

CONTRACT FOR
Developing a risk register for a State of Natural
Capital Report

Ref: DRSS_150623

DATED: 14/07/2023

THIS CONTRACT is dated

BETWEEN

- (1) **NATURAL ENGLAND** of 4th Floor, Foss House, Kings Pool, 1-2 Peasholme Green, York, YO1 7PX (the “**Authority**”); and
- (2) **RISK & POLICY ANALYSTS LTD**, registered in England and Wales under number 02484467 whose registered office is Suite C, 2nd Floor, The Atrium, St Georges Street, Norwich, NR3 1AB (the “**Supplier**”)

(each a “**Party**” and together the “**Parties**”).

BACKGROUND

- a) The Authority requires the services set out in Schedule 1.
- b) The Authority has awarded this contract for the services to the Supplier and the Supplier agrees to provide the services in accordance with the terms of the contract.

AGREED TERMS

1 Definitions and Interpretation

- 1.1 In the Contract, unless the context requires otherwise, the following terms shall have the meanings given to them below:

‘**Approval**’: the prior written consent of the Authority.

‘**Authority Website**’: www.gov.uk/government/organisations/natural-england

‘**Contract Term**’: the period from the Commencement Date to the Expiry Date.

‘**Contracting Authority**’: an organisation defined as a contracting authority in Regulation 3 of the Public Contract Regulations 2006.

‘**Default**’: a breach by the Supplier or Staff of its obligations under the Contract or any other default, negligence or negligent statement in connection with the Contract.

‘**Dispute Resolution Procedure**’: the dispute resolution procedure set out in Clause 20.

‘**Force Majeure**’: any cause affecting the performance by a Party of its obligations under the Contract arising from acts, events, omissions or non-events beyond its reasonable control, including acts of God, riots, war, acts of terrorism, fire, flood, storm or earthquake and any disaster, but excluding any industrial dispute relating to the Supplier, its Staff or any other failure in the Supplier’s supply chain.

‘**Fraud**’: any offence under laws creating offences in respect of fraudulent acts or at common law in respect of fraudulent acts in relation to the Contract or defrauding or

attempting to defraud or conspiring to defraud the Authority or any other Contracting Authority.

‘Good Industry Practice’: 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 similar circumstances.

‘Goods’: all products, documents, and materials developed by the Supplier or its agents, Sub-contractors, consultants, suppliers and Staff in relation to the Services in any form, including computer programs, data, reports and specifications (including drafts).

‘Intellectual Property Rights’: any and all intellectual property rights of any nature anywhere in the world whether registered, registerable or otherwise, including patents, utility models, trademarks, registered designs and domain names, applications for any of the foregoing, trade or business names, goodwill, copyright and rights in the nature of copyright, design rights, rights in databases, moral rights, know-how and any other intellectual property rights which subsist in computer software, computer programs, websites, documents, information, techniques, business methods, drawings, logos, instruction manuals, lists and procedures and particulars of customers, marketing methods and procedures and advertising literature, including the “look and feel” of any websites.

‘IP Materials’: all Intellectual Property Rights which are:

- (a) furnished to or made available to the Supplier by or on behalf of the Authority; or
- (b) created by the Supplier or Staff in the course of providing the Services or exclusively for the purpose of providing the Services.

‘Price’: the price for the Services set out in Schedule 2.

‘Replacement Supplier’: any third party supplier of services appointed by the Authority to replace the Supplier.

‘Staff’: all employees, staff, other workers, agents and consultants of the Supplier and of any Sub-contractors who are engaged in providing the Services from time to time.

‘Sub-contract’: any contract between the Supplier and a third party pursuant to which the Supplier agrees to source the provision of any of the Services from that third party.

‘Sub-contractor’: third parties which enter into a Sub-contract with the Supplier.

‘Valid Invoice’: an invoice containing the information set out in Clause 3.3.

‘VAT’: Value Added Tax.

‘Working Day’: Monday to Friday excluding any public holidays in England and Wales.

1.2 The interpretation and construction of the Contract is subject to the following provisions:

- (a) words importing the singular meaning include where the context so admits the plural meaning and vice versa;
- (b) words importing the masculine include the feminine and the neuter;
- (c) reference to any statutory provision, enactment, order, regulation or other similar instrument are construed as a reference to the statutory provision enactment, order regulation or instrument (including any instrument of the European Union) as amended, replaced, consolidated or re-enacted from time to time, and include any orders, regulations, codes of practice, instruments or other subordinate legislation made under it;
- (d) reference to any person includes natural persons and partnerships, firms and other incorporated bodies and all other legal persons of whatever kind and however constituted and their successors and permitted assigns or transferees;
- (e) the headings are inserted for ease of reference only and do not affect the interpretation or construction of the Contract;
- (f) references to the Services include references to the Goods;
- (g) references to Clauses and Schedules are to clauses and schedules of the Contract; and
- (h) the Schedules form part of the Contract and have affect as if set out in full in the body of the Contract and any reference to the Contract includes the Schedules.

2 Contract and Contract Term

- 2.1 The Supplier shall provide the Authority with the services set out in Schedule 1 (the “**Services**”) in accordance with the terms and conditions of the Contract.
- 2.2 The Contract is effective on 17th July 2023 (the “**Commencement Date**”) and ends on 18th December 2023 (the “**Expiry Date**”) unless terminated early or extended in accordance with the Contract.

3 Price and Payment

- 3.1 In consideration of the Supplier providing the Services in accordance with the Contract, the Authority shall pay the Price to the Supplier.
- 3.2 The Authority shall:
 - (a) provide the Supplier with a purchase order number (“**PO Number**”); and
 - (b) pay all undisputed sums due to the Supplier within 30 days of receipt of a Valid Invoice.

3.3 A Valid Invoice shall:

- (a) contain the correct PO Number;
- (b) express the sum invoiced in sterling; and
- (c) include VAT at the prevailing rate as a separate sum or a statement that the Supplier is not registered for VAT.

3.4 The Supplier shall submit invoices on submission of i) first draft of outputs 1-3, and ii) final draft of all outputs, to the Authority at the following addresses:

- (a) APinvoices-NEG-U@gov.sscl.com or
- (b) SSCL Finance, Room 211, Foss House, Kings Pool, 1-2 Peasholme Green, York, YO1 7PX.

3.5 The Supplier acknowledges that:

- (a) if the Supplier does not include VAT on an invoice or does not include VAT at the correct rate, the Authority will not be liable to pay the Supplier any additional VAT;
- (b) invoices which do not include the information set out in Clause 3.3 will be rejected.

3.6 Any late payment by the Authority of an undisputed Valid Invoice will be subject to interest at the rate of 3% above the base rate from time to time of Barclays Bank plc.

3.7 The Supplier shall not suspend provision of the Services if any payment is overdue.

3.8 The Supplier indemnifies the Authority on a continuing basis against any liability, including any interest, penalties or costs incurred, which is levied, demanded or assessed on the Authority at any time in respect of the Supplier's failure to account for or to pay any VAT relating to payments made to the Supplier under the Contract.

4 Extension of the Contract

4.1 The Authority may, by written notice to the Supplier, extend the Contract for a further period up to 1 month.

5 Warranties and Representations

5.1 The Supplier warrants and represents for the Contract Term that:

- (a) it has full capacity and authority and all necessary consents and regulatory approvals to enter into the Contract and to provide the Services;
- (b) the Contract is executed by a duly authorised representative of the Supplier;
- (c) in entering the Contract it has not committed any Fraud;

- (d) as at the Commencement Date, all information contained in its tender or other offer made by the Supplier to the Authority remains true, accurate and not misleading, save as may have been specifically disclosed in writing to the Authority prior to execution of the Contract and that it will advise the Authority of any fact, matter or circumstance of which it may become aware which would render such information false or misleading;
- (e) 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 have a material adverse effect on its ability to perform its obligations under the Contract;
- (f) it is not subject to any contractual obligation, compliance with which is likely to have a material adverse effect on its ability to provide the Services;
- (g) no proceedings or other steps have been taken and not discharged (or, to the best of its knowledge, are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar in relation to any of the Supplier's assets or revenue;
- (h) it owns, or has obtained or is able to obtain valid licences for, all Intellectual Property Rights that are necessary to provide the Services; and
- (i) Staff shall be engaged on terms which do not entitle them to any Intellectual Property Right in any IP Materials;
- (j) it will comply with its obligations under the Immigration, Asylum and Nationality Act 2006.

5.2 The Supplier warrants and represents that in the 3 years prior to the date of the Contract:

- (a) it has conducted all financial accounting and reporting activities in compliance with generally accepted accounting principles and has complied with relevant securities;
- (b) it has not done or omitted to do anything which could have a material adverse effect on its assets, financial condition or position as a going concern or its ability to provide the Services; and
- (c) it has complied with all relevant tax laws and regulations and no tax return submitted to a relevant tax authority has been found to be incorrect under any anti-abuse rules.

6 Service Standards

6.1 The Supplier shall provide the Services or procure that they are provided with reasonable skill and care, in accordance with Good Industry Practice prevailing from time to time and with Staff who are appropriately trained and qualified.

6.2 If the Services do not meet the Specification, the Supplier shall at its own expense reschedule and carry out the Services in accordance with the Specification within such reasonable time as may be specified by the Authority.

6.3 The Authority may by written notice to the Supplier reject any of the Goods which fail to conform to the approved sample or fail to meet the Specification. Such notice shall be given within a reasonable time after delivery to the Authority of the Goods. If the Authority rejects any of the Goods it may (without prejudice to its other rights and remedies) either:

- (a) have the Goods promptly either repaired by the Supplier or replaced by the Supplier with Goods which conform in all respects with the approved sample or with the Specification and due delivery shall not be deemed to have taken place until the repair or replacement has occurred; or
- (b) treat the Contract as discharged by the Supplier's breach and obtain a refund (if the Goods have already been paid for) from the Supplier in respect of the Goods concerned together with payment of any additional expenditure reasonably incurred by the Authority in obtaining replacements.

6.4 The Authority will be deemed to have accepted the Goods if it expressly states the same in writing or fails to reject the Goods in accordance with Clause 6.3.

6.5 If the Authority issues a receipt note for delivery of the Goods it shall not constitute any acknowledgement of the condition, quantity or nature of those Goods or the Authority's acceptance of them.

6.6 The Supplier hereby guarantees the Goods against faulty materials or workmanship for such period as may be specified in the Specification or, if no period is so specified, for 3 years from the date of acceptance. If the Authority shall within such guarantee period or within 30 Working Days thereafter give notice in writing to the Supplier of any defect in any of the Goods as may have arisen during such guarantee period under proper and normal use, the Supplier shall (without prejudice to any other rights and remedies which the Authority may have) promptly remedy such defects (whether by repair or replacement as the Authority shall choose) free of charge.

6.7 Any Goods rejected or returned by the Authority pursuant to this Clause 6 shall be returned to the Supplier at the Supplier's risk and expense.

7 Termination

7.1 The Authority may terminate the Contract at any time by giving 30 days written notice to the Supplier.

7.2 The Authority may terminate the Contract in whole or in part by notice to the Supplier with immediate effect and without compensation to the Supplier if:

- (a) being an individual, the Supplier is the subject of a bankruptcy order; has made a composition or arrangement with his creditors; dies or is adjudged incapable of managing his affairs within the meaning of Part VII of the Mental Health Act 1983;

- (b) being a company, the Supplier goes into compulsory winding up, or passes a resolution for voluntary winding up, or suffers an administrator, administrative receiver or receiver and manager to be appointed or to take possession over the whole or any part of its assets, is dissolved; or has entered into a voluntary arrangement with its creditors under the Insolvency Act 1986, or has proposed or entered into any scheme of arrangement or composition with its creditors under section 425 of the Companies Act 1985; or has been dissolved;
- (c) being a partnership, limited liability partnership or unregistered company, the Supplier or an individual member of it goes into compulsory winding up; is dissolved; suffers an administrator or receiver or manager to be appointed over the whole or any part of its assets; or has entered into a composition or voluntary arrangement with its creditors;
- (d) the Supplier is in any case affected by any similar occurrence to any of the above in any jurisdiction;
- (e) subject to Clause 7.3, the Supplier commits a Default;
- (f) there is a change of control of the Supplier; or
- (g) the Supplier or Staff commits Fraud in relation to the Contract or any other contract with the Crown (including the Authority).

7.3 If the Supplier commits a Default which is capable of being remedied, the Authority may terminate the Contract pursuant to Clause 7.2(e) only if the Supplier has failed to remedy the Default within 20 Working Days of being notified of the Default by the Authority.

8 Consequences of Expiry or Termination

8.1 If the Authority terminates the Contract under Clause 7.2:

- (a) and then makes other arrangements for the supply of the Services, the Authority may recover from the Supplier the cost reasonably incurred of making those other arrangements and any additional expenditure incurred by the Authority throughout the remainder of the Contract Term; and
- (b) no further payments shall be payable by the Authority to the Supplier (for the Services supplied by the Supplier 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 Clause 8.1(a).

8.2 On expiry or termination of the Contract the Supplier shall:

- (a) co-operate fully with the Authority to ensure an orderly migration of the Services to the Authority or, at the Authority's request, a Replacement Supplier; and
- (b) procure that all data and other material belonging to the Authority (and all media of any nature containing information and data belonging to the Authority or relating to the Services) shall be delivered promptly to the Authority.

8.3 Save as otherwise expressly provided in the Contract:

- (a) termination or expiry of the Contract shall be without prejudice to any rights, remedies or obligations accrued under the Contract prior to 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
- (b) termination of the Contract shall not affect the continuing rights, remedies or obligations of the Authority or the Supplier under Clauses 3, 8 to 13, 17, 26 and 28.

9 Liability, Indemnity and Insurance

9.1 Notwithstanding any other provision in the Contract, neither Party excludes or limits liability to the other Party for:

- (a) death or personal injury caused by its negligence;
- (b) Fraud or fraudulent misrepresentation; or
- (c) any breach of any obligations implied by section 12 of the Sale of Goods Act 1979 or Parts I and II of the Supply of Goods and Services Act 1982.

9.2 The Supplier shall indemnify and keep indemnified the Authority against all claims, proceedings, demands, actions, damages, costs, breach of statutory duty, expenses and any other liabilities which arise in tort (including negligence) default or breach of the Contract to the extent that any such loss or claim is due to the breach of contract, negligence, wilful default or Fraud of itself or of Staff or Sub-contractors save to the extent that the same is directly caused by the negligence, breach of the Contract or applicable law by the Authority.

9.3 The Supplier shall not exclude liability for additional operational, administrative costs and/or expenses or wasted expenditure resulting from the direct Default of the Supplier.

9.4 Subject to Clause 9.1:

- (a) neither Party is liable to the other for any:
 - (i) loss of profits, business, revenue or goodwill;
 - (ii) loss of savings (whether anticipated or otherwise); and/or
 - (iii) indirect or consequential loss or damage
- (b) each Party's total aggregate liability in respect of all claims, losses damages, whether arising from tort (including negligence), breach of contract or otherwise under or in connection with the Contract, shall not exceed £1,000,000 (one million pounds) or 10x the value of the Contract whichever is the lower amount.

- 9.5 The Supplier shall, with effect from the Commencement Date and for such period as necessary to enable the Supplier to comply with its obligations under the Contract, take out and maintain with a reputable insurance company a policy or policies of insurance providing an adequate level of cover in respect of all risks which may be incurred by the Supplier, arising out of the Supplier's performance of its obligations under the Contract, including employer's liability, death or personal injury, loss of or damage to property or any other loss, including financial loss arising from any advice given or omitted to be given by the Supplier. Such insurance shall be maintained for the Contract Term and for a minimum of 6 years following the end of the Contract.
- 9.6 The Supplier shall give the Authority, on request, copies of all insurance policies referred to in this Clause or a broker's verification of insurance to demonstrate that the appropriate cover is in place, together with receipts or other evidence of payment of the latest premiums due under those policies.
- 9.7 If the Supplier fails to comply with Clauses 9.5 and 9.6 the Authority may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Supplier.
- 9.8 The provisions of any insurance or the amount of cover shall not relieve the Supplier of any liabilities under the Contract.
- 9.9 The Supplier shall not take any action or fail to take any reasonable action, or (to the extent that it is reasonably within its power) permit anything to occur in relation to the Supplier, which would entitle any insurer to refuse to pay any claim under any insurance policy in which the Supplier is an insured, a co-insured or additional insured person.

10 Confidentiality and Data Protection

- 10.1 Subject to Clause 10.2, unless agreed otherwise in writing, the Supplier shall, and shall procure that Staff shall, keep confidential all matters relating to the Contract.
- 10.2 Clause 10.1 shall not apply to any disclosure of information:
- (a) required by any applicable law;
 - (b) that is reasonably required by persons engaged by the Supplier in performing the Supplier's obligations under the Contract;
 - (c) where the Supplier can demonstrate that such information is already generally available and in the public domain other than as a result of a breach of Clause 10.1; or
 - (d) which is already lawfully in the Supplier's possession prior to its disclosure by the Authority.
- 10.3 The Supplier shall, and shall procure that Staff shall, comply with any notification requirements under the Data Protection Act 1998 ("**DPA**") and shall observe its obligations under the DPA which arise in connection with the Contract.

10.4 Notwithstanding the general obligations in Clause 10.3, where the Supplier is processing Personal Data as a Data Processor (as those terms are defined in the DPA) for the Authority, the Supplier shall ensure that it has in place appropriate technical and contractual measures to ensure the security of the Personal Data (and to prevent unauthorised or unlawful processing of the Personal Data), as required under the Seventh Data Protection Principle in Schedule 1 of the DPA.

10.5 The Supplier shall:

- a) promptly notify the Authority of any breach of the security measures required to be put in place pursuant to Clause 10.4;
- b) not knowingly or negligently do or omit to do anything which places the Authority in breach of its obligations under the DPA; and
- c) provide the Authority with such information as it may reasonably require to satisfy itself that the Supplier is complying with its obligations under the DPA.

11 Freedom of Information

11.1 The Supplier acknowledges that the Authority is subject to the Freedom of Information Act 2000 and the Environmental Information Regulations 2004 (the “**Information Acts**”) and may be required to disclose certain information to third parties including information relating to this Contract pursuant to the Information Acts.

11.2 If the Authority receives a request for information relating to the Contract pursuant to either of the Information Acts, the Authority may disclose such information as necessary in order to comply with its duties under the Information Acts.

12 Intellectual Property Rights

12.1 The IP Materials shall vest in the Authority and the Supplier shall not, and shall procure that Staff shall not, use or disclose any IP Materials without Approval save to the extent necessary for the Supplier to provide the Services.

12.2 The Supplier shall indemnify and keep indemnified the Authority and the Crown against all actions, claims, demands, losses, damages, costs and expenses and other liabilities which the Authority or the Crown may suffer or incur arising from any infringement or alleged infringement of any Intellectual Property Rights by the availability of the Services except to the extent that they have been caused by or contributed to by the Authority’s acts or omissions.

13 Prevention of Corruption and Fraud

13.1 The Supplier shall act within the provisions of the Bribery Act 2010.

13.2 The Supplier shall take all reasonable steps, in accordance with Good Industry Practice, to prevent Fraud by Staff and the Supplier (including its shareholders, members and directors) in connection with the receipt of money from the Authority.

13.3 The Supplier shall notify the Authority immediately if it has reason to suspect that Fraud has occurred, is occurring or is likely to occur.

14 Discrimination

14.1 The Supplier shall not unlawfully discriminate within the meaning and scope of any law, enactment, order or regulation relating to discrimination in employment.

14.2 The Supplier shall notify the Authority immediately in writing as soon as it becomes aware of any legal proceedings threatened or issued against it by Staff on the grounds of discrimination arising in connection with the Services.

15 Environmental and Ethical Policies

15.1 The Supplier shall provide the Services in accordance with the Authority's policies on the environment, sustainable and ethical procurement and timber and wood derived products, details of which are available on the Authority Website.

16 Health and Safety

16.1 Each Party will promptly notify the other Party of any health and safety hazards which may arise in connection with the Services.

16.2 While on the Authority's premises, the Supplier shall comply with the Authority's health and safety policies.

16.3 The Supplier shall notify the Authority immediately if any incident occurs in providing the Services on the Authority's premises which causes or may cause personal injury.

16.4 The Supplier shall comply with the requirements of the Health and Safety at Work etc Act 1976, and with any other acts, orders, regulations and codes of practice relating to health and safety, which may apply to Staff and other persons working on the Authority's premises when providing the Services.

16.5 The Supplier's health and safety policy statement (as required by the Health and Safety at Work etc Act 1974) shall be made available to the Authority on request.

17 Monitoring and Audit

17.1 The Authority may monitor the provision of the Services and the Supplier shall cooperate, and shall procure that Staff and any Sub-contractors co-operate, with the Authority in carrying out the monitoring at no additional charge to the Authority.

17.2 The Supplier shall keep and maintain until 6 years after the end of the Contract Term full and accurate records of the Contract including the Services supplied under it and all payments made by the Authority. The Supplier shall allow the Authority, the National Audit Office and the Comptroller and Auditor General reasonable access to those records and on such terms as they may request.

17.3 The Supplier agrees to provide, free of charge, whenever requested, copies of audit reports obtained by the Supplier in relation to the Services.

18 Transfer and Sub-Contracting

18.1 The Supplier shall not transfer, charge, assign, sub-contract or in any other way dispose of the Contract or any part of it without Approval.

18.2 If the Supplier enters into any Sub-contract in connection with the Contract it shall:

- (a) remain responsible to the Authority for the performance of its obligations under the Contract;
- (b) be responsible for the acts and/or omissions of its Sub-contractors as though they are its own;
- (c) impose obligations on its Sub-contractors in the same terms as those imposed on it pursuant to the Contract and shall procure that the Sub-Supplier complies with such terms;
- (d) pay its Sub-contractors' undisputed invoices within 30 days of receipt.

18.3 The Authority may assign, novate or otherwise dispose of its rights and obligations under the Contract or any part thereof to:

- (a) any Contracting Authority or any other body established by the Crown or under statute in order substantially to perform any of the functions that had previously been performed by the Authority; or
- (b) any private sector body which performs substantially any of the functions of the Authority.

18.4 Any change in the legal status of the Authority such that it ceases to be a Contracting Authority shall not affect the validity of the Contract. In such circumstances the Contract shall bind and inure to the benefit of any successor body to the Authority.

19 Variation

19.1 Subject to the provisions of this Clause 19, the Authority may change the Specification provided that such change is not a material change to the Specification (a "**Variation**").

19.2 The Authority may request a Variation by notifying the Supplier with sufficient information to assess the extent of the Variation and consider whether any change to the Price is required in order to implement it. Variations agreed by the Parties shall be made in writing.

19.3 If the Supplier is unable to accept the Variation or where the Parties are unable to agree a change to the Price, the Authority may:

- (a) allow the Supplier to fulfil its obligations under the Contract without the Variation; or
- (b) refer the request to be dealt with under the Dispute Resolution Procedure.

20 Dispute Resolution

- 20.1 The Parties shall attempt in good faith to resolve any dispute between them arising out of the Contract within 10 Working Days of either Party notifying the other of the dispute and such efforts shall include the escalation of the dispute to the Supplier's representative and the Authority's commercial director or equivalent.
- 20.2 Nothing in this dispute resolution procedure shall prevent the Parties from seeking from any court of competent jurisdiction an interim order restraining the other Party from doing any act or compelling the other Party to do any act.
- 20.3 If the dispute cannot be resolved by the Parties pursuant to Clause 20.1 the Parties shall refer it to mediation pursuant to the procedure set out in Clauses 20.5 to 20.10.
- 20.4 The obligations of the Parties under the Contract shall not cease, or be suspended or delayed by the reference of a dispute to mediation and the Supplier and Staff shall comply fully with the requirements of the Contract at all times.
- 20.5 A neutral adviser or mediator (the "**Mediator**") shall be chosen by agreement between the Parties or, if they are unable to agree a Mediator within 10 Working Days after a request by one Party or if the chosen Mediator is unable to act, either Party shall within 10 Working Days from the date of the proposal to appoint a Mediator or within 10 Working Days of notice to either Party that he is unable or unwilling to act, apply to the Centre for Effective Dispute Resolution to appoint a Mediator.
- 20.6 The Parties shall, within 10 Working Days of the appointment of the Mediator, meet the Mediator to agree a programme for the disclosure of information and the structure to be adopted for negotiations. The Parties may at any stage seek assistance from the Centre for Effective Dispute Resolution to provide guidance on a suitable procedure.
- 20.7 Unless otherwise agreed, all negotiations connected with the dispute and any settlement agreement relating to it shall be conducted in confidence and without prejudice to the rights of the Parties in any future proceedings.
- 20.8 If the Parties reach agreement on the resolution of the dispute, the agreement shall be recorded in writing and shall be binding on the Parties once it is signed by their duly authorised representatives.
- 20.9 Failing agreement, either of the Parties may invite the Mediator to provide a nonbinding but informative written opinion. Such opinion shall be provided on a without prejudice basis and shall not be used in evidence in any proceedings relating to the Contract without the prior written consent of both Parties.
- 20.10 If the Parties fail to reach agreement within 60 Working Days of the Mediator being appointed, or such longer period as may be agreed by the Parties, then the dispute may be referred to the Courts.
- 20.11 Subject to Clause 20.2, the Parties shall not institute court proceedings until the procedures set out in Clauses 20.1 and 20.5 to 20.10 have been completed.

21 Supplier's Status

21.1 Nothing in the Contract shall be construed as constituting a partnership between the Parties or as constituting either Party as the agent for the other for any purposes except as specified by the terms of the Contract.

21.2 The Supplier shall not (and shall ensure that Staff shall not) say or do anything that might lead any person to believe that the Supplier is acting as the agent, partner or employee of the Authority.

22 Notices

22.1 Notices shall be in writing and in English and shall be deemed given if signed by or on behalf of a duly authorised officer of the Party giving the notice and if left at, or sent by first class mail to the address of the receiving Party as specified in the Contract (or as amended from time to time by notice in writing to the other Party).

23 Entire Agreement

23.1 The Contract constitutes the entire agreement between the Parties relating to the subject matter of the Contract. The Contract supersedes all prior negotiations, representations, arrangements and undertakings.

24 Third Party Rights

24.1 No term of the Contract is intended to confer a benefit on, or be enforceable by, any person who is not a Party other than the Crown.

25 Waiver

25.1 The failure of either Party to insist upon strict performance of any provision of the Contract, or the failure of either Party to exercise, or any delay in exercising, any right or remedy shall not constitute a waiver of that right or remedy and shall not cause a diminution of the obligations established by the Contract.

25.2 No waiver shall be effective unless it is expressly stated to be a waiver and communicated to the other Party in writing.

25.3 A waiver of any right or remedy arising from a breach of the Contract shall not constitute a waiver of any right or remedy arising from any other or subsequent breach of the Contract.

26 Publicity

26.1 The Supplier shall not without Approval:

- (a) make any press announcements or publicise the Contract or its contents in any way;
or
- (b) use the Authority's name or logo in any promotion or marketing or announcement.

26.2 The Authority may publish the Contract on the Authority Website or another website at its discretion.

27 Force Majeure

27.1 Except to the extent that the Supplier has not complied with any business continuity plan agreed with the Authority, neither Party shall be liable for any failure to perform its obligations under the Contract if, and to the extent, that the failure is caused by act of God, war, riots, acts of terrorism, fire, flood, storm or earthquake and any disaster but excluding any industrial dispute relating to the Supplier, Staff or Sub-contractors.

27.2 If there is an event of Force Majeure, the affected Party shall use all reasonable endeavours to mitigate the effect of the event of Force Majeure on the performance of its obligations.

28 Governing Law and Jurisdiction

28.1 The Contract shall be governed by and interpreted in accordance with English law and shall be subject to the jurisdiction of the Courts of England and Wales.

28.2 The submission to such jurisdiction shall not limit the right of the Authority to take proceedings against the Supplier in any other court of competent jurisdiction and the taking of proceedings in any other court of competent jurisdiction shall not preclude the taking of proceedings in any other jurisdiction whether concurrently or not.

SCHEDULE 1

SPECIFICATION OF SERVICES – AS WRITTEN IN THE REQUEST FOR QUOTE (below) AND SUPPLIER RESPONSE (included as an attachment to the award email)

This contract will produce the technical risk register, which will be an annex of the main SONC report.

Our proposed approach to producing a risk register for natural capital includes drawing on existing evidence and methods, and expert opinion, to report information on drivers of change, risk to ecosystem assets providing key ecosystem services (linked to nationally recognised threats), and natural capital opportunities to mitigate the risks to ecosystem assets.

The purpose of the contract is to provide a technical risk register, which will be used by Natural England to produce summary sheets for 8 ecosystem services that have been identified as 'key' to mitigating selected risks to UK security and prosperity. The work in this contract will include:

1. Analysis of the interactions of drivers of change affecting natural capital assets
2. Analysis of changes in natural capital assets
3. Assignment of risk status to assets providing key ecosystem services
4. Linking natural capital opportunities to the mitigation of asset risks
5. Production of natural capital risk user questions
6. Production of technical report

Outputs for the technical risk register should be clear, and understandable, for a specialist within Natural England to utilise to produce visual summary sheets which will form the risk register section of the main SONC report.

Output	Task	Format	Description	Timescale
1. Analysis of the interactions of drivers of change affecting natural capital assets	a. Produce agreed list of indirect drivers of change affecting natural capital	List	Produce list of 10-15 key global (indirect) drivers of change that are altering the pressures exerted on ecosystems	First draft of output to be delivered by 29/09/23
	b. Map interactions between direct and global drivers of change	Excel spreadsheet	Investigate strength of interactions between the 10-15 global drivers (above) and direct drivers of change affecting ecosystem functions and services	
	c. Summarise the interactions between direct and global drivers of change	Written narrative – 1-2 sides of A4 per direct driver	For each direct driver, cover the indirect drivers having a dominant influence on it in the current UK context, and the interactions between these	
2. Analysis of changes in natural capital assets	a. Record status, trends, and targets associated with natural capital indicators	Excel spreadsheet	Where data exists, record information on current status, trend, policy targets (and progress) for each natural capital indicator	First draft of output to be delivered by 29/09/23
	b. Summarise impacts of drivers of change on ecosystem assets	Table	Update UKNEA table showing impacts of drivers of change on ecosystem assets	

3. Assignment of risk status to	a. Develop asset-service risk scoring framework	Flow diagram/decision tree	Develop a framework to assign a risk status to each asset for the provision of a key ecosystem service	First draft of output to be delivered by 20/10/23
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assets providing key ecosystem services	b. Report asset-service risk status	Table	Utilise the asset risk scoring framework to assign asset risk to key asset-ecosystem service pairs, and develop a method for assigning confidence ratings	
4. Linking natural capital opportunities to the mitigation of asset-service risks	a. Review natural capital opportunities framework	Excel spreadsheet	Research natural capital opportunities and group into an opportunity framework	First draft of output to be delivered by 10/11/23
	b. Summarise key opportunities to mitigate asset-service risks	Written narrative – 1-2 sides of A4 per broad opportunity category	Highlight key natural capital opportunities from this framework that should be prioritised	
5. Production of natural capital risk user questions	a. Produce user questions for government departments and delivery bodies	Question list	Produce user questions to challenge approaches to natural capital risk management	First draft of output to be delivered by 10/11/23
6. Production of technical report	b. Produce technical report for SONC annex	Written technical report	Produce technical report to be published as an annex to the SONC	First draft of output to be delivered by 10/11/23

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Outputs and associated tasks

OUTPUT 1: ANALYSIS OF THE INTERACTIONS OF DRIVERS OF CHANGE AFFECTING NATURAL CAPITAL ASSETS

a. Produce agreed list of global drivers of change affecting natural capital

This task will produce a list of key global drivers of change which can alter the pressures exerted on ecosystems and their functions and services, validated by a group of experts on resilience and drivers of change. In some reports, these are referred to as indirect drivers of change.

- Produce a longlist of global drivers of change affecting natural capital based on the following sources: [the UKNEA](#), [the European Environment Agency work on trends and drivers of change](#), [the GO-Science Trend deck \(annex 9\)](#), and any other sources deemed relevant. Ensure list of global drivers of change covers the PESTLE framework.
- Organise global drivers into clusters or themes where there are duplicates.
- Produce a shortlist of 10-15 key global drivers of change that cover the PESTLE framework and have the greatest influence on pressures exerted on natural capital assets in England.
- Validate the global drivers of change list through review by 3 or more experts in drivers of change.

b. Map interactions between direct and global drivers of change

This task will investigate the strength of interactions between the agreed list of global drivers of change (above), and the 5 direct drivers of change classified in the [IPBES 2019 Global Assessment Report](#) (*UKNEA equivalents in brackets*): **land-/sea-use change** (*habitat change*); **direct exploitation of organisms** (*overexploitation*); **climate change** (*climate change*); **pollution** (*pollution and nutrient enrichment*); **invasive and alien species** (*invasive species*).

- Adapt the GO-Science Futures Impact Mapping Matrix to investigate interactions between global **and** direct drivers of change.
- A clean copy of the current matrix can be found in Annex 5 – this matrix is currently set up to investigate interactions between global drivers of change only. A colleague at Natural England is familiar with the matrix and will be available to answer specific questions on its use and adaptation.
- The matrix assesses impacts of ROW # on COLUMN # - write the global drivers in the rows (column C), and the 5 direct drivers in the columns (columns D-H).
- Consult with 5 or more subject and resilience experts through participatory workshop exercises to assign impact scores from 0-5, following the method written in the Futures Impact Mapping Matrix spreadsheet – 0 is no/negligible impact, and 5 is fundamental/extremely high impact.
- Note the type of impact in each case e.g., whether the impact is reinforcing or disruptive/mitigating.

c. Summarise the interactions between direct and global drivers of change

This task will interpret the findings of tasks 1a and 1b, producing an evidence-led written narrative on the key interactions between global and direct drivers of change.

- Use the Futures Impact Mapping Matrix (task 1b) to identify the global drivers and their interactions having a significant impact on each direct driver.
- Produce an evidence-led written narrative on each direct driver (around 1-page of A4 on each direct driver), based on the likely influence of global drivers and the recent direction of travel of each direct driver in the current UK context. Influence will be assessed by looking at the interactions between global drivers and direct drivers in the short and long-term. The exact timeframes to be represented by 'short-term' and 'long-term' will be decided in discussion with the project team.
- For each narrative, identify policy or legislative interventions or high impact events (e.g., new technology, pandemic) which may significantly shift the direction of travel of the direct driver.
- Include discussion of any key interactive effects of global drivers on the direct driver.
- Draw on peer-reviewed literature to include examples of how global drivers are altering the pressures exerted on ecosystems in England/the UK.

OUTPUT 2: ANALYSIS OF CHANGES IN NATURAL CAPITAL ASSETS

a. Record status, trends, and targets associated with natural capital indicators

This task will record information on the natural capital indicators developed by Natural England (full copy of SONC indicators and metrics can be found in annex 6. This is a provisional list and is subject to change – the final indicators list to be used should be confirmed with the project team prior to commencement of this task).

- Produce a spreadsheet to record information on the natural capital indicators. Include the following columns (example below): indicator name, metric, ecosystem asset, current status of indicator, trend of indicator, data/evidence source, policy target, progress towards policy target, comments.
- Clear criteria should be set out to assign 'trend' of indicator (positive or not discernible; negative; strongly negative) and 'progress towards policy target' (above, at, or just below; below; substantially below).

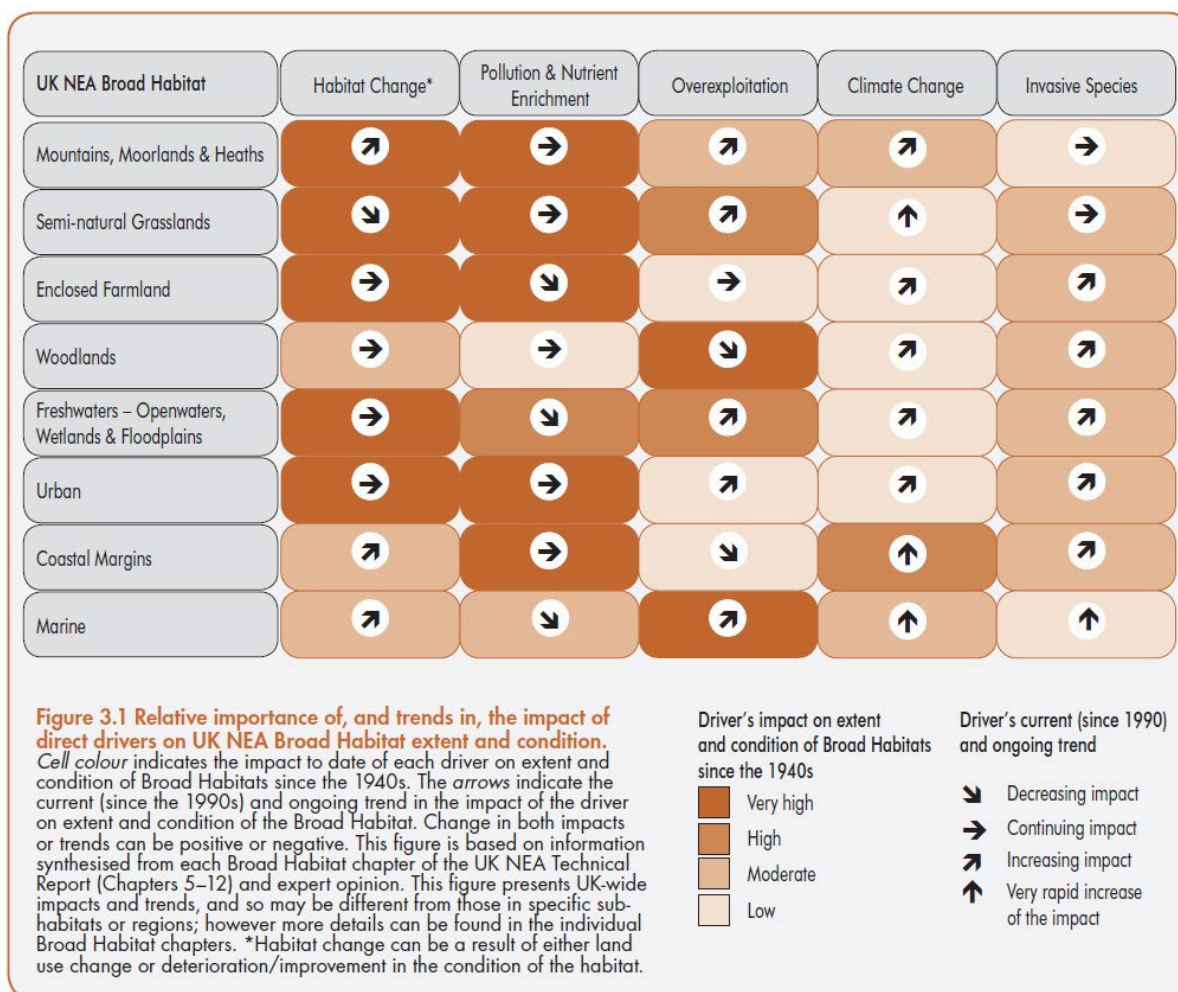
Indicator name	Metric	Ecosystem asset	Current status of indicator	Trend of indicator	Data or evidence source	Policy target	Progress towards policy target	Comments

To be copied from annex 6	To be copied from annex 6	To be copied from annex 6	Figure pulled from data or evidence source. e.g., if metric is '% of rivers at good ecological status', current status would be 14%		Where the status information is reported, & the year(s) the data is from	Is there a policy target? Where is this target reported? e.g., Environmental Improvement Plan		To note any additional context or caveats
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- Not all indicators will have policy targets associated with them, and since this is our first SONC report, trends data will be limited. Where the information exists, populate the spreadsheet with information on status, trend, policy target, and progress towards the policy target. If the information does not exist, leave the cell blank and add any relevant context in the comments column. Use indicator data and other available evidence (including UKNEA, 25 Year Environment Plan, Environmental Improvement Plan, and other recent sources) to fill in this spreadsheet.

b. Summarise impacts of drivers of change on ecosystem assets

This task involves updating Figure 3.1 from the UKNEA to show how the impact and trend of direct drivers of change on 8 broad habitat types has changed since 2011.



- Update the direct drivers so that they match those listed in the IPBES 2019 Global Assessment Report: *land-/sea-use change, direct exploitation of organisms, climate change, pollution, and invasive and alien species*.
- Develop an approach to elicit responses by experts (including from Natural England) on the **impact** and **trend** of each direct driver of change on the extent and condition of each broad habitat. The experts should include those covering a wide range of different habitat types, and specialists on drivers and pressures who have more crosshabitat viewpoints.
- Each impact and trend assessment should be informed by at least 6 experts.
- Get each expert to provide updated scores for impact since 2011 (very high, high, moderate, low), and trend since 2011 (decreasing impact, continuing impact, increasing impact, very rapid increase of the impact).
- They should be informed by the indicator spreadsheet (task 2a), their expert knowledge, and any other relevant evidence. This may include reports (UKNEA, IPBES Global Assessment Report, [NECR478: Re-evaluating the sensitivity of habitats to climate change](#) etc.) and primary literature.
- Ask experts to briefly justify their scoring for impact and trend, and provide any key pieces of evidence they were relying on.
- Collate the expert scores to generate final impact and trend scores, and update UKNEA Figure 3.1 based on this information.
- Clearly set out the method used to elicit expert responses, and collate/consolidate expert opinion to update trend arrows and impact scores. This must be

comprehensible and unambiguous, allowing updated trend arrows and impact scores to be assigned in a consistent way in future SONCs.

- Develop a method to assign a confidence/uncertainty rating to each impact and trend assessment – for example, using completeness of the indicator information for each broad habitat type/ecosystem asset, agreement of expert opinion, and/or expertise of experts consulted.
- Include the confidence rating for impact and trend assessments in the updated table.

OUTPUT 3: ASSIGNMENT OF RISK STATUS TO ASSETS PROVIDING KEY ECOSYSTEM SERVICES

a. Develop asset-service risk scoring framework

This task will involve developing a method/framework to assign a risk status of 'low', 'medium', or 'high' (as in [Mace et al., 2015](#)) to **each asset for the provision of a key ecosystem service**. The ecosystem services we have identified as key (based on UK and global risk registers and reports) can be found in annex 4.

- Identify any additional ecosystem services which are key for mitigating risks to UK security and prosperity (maximum 3) which emerge from the drivers of change analysis, and are not covered by the list in annex 4.
- Additionally, consult the updated UK National Risk Register (due to be published 'mid-2023') to review the list of key ecosystem services contributing to mitigation of risks to UK security and prosperity, and update if necessary.
- Agree list of final key ecosystem services in a meeting with the project team.
- Produce a decision tree and scoring criteria/scoring matrix to assign **asset-service risk ratings**. Following Mace et al., 2015, these should be risk ratings of 'low', 'medium', or 'high' for each asset-service relationship – is the extent/condition of the asset putting the provision of the ecosystem service at risk, and what is the level of this risk?
- The 'low', 'medium', and 'high' categories should include a traceable description of what they mean. It may not be possible to quantify the level of risk precisely (in terms of probability and impact, for example), so it is important that as much information as possible is provided to allow readers of the assessment to understand and clearly trace what judgments were made to arrive at the different levels of risk.
- An example of a similar decision tree can be found in the [Third UK Climate Change Risk Assessment](#) (Figure 2.2, Urgency Scoring Framework).
- Other reports/documents that might prove useful include [Mace et al. \(2015\)](#), [WWF's Climate and Nature Sovereign Index White Paper](#), and the Cranfield University risk assessment method for horizon scanning outputs (annex 7).
- Consider the following factors during the development of this framework:
- Natural capital indicators: status, trends, and progress towards targets (task 2a)
- Which indicators are linked to which key ecosystem services (annex 6)
- Impacts of drivers of change on ecosystem assets (task 2b)
- Importance of the asset for the provision of the key ecosystem services (annex 6)

The decision tree and scoring framework must be clear enough to be followed by specialists at Natural England during future updates to the SONC. The decision tree and scoring framework must be comprehensible and unambiguous, allowing updated risk ratings for

each asset-service relationship to be generated, in case of changes to the drivers of change impact/trend assessments, or updated indicator information.

b. Report asset-service risk status

This task involves using the decision/tree scoring framework developed in task 3a to assign risk ratings to each asset-service relationship: this will be the **asset-service risk rating**.

- Produce a table, with columns representing the 8 key ecosystem services (plus any agreed extras), and rows representing ecosystem assets (to match the 8 broad habitat types from the UKNEA table).
- Assign a risk rating ('low', 'medium', or 'high') to each asset-service relationship, following the decision tree/scoring framework developed in task 3a.
- Develop a method to assign a confidence/uncertainty rating of 'low', 'medium', or 'high' to each asset-service risk.
- Populate the table with both the risk rating and confidence rating for each asset-service risk.

OUTPUT 4: LINKING NATURAL CAPITAL OPPORTUNITIES TO THE MITIGATION OF ASSET-SERVICE RISKS

a. Review natural capital opportunities framework

This task involves reviewing and updating our natural capital opportunities framework (annex 8) based on insights from the previous tasks.

- Review our framework (annex 8) and identify any additional opportunities needed to fill gaps e.g., targeting specific ecosystem assets, or asset-service relationships that have been assigned high risk ratings.
- Any additional opportunities will fit into one of the broad opportunity categories: ecosystem creation and restoration; sustainable management of ecosystems; reducing pressures; natural capital as infrastructure; evidence; finance and investment; other. They will be high-level, general opportunities to mitigate asset-service risks, and be in line with the existing opportunities in our framework.
- Add a row to the spreadsheet (annex 8) for each additional opportunity identified, populating the 'main opportunities', 'specific opportunities', and 'type of opportunity' columns, and assigning the opportunity to ecosystem assets as appropriate.
- Record (in an Excel spreadsheet or Word document) the evidence behind any decisions made – for example, literature used and justifications for assigning opportunities to categories and ecosystem assets.

b. Summarise key opportunities to mitigate asset-service risk

This task involves producing a written narrative to highlight key opportunities to mitigate the asset-service risks.

- Produce a written narrative organised by broad opportunity category. For each category, summarise the key natural capital opportunities that can mitigate the asset-service risks.
- For each broad opportunity category section, highlight 'priority opportunities' - pull out examples of opportunities which would address the most severe asset-service risks, and/or opportunities which would simultaneously address several asset-service risks.

OUTPUT 5: PRODUCTION OF NATURAL CAPITAL RISK USER QUESTIONS

a. Produce user questions for government departments and delivery bodies

This task involves producing a list of questions to help users challenge their approaches to managing natural capital-related risk.

- Adapt the user questions from the National Audit Office's [2021 guidance for climate change risk](#). These questions are aimed at Audit and Risk Assurance Committees (ARACs), and are limited to climate change risk.
- Adapt the questions for use by government departments and delivery bodies rather than ARACs, and to address natural capital-related risk rather than climate change risk.
- Organise the questions under the same headings as in the NAO report: governance and leadership, integration, collaboration, risk identification and assessment, risk treatment, risk monitoring, risk reporting, and continual improvement.

OUTPUT 6: PRODUCTION OF TECHNICAL REPORT

a. Produce technical report for SONC annex

This task involves production of a full technical report summarising the work carried out throughout this contract. The report will be published as an annex to the SONC report, and should follow the format:

- i. Executive Summary
- ii. Aim
- iii. Methods
- iv. Results
- v. Discussion of Issues
- vi. Conclusions and Recommendations
- vii. References

The supplier must comply with [Natural England publishing standards for commissioned reports \(NECR000\)](#) and use the report template provided on the page, following the guidance within it.

The supplier must not make any changes to the templates, including to heading styles and font sizes. The supplier must include a clear section on any third-party data replicated or used to derive the output from, and how, within the report.

Data Ownership and Intellectual Property Rights

The Intellectual Property Rights resulting from the work shall belong to Natural England. The cover of all reports or drawings will include a statement © Natural England and the date of creation.

When using existing data the supplier should own, or be licensed to use, all Intellectual Property Rights that are necessary to provide the Services. You should seek advice from Natural England on responsibilities for obtaining a data licence for third party data. Note that Natural England requires to know the lineage of your output (i.e., all the datasets that went into the work) and be able to identify what the licence terms for each of the inputs is in order to be able to license the output for use.

The Supplier shall indemnify and keep indemnified Natural England against all actions, claims, demands, losses, damages, costs and expenses and other liabilities Natural England may suffer or incur arising from any infringement or alleged infringement of any third party Intellectual Property Rights except to the extent that they have been caused by or contributed to by Natural England's acts or omissions.

Contract Management

This contract shall be managed on behalf of

REDACTED under FOIA Section 40, b(7)(C) al Infor

This contract will run from 17th July 2023 to 18th December 2023. The final outputs should be received by 18th December 2023.

Draft outputs should be sent to the project team by the dates indicated for each task in the specification. These will be reviewed by the project team and returned for any changes needed in the final versions.

Once the contract has been awarded, a project initiation call will be arranged to discuss the project with the contract managers, followed by an initial steering group meeting to discuss the proposed method and timeframe for deliverables and tasks. This will be via Microsoft Teams and will take place between 18th-20th July 2023 (date and time tbc).

Following the initial meeting, fortnightly meetings will be established to maintain contact throughout the contract to discuss progress and any issues, these will be held virtually. Before each meeting, the Supplier should provide an agenda, and a bulleted update on progress on the 6 outputs, highlighting any issues with progress in relation to the key tasks and milestones.

Payment

The Authority will raise purchase orders to cover the cost of the services and will issue to the awarded supplier following contract award.

The Authority's preference is for all invoices to be sent electronically, quoting a valid Purchase Order number. 50% of the payment will be made when drafts of outputs 1-3 are submitted to Natural England, and the remaining 50% will be made when the final outputs are provided at the end of the contract.

It is anticipated that this contract will be awarded for a period of 5 months to end no later than 18/12/2023. Prices will remain fixed for the duration of the contract award period. We may at our sole discretion extend this contract to include related or further work. Any extension shall be agreed in advance of any work commencing and may be subject to further competition.

Use of Confidential Information by the Authority

The Authority may disclose the Confidential Information of the Supplier:

- (a) on a confidential basis to any central Government body for any proper purpose of the Authority or of the relevant central Government body;
- (b) to Parliament and Parliamentary Committees or if required by any Parliamentary reporting requirement;
- (c) to the extent that the Authority (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions;
- (d) on a confidential basis to a professional adviser, consultant, supplier or other person engaged by the Authority for any purpose relating to or connected with this Agreement;
- (e) on a confidential basis for the purpose of the exercise of its rights under this Agreement; or
- (f) on a confidential basis to a proposed successor body in connection with any assignment, novation or disposal of any of its rights, obligations or liabilities under this Agreement

SCHEDULE 2

PRICES

Total Price: £41,170 excluding VAT, £49,404 inc VAT. 50% of the payment will be made when drafts of outputs 1-3 are submitted to Natural England, and the remaining 50% will be made when the final outputs are provided at the end of the contract

(a) The Contract has been entered into on the date stated at the beginning of it.

SIGNED for and on behalf of the

AUTHORITY

REDACTED Under FOIA Section: 40, Personal Information

SIGNATURE.....

SIGNED for and on behalf of the

SUPPLIER

REDACTED Under FOIA Section: 40, Personal Information

SIGNATURE...

NAME:

REDACTED Under FOIA Section: 40, Personal Information

NAME.....

REDACTED Under FOIA Section: 40, Personal Information

Position:

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