 of Part B;
“Contract Inception Report”	the initial Pricing Model in a form agreed by the Contractor and the Authority in writing on or before the Effective Date;
“Final Reconciliation Report”;	the final reconciliation report to be provided by the Contractor to the Authority pursuant to Paragraph 1 of Part B;
“Financial Model”	the Contract Inception Report, the latest Annual Financial Report or the latest Contract Amendment Report, whichever has been most recently approved by the Authority in accordance with Paragraph 2 of Part B;
“Financial Reports”	the Contract Inception Report and the reports listed in the table in Paragraph 1.1 of Part B;
“Financial Representative”	a reasonably skilled and experienced member of the Contractor’s staff who has specific responsibility for preparing, maintaining, facilitating access to, discussing and explaining the Open Book Data and Financial Reports;
“Financial Transparency Objectives”	has the meaning given in Paragraph 1 of Part A;
“Material Change”	a Change which: (a) materially changes the profile of the Charges; or

- (b) varies the total Charges payable during the Term (as forecast in the latest Financial Model) by:
 - (i) 5% or more; or
 - (ii) £1m or more;

“Onerous Contract”

a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, as defined under International Accounting Standard 37;

“Onerous Contract Report”

means a report provided by the Contractor pursuant to Paragraph 3 of Part A to this Schedule;

“Open Book Data”

complete and accurate financial and non-financial information which is sufficient to enable the Authority to verify the Charges already paid or payable and Charges forecast to be paid during the remainder of the Term, including details and all assumptions relating to:

- (a) the Contractor’s Costs broken down against each Service and/or Deliverable, including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all hardware and software;
- (b) operating expenditure relating to the provision of the Services including an analysis showing:
 - (i) the unit costs and quantity of consumables and bought-in services;
 - (ii) manpower resources broken down into the number and grade/role of all Contractor Personnel (free of any contingency) together with a list of agreed rates against each manpower grade;
 - (iii) a list of Costs underpinning those rates for each manpower grade, being the agreed rate less the Contractor’s Profit Margin; and
 - (iv) Reimbursable Expenses;
- (c) Overheads;
- (d) all interest, expenses and any other third-party financing costs incurred in relation to the provision of the Services;
- (e) the Contractor Profit achieved over the Term and on an annual basis;
- (f) confirmation that all methods of Cost apportionment and Overhead allocation are consistent with and not more onerous than such methods applied generally by the Contractor;
- (g) an explanation of the type and value of risk and contingencies associated with the provision of the Services, including the amount of money attributed

- to each risk and/or contingency; and
- (h) the actual Costs profile for each Service Period.

PART A: Financial Transparency Objectives and Open Book Data

1 FINANCIAL TRANSPARENCY OBJECTIVES

The Contractor acknowledges that the provisions of this Schedule are designed (inter alia) to facilitate, and the Contractor shall co-operate with the Authority in order to achieve, the following objectives:

Understanding the Charges

- (a) for the Authority to understand any payment sought from it by the Contractor including an analysis of the Costs, Overhead recoveries (where relevant), time spent by Contractor Personnel in providing the Services and the Contractor Profit Margin;
- (b) for both Parties to be able to understand the Financial Model and Cost forecasts and to have confidence that these are based on justifiable numbers and appropriate forecasting techniques;
- (c) to facilitate the use of the pricing mechanisms;

Agreeing the impact of Change

- (d) for both Parties to agree the quantitative impact of any Changes that affect ongoing costs and to identify how these could be mitigated and/or reflected in the Contractor's Charges;
- (e) for both Parties to be able to review, address issues with and re-forecast progress in relation to the provision of the Services;

Continuous improvement

- (f) for the Parties to challenge each other with ideas for efficiency and improvements; and
- (g) to enable the Authority to demonstrate that it is achieving value for money for the tax payer relative to current market prices,

(together the "Financial Transparency Objectives").

2 OPEN BOOK DATA

- 2.1 The Contractor acknowledges the importance to the Authority of the Financial Transparency Objectives and the Authority's need for complete transparency in the way in which the Charges are calculated.
- 2.2 During the Term, and for a period of 7 years following the end of the Term, the Contractor shall:
 - (a) maintain and retain the Open Book Data; and
 - (b) disclose and allow the Authority and/or the Audit Agents access to the Open Book Data.

3 ONEROUS CONTRACTS

- 3.1 If the Contractor publicly designates the Agreement as an Onerous Contract (including where the Contractor has identified the Agreement as such in any published accounts or public reports and announcements), the Contractor shall promptly notify the Authority of the designation and shall prepare and deliver to the Authority within the timescales agreed by the Parties (an in any event, no later than 2 months following the publication of the designation) a draft Onerous Contract Report which includes the following:

- (a) An initial root cause analysis of the issues and circumstances which may have contributed to the Agreement being designated as an Onerous Contract;
 - (b) An initial risk analysis and impact assessment on the provision of the Services as a result of the Contractor's designation of the Agreement as an Onerous Contract;
 - (c) the measures which the Contractor intends to put in place to minimise and mitigate any adverse impact on the provision on the Services;
 - (d) details of any other options which could be put in place to remove the designation of the Agreement as an Onerous Contract and/or which could minimise and mitigate any adverse impact on the provision of the Services.
- 3.2 Following receipt of the Onerous Contract Report, the Authority shall review and comment on the report as soon as reasonably practicable and the Parties shall cooperate in good faith to agree the final form of the report, which shall be submitted to the Authority, such final form report to be agreed no later than 1 month following the Authority's receipt of the draft Onerous Contract Report.
- 3.3 The Authority shall meet within 14 Business Days of the final Onerous Contract Report being agreed by the Parties to discuss the contents of the report; and the Parties shall procure the attendance at the meeting of any key participants where reasonably required (including the Cabinet Office Markets and Contractor's team where the Contractor is a Relevant Supplier; representatives from any Monitored Suppliers; and the project's senior responsible officers (or equivalent) for each Party).
- 3.4 The Contractor acknowledges and agrees that the report is submitted to the Authority on an information only basis and the Authority's receipt of and comments in relation to the report shall not be deemed to be an acceptance or rejection of the report nor shall it relieve the Contractor of any liability under this Agreement. Any Changes to be agreed by the Parties pursuant to the report shall be subject to the Change Control Procedure.

PART B: Financial Reports

4 PROVISION OF THE FINANCIAL REPORTS

4.1 The Contractor shall provide

- (a) the Contract Inception Report on or before the Effective Date; and
- (b) during the Term the following financial reports to the Authority, in the frequency specified below:

Financial Report	When to be provided
Contract Amendment Report	Within 1 month of a Material Change being agreed between the Contractor and the Authority
Quarterly Financial Report	Within 1 month of the end of each Quarter
Annual Financial Report	To be provided with the Annual Review Report
Final Reconciliation Report	Within 6 months after the end of the Term

4.2 The Contractor shall provide to the Authority the Financial Reports in the same software package (Microsoft Excel or Microsoft Word), layout and format as the blank templates which have been issued by the Authority to the Contractor on or before the Effective Date for the purposes of this Agreement. The Authority shall be entitled to modify the template for any Financial Report by giving written notice to the Contractor, including a copy of the updated template.

4.3 A copy of each Financial Report shall be held by both the Authority and the Contractor. If there is a Dispute regarding a Financial Report, the Authority's copy of the relevant Financial Report shall be authoritative.

4.4 Each Financial Report shall:

- (a) be completed by the Contractor using reasonable skill and care;
- (b) incorporate and use the same defined terms as are used in this Agreement;
- (c) quote all monetary values in pounds sterling;
- (d) quote all Costs as exclusive of any VAT; and
- (e) quote all Costs and Charges based on current prices.

4.5 Each Annual Financial Report and the Final Reconciliation Report shall be certified by the Contractor's Chief Financial Officer or Director of Finance (or equivalent as agreed in writing by the Authority in advance of issue of the relevant Financial Report), acting with express authority, as:

- (a) being accurate and not misleading;
- (b) having been prepared in conformity with generally accepted accounting principles within the United Kingdom;
- (c) being a true and fair reflection of the information included within the Contractor's management and statutory accounts; and
- (d) compliant with the requirements of Paragraph 1.6.

4.6 The Contractor shall:

- (a) prepare each Financial Report using the same methodology as that used for the Contract Inception Report;

- (b) ensure that each Annual Financial Report and each Contract Amendment Report (if any) is a true and fair reflection of the Costs and Contractor Profit Margin forecast by the Contractor;
 - (c) the Final Reconciliation Report is a true and fair reflection of the Costs; and
 - (d) not have any other internal financial model in relation to the Services inconsistent with the Financial Model.
- 4.7 During the Term, and for a period of 18 months following the end of the Term, the Contractor shall make available the Financial Representative at reasonable times and on reasonable notice to answer any queries that the Authority may have on any of the Financial Reports and/or Open Book Data.
- 4.8 If the Contractor becomes aware of the occurrence, or the likelihood of the future occurrence, of an event which will or may have a material effect on the following:
- (a) the Costs incurred (or those forecast to be incurred) by the Contractor; and/or
 - (b) the forecast Charges for the remainder of the Term,
- the Contractor shall, as soon as practicable, notify the Authority in writing of the event in question detailing the actual or anticipated effect. For the avoidance of doubt, notifications provided in accordance with this Paragraph 1.8 shall not have the effect of amending any provisions of this Agreement.

5 FINANCIAL MODEL

- 5.1 Following the delivery by the Contractor of each Annual Financial Report and any Contract Amendment Report:
- (a) the Parties shall meet to discuss its contents within 10 Business Days of receipt (or such other period as the Parties shall agree). The Financial Representative shall attend the meeting;
 - (b) the Contractor shall make appropriate Contractor Personnel and advisers available to discuss any variations between the relevant Financial Report and the Contract Inception Report or immediately preceding Annual Financial Report or Contract Amendment Report (as the case may be) and to explain such variations (with reference to supporting evidence) to the satisfaction of the Authority; and
 - (c) the Authority shall either within 10 Business Days of the meeting referred to in Paragraph 2.1(a) notify the Contractor that:
 - (i) the relevant Financial Report contains errors or omissions or that further explanations or supporting information is required, in which event the Contractor shall make any necessary modifications to the Financial Report and/or supply the Authority with such supporting evidence as is required to address the Authority's concerns within 10 Business Days of such notification and the Authority shall following receipt of such amended Financial Report and/or supporting information, approve or reject such Financial Report; or
 - (ii) the Authority has approved the relevant Financial Report.
- 5.2 Following approval by the Authority of the relevant Financial Report in accordance with Paragraph 2.1(c), that version shall become, with effect from the date of such approval, the current approved version of the Financial Model for the purposes of this Agreement, a version of which shall be held by both the Authority and the Contractor. If there is a Dispute regarding a Financial Report, the Authority's copy of the relevant Financial Report shall be authoritative.

5.3 If the Parties are unable to reach agreement on any Financial Report within 30 Business Days of its receipt by the Authority, the matter shall be referred for determination in accordance with the Dispute Resolution Procedure set out in Clause 40.

6 DISCUSSION OF QUARTERLY FINANCIAL REPORTS AND FINAL RESOLUTION REPORT

6.1 Following the delivery by the Contractor of each Quarterly Financial Report, the Parties shall meet to discuss its contents within 10 Business Days of receipt (or such other period as the Parties shall agree). The Financial Representative shall attend the meeting.

6.2 Following the delivery by the Contractor of the Final Reconciliation Report, the Parties shall meet to discuss its contents within 10 Business Days of receipt (or such other period as the Parties shall agree). The Financial Representative shall attend the meeting.

7 KEY SUB-CONTRACTORS

7.1 The Contractor shall, if requested by the Authority, provide (or procure the provision of) a report or reports including the level of information set out in the Financial Reports in relation to the costs and expenses to be incurred by any of its Key Sub-Contractors.

7.2 Without prejudice to Paragraph 1.1 of Part C, the Contractor shall:

- (a) be responsible for auditing the financial models/reports of its Key Sub-Contractors and for any associated costs and expenses incurred or forecast to be incurred; and
- (b) on written request by the Authority, provide the Authority or procure that the Authority is provided with:
 - (i) full copies of audit reports for the Key Sub-Contractors. The Authority shall be entitled to rely on such audit reports; and
 - (ii) further explanation of, and supporting information in relation to, any audit reports provided.

PART C: Audit Rights

1 AUDIT RIGHTS

- 1.1 The Authority, acting by itself or through its Audit Agents, shall have the right during the Term and for a period of 18 months thereafter, to assess compliance by the Contractor and/or its Key Sub-Contractors of the Contractor's obligations under this Agreement, including for the following purposes:
- (a) to verify the integrity and content of any Financial Report;
 - (b) to verify the accuracy of the Charges and any other amounts payable by the Authority under this Agreement (and proposed or actual variations to such Charges and payments);
 - (c) to verify the Costs (including the amounts paid to all Sub-Contractors and any third party suppliers);
 - (d) to verify the Certificate of Costs and/or the Open Book Data;
 - (e) to verify the Contractor's and each Key Sub-Contractor's compliance with this Agreement and applicable Law;
 - (f) to identify or investigate actual or suspected fraud, impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Authority shall have no obligation to inform the Contractor of the purpose or objective of its investigations;
 - (g) to identify or investigate any circumstances which may impact upon the financial stability of the Contractor, the Guarantor and/or any Key Sub-Contractors or their ability to perform the Services;
 - (h) to obtain such information as is necessary to fulfil the Authority's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General;
 - (i) to review any books of account and the internal contract management accounts kept by the Contractor in connection with this Agreement;
 - (j) to carry out the Authority's internal and statutory audits and to prepare, examine and/or certify the Authority's annual and interim reports and accounts;
 - (k) to 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 Authority has used its resources;
 - (l) to verify the accuracy and completeness of any Management Information delivered or required by this Agreement;
 - (m) to review any Performance Monitoring Reports and/or other records relating to the Contractor's performance of the Services and to verify that these reflect the Contractor's own internal reports and records;
 - (n) to inspect the IT Environment (or any part of it) and the wider service delivery environment (or any part of it);
 - (o) to review the accuracy and completeness of the Registers;
 - (p) to review any records created during the design and development of the Contractor System and pre-operational environment such as information relating to Testing;

- (q) to review the Contractor's quality management systems (including all relevant Quality Plans and any quality manuals and procedures);
 - (r) to review the Contractor's compliance with the Standards;
 - (s) to inspect the Authority Assets, including the Authority's IPRs, equipment and facilities, for the purposes of ensuring that the Authority Assets are secure and that any register of assets is up to date; and/or
 - (t) to review the integrity, confidentiality and security of the Authority Data.
- 1.2 Except where an audit is imposed on the Authority by a regulatory body or where the Authority has reasonable grounds for believing that the Contractor has not complied with its obligations under this Agreement, the Authority may not conduct an audit of the Contractor or of the same Key Sub-Contractor more than twice in any Contract Year.
- 1.3 Nothing in this Agreement shall prevent or restrict the rights of the Comptroller and/or Auditor General and/or their representatives from carrying out an audit, examination or investigation of the Contractor and/or any of the Key Sub-Contractors for the purposes of and pursuant to applicable Law.

2 CONDUCT OF AUDITS

- 2.1 The Authority shall during each audit comply with those security, sites, systems and facilities operating procedures of the Contractor that the Authority deems reasonable and use its reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Contractor or delay the provision of the Services.
- 2.2 Subject to the Authority's obligations of confidentiality, the Contractor shall on demand provide the Authority and the Audit Agents with all reasonable co-operation and assistance (and shall procure such co-operation and assistance from its Sub-Contractors) in relation to each audit, including:
- (a) all information requested by the Authority within the permitted scope of the audit;
 - (b) reasonable access to any Sites and to any equipment used (whether exclusively or non-exclusively) in the performance of the Services;
 - (c) access to the Contractor System; and
 - (d) access to Contractor Personnel.
- 2.3 The Contractor shall implement all measurement and monitoring tools and procedures necessary to measure and report on the Contractor's performance of the Services against the applicable Performance Measures at a level of detail sufficient to verify compliance with the Performance Measures.
- 2.4 The Authority shall endeavour to (but is not obliged to) provide at least 15 Business Days' notice of its intention to conduct an audit.
- 2.5 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under this Paragraph 2, unless the audit identifies a material Default by the Contractor in which case the Contractor shall reimburse the Authority for all the Authority's reasonable costs incurred in connection with the audit.

3 USE OF CONTRACTOR'S INTERNAL AUDIT TEAM

- 3.1 As an alternative to the Authority's right pursuant to Paragraph 1.1 to exercise an audit either itself or through its Audit Agents, the Authority may require in writing that an audit is undertaken by the Contractor's own internal audit function for any of the purposes set out in Paragraph 1.1.

3.2 Following the receipt of a request from the Authority under Paragraph 3.1 above, the Contractor shall procure that the relevant audit is undertaken as soon as reasonably practicable and that the Authority has unfettered access to:

- (a) the resultant audit reports; and
- (b) all relevant members of the Contractor's internal audit team for the purpose of understanding such audit reports.

4 RESPONSE TO AUDITS

4.1 If an audit undertaken pursuant to Paragraphs 1 or 3 identifies that:

- (a) the Contractor has committed a Default, the Authority may (without prejudice to any rights and remedies the Authority may have) require the Contractor to correct such Default as soon as reasonably practicable and, if such Default constitutes a Notifiable Default, to comply with the Rectification Plan Process;
- (b) there is an error in a Financial Report, the Contractor shall promptly rectify the error;
- (c) the Authority has overpaid any Charges, the Contractor shall pay to the Authority:
 - (i) the amount overpaid;
 - (ii) interest on the amount overpaid at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from the date of overpayment by the Authority up to the date of repayment by the Contractor; and
 - (iii) the reasonable costs incurred by the Authority in undertaking the audit, the Authority may exercise its right to deduct such amount from the Charges if it prefers; and
- (d) the Authority has underpaid any Charges, the Contractor shall not be entitled to increase the Charges paid or payable by the Authority.

Schedule 14
CONTRACT MANAGEMENT PROVISIONS

1. INTRODUCTION

- 1.1. For the avoidance of doubt, the Authority and the Contractor agree and acknowledge that the work carried out by the Contractor in accordance with the provisions of this Schedule is at no additional charge to the Authority.

2. MANAGEMENT OF THE SERVICES

- 2.1. The Contractor and the Authority shall each appoint delivery managers for the purposes of this Contract through whom the Services shall be managed day-to-day and each shall notify the other of the identity of its delivery manager.
- 2.2. Each Party shall ensure that appropriate resource is made available on a regular basis such that the aims, objectives and specific provisions of this Schedule 14 (Contract Management Provisions) can be fully realised.

3. CONTRACT PERFORMANCE REVIEWS

- 3.1. The Contractor shall work with the Authority to establish and maintain an effective and beneficial working relationship and to ensure the Contract is delivered to at least the minimum required standard as specified in Schedule 1 (Specification).
- 3.2. The Authority will conduct regular formal Contract Performance Review Meetings (“CPRs”) at a frequency (usually monthly) determined by the Authority from time to time to monitor, measure and review the Contractor’s performance.
- 3.3. The objectives of the CPRs shall be to manage this Contract and shall include but not be limited to:
- 3.3.1. reviewing the performance of the Contractor against the Performance Measures set out in Schedule 4 (Performance Levels), the Service Levels in Schedule 19 (Contractor’s Technology Solution) and conformance by the Contractor to all other standards and policies set out elsewhere in this Contract;
 - 3.3.2. monitoring the Contractor’s compliance with its obligations under this Contract;
 - 3.3.3. reviewing Performance Improvement Plans;
 - 3.3.4. agreeing any changes to this Agreement, which have been raised through the Change Control Procedure as detailed in Schedule 6 (Change Control Procedure);
 - 3.3.5. reviewing the Specification set out in Schedule 1 and the Contractor’s Solution set out in Schedule 15 of this Contract;
 - 3.3.6. resolving operational and contractual problems, which may have been raised using the Dispute Resolution Procedure as detailed in Clause 40 of this Contract or through agreed operational routes;
 - 3.3.7. transferring and exchanging information as required to ensure that all business needs are met; and
 - 3.3.8. reviewing any intelligence gained from LA on the delivery and development of the programme
- 3.4. CPRs shall be held between the Authority and the Contractor to discuss issues related to the objectives described in Paragraph 3.3 to this Schedule 14 (Contract Management Provisions) and any other relevant business. An agenda shall be produced by the Authority and agreed by the Contractor.
- 3.5. The Contractor shall supply all information requested by the Authority for the purpose of conducting the CPRs in a format agreed between the Authority and Contractor within the

timescales stated within Schedule 16 (Records Provision And Management Information) of this Contract.

- 3.6. The Contractor shall provide suitable representatives with the necessary authority to consider service performance and to ensure that any issues impacting the Authority are surfaced and resolved.
- 3.7. The Authority shall make, retain, and distribute a record of the meetings.
- 3.8. Each party reserves the right to change its nominated representative(s) with staff of the appropriate authority and responsibility and shall notify the other party as soon as practicable of any changes.

4. COMPLIANCE MONITORING

- 4.1. The Authority will undertake Compliance Monitoring evidence-based checks at a frequency determined by the Authority from time to time to;
 - 4.1.1. identify if the Contractor is adhering to the Contractor's Solution set out in Schedule 15 of this Contract; and
 - 4.1.2. sample Participant records held by the Contractor for evidence of eligibility; and
 - 4.1.3. confirm whether Participant engagement is in line with the Specification as detailed in Schedule 1 of this Contract and the Contractor's Solution in Schedule 15; and
 - 4.1.4. observe a range of activities, including recruitment processes and ITT provision at the Contractor's and Sub-Contractors' premises.
- 4.2. The Authority will specify the location where such checks will take place.
- 4.3. The Contractor shall supply all information requested by the Authority and must make available the Contractor's systems for inspection.

5. CONTRACTOR'S SYSTEM ASSURANCE

- 5.1. The Contractor shall comply with the Authority's requirements for Contractor's Systems Assurance as described in this Paragraph 5.
- 5.2. The Contractor shall have systems in place to
 - 5.2.1. detect and prevent duplicate Charges;
 - 5.2.2. prepare and submit accurate, valid, supported, timely Charges;
 - 5.2.3. monitor, record and manage Participant movement through the Programme;
 - 5.2.4. ensure that Participant eligibility evidence is collected to support the Charges;
 - 5.2.5. identify Participants who have left the Services through Withdrawal or deferral to prevent over Charges;
 - 5.2.6. carry out effective monitoring of Sub-contractors; and
 - 5.2.7. respond to PIPs, Compliance Monitoring and Contractor Assurance Reviews ("CARs") with an appropriate action plan.
- 5.3. The Authority will undertake Contractor Assurance Reviews ("**CARs**") at a frequency determined by the Authority from time to time to provide the Authority with an assurance that payments to the Contractor are in accordance with the Authority's requirements and HM Treasury policies, that public funds are protected and that value for money has been obtained.
- 5.4. The objectives of the CARs shall be to review the Contractor's internal control systems related to
 - 5.4.1. Governance Arrangements – Contractor's systems for tracking and reporting performance including anti-fraud measures

5.4.2. Service Delivery – Contractor’s systems for starting, ending and moving Participants through the Programme including Withdrawals and deferrals

5.4.3. Claim Procedures and Payment – Contractor’s systems to support claims for payment, including appropriate segregation of duties

6. PERFORMANCE RECORDS

6.1. The Contractor shall keep appropriate documents and records (including but not limited to Participant eligibility records, attendance sheets, training records, complaints received) in relation to the Services being delivered. The records and documents of the Contractor shall be available for inspection by the Authority and/or its nominee at any time and the Authority and/or its nominee may make copies of any such records and documents.

6.2. In addition to the requirement in Paragraph 6.1 to maintain appropriate documents and records, the Contractor shall provide to the Authority such supporting documentation as the Authority may reasonably require in order to verify the level of the performance of the Contractor both before and after the Service Commencement Date.

7. PROGRAMME EVALUATION

7.1. The Contractor shall co-operate fully with any evaluation of the Programme that is undertaken by the Authority or a third party acting on behalf of the Authority. This may include but not be limited to:

7.1.1. access to Participant, LA and Sub-Contractors’ contact details and records; and

7.1.2. visits and interviews with Participants and Contractor Staff.

8. STRATEGIC MEETINGS

8.1. The Contractor shall attend Strategic meetings with the Authority at six (6) monthly intervals to discuss Programme strategy and planning and shall provide suitable representatives with the necessary responsibility and authority for such meetings.

Schedule 15
CONTRACTOR'S SOLUTION



Schedule 16
RECORDS PROVISION AND MANAGEMENT INFORMATION

1. Reports

- 1.1. The Authority may require any or all of the following reports:
- 1.1.1. delay reports;
 - 1.1.2. reports which the Contractor is required to supply as part of the Management Information (including those set out at Annex 1);
 - 1.1.3. annual reports on the insurances as referred to in Clause 20.10;
 - 1.1.4. Service Improvement report as referred to in Clause 3.10
 - 1.1.5. security reports;
 - 1.1.6. Force Majeure Event reports.
 - 1.1.7. Financial Reports (including those set out at Schedule 13 (Financial Reports and Audit Rights)); and
 - 1.1.8. any other additional reports which are reasonably required by the Authority in order to assist in the monitoring and evaluation of the likely effect of any proposed policy development of the Services.
 - 1.1.9. Any other report as is necessary to fulfil the Authority's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General with the timescale as is required by the Authority;

2. Records

- 2.1. The Contractor shall retain and maintain all the records (including superseded records) referred to in paragraph 2 and Annex 1 (together "Records"):
- 2.1.1. in accordance with the requirements of the National Archives' Records Management Code and Good Industry Practice;
 - 2.1.2. in chronological order;
 - 2.1.3. in a form that is capable of audit; and
 - 2.1.4. at its own expense
- 2.2. The Contractor shall make the Records available for inspection to the Authority on request, subject to the Authority giving reasonable notice.
- 2.3. Where Records are retained in electronic form, the original metadata shall be preserved together with all subsequent metadata in a format reasonably accessible to the Authority.
- 2.4. The Contractor shall, during the Term and a period of at least seven (7) years following the expiry or termination of this Agreement, maintain or cause to be maintained complete and accurate documents and records in relation to the provision of the Services including but not limited to all Records.
- 2.5. Records that contain financial information shall be retained and maintained in safe storage by the Contractor for a period of at least seven (7) years after the expiry or termination of this Agreement.

3. Provision of Management Information

- 3.1. The Authority may:

- 3.1.1. Use and share with:
- 3.1.1.1. any Crown Body
 - 3.1.1.2. any other Contracting Authority
 - 3.1.1.3. any other third party as may be agreed by the Authority and the Contractor from time to time (such Contractor's agreement not to be unreasonably withheld); and/or
- 3.1.2. publish (subject to any information that is exempt from disclosure in accordance with the provisions of FOIA being redacted)

any Management Information supplied to the Authority for the Authority's normal operational activities, including but not limited to administering this Contract, monitoring public expenditure, identifying savings or potential savings, and planning future procurement activity.

- 3.2. The Contractor agrees to provide electronically encrypted and timely MI Reports to the Authority which incorporates the data listed in Table 1 below, in the correct format, and which the Contractor represents and warrants are full, accurate, complete and validated as at the date of provision to the Authority.

Table 1.

MI Report Title	Management Information Required	Reporting Date
Monthly Performance Return	<p>Attraction and Recruitment overview, including:</p> <ul style="list-style-type: none"> • Narrative recruitment overview highlighting progress and issues arising during previous month; • Narrative recruitment of local authorities highlighting progress and issues arising during previous months and remedy • The forecast and actual number of: <ul style="list-style-type: none"> ○ applications ○ unsuccessful applications ○ offers ○ acceptances ○ Participant starts on Y1 <p>broken down into Protected Characteristics and Socio-Economic Groups.</p> <p>Cohort PG Dip Period progress overview, including:</p> <ul style="list-style-type: none"> • Narrative retention overview highlighting progress and issues arising during previous month; • Narrative overview highlighting progress and issues arising during previous month; • The number of: <ul style="list-style-type: none"> ○ Retention ○ Withdrawals, and the reasons why* ○ Deferrals, and the reasons why* • Participant outcomes including: <ul style="list-style-type: none"> ○ assessment outcomes ○ disciplinary procedures 	<p>Monthly, By no later than the third Wednesday of each month</p>

MI Report Title	Management Information Required	Reporting Date
	<ul style="list-style-type: none"> • Forecast and actual number of Participants achieving PG Dip. <p>Cohort Newly Qualified Period progress overview, including:</p> <ul style="list-style-type: none"> ○ Retention ○ Withdrawals and the reasons why* ○ deferrals and the reasons why* <ul style="list-style-type: none"> • Participant outcomes including: <ul style="list-style-type: none"> ○ assessment outcomes ○ disciplinary procedures <ul style="list-style-type: none"> • Forecast and actual number of participants passing their Assessed and Supported Year in Employment (ASYE) <p>Performance updates, including:</p> <ul style="list-style-type: none"> • The performance and management of Sub-Contractors • Cohort performance against KPIs and SPIs • Narrative of key themes from Exit Interviews • The status of any outstanding PIP and progress against its actions. • Performance against Service Levels, a summary of all Service Level failures, details of Critical Service Level Failures, for repeat failures the actions taken to resolve the underlying cause and prevent recurrence, such other details that the Authority may need from time to time • Relevant particulars of any aspect of Contract obligations that the Contractor has not met • An updated risk register • the number and type of complaints. • Finance summary, inclusive of marketing spend <p>* All Withdrawals and Deferrals must be reported against the following criteria, plus any additionally agreed between the Authority and the Contractor:</p> <ul style="list-style-type: none"> • Failure to meet academic standard • Social work not for them • Financial difficulties • Personal Reasons (e.g. family circumstances or bereavement) • Health issues (e.g. mental well-being or physical) • Concerns over programme support • Concerns over Local Authority environment/support • Concerns over participant practice/suitability for programme 	

MI Report Title	Management Information Required	Reporting Date
	<ul style="list-style-type: none"> • Other 	
Implementation Report	report of performance against Implementation Plan in accordance with Schedule 5 of the Contract.	reporting in line with Schedule 5, Paragraph 4.1-4.3
Attraction & Selection Report	<p>A narrative overview of the attraction and selection process, data and trends in Participant progression through it.</p> <p>A detailed overview of promotion and attraction spending, the use of the Inclusive Recruitment Fund, and the outcomes these activities produced, including:</p> <ul style="list-style-type: none"> • Impact on addressing under-representation of sections of the community in the Cohorts; • Outcomes for Candidates and Participants, broken down into Protected Characteristics and Socio-Economic Groups, as far as possible; • Identification of any disparities, inconsistencies or gaps in outcomes – including on expressions of interest, throughout the stages of the application process and in Participants commencing the Programme; • Provision of an action plan for addressing these • Account for how the Inclusive Recruitment Fund has been allocated and how this is leading to improved outcomes. • A forward plan of any proposed changes to the use of the Inclusive Recruitment Fund in order to deliver the action plan provided. 	Annually, by no later than thirty days after the Attraction and Selection Period is complete
Participant Progression Report	<p>A list of uniquely identifiable Participants starting on programme, by Cohort, that details:</p> <ul style="list-style-type: none"> • Their Placement • Their Placement ILACS rating • If their Placement has changed, reason why • Their progression against programme milestones, including <ul style="list-style-type: none"> ○ Forecast attainment of PG Dip ○ Actual attainment of PG Dip ○ Proof of registration with SWE ○ The chosen pathway for additional professional development ○ Forecast completion of additional pathway ○ Actual completion of additional pathway ○ Forecast completion of ASYE 	Quarterly by no later than the third Wednesday of October, January, April and July

MI Report Title	Management Information Required	Reporting Date
	<ul style="list-style-type: none"> ○ Actual completion of ASYE ○ Dates of continuous employment (for calculating retention) ○ Retention at 15 months post qualification ○ Retention at 3 years post qualification ● Detail of any Withdrawals and the reasons why ● Details of any deferrals and the reasons why ● Monitoring of outcomes of Participants who have left the Programme early <p>Broken down into Protected Characteristics and Socio-Economic Status, as far as possible</p>	
Pass-Through Cost Report	<p>Each Report will include:</p> <ul style="list-style-type: none"> ● A list of uniquely identifiable Participants who received a Maintenance Bursary Payment in the previous month ● Evidence of payment of Maintenance Bursary Payments to eligible Participants following payment from the Authority ● A list of uniquely identifiable Participants who have Deferred or Withdrawn in the previous quarter ● The total number of Participants who will require Bursary Maintenance Payments in the following quarter split by location ● Total funding required for Bursary Maintenance Payments in the next quarter based on actual Participant volumes and clear cost breakdown for this calculation ● A statement of any and all interest received by the Contractor on the separate bank account in which it holds the Maintenance Bursary Payments ● A list of LAs eligible for payment of LA Contribution, by number of Participants ● Evidence of single payment of LA Contribution on an annual basis. 	<p>Monthly by no later than the third Wednesday of each month</p>
Satisfaction Survey Report	<p>Each 6 monthly report will include:</p> <ul style="list-style-type: none"> ● The Net Promoter Score for; <ul style="list-style-type: none"> ○ The Attraction and Selection Period amongst Candidates, ○ The PG Diploma Period amongst Participants, ○ The Newly Qualified Period amongst Participants, and ○ The Programme amongst LAs. <p>Broken down into Protected Characteristics and Socio-Economic Status, as far as possible</p>	<p>6 Monthly from the start of each Cohort</p>

MI Report Title	Management Information Required	Reporting Date
	<p>Annually, the report will also include further detail or reasons for the satisfaction levels of Candidates and Participants, including, but not limited to:</p> <ul style="list-style-type: none"> • Programme promotional activity, • the application process, • the assessment process (including the assessment centre or interview stage), • the delivery of the PG Dip Period, • the curriculum impact practice in PG Diploma and Newly Qualified Period • the level of support provided to Participants whilst on Programme • The quality of teaching • the quality of Placement • the delivery of the Newly Qualified Period <p>The Annual report will also provide further detail on LA satisfaction including, but not limited to:</p> <ul style="list-style-type: none"> • the quality of the Participant performance, • the quality of the support from the Contractor, • The amount of engagement they have in the design and delivery of the Programme, and • The amount of engagement they have in the management and governance of the Programme. 	
Annual Review Report	The Report should include a high-level summary of all items described in the above reports and should encompass the requirements set out in Schedule 13 (Financial Reports and Audit Rights). The Report should be drafted to support and enable the discussion topics as described at Schedule 2, Clause 24.3.	Annually in line with, Schedule 2, Clause 24.1

- 3.3. The Authority may from time to time make changes to the data it requires the Contractor to provide in an MI Report including to the data required or the format of the report and notify such changes to the Contractor. The Authority shall give notice in writing of any such change to the MI Reports and shall specify the date from which such changes to the content or format of the MI Reports shall be effective which date shall be at least thirty (30) calendar days following the date of the notice.
- 3.4. If the Authority changes the data required or format of the MI Report at any time, then the Contractor agrees to provide all future MI Reports in accordance with such notification
- 3.5. The Authority may provide the Contractor with supplemental guidance for completing the MI Reports or submitting MI Reports from time to time which may for example indicate which fields are mandatory and which are optional. The Contractor agrees to complete the MI Reports in accordance with any such guidance.
- 3.6. The Authority shall have the right from time to time (on reasonable written notice) to amend the nature of the Management Information which the Contractor is required to supply to the Authority.

- 3.7. The Authority is entitled to require the Contractor to provide any information and / or co-operate with any requests relating to or arising out of the Contract which the Authority might reasonably make.

4. Frequency and Coverage

- 4.1. All MI Reports must be returned to the Authority on or prior to the Reporting Date stated in Table 1 above during the Contract and thereafter, until all transactions relating to the Contract have permanently ceased. For the avoidance of doubt, where the MI requires it, the Contractor must continue to report after the Term has expired.
- 4.2. The MI Reports should be used (amongst other things) to report activity and transactions occurring during the Month(s) to which the MI Report relates
- 4.3. Unless otherwise notified to the Contractor by the Authority, the Contractor must return the MI Reports on each Reporting Date, even where there are no transactions to report in the relevant month (a “**Nil Return**”)
- 4.4. The Contractor must inform the Authority of any errors or corrections to the Management Information:
 - 4.4.1. in the next MI Report due immediately following discovery of the error by the Contractor; or
 - 4.4.2. As a result of the Authority querying any data contained in an MI Report

5. Submission of MI Reports

- 5.1. The Contractor acknowledges that it is essential that the Authority receives timely and accurate Management Information pursuant to the Contract because Management Information is used by the Authority to inform Minister and strategic decision making.
- 5.2. Following an MI Failure the Authority may issue reminders to the Contractor or require the Contractor to rectify defects in the MI Report provided to the Authority. The Contractor shall rectify any deficient or incomplete MI Report as soon as possible and not more than five (5) Business Days following receipt of any such reminder.
- 5.3. The Contractor agrees to attend meetings between the Authority and the Contractor in person to discuss the circumstances of any MI Failure(s) at the request of the Authority (without prejudice to other rights the Authority may have). If the Authority requests such a meeting the Contractor shall propose measures to ensure that the MI Failure(s) are rectified and do not occur in the future, The Authority and the Contractor shall document these measures and continue to monitor the Contractor’s performance.

6. SME Reporting

- 6.1. In addition to any other Management Information requirements set out in this Contract, the Contractor agrees and acknowledges that it shall, at no charge, provide, timely, full, accurate and complete SME management information (MI) reports to the Authority which incorporate the data described in the SME MI Reporting Template which is:
 - 6.1.1. the total contract revenue received directly on a specific contract;
 - 6.1.2. the total value of sub-contracted revenues under the contract (including revenues for non-SME/non-VCSEs); and
 - 6.1.3. the total value of sub-contracted revenues to SMEs and VCSEs.
- 6.2. The SME management information reports shall be provided in the correct format as required by the SME MI Reporting Template and any guidance issued by the Authority from time to time. The Authority may change the SME MI Reporting Template from time to time (including the data required and/or format) by issuing a replacement

version. The Authority shall give at least thirty (30) days' notice in writing of any such change and shall specify the date from which it must be used.

- 6.3. The Contractor further agrees and acknowledges that it may not make any amendment to the then current SME MI Reporting Template without the prior written approval of the Authority.

ANNEX 1 - RECORDS TO BE KEPT BY THE CONTRACTOR

The records to be kept by the Contractor are:

1. This Contract, its Schedules and all amendments to such documents.
2. All other documents which this Contract expressly requires to be prepared.
3. Records relating to the appointment and succession of the Key Contractor Staff
4. All operation and maintenance manuals prepared by the Contractor for the purpose of maintaining the provision of the Services and the underlying ICT and Contractor Equipment.
5. Documents prepared by the Contractor or received by the Contractor from a third party relating to a Force Majeure Event.
6. All formal notices, reports or submissions made by the Contractor to the Authority in connection with the provision of the Services.
7. All certificates, licences, registrations or warranties in each case obtained by the Contractor in relation to the provision of the Services.
8. Documents prepared by the Contractor in support of claims for the Charges.
9. Documents submitted by the Contractor pursuant to the Change Control Procedure.
10. Documents submitted by the Contractor pursuant to invocation by it or the Authority of the Dispute Resolution Procedure.
11. Documents evidencing any change in ownership or any interest in any or all of the shares in the Contractor and/or the Guarantor, where such change may cause a change of Control, including documents detailing the identity of the persons changing such ownership or interest.
12. Invoices and records related to VAT sought to be recovered by the Contractor.
13. Financial records, including audited and un-audited accounts of the Guarantor and the Contractor.
14. Records required to be retained by the Contractor by Law, including in relation to health and safety matters and health and safety files and all consents.
15. All documents relating to the insurances to be maintained under this Contract and any claims made in respect of them.
16. All other records, notices or certificates required to be produced and/or maintained by the Contractor pursuant to this Contract.

- 2.4 The Contractor must include in its Continuous Improvement Plan a programme of continuous improvement to the Services to be agreed with the Authority. The Contractor will ensure that the continuous improvement programme takes account of:
 - 2.4.1 the need to maintain and increase the levels of quality outputs;
 - 2.4.2 proven tools and methodologies that may be of financial or operational benefit to the Authority;
 - 2.4.3 procedures to ensure that the Services are, at all times, provided in accordance with good industry practice and which are at least comparable with the level of change and innovation generally being used by similar services
 - 2.4.4 any issues identified and resolved in respect of the Services, including lessons learned;
 - 2.4.5 the needs of the Participant; and
 - 2.4.6 feedback from Participants and other stakeholder groups.
- 2.5 The Contractor will provide to the Authority in writing, at least on a quarterly basis, an update of the Continuous Improvement Plan for approval by the Authority in accordance with the procedures agreed.
- 2.6 The Contractor will work with the Authority and providers of similar services, to trial new processes and share best practice.
- 2.7 Without prejudice to any more specific requirements of the Contract relating to provision of information to the Authority by the Contractor, the Contractor will provide the Authority with advice, guidance and support on any issues relating to the provision of Services, when reasonably requested to do so.

Schedule 18
BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN

1. BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN

- 1.1. The Contractor shall, at all times, ensure that it has appropriate business continuity arrangements in place for the delivery of the Services.
- 1.2. Within forty (40) Business Days from the Effective Date the Contractor shall prepare and deliver to the Authority for the Authority's written approval a draft Business Continuity and Disaster Recovery Plan, which shall detail the processes and arrangements that the Contractor shall follow to:
 - 1.2.1. ensure continuity of the Services following any failure or disruption of any element of the Services; and
 - 1.2.2. the recovery of the Services in the event of a Disaster.
- 1.3. Following receipt of the draft Business Continuity and Disaster Recovery Plan from the Contractor, the Authority shall:
 - 1.3.1. review and comment on the draft Business Continuity and Disaster Recovery Plan as soon as reasonably practicable; and
 - 1.3.2. notify the Contractor in writing that it approves or rejects the draft Service Continuity Plan within twenty (20) Business Days (or such other period as notified by the Authority to the Contractor) after the date on which the draft Business Continuity and Disaster Recovery Plan is first delivered to the Authority.
- 1.4. If the Authority rejects the draft Business Continuity and Disaster Recovery Plan:
 - 1.4.1. the Authority shall inform the Contractor in writing of its reasons for its rejection; and
 - 1.4.2. the Contractor shall then revise the draft Business Continuity and Disaster Recovery Plan (taking reasonable account of the Authority's comments) and shall re-submit a revised draft Business Continuity and Disaster Recovery Plan to the Authority for the Authority's approval within twenty (20) Business Days of the date of the Authority's notice of rejection. The provisions of Paragraph 1.3 and this Paragraph 1.4 shall apply again to any resubmitted draft Service Continuity Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

2. REVIEW AND AMENDMENT OF THE BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN

- 2.1. The Contractor shall review and update the Business Continuity and Disaster Recovery Plan (and the risk analysis on which it is based):
 - 2.1.1. on a regular basis and as a minimum once every six (6) months;
 - 2.1.2. within three calendar months of the Business Continuity and Disaster Recovery Plan (or any part) having been invoked pursuant to Paragraph 4;
- 2.2. The Contractor shall, within twenty (20) Business Days of the conclusion of each such review of the Service Continuity Plan, provide to the Authority a report (a "**BCDRP Review Report**") setting out:
 - 2.2.1. the findings of the review;
 - 2.2.2. any changes in the risk profile associated with the Services; and

- 2.2.3. the Contractor's proposals (the "**Contractor's BCDRP Proposals**") for addressing any changes in the risk profile and its proposals for amendments to the Business Continuity and Disaster Recovery Plan following the review.
- 2.3. Following receipt of the Review Report and the Contractor's BCDRP Proposals, the Authority shall:
 - 2.3.1. review and comment on the Review Report and the Contractor's BCDRP Proposals as soon as reasonably practicable; and
 - 2.3.2. notify the Contractor in writing that it approves or rejects the Review Report and the Contractor's BCDRP Proposals no later than twenty (20) Business Days after the date on which they are first delivered to the Authority.
- 2.4. If the Authority rejects the Review Report and/or the Contractor's BCDRP Proposals:
 - 2.4.1. the Authority shall inform the Contractor in writing of its reasons for its rejection; and
 - 2.4.2. the Contractor shall then revise the Review Report and/or the Contractor's BCDRP Proposals as the case may be (taking reasonable account of the Authority's comments and carrying out any necessary actions in connection with the revision) and shall re-submit a revised Review Report and/or revised Contractor's BCDRP Proposals to the Authority for the Authority's approval within 20 Business Days of the date of the Authority's notice of rejection. The provisions of Paragraph 2.3 and this Paragraph 2.4 shall apply again to any resubmitted Review Report and Contractor's BCDRP Proposals, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.
- 2.5. The Contractor shall as soon as is reasonably practicable after receiving the Authority's approval of the Contractor's Proposals (having regard to the significance of any risks highlighted in the Review Report) effect any change in its practices or procedures necessary so as to give effect to the Contractor's Proposals.

3. TESTING OF THE BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN

- 3.1. The Contractor shall test the Business Continuity and Disaster Recovery Plan on a regular basis (and in any event not less than once in every Contract Year).
- 3.2. The Contractor shall undertake and manage testing of the Business Continuity and Disaster Recovery Plan in full consultation with the Authority and shall liaise with the Authority in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Authority in this regard.
- 3.3. The Contractor shall ensure that any use by it or any Sub-Contractor of "live" data in such testing is first approved with the Authority. Copies of live test data used in any such testing shall be (if so required by the Authority) destroyed or returned to the Authority on completion of the test.
- 3.4. The Contractor shall, within twenty (20) Business Days of the conclusion of each test, provide to the Authority a report setting out:
 - 3.4.1. the outcome of the test;
 - 3.4.2. any failures in the Business Continuity and Disaster Recovery Plan (including the Service Continuity Plan's procedures) revealed by the test; and
 - 3.4.3. the Contractor's proposals for remedying any such failures.
- 3.5. Following each test, the Contractor shall take all measures requested by the Authority, (including requests for the re-testing of the Business Continuity and Disaster Recovery Plan) to remedy any failures in the Business Continuity and Disaster Recovery Plan

and such remedial activity and re-testing shall be completed by the Contractor, at no additional cost to the Authority, by the date reasonably required by the Authority and set out in such notice.

- 3.6. For the avoidance of doubt, the carrying out of a test of the Business Continuity and Disaster Recovery Plan (including a test of the Service Continuity Plan's procedures) shall not relieve the Contractor of any of its obligations under this Agreement.
- 3.7. The Contractor shall also perform a test of the Business Continuity and Disaster Recovery Plan in the event of any major reconfiguration of the Services or as otherwise reasonably requested by the Authority.

4. INVOCATION OF THE BUSINESS CONTINUITY AND RECOVERY PLAN

- 4.1. In the event of a loss of any critical part of the Service or a Disaster, the Contractor shall immediately invoke the business continuity and disaster recovery provisions in the Business Continuity and Disaster Recovery Plan. In all other instances the Contractor shall invoke the business continuity and disaster recovery plan elements only with the prior consent of the Authority.

ANNEX 1
BUSINESS CONTINUITY PLAN.



Schedule 19
CONTRACTOR'S TECHNOLOGY SOLUTION

1. Definitions

1.1. In this Schedule, the following words shall have the following meanings and:

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|---|---|
| "Authority Property" | the property, other than real property and IPR, including the Authority System, any equipment issued or made available to the Contractor by the Authority in connection with this Contract; |
| "Authority Software" | any software which is owned by or licensed to the Authority and which is or will be used by the Contractor for the purposes of providing the Services; |
| "Authority System" | the Authority's computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Authority or the Contractor in connection with this Contract which is owned by or licensed to the Authority by a third party and which interfaces with the Contractor System or which is necessary for the Authority to receive the Services; |
| "Commercial off the shelf Software" or "COTS Software" | Non-customised software where the IPR may be owned and licensed either by the Contractor or a third party depending on the context, and which is commercially available for purchase and subject to standard licence terms |
| "Contractor System" | the information and communications technology systems and software used by the Contractor in supplying the Services, including the COTS Software, the Contractor's equipment, configuration and management utilities, calibration and testing tools and related cabling; |
| "Defect" | any of the following: <ul style="list-style-type: none">a) any error, damage or defect to the Contractor's System that affects the delivery of the Services; orb) any error or failure of code within the software which causes any part of the Contractor's or Authority System to malfunction or to produce unintelligible or incorrect results; orc) any failure to provide the performance, features and functionality specified by the Contractor (including any adverse effect on response times) regardless of whether or not it prevents the relevant part of the Contractor's System from passing any test required under this Contract; ord) any failure of any part of the Contractor's System to operate in conjunction with or interface with any |

other part of the Contractor's or Authority System in order to provide the performance, features and functionality required to deliver the Services;

"Emergency Maintenance"

ad hoc and unplanned maintenance provided by the Contractor 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 Authority System and the Contractor System;

"Licensed Software"

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

"Maintenance Schedule"

has the meaning given to it in paragraph 5 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 Contractor System or any part of it by providing additional functionality or performance enhancement (whether or not defects in the Software are also corrected) while still retaining the original designated purpose of that part of the Contractor's System;

"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 Authority System and any premises (including the Authority Premises, the Contractor's premises or third party premises) from, to or at which:

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

"Permitted Maintenance"

has the meaning given to it in paragraph 55.2 of this Schedule;

"Software"	Specially Written Software COTS Software and non-COTS Contractor and third party Software;
"Software Supporting Materials"	has the meaning given to it in paragraph 6.1 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 Contractor (or by a Sub-Contractor or other third party on behalf of the Contractor) 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;

2. Licensed software warranty

2.1. The Contractor represents and warrants that:

- 2.1.1. it has and shall continue to have all necessary rights in and to the Licensed Software used by the Contractor (and/or any Sub-Contractor) which are necessary for the performance of the Contractor's obligations under this Contract;
- 2.1.2. all components of the Specially Written Software shall:
 - 2.1.2.1. be free from Defects, material design and programming errors;
 - 2.1.2.2. perform in all material respects in accordance with the Annex A of this Schedule; and
 - 2.1.2.3. not infringe any IPR.

3. Provision of the Technology Solution

3.1. The Contractor shall:

- 3.1.1. ensure that the release of any new COTS Software in which the Contractor owns the IPR, or upgrade to any Software in which the Contractor owns the IPR complies with the interface requirements of the Authority and (except in relation to new Software or upgrades which are released to address Malicious Software) shall notify the Authority three (3) Months before the release of any new COTS Software or Upgrade;
- 3.1.2. ensure that all Software including upgrades, updates and New Releases used by or on behalf of the Contractor are currently supported versions of that Software and perform in all material respects in accordance with the relevant specification;

- 3.1.3. ensure that the Contractor System will be free of all encumbrances;
- 3.1.4. ensure that the Contractor System is fully compatible with any Contractor Software, Contractor System, or otherwise used by the Contractor in connection with this Contract;
- 3.1.5. minimise any disruption to the Services and the ICT Environment and/or the Authority's operations when providing the Services;
- 3.1.6. Correct any Defects as soon as practicable;

Non-functional requirements:

- 3.1.7. ensure that the Technology Solution is fully scalable to meet current and future needs, without having any negative impact upon the performance (and user experience) of the solution;
- 3.1.8. have an understanding of non-functional requirements and build them into the Technology Solution i.e. volumetrics, usability, security, accessibility, interoperability, reliability, maintainability, availability, scalability, portability and compatibility;

Accessibility:

- 3.1.9. ensure its Technology Solution meets industry standards for accessibility and is compliant with WCAG V2.1 to 'AA' Standard <https://www.w3.org/TR/WCAG21/> and ISO 9241-171:2008 (Ergonomics of human-system Interface);
- 3.1.10. ensure that the Technology Solution is compatible with the following 'Assistive Technologies': JAWS, Zoomtext, Dragon NaturallySpeaking, and Dolphin Supernova.

Hosting

- 3.1.11. ensure the Technology Solution is hosted within the UK mainland, ensuring all development, management, support, processing and storage of Departmental Data remains within the UK and in compliance with domestic standards. Hosting within the European Union (EU) is also acceptable, provided that the supplier can demonstrate its adherence to the Information Commissioner's Office's (ICO) regarding preparation for EU exit.

4. Audit

- 4.1. The Contractor shall allow any auditor access to the Contractor premises to:
 - 4.1.1. inspect the ICT Environment and the wider service delivery environment (or any part of them);
 - 4.1.2. review any records created during the design and development of the Contractor System and pre-operational environment such as information relating to testing;
 - 4.1.3. review the Contractor's quality management systems relating to the Contractor's System including all relevant quality plans.

5. Maintenance of the ICT Environment

- 5.1. The Contractor shall create and maintain a rolling schedule of planned maintenance to the ICT Environment ("**Maintenance Schedule**") and make it available to the Authority.

- 5.2. The Contractor shall only undertake such planned maintenance (which shall be known as "**Permitted Maintenance**") in accordance with the Maintenance Schedule.
- 5.3. The Contractor shall give as much notice as is reasonably practicable to the Authority prior to carrying out any Emergency Maintenance.
- 5.4. The Contractor shall carry out any necessary maintenance (whether Permitted Maintenance or Emergency Maintenance) where it reasonably suspects that the ICT Environment 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 Services.

6. Intellectual Property Rights in ICT

6.1. Assignments granted by the Contractor: Specially Written Software

- 6.1.1. The Contractor assigns (by present assignment of future rights to take effect immediately on it coming into existence) to the Authority with full guarantee (or shall procure assignment to the Authority), title to and all rights and interest in the Specially Written Software together with and including:
 - 6.1.1.1. the Documentation, Source Code and the Object Code of the Specially Written Software; and
 - 6.1.1.2. 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**").
- 6.1.2. The Contractor shall:
 - 6.1.2.1. inform the Authority of all Specially Written Software or New IPRs that are a modification, customisation, configuration or enhancement to any COTS Software;
 - 6.1.2.2. deliver to the Authority 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 Authority and the Authority shall become the owner of such media upon receipt; and
 - 6.1.2.3. without prejudice to paragraph 6.1.2.2, provide full details to the Authority of any of the Contractor'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 Contractor hereby grants to the Authority and shall procure that any relevant third party licensor shall grant to the Authority a perpetual, irrevocable, non-exclusive, assignable, royalty-free licence to use, sub-license and/or commercially exploit such Contractor's Existing IPRs and Third Party IPRs to the extent that it is necessary to enable the Authority to obtain the full benefits of ownership of the Specially Written Software and New IPRs.

6.1.3. The Contractor 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 Authority.

6.2. Licences for non-COTS IPR from the Contractor and third parties to the Authority

6.2.1. Unless the Authority gives its approval the Contractor must not use any:

- a) of its own Existing IPR that is not COTS Software;
- b) third party software that is not COTS Software

6.2.2. Where the Authority approves the use of the Contractor's Existing IPR that is not COTS Software the Contractor shall grant to the Authority a perpetual, royalty-free and non-exclusive licence in the terms set out in Clause 14.14.

6.2.3. Where the Authority approves the use of third party Software that is not COTS Software the Contractor shall procure that the owners or the authorised licensors of any such Software grant a direct licence to the Authority on terms at least equivalent to those set out in Paragraph 6.2.2. If the Contractor cannot obtain such a licence for the Authority it shall:

6.2.3.1. notify the Authority in writing giving details of what licence terms can be obtained and whether there are alternative software providers which the Contractor could seek to use; and

6.2.3.2. only use such third party IPR as referred to at paragraph 6.2.3.1 if the Authority Approves the terms of the licence from the relevant third party.

6.2.4. Where the Contractor is unable to provide a license to the Contractor's Existing IPR in accordance with Paragraph 6.2.2 above, it must meet the requirement by making use of COTS Software or Specially Written Software.

6.2.5. The Contractor may terminate a licence granted under paragraph 6.2.1 by giving at least thirty (30) days' notice in writing if there the Authority commits a material Default which, if capable of remedy, is not remedied within twenty (20) Business Days after the Contractor gives the Authority written notice specifying the breach and requiring its remedy.

6.3. Licences for COTS Software by the Contractor and third parties to the Authority

6.3.1. The Contractor shall either grant, or procure that the owners or the authorised licensors of any COTS Software grant, a direct licence to the Authority on terms no less favourable than those standard commercial terms on which such software is usually made commercially available.

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

6.3.3. Where a third party is the owner of COTS Software licensed in accordance with this Paragraph 6.3 the Contractor shall support the Replacement Contractor 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.

6.3.4. The Contractor shall notify the Authority within five (5) Business Days of becoming aware of any COTS Software which in the next thirty-six (36) Months:

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

6.3.4.2. will no longer be made commercially available

6.4. Authority's right to assign/novate licences

6.4.1. The Authority may assign, novate or otherwise transfer its rights and obligations under the licences granted pursuant to paragraph 6.2 to:

6.4.1.1. a Central Government Body; or

6.4.1.2. 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 Authority.

6.4.2. If the Authority ceases to be a Central Government Body, the successor body to the Authority shall still be entitled to the benefit of the licences granted in paragraph 6.2.

6.5. Licence granted by the Authority

6.5.1. Where applicable, the Authority grants to the Contractor a royalty-free, non-exclusive, non-transferable licence during the Term to use the Authority Software and the Specially Written Software solely to the extent necessary for providing the Services 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 Contractor on the same terms as set out in clause 17 (Confidentiality).

6.6. Open Source Publication

6.6.1. Unless the Authority otherwise agrees in advance in writing (and subject to paragraph 6.6.4) all Specially Written Software and computer program elements of New IPR shall be created in a format, or able to be converted (in which case the Contractor shall also provide the converted format to the Authority) into a format, which is:

6.6.1.1. suitable for publication by the Authority as Open Source; and

6.6.1.2. based on Open Standards (where applicable),

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

6.6.3. The Contractor hereby warrants that the Specially Written Software and the New IPR:

6.6.3.1. are suitable for release as Open Source and that the Contractor has used reasonable endeavours when developing the same to ensure that publication by the Authority 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 Authority System;

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

- 6.6.3.3. do not contain any material which would bring the Authority into disrepute;
 - 6.6.3.4. can be published as Open Source without breaching the rights of any third party;
 - 6.6.3.5. 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 Authority to the Contractor; and
 - 6.6.3.6. do not contain any Malicious Software.
- 6.6.4. Where the Authority has Approved a request by the Contractor 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 Contractor 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 Contractor shall:
- 6.6.4.1. as soon as reasonably practicable, provide written details of the nature of the IPRs and items or Services based on IPRs which are to be excluded from Open Source publication; and
 - 6.6.4.2. include in the written details and information about the impact that inclusion of such IPRs or Services based on such IPRs, will have on any other Specially Written Software and/or New IPRs and the Authority's ability to publish such other items or Services as Open Source.

6.7. **Malicious Software**

- 6.7.1. The Contractor shall, throughout the Term, 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.
- 6.7.2. 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 Services to its desired operating efficiency.
- 6.7.3. Any cost arising out of the actions of the Parties taken in compliance with the provisions of paragraph 6.7.2 shall be borne by the Parties as follows:
 - 6.7.3.1. by the Contractor, where the Malicious Software originates from the Contractor Software, the third party Software supplied by the Contractor or the Government Data (whilst the Government Data was under the control of the Contractor) unless the Contractor can demonstrate that such Malicious Software was present and not quarantined or otherwise identified by the Authority when provided to the Contractor; and
 - 6.7.3.2. by the Authority, if the Malicious Software originates from the Authority Software or the Authority Data (whilst the Authority Data was under the control of the Authority).

ANNEX TO SCHEDULE 19
SERVICE LEVELS

1. DEFINITIONS

1.1 In this part, the following words shall have the following meanings:

“Critical Service Level Failure”	means a failure by the Contractor to meet any Service Level for a continuous period of 7 calendar days or a combined period of more than 14 days in a 28-day period
"Service Levels"	means the service levels set out in Table A of this Annex to Schedule 19
"Service Level Failure"	means a failure by the Contractor to meet the Service Level Performance Measure in respect of a Service Level
"Service Level Performance Measure"	shall be as set out against the relevant Service Level in Table A of this Annex to Schedule 19

2. SERVICE LEVELS

2.1 If the level of performance of the Contractor's System:

- 2.1.1 is likely to or fails to meet any Service Level Performance Measure; or
- 2.1.2 is likely to cause or causes a Critical Service Level Failure to occur,
the Contractor shall immediately notify the Authority in writing and the Authority, in its absolute discretion and without limiting any other of its rights, may:
- 2.1.3 require the Contractor to immediately take all remedial action that is reasonable to mitigate the impact on the Authority and to rectify or prevent a Service Level Failure from taking place or recurring;
- 2.1.4 instruct the Contractor to comply with the Rectification Plan Process;
- 2.1.5 if the Authority deems the Service Level Failure to be of a substantial level it can exercise its right to terminate for material default.

3. PLANNED MAINTENANCE

3.1 The current planned maintenance times are as specified in the Contractor's latest Maintenance Schedule

4. FAILURE TO MEET THE SERVICE LEVELS

- 4.1 The Contractor shall at all times meet the Service Level Performance Measure for each Service Level.
- 4.2 The Contractor acknowledges that any Service Level Failure shall entitle the Authority to the rights set out in Paragraph 1 of this Annex to Schedule 19.
- 4.3 The Contractor shall send MI Reports to the Authority detailing the level of compliance which was achieved against each Service Level Performance Criteria in accordance with the provisions of Schedule 16 (Records Provision and Management Information).

Table A - Service Levels

Service Level Performance Criteria	Service Level Reference	Description	Required Compliance (%) (Service Level Performance Measure)
Contractor's System	CS1	The Contractor's System shall be made available 24 hours per day, fifty-two (52) weeks a year, except for agreed downtime and maintenance	100%
Maintenance and Upgrades	MU1	All essential scheduled maintenance and/or system upgrades to the Contractor's System shall occur outside the hours of 07:30 to 20:00 GMT (or BST as appropriate) Monday to Friday	100%
	MU2	The Contractor shall provide prior notification of maintenance and/or system upgrades to the Authority	100%
	MU3	Where applicable (e.g. on a website or app), a message shall be placed on the Contractor's System at least 2 weeks in advance of any maintenance or upgrade taking place, followed by subsequent reminders 48 and 24 hours prior to the maintenance or upgrade	100%
	MU4	When required the Contractor and Authority shall ensure any system maintenance/upgrades are tested via the Authority networks prior to the upgraded version release going live	100%
Correction of Defects	D1	Defects to be corrected within 24hrs of identification	99%

Schedule 20 BREAKAGE COSTS

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

- “Applicable Contractor Personnel”** any Contractor Personnel who:
- (i) at the Termination Date:
 - a) are employees of the Contractor;
 - b) are Dedicated Contractor Personnel;
 - c) **have** not transferred (and are not in scope to transfer at a later date) to the Authority or the Replacement Contractor as a result of the operation of TUPE; and
 - (ii) are dismissed or given notice of dismissal by the Contractor within:
 - d) 40 Business Days of the Termination Date; or
 - e) such longer period required by Law, their employment contract (as at the Termination Date) or an applicable collective agreement; and
 - (iii) have not resigned or given notice of resignation prior to the date of their dismissal by the Contractor; and
 - (iv) the Contractor can demonstrate to the satisfaction of the Authority:
 - a) are surplus to the Contractor's requirements after the Termination Date notwithstanding its obligation to provide services to its other customers;
 - b) are genuinely being dismissed for reasons of redundancy; and
 - c) have been selected for redundancy by the Contractor on objective grounds other than the fact that the Contractor is entitled to reimbursement under this provision in respect of such employees;
- “Assets”** means all assets and rights used by the Contractor to provide the Services in accordance with this Contract but excluding any assets belonging to the Authority;
- “Breakage Costs Payment”** an amount equal to the Redundancy Costs and the Contract Breakage Costs as at the Termination Date as determined in accordance with Paragraph 2;
- “Contract Breakage Costs”** the amounts payable by the Contractor to its Key Sub-Contractors or other third parties (as applicable) for terminating all relevant Key Sub-Contracts as a direct result of the early termination of this Contract;

“Dedicated Contractor Personnel”	all Contractor Personnel then assigned to the Services or any part of the Services. If the Contractor is unsure as to whether Contractor Personnel are or should be regarded as so assigned, it shall consult with the Authority whose view shall be determinative provided that the employee has been materially involved in the provision of the Services or any part of the Services;
“Redundancy Costs”	<p>the total sum of any of the following sums paid to Applicable Contractor Personnel, each amount apportioned between the Contractor and the Authority based on the time spent by such employee on the Services as a proportion of the total Service duration:</p> <ul style="list-style-type: none"> (a) any statutory redundancy payment; and (b) in respect of an employee who was a Transferring Former Contractor Employee or a Transferring Authority Employee, any contractual redundancy payment (or where such a contractual benefit on redundancy is a benefit payable from a pension scheme, the increase in cost to the Contractor as a net present value compared to the benefit payable on termination of employment without redundancy), provided that such employee was entitled to such contractual redundancy payment immediately prior to his or her transfer to the Contractor as a result of the operation of TUPE;
“Request for Estimate”	a written request sent by the Authority to the Contractor, requiring that the Contractor provide it with an accurate estimate of the Breakage Costs Payment that would be payable if the Authority exercised its right under Clause 25.11 (Termination) to terminate this Contract for convenience on a specified Termination Date;
“Termination Estimate”	has the meaning given in Paragraph 8.3;

2 BREAKAGE COSTS PAYMENT

- 2.1 The Contractor may recover through the Breakage Costs Payment only those costs incurred by the Contractor directly as a result of the termination of this Contract which:
- (a) would not have been incurred had this Contract continued until expiry of the Initial Contract Period, or in the event that the Term has been extended, the expiry of the Extension Period;
 - (b) are unavoidable, proven, reasonable, and not capable of recovery;
 - (c) are incurred under arrangements or agreements that are directly associated with this Contract;
 - (d) are not Contract Breakage Costs relating to contracts or Sub-Contracts with Affiliates of the Contractor; and
 - (e) relate directly to the termination of the Services.

Limitation on Breakage Costs Payment

- 2.2 The Breakage Costs Payment shall not exceed the lower of:
- (a) the relevant limit set out in Annex 1 (Maximum Breakage Costs); and
 - (b) 120% of the estimate for the Breakage Costs Payment set out in any relevant Termination Estimate.

Redundancy Costs

- 2.3 The Authority shall not be liable under this Schedule for any costs associated with Contractor Personnel (whether relating to redundancy, redeployment or otherwise) other than the Redundancy Costs.
- 2.4 Where the Contractor can demonstrate that a member of Contractor Personnel will be made redundant following termination of this Contract, but redeployment of such person is possible and would offer value for money to the Authority when compared with redundancy, then the Authority shall pay the Contractor the actual direct costs incurred by the Contractor or its Sub-contractor arising out of the redeployment of such person (including retraining and relocation costs) subject to a maximum amount of £30,000 per relevant member of the Contractor Personnel.

Contract Breakage Costs

- 2.5 The Contractor shall be entitled to Contract Breakage Costs only in respect of Sub-Contracts which:
- (a) are not assigned or novated to a Replacement Contractor at the request of the Authority); and
 - (b) the Contractor can demonstrate:
 - (i) are surplus to the Contractor's requirements after the Termination Date, whether in relation to use internally within its business or in providing services to any of its other customers; and
 - (ii) have been entered into by it in the ordinary course of business.
- 2.6 The Contractor shall seek to negotiate termination of any Sub-Contracts with the relevant Sub-Contractor (as the case may be) using all reasonable endeavours to minimise the cancellation or termination charges.
- 2.7 Except with the prior written agreement of the Authority, the Authority shall not be liable for any costs (including cancellation or termination charges) that the Contractor is obliged to pay in respect of:
- (a) the termination of any contractual arrangements for occupation of, support of and/or services provided for Contractor premises which may arise as a consequence of the termination of this Contract; and/or
 - (b) Assets not yet installed at the Termination Date.

3 MITIGATION OF CONTRACT BREAKAGE COSTS AND REDUNDANCY COSTS AND UNRECOVERED COSTS

- 3.1 The Contractor agrees to use all reasonable endeavours to minimise and mitigate Contract Breakage Costs and Redundancy Costs by:
- (a) the appropriation of Assets, employees and resources for other purposes;
 - (b) at the Authority's request, assigning any Sub-contracts to the Authority or a third party acting on behalf of the Authority; and

(c) in relation to Sub-Contracts that are not to be assigned to the Authority or to another third party, terminating those contracts at the earliest possible date without breach or where contractually permitted.

3.2 If Assets, employees and resources can be used by the Contractor for other purposes, then there shall be an equitable reduction in the Contract Breakage Costs, and Redundancy Costs payable by the Authority or a third party to the Contractor. In the event of any dispute arising over whether the Contractor can use any Assets, employees and/or resources for other purposes and/or over the amount of the relevant equitable reduction, the dispute shall be determined in accordance with the procedure set out in Clause 40 (Dispute Resolution).

4 FULL AND FINAL SETTLEMENT

Any Breakage Costs paid under this Schedule shall be in full and final settlement of any claim, demand and/or proceedings of the Contractor in relation to any termination by the Authority pursuant to Clause 26.11 (Termination) and the Contractor shall be excluded from all other rights and remedies it would otherwise have been entitled to in respect of any such termination.

5 INVOICING FOR THE PAYMENTS ON TERMINATION

All sums due under this Schedule shall be payable by the Authority to the Contractor in accordance with the payment terms set out in Schedule 3 (Financials).

6 SET OFF

The Authority shall be entitled to set off any outstanding liabilities of the Contractor against any amounts that are payable by it pursuant to this Schedule.

7 NO DOUBLE RECOVERY

7.1 If any amount payable under this Schedule (in whole or in part) relates to or arises from any Assets that are to transfer to the Authority then, to the extent that the Authority makes any payments pursuant to the Exit Plan that the Contractor shall draft in accordance with Clause 27.2 of the Contract in respect of such Assets, such payments shall be deducted from the amount payable pursuant to this Schedule.

7.2 The value of the Breakage Costs Payment shall be reduced or extinguished to the extent that the Contractor has already received the Charges or the financial benefit of any other rights or remedy given under this Contract so that there is no double counting in calculating the relevant payment.

7.3 Any payments that are due in respect of Assets that are to transfer to the Authority shall be calculated in accordance with provisions agreed between the Parties and detailed in the Exit Plan.

8 ESTIMATE OF TERMINATION PAYMENT AND COMPENSATION PAYMENT

8.1 The Contractor shall supply the Authority an estimate of the Contract Breakage Costs within 3 months of the Contract Date in the format as required under Annex 1 of this Schedule 20. This estimate shall be reviewed and updated annually on the anniversary of the Contract Date.

8.2 The Authority may issue a Request for Estimate at any time during the Term provided that no more than 2 Requests for Estimate may be issued in any 6 month period.

8.3 The Contractor shall within 20 Business Days of receiving the Request for Estimate (or such other timescale agreed between the Parties), provide an accurate written estimate of the Breakage Costs that would be payable by the Authority based on a

postulated Termination Date specified in the Request for Estimate (such estimate being the "Termination Estimate"). The Termination Estimate shall:

- (a) be based on the relevant amounts set out in the Financial Model;
- (b) include:
 - (i) details of the mechanism by which the Termination Payment is calculated;
 - (ii) full particulars of the estimated Contract Breakage Costs in respect of each Sub-Contract and appropriate supporting documentation; and
 - (iii) such information as the Authority may reasonably require; and
- (c) state the period for which that Termination Estimate remains valid, which shall be not less than 20 Business Days.

8.4 The Contractor acknowledges that issue of a Request for Estimate shall not be construed in any way as to represent an intention by the Authority to terminate this Contract.

ANNEX 1: MAXIMUM BREAKAGE COSTS PAYMENT

The table below sets out, by Contract Year, the maximum amount of Breakage Costs that the Authority shall be liable to pay to the Contractor pursuant to this Contract:

Termination Date	Maximum Breakage Costs Payment
31 May 2024	
31 May 2025	
31 May 2026	
31 May 2027	
31 May 2028	

Schedule 21
ADMINISTRATION OF PASS-THROUGH COSTS

1 GENERAL

- 1.1 During the PD Diploma Period the Contractor will be required to administer and make Maintenance Bursary Payments, and LA Contribution Payments.
- 1.2 The Pass-Through Costs will take the form of a Grant, paid under Section 46 of the Children and Social Work Act 2017.
- 1.3 The Authority will make available to the Contractor up to £36,000,000 (thirty-six million pounds) in Pass-Through Costs, during the Initial Contract Period.
- 1.4 The Pass-Through Costs available for the first Cohort will be as follows;
 - 1.4.1 £9,750,000 (nine million seven hundred and fifty thousand pounds) for Maintenance Bursary Payments; and
 - 1.4.2 £2,250,000 (two million two hundred and fifty thousand pounds) for LA Contribution Payments.
- 1.5 The Pass-Through Costs for the second and third Cohorts are anticipated to be the same as those set out in paragraph 1.4.1 but the figures as set out for Cohort 1 should be considered indicative and the actual available Pass-Through Costs for the second and thereafter the third Cohort, will be dependent on the successful delivery of agreed outcomes and the further confirmation of the Authority, prior to the commencement of each of the second and third Cohorts.
- 1.6 The Pass-Through Costs are paid to the Contractor solely for the purposes of the Maintenance Bursary Payments and Local Authority Contribution Payments. The Contractor may not use Pass-Through Costs for any other purpose at all.
- 1.7 The Contractor must hold all Pass-Through Costs in a separate bank account. The Contractor shall provide to the Authority a statement as to any and all interest earned on that separate bank account in the Pass-Through Cost report, as set out in Table 1 (MI Report Table) of Schedule 16 (Records Provision and Management Information) and the Authority shall be entitled to offset such interest against future invoices from the Contractor, pursuant to paragraph 2.11 of Annex 1, Schedule 3 (Financials).
- 1.8 The Contractor shall comply with paragraph 2.12 of Annex 1, Schedule 3 (Financials) and the Authority shall be entitled to assume that the Contract has complied with this obligation.
- 1.9 The Contractor is required to submit claims for payment of Pass-Through Costs as set out in Schedule 3 (Financials). No such claims may be submitted prior to the Parties having entered into the Contract.

2 ELIGIBILITY

- 2.1 All Participants who begin their PG Diploma are eligible for a monthly Maintenance Bursary Payment, with Deferrals and Withdrawals managed as described at paragraphs 2.8 of Annex 1 (Payment Process) of Schedule 3, (Financials).

2.2 All Local Authorities who provide Placements for Participants during their PG Diploma Period will be eligible to receive an annual LA Contribution Payment.

3 CONTRACTOR'S RESPONSIBILITIES

3.1 The Contractor will be responsible for ensuring that it has adequate resources and processes in place to ensure the effective and efficient management of the payment of Pass-Through Costs as detailed in this Schedule 21 Schedule 3 (Financials). This must include:

- 3.1.1 implementing an agreement between the Contractor and the Recipients, to allow for the management of Pass-Through Costs, including recouping funds paid to Recipients in error and setting out the Recipient Responsibilities as set out in paragraph 4;
- 3.1.2 Ensuring the agreement includes a clear description of what the Pass-Through Costs will be spent on, as a high-level specification/outcome included within the agreement, and clearly defining the allowable assumptions for forecasts required in order to validate the anticipated expenditure to allow the Contractor to claim the LA Contribution Payment from the Authority, as required under Paragraph 2.14 of Annex 1, Schedule 3;
- 3.1.3 having a Deferral and Withdrawal procedure in place that minimises the risk to the Authority of paying Pass-Through Costs to Contractor where a Participant has Deferred or Withdrawn, as set out in paragraph 2.9 of Annex 1 of Schedule 3 (Financials);
- 3.1.4 ensuring sufficient Contractor Staff are allocated to the administration of Pass-Through Costs at all times;
- 3.1.5 providing all facilities as required to ensure the Pass-Through Costs are released to Participants and Local Authorities on time;
- 3.1.6 implementing a single point of contact so that all queries relating to Pass-Through Costs, can be raised directly by Participant and Local Authorities respectively, and developing a process to deal with all queries such that:
 - (a) Maintenance Bursary Payment queries are resolved within 5 Working Days of the query having been made by the Participant to the Contractor; and
 - (b) LA Contribution queries are resolved within 10 Working Days of the query having been made by the Local Authority to the Contractor; and
- 3.1.7 providing the Authority with quarterly reconciliation of actual Pass-Through Costs incurred as detailed within the Pass-Through Costs Report in Table 1 (MI Report table) of Schedule 16 (Records Provision and Management Information) commencing on October 2024 and continuing throughout the Term, until all Participants have received the Maintenance Bursary Payments for which they are eligible.
- 3.1.8 providing the Authority with a third-party assurance including the full audit report and support evidence, annually, to confirm the Contractor 's receipt and distribution of Pass-Through Costs is in accordance with the requirements of this Schedule 21, and Paragraph 2 of Annex 1 (Payment Process) of Schedule 3 (Financials) through submission to the Authority of;
 - (a) an annual certification of expenditure, completed by a third party, in relation Maintenance Bursary Payments in the form set out Annex A (i); and

- (b) a letter from each Local Authority in receipt of Local Authority Contribution Payments in the form set out in Annex A (ii),

by no later than the 30 June annually.

4 RECIPIENTS' RESPONSIBILITIES

4.1 Recipients are responsible for;

- 4.1.1 ensuring they have informed HMRC of their receipt of Maintenance Bursary Payments and have clarified any tax implications of receipt of the Maintenance Bursary Payments, based on their own individual circumstances;
- 4.1.2 informing the Contractor and their Placement Local Authority of their intentions to Defer or Withdraw from the Programme in accordance with the agreement they enter with the Contractor under paragraph 3.1.1, to ensure that Maintenance Bursary Payments cease in accordance with paragraph 2.9 of Annex 1 of Schedule 3 (Financials); and
- 4.1.3 repaying to the Contractor any Maintenance Bursary Payments received which are made outside of the rules stated within this Schedule 21 and Schedule 3 (Financials).

4.2 Local Authorities are responsible for;

- 4.2.1 confirming to the Contractor, monthly, the number of Participants they currently provide Placements for, in accordance with the agreement they enter with the Contractor under paragraph 3.1.1, to enable the Contractor to submit the Appendix B Claim Form as set out in 2.142.5 of Annex 1 (Payment Process) of Schedule 3 (Financials), accurately;
- 4.2.2 confirming to the Contractor, annually, the number of Participants they will provide Placements for, in accordance with the agreement they enter with the Contractor under paragraph 3.1.1, to enable the Contractor to submit Appendix C Claim Form as set out in paragraph 2.14 of Annex 1 of Schedule 3 (Financials), accurately; and
- 4.2.3 repay to the Contractor any LA Contribution Payments made by the Contractor to the Local Authority in error within 30 calendar days of the error being identified by either the Contractor or the Local Authority.

5 Authority Actions

5.1 Where the third party assurance audit report and supporting evidence provided to it by the Contractor, in accordance with Paragraph 3.1.8(a) contains an assurance rating of limited (as set out in Annex (i)) the Authority reserves the right to take action under the terms of the Agreement. This may include requiring the Contractor to rectify its performance in relation to the administration of the Maintenance Bursary Payments the imposition of additional conditions, step-in and / or termination in accordance with the terms of the Contract.

5.2 For the avoidance of doubt the Authority may consider

- 5.2.1 failure on the Contractor's part to provide the required third party assurance, in accordance with Paragraph 3.1.8(a) and/or the required Local Authority certification, in accordance with Paragraph 3.1.6(b) with 28 (twenty eight) calendar days of the anniversary of the grant period ; and/or
- 5.2.2 any issue raised in relation to the Contractor's administration of Pass-Through Costs, whether highlighted by the third-party assurance process, by a Local Authority or otherwise;

to be a Default.

Annex A (i)

Annual Certification of Expenditure (Contractor Name)

Assurance to be gained by independent third party registered accountant. The letter is to be reproduced on headed paper of the accountant

(i) **The Frontline Organisation**, Frontline, Coram Campus, 41 Brunswick Square, London, WC1N 1AZ [project_6167]

(ii) [*Insert name/address of the external auditor/accountant/organisation*]

Dear Sirs,

Re: Annual Certification of project_6167 - National Fast Track Child & Family Social Work Programme Expenditure for Financial Year [20XX-XX]

This certificate is provided to The Frontline Organisation to enable it to comply with the requirements of Paragraph 2 of Annex 1 (Payment Process) of Schedule 3 (Financials) and Schedule 21 (Administration of Pass-Through Costs) of the Contract between the Contractor and the Department for Education (DfE) for the provision of the National Fast Track Child & Family Social Work Programme (“the Contract”) in relation to Maintenance Bursary Payments.

We have undertaken an audit for the purpose of giving assurance that the expenditure, for which the Grant of [insert value of grant awarded £XX] for the year ending [insert date] was applied by The Frontline Organisation for the purposes intended by the DfE and the financial transactions conform to the requirements of the Contract. As a result of that audit, we can give [**Limited**][**Reasonable**] assurance.

Our audit has included examination, on a sample basis, being [*at least ten percent 10% of Participant records of Participants in receipt of Maintenance Bursary Payments*] of evidence relevant to the regularity and propriety of the administration and payment of Maintenance Bursary Payments as required by the Contract.

We enclose the audit report and supporting evidence.

This report is made solely to [name of Contractor] to be produced to the DfE. Our audit has been undertaken so that we might state to The Frontline Organisation those matters we are required to state in a report and for no other purpose.

Yours faithfully,

Signed by an independent external officer authorised to sign	
Date	
Signature	

Name of external auditor/accountant or equivalent (please print)	
Position in organisation	

Signed by a senior officer authorised to sign on behalf of The Frontline Organisation	
Date	
Signature	
Name (please print)	
Position in organisation	

Annex A (ii)

Statement of Grant Usage

The letter is to be reproduced on headed paper of the Local Authority

Notes for completion:

1. The end Grant Recipient [**Local Authority**] shall prepare a Certification of Grant Usage for the Grant Period [**Insert start and end dates**].
2. This comprises three parts:
 - a) Certificate of Grant Usage.
 - b) Statement of Expenditure; and
 - c) Report confirming Delivery.
3. The end Grant Recipient [**Local Authority**] shall submit the forms to the Contractor, annually, no later than 30 April.

a) Certificate of Grant Usage

Name of body	[insert name of the Local Authority]
Approved Project title	Project_6167 - National Fast Track Child & Family Social Work Programme

- The total LA Contribution Payment of £[**insert figure**] paid by The Frontline Organisation to [**name of Local Authority**] has been exclusively used for the purposes set out in the agreement between the [**name of the Local Authority**] and The Frontline Organisation, dated insert date of our letter.
- A report on the activities funded by the LA Contribution Payment will be submitted to The Frontline Organisation, confirming that the LA Contribution Payment outputs have been delivered to a satisfactory standard and the expected benefits that have accrued or will accrue. The report will be provided annually, no later than 28 (twenty-eight) days of the anniversary of the LA Contribution Payment in respect of the National Fast Track Child & Family Social Work Programme.
- A final financial statement detailing the use of the LA Contribution Payment will be provided in section b – Statement of Expenditure. This is a summary statement of all receipts and expenditures connected with the above the National Fast Track to Social Work Programme. The [**name of Local Authority**] financial systems that recorded the income and expenditure of this Grant have provided sufficient internal control for the purposes of this certification.

Signature

Name

Date

