



DEPARTMENT OF HEALTH AND SOCIAL CARE

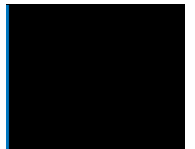
AND

MITIE FACILITIES MANAGEMENT LTD

DHSC COVID 19 SITE SERVICES- FM CONTRACT

RM3830/L1C FACILITIES MANAGEMENT

CONTRACT REFERENCE: CCZI20A17



CALL-OFF SCHEDULE 4A

BILLABLE WORKS AND PROJECTS

1. INTRODUCTION

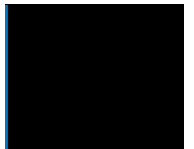
- 1.1 This schedule prescribes the procedure, calculations and rates to be used by the Buyer and Supplier when assessing the Charges for Work Orders.

2. BILLABLE WORKS

- 2.1 All Billable Works shall be authorised in accordance with the Billable Works and Approvals Process. The Buyer may at its discretion require Billable Works to be:
- 2.1.1 managed and executed by the Supplier;
 - 2.1.2 managed by a third party nominated by the Buyer and executed by the Supplier;
 - 2.1.3 managed by the Supplier and executed by any third party nominated by the Buyer.
- 2.2 Any estimate/quotation for Billable Works shall breakdown the costs in the categories below:
- 2.2.1 labour;
 - 2.2.2 parts;
 - 2.2.3 replacement Assets;
 - 2.2.4 materials;
 - 2.2.5 relevant Management Overhead and Profit at the prevailing rate; and
 - 2.2.6 such other applicable cost categories as the Buyer may notify to the Supplier from time to time.

3. QUOTATION AND TENDERS FOR BILLABLE WORKS

- 3.1 Where the Buyer gives instructions to the Supplier to manage and/or execute Billable Works according to applicable value thresholds:
- 3.1.1 Tier One Billable Works shall be managed and executed by the Supplier. Where the Billable Works are to be delivered directly by the Supplier, the Supplier shall provide an estimate of costs in accordance with the rates set out in Call Off Schedule 5 – (Call-Off Pricing) or P.S.A. Schedule of Rates if requested by the Buyer. Where Works are to be undertaken by others, the Supplier shall provide at least one written quotation. The Supplier shall not commence any Tier One Billable Works until approval has been granted by the Buyer to proceed to completion.
 - 3.1.2 Tier Two Billable Works shall be managed and/or executed by the Supplier. Where instructed by the Buyer, the Supplier shall obtain at least three written quotations. The Supplier shall not commence any Tier Two Billable Works until approval has been granted by the Buyer to proceed to completion.
 - 3.1.3 Tier Three Billable Works shall be managed and/or executed by the Supplier. Where instructed by the Buyer, the Supplier shall obtain at least three formal tenders under the defined procurement process as agreed between the Supplier



and the Buyer from time to time. The Supplier shall not commence any Tier Three Billable Works until approval has been granted by the Buyer to proceed to completion.

3.1.4 Tier Four Billable Works shall be managed and/or executed by the Supplier. Where instructed by the Buyer, the Supplier shall obtain at least five formal tenders under the Supplier's defined procurement process. The Supplier shall not commence any Tier Four Billable Works until approval has been granted by the Buyer to proceed to completion.

3.2 The Supplier shall seek prior written approval from the Buyer prior to proceeding to provide any Billable Works with the exception of:

3.2.1 Billable Works up to the value specified in the Order Form; or

3.2.2 Billable Works required as a consequence of a Business Critical Event,

and the Buyer shall not unreasonably withhold approval to the costs associated with such Billable Works; however the Supplier shall retrospectively commence the relevant approval process set out in paragraph 3.1 by the next Working Day and complete such process as soon as reasonably practicable.

3.3 Where Billable Works arise as a result of any:

3.3.1 Reactive Maintenance Works where the costs exceed the Inclusive Repair Threshold;

3.3.2 Works that are Small Works; or

3.3.3 Works arising from Planned Maintenance

the Billable Works shall not proceed until an instruction is received from the Buyer in writing or via the CAFM System.

3.4 Quotations for Billable Works may include the Billable Works Management Uplift (if applicable) as per the rates submitted in the Pricing Matrix.

3.5 If Billable Works are aborted by the Buyer prior to completion, any claim for costs up to the point of it being aborted shall be limited to costs actually, reasonably and properly incurred and they shall be evidenced as part of any quote for the Buyer to consider.

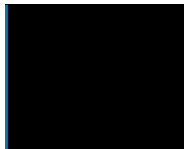
4. PROJECTS – (NOT USED)

4.1 If the Buyer decides at its sole discretion that the scope of any Billable Works are such that they require a defined management approach such that the RIBA "Plan of Work" management principles shall apply then the Billable Works will be deemed to be a Project.

4.2 If it is deemed as a Project, the Project Stage fee will apply as stated in the Pricing Matrix.

4.3 It is agreed that the Project Stage fee shall always be applied to the value of a Project prior to any profit.

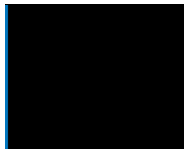
4.4 If a Project is aborted by the Buyer prior to completion, if applicable, the relevant Project Stage Uplift will be applied up to the point at which it is aborted based on the agreed estimated cost of the Project.



- 4.5 The Supplier shall provide evidence of the resource allocation required to provide any Project at the time of quotation or tender and such associated costs must be agreed as acceptable by the Buyer prior to any Works which are part of a Project commencing.

5. INCLUSIVE REPAIR THRESHOLD

- 5.1 The Supplier shall note that with the exception of emergencies or Business Critical Events, no activity with a value in excess of the agreed Inclusive Repair Threshold shall be undertaken without a Work Order.
- 5.2 Where the costs of Reactive Maintenance Works exceed the Inclusive Repair Threshold, only the cost above this value shall be billed to the Buyer through the approval process as detailed in the Billable Works and Approvals Process.
- 5.3 The Supplier shall supply and install all parts associated with Reactive Maintenance Works at its own cost. The Supplier shall note that, for the avoidance of doubt, this requirement includes the replacement of entire Assets as well as component part of Assets where replacement is deemed appropriate.
- 5.4 The Supplier shall maximise the benefits of its own buying power by being granted access to and exploring other CCS frameworks and benchmarking against these before looking to their own supply agreements to offer the most advantageous commercial position to the Buyer to ensure value for money. Any negotiated discounts applied against current trade price levels shall be passed to the Buyer in full. Where appropriate the Supplier shall utilise the Buyer's parts agreements, where any such agreements exist.
- 5.5 The Supplier shall source parts at the most cost effective terms having regard to quality and delivery time requirements. The Supplier and the Buyer shall agree in advance the use of refurbished parts where they are deemed to be cost beneficial without any loss of service or as required in order to achieve required return to full operational service.
- 5.5.1 In the event of emergencies or Business Critical Events, the Supplier may proceed with remedial action without prior approval from the Buyer. The Supplier shall seek formal approval from the Buyer by email and/or telephone as soon as is operationally possible, and shall keep the Buyer advised at all times on the technical and financial status of the task. The Buyer shall not unreasonably withhold approval of costs arising from emergencies and Business Critical Events; however the Supplier shall retrospectively commence the relevant approval process set out in paragraph 3.1 by the next Working Day and complete such process as soon as reasonably practicable.
- 5.6 Where works fall into the following categories, they are exclusions to Inclusive Repair Threshold and charges will be subject to review and agreement between the Supplier and the Buyer during Monthly contract performance meetings. Where charges apply, they will be considered via the Billable Works and Approvals Process. This will include but not be limited to:



- 5.6.1 Equipment Beyond Economic Repair, where costs, excluding management overhead and profit, exceed the Inclusive Repair Threshold;
- 5.6.2 misuse of an Asset and/or abuse of an Asset where this can be proven by the Supplier;
- 5.6.3 vandalism;
- 5.6.4 damage or failure if due to continued use by the Buyer or building user after fault has been diagnosed and the Supplier has advised the Buyer not to use the Asset;
- 5.6.5 the building user not following the Buyer or manufacturer's operating procedural standards;
- 5.6.6 other unapproved suppliers repairing Assets;
- 5.6.7 water or cleaning fluid damage due to incorrect cleaning procedures by building users;
- 5.6.8 damage or failure due to electrical supplies being interrupted or altered by others;
- 5.6.9 access denied to the Supplier where access had been agreed and prearranged;
- 5.6.10 buyer specifies a price variation;
- 5.6.11 fire, leaks, act of god, storm damage, floods or similar force majeure; unless caused by an act or failure of the Supplier;
- 5.6.12 Billable Works;
- 5.6.13 that part of the cost of the Reactive Maintenance Works for an event which exceeds the Inclusive Repair Threshold; and
- 5.6.14 operator error by a building user, where this can be proven by the Supplier.
- 5.7 The above listed works include works arising from Planned Maintenance.
- 5.8 A schedule of works arising from events listed in paragraph 5.6 above shall be provided to the Buyer on a monthly basis and payment will be made through the defined approval process as agreed between the Buyer and the Supplier.