

**Commercial Agreement for the provision of Employment and Health  
Related Services (CAEHRS)**

**Between**

**THE SECRETARY OF STATE FOR WORK AND PENSIONS  
(the “Authority”) acting as part of the Crown**

**and**

**Capita Business Services Ltd  
(the “Contractor”)**

**Contract Number: UI\_DWP\_22220**

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**BETWEEN: -**

- (1) **THE SECRETARY OF STATE FOR WORK AND PENSIONS** whose principal place of business is at Caxton House, Tothill Street, Greater London, SW1H 9NA (the "**Authority**"); and
- (2) Capita Business Services Ltd (Company Number: 2299747) whose registered address is at 65 Gresham Street, London, EC2V 7NQ (the "**Contractor**").

**BACKGROUND**

- (A) The Authority placed a contract notice 2020/S 126-309330 on 30/06/2020 in the Official Journal of the European Union inviting potential providers to tender for the provision of employment and health related services (divided into the Lots) to Contracting Bodies.
- (B) The Contractor submitted a tender, which was received on 17/08/2020.
- (C) On the basis of the Contractor's tender, the Authority selected the Contractor to enter a Commercial Agreement for Employment and Health Related Services ("CAEHRS") to provide employment and health related services to Contracting Bodies in accordance with this Commercial Agreement for Employment and Health Related Services.
- (D) This CAEHRS sets out (i) the procedure for running Mini-Competitions, (ii) the procedure for ordering Call-Off Services, (iii) the main terms and conditions for any Call-Off Contract, and (iv) the obligations of the Contractor during and after the term of this CAEHRS.
- (E) It is the Parties' intention that there will be no obligation for the Authority or any Other Contracting Body to award any Orders under this CAEHRS during its Term.

**IT IS AGREED** as follows: -

**A General Provisions**

**A1 Definitions and Interpretation**

A1.1 In this CAEHRS capitalised expressions shall have the meanings as set out below.

**"Additional Tier Place"** means a further place on a Tier which the Authority will make available at a CAEHRS Review in the circumstances detailed in Clause U8, and which the Authority will allocate in accordance with Clause U8.

**"Administration"** means a rescue mechanism under the Insolvency Act 1986 where a company may be rescued or reorganised or its assets realised under the protection of a statutory moratorium, the company is put into Administration and an Administrator is appointed.

**"Affiliate"** means 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.

**"Annual Contract Value"** means the amount of money that the Authority and/or Other Contracting Body could pay to a CAEHRS Provider on an annual basis under a Call-Off Contract, which is calculated by dividing the total value of the Call-Off Contract by the maximum number of years that the Call-Off Contract could endure.

**"Approval"** means the prior written consent of the Authority.

**“Audit Agents”** means:

- (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) the European Commission;
- (f) the European Court of Auditors;
- (g) any party formally appointed by the Authority and/or by the Crown and/or by the European Commission and/or by the European Court of Auditors to carry out audit or similar review functions; and
- (h) successors or assigns of any of the above.

**“Authority Assets”** means any Authority Data, Authority Software, and any other data, software, assets, equipment or other property owned and/or licensed to the Authority and which is or may be used in connection with the provision of the Services.

**“Authority Data”** means the data, guidance, specifications, instructions, toolkits, plans, databases, patents, patterns, models, design, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are:

- (i) supplied to the Contractor by or on behalf of the Authority; or
- (ii) which the Contractor is required to generate, process, store or transmit pursuant to this Contract; and

for the avoidance of doubt, includes Personal Data for which the Authority is a Controller.

**“Authority ICT System”** means 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 the CAEHRS 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.

**“Authority Premises”** means Premises which are owned and/or controlled by the Authority.

**“Authority Software”** means software which is owned by or licensed to the Authority, including software which is, or will be used by the Contractor for the purpose of providing the Services but excluding the Contractor Software.

**“Authority's Representative”** means the individual named at Clause A5.3 or such other individual as the Authority may notify in writing to the Contractor from time to time and the Authority’s Representative is authorised to act on behalf of the Authority on all matters relating to the Contract.

**“Breach of Security”** means the occurrence of unauthorised access to or use of the Premises, the Authority’s Premises, the Services, the Authority ICT System, the Contractor System or any ICT or data (including the Authority’s Data), and any Personal Data and any Special Categories of Personal Data used by the Authority or the Contractor in connection with this Contract.

**“Bribery Act 2010”** means the Bribery Act 2010 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant Central Government Body concerning the legislation.

**“CAEHRS”** means this agreement and all Schedules and any appendices or annexes to this agreement.

**“CAEHRS Call-Off Contract Suspension Event”** means the Contractor has been subject to Performance Management Action in respect of any CAEHRS Call-Off Contract during two of the last three Quarters preceding a CAEHRS Review.

**“CAEHRS ITT”** means the suite of documents published by the Authority via the Jaggaer Portal in connection with this CAEHRS comprising the following documents:

- (a) the CAEHRS Specification;
- (b) the CAEHRS Instructions to Bidders;
- (c) the CAEHRS Invitation to Tender Questions response form;
- (d) the Call-Off Terms and Conditions; and
- (e) such other supporting documents as may be published by the Authority via the Jaggaer Portal.

**“CAEHRS Providers”** means all providers who are selected and who enter into a CAEHRS with the Authority pursuant to the OJEU Notice.

**“CAEHRS Review”** means a review carried out by the Authority, starting on a CAEHRS Review Date, at which the Authority will review:

- (a) whether any CAEHRS Providers should be Suspended,
- (b) whether any CAEHRS Providers should have their CAEHRS terminated,
- (c) whether the Authority should make any Additional Tier Places available on any Tier,
- (d) how any Additional Tier Places that the Authority makes available should be allocated, and
- (e) whether a CAEHRS Provider, that has been allocated an Additional Tier Place, should be appointed to the National Lot.

**“CAEHRS Review Date”** means the following dates: 1 April 2021, 1 October 2021, 1 April 2022, 3 October 2022, 3 April 2023, 2 October 2023, 1 April 2024, 2 October 2024, 1 April 2025 on which the Authority will start a CAEHRS Review, and/or such other date(s), as determined by the Authority in its absolute discretion, and notified in writing to the Contractor.

**“CAEHRS Specification”** means the Authority’s specification for the Services as set out at Appendix A (including all amendments to, Variations of, or supplements to such specification).

**“CAEHRS Variation Procedure”** means the procedure set out at Schedule 6 (CAEHRS Variation Procedure).

**“Call-Off Contract”** means the legally binding agreement (made pursuant to the provisions of this CAEHRS or a CAEHRS on the same or substantially similar terms as this CAEHRS) for the provision of Call-Off Services between a Contracting Body and a CAEHRS Provider, comprising an Order Form and the Call-Off Terms and Conditions.

**“Call-Off Services”** means the Services which a CAEHRS Provider is contracted to provide to the Authority or any Other Contracting Body under a Call-Off Contract.

**“Call-Off Services Award Criteria”** means the award criteria to be applied to tenders received through Mini-Competitions held for the award of Call-Off Contracts for Call-Off Services as set out in Schedule 2(Call-Off Services Award Criteria).

**“Call-Off Terms and Conditions”** means the indicative terms and conditions in Schedule 4 (Call Off Terms and Conditions) as supplemented, amended and/or refined by the relevant Contracting Body pursuant to Clause E2.2(g).

**“Central Government Body”** means a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics:

- (a) Government Department;
- (b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal);
- (c) Non-Ministerial Department; or
- (d) Executive Agency.

**“Change of Control”** means a change of control within the meaning of Section 1124 of the Corporation Tax Act 2010.

**“Commencement Date”** means the date on which this CAEHRS becomes legally binding. The CAEHRS will be deemed to take effect on the date of the second Party's signature.

**“Commercially Sensitive Information”** means the information listed in the Commercially Sensitive Information Schedule 5.

**“Confidential Information”** means:

- (a) any information, which has been designated as confidential by either Party in writing or that ought reasonably to be considered as confidential however it is conveyed, including information that relates to the business, affairs, developments, trade secrets, know-how, personnel and suppliers of the Contractor, including IPRs, together with all information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential, and
- (b) all Personal Data and Special Categories of Personal Data,

but excluding the Transparency Information.

**“Contract Personal Data”** means any Personal Data, including Special Categories of Personal Data, Joint Personal Data and Participant Personal Data, processed by either Party in connection with this CAEHRS, and for the purposes of this CAEHRS.

**“Contracting Authority”** means any contracting authority as defined in Regulation 2 of the Public Contract Regulations 2015, for the avoidance of doubt, including the Authority.

**“Contracting Bodies”** means the Authority and any other contracting bodies described in the OJEU notice, including any successors and permitted assigns, and **“Contracting Body”** shall be interpreted accordingly.



**“Contractor Financial Capacity”** means the estimated maximum Annual Contract Value of a Call-Off Contract that the Contractor has the ability to deliver (as determined by the Authority in its absolute discretion).

**“Contractor Software”** means software which is owned or licensed to the Contractor, including software which is, or will be, used by the Contractor for the purpose of providing the Services.

**“Contractor System”** means any such electronic or hard copy system/process utilised in the delivery of the Services and that is used to transfer, disclose, receive or store Authority Data including, but not limited to, any web enabled system, database, electronic media, e-mail or hard copy system.

**“Contractor's Group”** means Contractor, its ultimate holding company and all subsidiaries of its ultimate holding company, and any company under the Control of the Contractor, its ultimate holding company or any subsidiary of its ultimate holding company (the definitions of holding company and subsidiary being those set out in Section 1159 of the Companies Act 2006).

**“Contractor's Lot(s)”** means the Lot(s) to which the Contractor has been appointed under this CAEHRS, as set out in Schedule 1B

**“Contractor's Representative”** means the individual named at Clause A5.3 or such other individual as the Contractor may notify in writing to the Authority from time to time and the Contractor's Representative is authorised to act on behalf of the Contractor on all matters relating to the Contract.

**“Contractor's Tier(s)”** means the Tiers within each Regional Lot to which the Contractor has been appointed under this CAEHRS, as set out in Schedule 1B.

**“Control”** the possession by person, directly or indirectly, of the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or otherwise) and **“Controls”** and **“Controlled”** shall be interpreted accordingly.

**“Controller”** shall have the same meaning as given in the GDPR.

**“CPA”** or **“Contract Package Area”** means the geographical/contract package area in which a CAEHRS Provider must deliver Services to Participants under a Call-Off Contract.

**“CREST” (International)** is a not for profit company registered in the UK with company number 09805375

**“Crown”** means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Executive and the National Assembly for Wales), including, but not limited to, government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf and **“Crown Body”** shall be construed accordingly.

**“Data Loss Event”** means any event that results, or may result, in unauthorised access to Personal Data and Special Categories of Personal Data held by the Contractor under this CAEHRS and/or actual or potential loss and/or alteration and/or destruction of Personal Data and Special Categories of Personal Data in breach of this CAEHRS, including any Personal Data Breach.

**“Data Protection Legislation”** means (i) the GDPR, the LED and any applicable national implementing Laws as amended from time to time (ii) the DPA to the extent that it relates to Processing of personal data and privacy; (iii) all applicable Law about the Processing of personal data and privacy.

**“Data Protection Officer”** shall have the same meaning as given in the GDPR.

**“Data Subject”** shall have the same meaning as given in the GDPR.

**“Data Subject Access Request”** means 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 and Special Categories of Personal Data.

**“Default”** means any breach of the obligations of the Contractor (including but not limited to abandonment of this CAEHRS in breach of its terms) or any other default (including material Default), words, act, omission, negligence or statement of the Contractor, of its Sub-contractors or any Staff, howsoever arising in connection with or in relation to the subject-matter of this CAEHRS and in respect of which the Contractor is liable to the Authority.

**“Deliverable”** means an item, feature or service associated with the provision of the Services or a change in the provision of the Services which is required to be delivered by the Contractor at any stage during the performance of this CAEHRS or any Call-Off Contract.

**“Dispute”** means any dispute, difference or question of interpretation arising out of or in connection with this CAEHRS, including any dispute, difference or question of interpretation relating to the Services, failure to agree in accordance with the CAEHRS Variation Procedure or any matter where this CAEHRS directs the Parties to resolve an issue by reference to Clause W.

**“Dispute Resolution Procedure”** means the procedure for resolving disputes set out in Schedule 12.

**“Document Retention End Date”** means the date of the period ending 6 years after the date upon which the Contract terminates.

**“DOTAS”** means the Disclosure of Tax Avoidance Schemes rules which require a promoter of tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act 2004 and as extended to national insurance contributions by the National Insurance Contributions (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.

**“DPA”** means the Data Protection Act 2018.

**“Due Diligence Information”** means any information supplied to the Contractor by the Authority prior to the Commencement Date.

**“DWP”** or **“Department of Work and Pensions”** means the Authority.

**“DWP Contract”** means any contract, other than a CAEHRS Call-Off Contract, between the Contractor and the Authority for the delivery of employability and health related services.

**“DWP Contract Suspension Event”** means the Contractor has been subject to Performance Management Action in respect of any DWP Contract during two of the last three Quarters immediately preceding a CAEHRS Review.

**“DWP Supplier Code of Conduct”** means the Department for Work and Pensions’ Code of Conduct set out in Schedule 19, as may be updated and amended from time to time.

**“Environmental Information Regulations”** means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such regulations.

**“Equivalent Services”** means services which the Contractor can supply which are the same or similar to the Services.

**“ESF Co-Financing Organisation”** means designated bodies including the Authority which channel both ESF and match funding to meet ESF priorities.

**“ESF Requirements”** means the requirements including but not limited to:

- (a) the common principles, rules and standards for the European Social Fund as defined by Regulation (EU) No 1303/2013 of 17 December 2013; and
- (b) the European Commission’s requirements;
- (c) the Managing Authority’s requirements; and
- (d) the Authority’s requirements.

**“European Social Fund”** or **“ESF”** means one of the five European Structural and Investment Funds for which common principles, rules and standards are defined by Regulation (EU) No 1303/2013 of 17 December 2013.

**“FOIA”** means the Freedom of Information Act 2000 and any subordinate legislation made under such Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation.

**“Force Majeure Event”** means any event outside the reasonable control of either Party affecting its performance of its obligations under this CAEHRS arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control and which are not attributable to any wilful act, neglect or failure to take reasonable preventative action by that Party, including acts of God, riots, war or armed conflict, acts of terrorism, acts of government, local government or regulatory bodies, fire, flood, storm or earthquake, or disaster but excluding any industrial dispute relating to the Contractor or the Staff or any other failure in the Contractor’s or a Sub-contractor’s supply chain.

**“Fraud”** means any offence under Laws creating offences in respect of fraudulent acts or at common law in respect of fraudulent acts in relation to this CAEHRS or defrauding or attempting to defraud or conspiring to defraud the Crown.

**“GDPR”** means the General Data Protection Regulation (*Regulation (EU) 2016/679*).

**“General Anti-Abuse Rule”** means:

- (a) the legislation in Part 5 of the Finance Act 2013; and
- (b) any future tax legislation introduced into parliament to counteract tax advantages arising from abusive arrangements to avoid national insurance contributions.

**“Good Industry Practice”** means at any time the exercise of that degree of care, skill, diligence, prudence, efficiency, foresight and timeliness which would be reasonably expected at such time from a leading and expert supplier of services similar to the Services to a customer like the Authority, such supplier seeking to comply with its contractual obligations in full and complying with all applicable laws.

**“Group”** means in relation to a company, that company, any subsidiary or holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company.

**“Guidance”** means any guidance issued or updated by the UK Government from time to time in relation to the Regulations.

**“Halifax Abuse Principle”** means the principle explained in the CJEU Case C-255/02 Halifax and others.

**“ICT”** means information and communications technology.

**“Information”** has the meaning given under section 84 of the FOIA.

**“Insolvency Event”** means:

- (a) the other Party suspends, or threatens to suspend, payment of its debts, or is unable to pay its debts as they fall due or admits inability to pay its debts, or:
  - (i) (being a company or a LLP) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or
  - (ii) (being a partnership) is deemed unable to pay its debts within the meaning of section 222 of the Insolvency Act 1986;
- (b) the other Party commences negotiations with one or more of its creditors (using a voluntary arrangement, scheme of arrangement or otherwise) with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with one or more of its creditors or takes any step to obtain a moratorium pursuant to Section 1A and Schedule A1 of the Insolvency Act 1986 other than (in the case of a company, a LLP or a partnership) for the sole purpose of a scheme for a solvent amalgamation of that other Party with one or more other companies or the solvent reconstruction of that other Party;
- (c) a person becomes entitled to appoint a receiver over the assets of the other Party or a receiver is appointed over the assets of the other Party;
- (d) a creditor or encumbrancer of the other Party attaches or takes possession of, or a distress, execution or other such process is levied or enforced on or sued against, the whole or any part of the other Party's assets and such attachment or process is not discharged within fourteen (14) days;
- (e) the other Party suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business;
- (f) where the other Party is a company, a LLP or a partnership:
  - (i) a petition is presented (which is not dismissed within fourteen (14) days of its service), a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that other Party other than for the sole purpose of a scheme for a solvent amalgamation of that other Party with one or more other companies or the solvent reconstruction of that other Party;
  - (ii) an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is filed at court or given or if an administrator is appointed, over the other Party;
  - (iii) (being a company or a LLP) the holder of a qualifying floating charge over the assets of that other Party has become entitled to appoint or has appointed an administrative receiver; or
  - (iv) (being a partnership) the holder of an agricultural floating charge over the assets of that other Party has become entitled to appoint or has appointed an agricultural receiver; or
- (g) any event occurs, or proceeding is taken, with respect to the other Party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned above.

**“Intellectual Property Rights”** or **“IPRs”** means patents, inventions, trademarks, service marks, logos, design rights (whether registerable or otherwise), applications for any of the foregoing, copyright, database rights, domain names, trade or business names, moral rights and other similar rights or obligations whether registerable or not in any country (including but not limited to the United Kingdom) and the right to sue for passing off.

**“International Organisation”** shall have the same meaning as given in Data Protection Legislation.

**“Irregularity”** means:

- (a) directly, or indirectly,
- (b) submitting a claim for, or agreeing to receive, or accepting,
- (c) any outcome payment, or delivery fee, or cost claim or financial, or other advantage,
- (d) in connection with a Call-Off Contract,
- (e) which becomes the subject of an investigation by the Audit Agents and
- (f) which the Audit Agents find was more likely than not,
- (g) deliberately, or negligently,
- (h) based on invalid, or erroneous, or false information, or documentation.

**“Jaggaer Portal”** means the "Jaggaer" electronic portal which is accessible by the Contractor, or such replacement or successor portal which the Authority may notify to the Contractor from time to time.

**“Joint Controllers”** has the meaning given under Article 26 of the GDPR i.e. where two or more Controllers jointly determine the purposes and means of Processing.

**“Joint Personal Data”** means any Personal Data designated as Joint Personal Data in any Schedule to this CAEHRS or in any Schedule to a Call-Off Contract.

**“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.

**“LED”** means the Law Enforcement Directive (*Directive (EU) 2016/680*).

**“Liquidation”** means the appointment of a Liquidator who collects in and distributes the company's assets and dissolves the company. The company can also be put into provisional Liquidation before a final winding up order is granted.

**“Loss”** means direct losses, liabilities, claims, damages, costs, charges, outgoings and expenses (including legal expenses) of every description, provided in each case that such losses are reasonable, direct, proper and mitigated.

**“Lot(s)”** means the contractual subdivision(s) set out in the OJEU Notice in which a Contracting Body may decide to award its requirement for Services.

**“Malicious Software”** means 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.

**“Management Information”** means the management information specified in Schedule 17 which the Contractor is required to provide to the Authority.

**“Managing Authority”** or **“MA”** means Authority's managing authority within the Authority's European Social Fund Division operating on behalf of the Secretary of State which is the managing authority responsible for administering European Social Fund funds.

**“Mini-Competition”** means a competition conducted by the Authority or any Other Contracting Body in accordance with this CAEHRS, the Regulations and Guidance for the procurement of Call-Off Services in respect of the Contractor's Lot(s).

**“MI Admin Fees”** means the costs incurred by the Authority in dealing with MI Failures calculated in accordance with the tariff of administration charges published by the Crown Commercial Service at the following link (or such other place as the Authority notifies the Contractor from time to time):

<https://www.gov.uk/guidance/current-crown-commercial-service-suppliers-what-you-need-to-know>

**“MI Failure”** means when an MI Report:

- (a) contains any material errors or material omissions or a 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 pursuant to Schedule 17 (Management Information).

**“Month”** means a calendar month.

**“National Lot”** means a contractual subdivision, covering the geographic areas of England, Wales and Scotland, as set out in the OJEU Notice, in which a Contracting Body may decide to award its requirement for Services.

**“National Lot Additional Selection Criteria”** means the additional selection criteria to be applied to CAEHRS Providers who have been awarded a CAEHRS in two or more Regional Lots in order to determine whether such CAEHRS Providers may be appointed by the Authority to the National Lot. The National Lot Additional Selection Criteria are set out in the CAEHRS ITT.

**“National Sub-Lot”** means a contractual subdivision, covering part of the geographic areas of England, Wales and Scotland, as set out in the relevant invitation to participate in a Mini-Competition issued by the Authority or Other Contracting Body, in which a Contracting Body may decide to award its requirement for Services.

**“Nil Return”** has the meaning given in Schedule 17 (Management Information).

**“Occasion of Tax Non-Compliance”** means where:

- (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:
  - (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 in any jurisdiction that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle;
  - (ii) the failure of an avoidance scheme which the Contractor was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime in any jurisdiction; and/or

- (b) any tax return of the Contractor submitted to a Relevant Tax Authority on or after 1 October 2012 which gives rise, on or after 1 April 2013, to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Commencement Date or to a civil penalty for fraud or evasion.

“**OJEU Notice**” means the contract notice 2020-041200 published in the Official Journal of the European Union on 30<sup>th</sup> June 2020

“**Open Book Data**” means complete and accurate financial and non-financial information, including, but not limited to, details and all assumptions relating to:

- (a) the Contractor’s costs broken down against each service category and/or deliverable under each Call-Off Contract, including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all hardware and software; and
- (b) operating expenditure relating to the supply of the Services including an analysis showing:
  - (i) the unit costs and quantity consumables and bought-in services;
  - (ii) manpower resources broken down into the number and grade/role of all Staff (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;
  - (iv) reimbursable expenses (such as reasonable out of pocket travel and subsistence expenses properly and necessarily incurred in the supply of the Services);
  - (v) overheads;
  - (vi) all interest, expenses and any other third party financing costs incurred in relation to the supply of the Services;
  - (vii) 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; and
  - (viii) an explanation of the type and value of risk and contingencies associated with the supply of the Services, including the amount of money attributed to each risk and/or contingency; and
- (c) the Contractor’s most up-to-date management accounts and annual accounts.

“**Open Source Software**” means computer software that is released on the internet for use by any person, such release usually being made under a recognised open source licence and stating that it is released as open source.

“**Order**” means an order for Services served by any Contracting Body on a CAEHRS Provider in accordance with the Ordering Procedures.

“**Order Form**” means a document setting out details of an Order in the form set out in Schedule 3 or such similar analogous form acceptable to a Contracting Body, including the Authority, from time to time.

“**Ordering Procedures**” means the ordering procedures specified in Clause F.

“**Other Contracting Bodies**” means all Contracting Bodies except the Authority.

**“Parent Company”** means any company which is the ultimate Holding Company of the Contractor and which is either responsible directly or indirectly for the business activities of the Contractor or which is engaged in the same or similar business to the Contractor. The term "Holding Company" shall have the meaning ascribed by Section 1159 of the Companies Act 2006 or any statutory re-enactment or amendment thereto.

**“Participants”** means the customers of the relevant Contracting Body who are directly in receipt of the Services under a Call-Off Contract.

**“Party”** means the Authority or the Contractor, and **“Parties”** shall be construed accordingly.

**“Performance Management Action”** means, in respect of a Call-Off Contract or a DWP Contract: (i) the Contractor has been issued a Performance Improvement Notice (PIN) under the Performance Management Intervention Regime (PMIR); or (ii) the Contractor has received a Formal Warning Notice or Service Failure Notice; or (iii) there has been a Supplier Termination Event. The terms used in this definition shall be interpreted in line with the relevant Call-Off Contract or DWP Contract.

**“Personal Data”** shall have the same meaning as given in the GDPR.

**“Personal Data Breach”** shall have the same meaning as given in the GDPR.

**“Pre-Existing IPR”** means any Intellectual Property Rights vested in or licensed to the Authority or the Contractor prior to or independently of the performance by the Authority or the Contractor of their obligations under this CAEHRS or any Call-Off Contract made between the Authority and the Contractor and in respect of the Authority includes guidance, specifications, instructions, toolkits, plans, data, drawings, databases, patents, patterns, models and designs.

**“Premises”** means any location from which the Services are delivered as set out in any relevant Call-off Contract.

**“Process”** and **“Processing”** shall have the same meaning as given in the GDPR.

**“Processor”** shall have the same meaning as given in the GDPR.

**“Prohibited Act”** means:

- (a) to directly or indirectly offer, promise or give any person working for or engaged by a Contracting Body and/or the Authority a financial or other advantage to:
  - (i) induce that person to perform improperly a relevant function or activity; or
  - (ii) reward that person for improper performance of a relevant function or activity; or
- (b) committing any offence:
  - (i) under the Bribery Act 2010; or
  - (ii) under legislation creating offences concerning Fraud; or
  - (iii) at common law concerning Fraud; or
- (c) committing (or attempting or conspiring to commit) Fraud.



**“Project Specific IPRs”** means IPRs in items created by the Contractor (or a third party on behalf of the Contractor) specifically for the purposes of the performance by the Authority or the Contractor of their obligations under this CAEHRS or any Call-Off Contract, including any Deliverables and all updates and amendments to these items.

**“Protective Measures”** means appropriate technical and organisational measures which shall be sufficient to secure that the Parties will meet the requirements of GDPR and ensure the protection rights of the Data Subject and may include (without limitation):

- Pseudonymisation and encrypting Personal Data and Special Categories of Personal Data;
- ensuring on-going confidentiality, integrity, availability and resilience of systems and services used for data processing;
- measures to restore the availability and access to Personal Data and Special Categories of Personal Data in a timely manner in the event of a physical or technical incident;
- ensuring that availability of and access to Personal Data and Special Categories of 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 9 (Security Requirements).

**“Pseudonymisation”** shall have the same meaning as given in the GDPR.

**“Q&A”** means the responses to the Q&A Log published following submission of the Tender and prior to award of the CAEHRS.

**“Quarter”** means a three (3) month period.

**“Regional Lot”** means a contractual subdivision, covering a regional geographic area, as set out in the OJEU Notice, in which a Contracting Body may decide to award its requirement for Services.

**“Regional Sub-Lot”** means a contractual subdivision, covering part of a regional geographic area, as set out the relevant invitation to participate in a Mini-Competition issued by the Authority or Other Contracting Body, in which a Contracting Body may decide to award its requirement for Services.

**“Regulations”** means the Public Contracts Regulations 2015 (as amended) as applicable.

**“Regulatory Body”** means those government departments 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 this CAEHRS or any other affairs of the Authority.

**“Relevant Call-Off Services”** shall have the meaning given to it in Clause E2.2.

**“Relevant Contractor Financial Capacity”** shall have the meaning given to it in Clause E2.2.

**“Relevant CPA(s)”** shall have the meaning given to it in Clause E2.2.

**“Relevant Lot(s)”** shall have the meaning given to it in Clause E2.2.

**“Relevant Tax Authority”** means HMRC, or, if applicable, the tax authority in the jurisdiction in which the Contractor is established.

**“Relevant Tier(s)”** shall have the meaning given to it in Clause E2.2.

**“Relinquish”** means when a CAEHRS Provider is no longer on Tier 2 of a Regional Lot, after the Authority has allocated them to an Additional Tier Place on Tier 1 of that Regional Lot in accordance with Clause U8.10.

**“Reporting Date”** means the seventh (7th) day of each Month following the Month to which the relevant Management Information relates, or such other date as may be agreed between the Authority and the Contractor from time to time.

**“Requests for Information”** means a request for information or an apparent request under the FOIA or the Environmental Information Regulations.

**“Schedule”** means a schedule attached to, and forming part of this CAEHRS.

**“Security Plan”** means the Contractor’s security plan prepared pursuant to Schedule 9 (Security Requirements).

**“Security Policies”** means the Authority’s security policies published by the Authority from time to time and shall include any successor, replacement or additional security policies. The security policies are set out in Annex A to Schedule 9 (Security Requirements).

**“Security Policies and Standards”** means the Security Policies and the Security Standards.

**“Security Standards”** means the Authority’s security standards published by the Authority from time to time and shall include any successor, replacement or additional security standards. The security standards are set out in Annex B to Schedule 9 (Security Requirements).

**“Security Tests”** means tests of the processes and countermeasures contained in the Security Plan.

**“Serious Breach”** means:

- (a) a material breach; or
- (b) a Default that is serious in the widest sense of having a serious effect on the benefit which the Party against whom the Default is committed would otherwise derive from:
  - (i) this CAEHRS; or
  - (ii) any of the obligations set out in the following Clauses: Clause E (Award Procedures); Clause A9 (Prevention of Fraud); Clause L (Contractor Financial Capacity); Clause P (Statutory Obligations and Regulations); Clause P2 (Discrimination); Clause P8 (DWP Supplier Code of Conduct); Clause R (Management Information); Clause Q (Protection of Information); Clause Q6 (Transparency and Freedom of Information); Clause Q8 (Security Requirements); Clause S2 (Transfer and Sub-contracting); and/or any other Schedule.

and in deciding whether any breach is a Serious Breach no regard shall be had to whether it occurs by some accident, mishap, mistake or misunderstanding.

**“Services”** means the services set out in Schedule 1 (Services) which may be required by the Contracting Bodies during the Term.

**“Special Categories of Personal Data”** shall have the meaning given in the GDPR.

**“Staff”** means all persons employed or engaged by the Contractor (and/or each Sub-contractor) to perform its obligations under this CAEHRS and/or any Call-Off Contract together with the Contractor’s (and/or each Sub-contractor’s) servants, consultants, agents, volunteers, contractors and sub-contractors used in the performance of its obligations under this CAEHRS and/or any Call-Off Contract.

**“Standards”** means:

- (a) any standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent bodies (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector as the Contractor would reasonably and ordinarily be expected to comply with;
- (b) any standards detailed in this CAEHRS and/or by the Contracting Body in any Call-Off Contract or as agreed by the Parties from time to time;
- (c) any relevant Government codes of practice and guidance applicable from time to time.

**“Sub-contract”** means any contract or agreement or proposed contract or agreement between the Contractor and any third party whereby that third party agrees to provide to the Contractor the Services (or any part thereof) or facilities or services necessary for the provision of the Services (or any part thereof) or necessary for the management, direction or control of the Services (or any part thereof).

**“Sub-contractor”** means any third party with whom:

- (a) the Contractor enters into a Sub-contract; or
- (b) the employees, staff, servants or agents of that third party; or
- (c) a third party under (a) above enters into a Sub-contract, or the servants or agents of that third party.

**“Sub-processor”** means any third party appointed to process Personal Data and Special Categories of Personal Data on behalf of the Contractor under this Contract.

**“Suspension”** means the temporary cancellation, for the duration of the Suspension Period, of a CAEHRS Provider’s eligibility to participate in Mini-Competitions, or eligibility to bid for, or be awarded, or enter into any Call-Off Contracts under this CAEHRS, and “Suspended” and “Suspend” shall be interpreted accordingly.

**“Suspension Notice”** means the written notice given to a CAEHRS Provider by the Authority informing the CAEHRS Provider of its Suspension.

**“Suspension Period”** means the period of Suspension as specified by the Authority in a Suspension Notice.

**“Sustainable Development Requirements”** means the requirements set out in Schedule 11.

**“Tender”** means the Contractor’s response to the CAEHRS ITT including for the avoidance of doubt, any post-tender clarifications made by the Contractor to the Authority prior to the Commencement Date (**“Tender Clarification”**).

**“Term”** means the period commencing on the Commencement Date and ending on [31 August 2025] or on earlier termination of this CAEHRS.

**“Termination Date”** means the date set out in a Termination Notice on which this CAEHRS (or a part of it as the case may be) is to terminate.

**“Termination Notice”** means a written notice of termination given by one Party to the other, notifying the Party receiving the notice of the intention of the Party giving the notice to terminate this CAEHRS on a specified date and setting out the grounds for termination.

**“Third Party Software”** means software which is proprietary to any third party (other than an Affiliate of the Contractor) or any Open Source Software which in any case is, will be or is proposed to be used by the Contractor for the purposes of providing the Services and/or any Call-Off Services.

**“Tier”** means the level within a Regional Lot to which a CAEHRS Provider has been appointed and which will dictate the monetary value of the Call-Off Contracts within that Regional Lot for which that CAEHRS Provider is eligible to bid. The eligibility requirements, the Tier Minimum Call-Off Contract Value and the Tier Maximum Call-Off Contract Value for each Tier are set out at Clause E3.

**“Tier Maximum Call-Off Contract Value”** means the maximum Annual Contract Value of a Call-Off Contract that a CAEHRS Provider appointed to a particular Tier is eligible to bid for. The Tier Maximum Call-Off Contract Value for Tier 2 is set out at Clause E3.

**“Tier Minimum Call-Off Contract Value”** means the minimum Annual Contract Value of a Call-Off Contract that a CAEHRS Provider appointed to a particular Tier is eligible to bid for. The Tier Minimum Call-Off Contract Value for each Tier is set out at Clause E3.

**“Transferee”** means any person to whom the Authority assigns, novates or otherwise disposes of its rights and obligations under the CAEHRS pursuant to S2.

**“TUPE”** means the Transfer of Undertakings (Protection of Employment) Regulations 2006, as amended.

**“Variation”** means any variation to this CAEHRS.

**“Working Days”** means any day other than a Saturday, Sunday or public holiday in England and Wales.

**“Year”** means a calendar year.

A1.2 In this Contract, unless the context otherwise requires:

- (e) the singular includes the plural and vice versa;
- (f) a reference to **“writing”** or **“written”** includes fax and email;
- (g) a reference to one gender shall include a reference to the other genders;
- (h) references to a clause or schedule are references to the clauses and schedules of this CAEHRS unless otherwise provided;
- (i) reference to any statute, law, order, regulation or other similar instrument shall be construed as a reference to the statute, law, order, regulation or instrument as subsequently amended, extended, consolidated or re-enacted from time to time;
- (j) a reference to this CAEHRS (or any provision of it) or to any other agreement or document referred to in this CAEHRS is a reference to this CAEHRS, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this CAEHRS) from time to time;
- (k) a reference to a Party shall include that Party's successors, permitted assigns and permitted transferees and this CAEHRS shall be binding on, and ensure to the benefit of, the Parties to this CAEHRS and their respective successors, permitted assigns and permitted transferees;

- (l) references to any person include all individual, company, body, corporate, corporation, unincorporated association, firm, partnership, or other legal entity or other Central Government Body;
- (m) the words “including”, “other”, “in particular”, “for example” and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words “without limitation”;
- (n) headings are for ease of reference only and shall not affect the interpretation or construction of the CAEHRS; and
- (o) in the event and to the extent only of any conflict between the Call-Off Terms and Conditions and the provisions of this CAEHRS, the conflict shall be resolved in accordance with the following order of precedence:
  - the Call-Off Terms and Conditions;
  - the CAEHRS.

## **A2 Statement of Intent**

- A2.1 In delivering the Services, the Contractor shall operate at all times in accordance with any and all of the Authority's published objectives and in accordance with the following objectives and statement of intent:
- (a) the Authority wishes to establish a CAEHRS for the provision of employment and health related services with the objective of providing employment and health related support services which help people who are unemployed or have a disability, or have any other barrier to work, to select, train for, obtain and retain employment;
  - (b) the Authority wishes to arrange for the development and maintenance of contingency plans for the delivery of replacement employability and health-based support services at short notice at the request of the Authority following the occurrence of a trigger event; and
  - (c) the Contractor has been appointed and the Authority has entered into this CAEHRS on the basis of the Contractor's response to the CAEHRS ITT.
- A2.2 Clause A2 is an introduction to this CAEHRS and does not expand the scope of the Parties' obligations or alter the plain meaning of the terms and conditions of this CAEHRS, except and to the extent that those terms and conditions do not address a particular circumstance, or are otherwise ambiguous, in which case those terms and conditions are to be interpreted and construed so as to give full effect to Clause A2.

## **A3 Term of the CAEHRS**

- A3.1 This CAEHRS shall take effect on the Commencement Date and shall continue in full force and effect (unless terminated at an earlier date in accordance with its terms or otherwise lawfully terminated) until the expiry of the Term, when it shall terminate automatically without notice.

## **A4 Authority's Obligations**

- A4.1 Save as otherwise expressly provided in this Contract, the obligations of the Authority under this CAEHRS are obligations of the Authority in its capacity as a contracting counterparty and nothing in this CAEHRS shall operate as an obligation upon, or in any other way constrain the Authority in any other capacity, nor shall the exercise by the

Authority of its duties and powers in any other capacity lead to any liability, under this CAEHRS (however arising), on the part of the Authority to the Contractor.

## **A5 Notices**

- A5.1 Except as otherwise expressly provided within this CAEHRS, no notice or other communication from one Party to the other shall have any validity under this CAEHRS unless explicitly made in writing by or on behalf of the Party concerned.
- A5.2 Any notice or other communication which is to be given by either Party to the other shall be given by electronic mail or by letter (sent by hand, post, registered post or by the recorded delivery service) or through Jaggaer. Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two (2) Working Days after the day on which the letter was posted, or four (4) hours, in the case of electronic mail and Jaggaer or sooner where the other Party acknowledges receipt of such letters or item of electronic mail or communication via Jaggaer or via the Authority ICT System. Such letters shall be addressed to the other Party in the manner referred to in Clause A5.3.
- A5.3 For the purposes of Clause A5.2 the address of each Party shall be:
- (a) For the Authority:
- Address: Department for Work and Pensions  
1 Hartshead Square  
Sheffield  
S1 2FD
- For the attention of: [REDACTED]
- Email: [REDACTED]
- (b) For the Contractor:
- Address: [REDACTED]
- For the attention of: [REDACTED]
- Email: [REDACTED]
- A5.4 Either Party may change its address for service by serving a notice in accordance with this clause.

## **A6 Representatives of the Parties**

- A6.1 The following person is the Authority's Representative:
- Name [REDACTED]
- Title: [REDACTED]
- A6.2 The Authority's Representative may approve deputy Authority's Representatives to exercise the Authority's Representative's powers on his/her behalf. The Authority's Representative shall notify the Contractor of any such deputy in accordance with Clause A5.
- A6.3 The following person is the Contractor's Representative:
- Name [REDACTED]

Title: **REDACTED**

- A6.4 The Contractor's Representative may approve deputy Contractor's Representatives to exercise the Contractor's Representative's powers on his/her behalf. The Contractor's Representative shall notify the Authority of any such deputy in accordance with Clause A5.

#### **A7 Mistakes in Information**

- A7.1 The Contractor shall be responsible for the accuracy of all drawings, documentation and information supplied to the Authority by the Contractor in connection with the supply of the Services and shall pay the Authority any extra costs occasioned by the Authority by any discrepancies, errors or omissions therein except where such discrepancies, errors or omissions originate from documentation supplied by the Authority.

#### **A8 Due Diligence**

A8.1 The Contractor acknowledges that:

- (a) 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 CAEHRS;
- (b) it has made its own enquiries to satisfy itself as to the accuracy of the Due Diligence Information;
- (c) it has satisfied itself (whether by inspection or having raised all relevant due diligence questions with the Authority before the Commencement Date) and has entered into this CAEHRS in reliance on its own due diligence alone;
- (d) it shall not be excused from the performance of any of its obligations under this CAEHRS on the grounds of, nor shall the Contractor be entitled to recover any additional costs or charges, arising as a result of any:
  - (i) misrepresentation of the requirements of the Contractor in the CAEHRS ITT or elsewhere; and/or
  - (ii) failure by the Contractor to satisfy itself as to the accuracy and/or adequacy of the Due Diligence Information.

#### **A9 Prevention of Fraud**

A9.1 The Contractor shall establish, maintain and enforce and require that its Staff and Sub-contractors establish, maintain and enforce policies and procedures which are adequate to prevent the occurrence of Fraud and/or Irregularity in connection with this CAEHRS and/or any Call-Off Contract.

A9.2 The Contractor shall establish, maintain and enforce, and require that its Sub-contractors establish, maintain and enforce:

- (a) a system that enables its Staff, Sub-contractors and any person involved in the supply of the Services to report to the Contractor, the commission or suspected commission of Fraud or Irregularity by any person in connection with this CAEHRS or any Call-Off Contract;
- (b) a personnel performance assessment system for any persons involved in the supply of the Services under any Call-Off Contract in which personnel performance targets are appropriately set to ensure the commission of Fraud or Irregularity is not encouraged; and

- A9.3 To the extent permitted by Law, the Contractor shall notify the Authority immediately in writing if it becomes aware of any Fraud or Irregularity, or has reason to believe that any Fraud or Irregularity has occurred, is occurring, or may occur in connection with this CAEHRS or any Call-Off Contract.
- A9.4 If the Contractor notifies the Authority under Clause A9.3 the Contractor shall respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the Authority access to the Open Book Data and/or any other relevant records/information.
- A9.5 If the Contractor fails to comply with its obligations under this Clause A9, the Authority may terminate this CAEHRS by issuing a Termination Notice to the Contractor.
- A9.6 If the Contractor, its Staff or its Sub-contractors commits Fraud or does something which constitutes an Irregularity, the Authority may:
- (a) terminate this CAEHRS, and any Call-Off Contract, by issuing a Termination Notice to the Contractor; and
  - (b) recover from the Contractor the amount of any Loss suffered by the Authority and/or Other Contracting Bodies resulting from the termination, including but without limitation, the cost reasonably incurred by the Authority and/or Other Contracting Bodies of making other arrangements for the supply of the Services under any Call-Off Contract and any additional expenditure incurred by the Authority and/or Other Contracting Bodies resulting from any such termination.

## **B Scope of the CAEHRS**

- B1.1 This CAEHRS governs the relationship between the Authority and the Contractor in respect of the provision of the Services by the Contractor to the Authority and to Other Contracting Bodies.
- B1.2 The Authority and (subject to the following provisions of this Clause B) Other Contracting Bodies may at their absolute discretion and from time to time order Services from the Contractor in accordance with the Ordering Procedures during the Term. The Parties acknowledge and agree that the Other Contracting Bodies have the right to order Services pursuant to this CAEHRS provided that they comply at all times with all Laws (including, but not limited to, the Regulations and the Guidance) and the Ordering Procedures. If there is a conflict between Clause E (Award Procedure) and the Regulations and the Guidance, the Authority and the Other Contracting Body shall comply with the Regulations and the Guidance.
- B1.3 The Contractor acknowledges that there is no obligation for the Authority and for any Other Contracting Body to purchase any Services from the Contractor during the Term.
- B1.4 No undertaking or any form of statement, promise, representation or obligation shall be deemed to have been made by the Authority and/or any Other Contracting Body in respect of the total quantities or values of the Services to be ordered by them pursuant to this CAEHRS and the Contractor acknowledges and agrees that it has not entered into this CAEHRS on the basis of any such undertaking, statement, promise or representation.
- B1.5 The Contractor shall notify the Authority in writing of its intention to take part in any Mini-Competition that is conducted by any Other Contracting Body prior to taking part in such Mini-Competition.

## **C Contractor's Appointment**

- C1.1 The Authority appoints the Contractor as a potential provider of the Services in the Contractor's Lots and the Contractor shall be eligible to be considered for the award of Orders for such Services by the Authority and Other Contracting Bodies during the Term.



- C1.2 At all times during the Term the Contractor shall be an independent contractor and nothing in this CAEHRS shall create a contract of employment, a relationship of agency or partnership or a joint venture between the Parties and accordingly neither Party shall be authorised to act in the name of, or on behalf of, or otherwise bind the other Party save as expressly permitted by the terms of this CAEHRS.

## **D Non-Exclusivity**

- D1.1 The Contractor acknowledges that, in entering this CAEHRS, no form of exclusivity has been granted by the Authority and/or any Other Contracting Body for Services from the Contractor and that the Authority and/or Other Contracting Bodies are at all times entitled to enter into other contracts and arrangements with other providers for the provision of any or all services which are the same as or similar to the Services.

## **E Award Procedure**

### **E1 Awarding Call-Off Contracts**

- E1.1 If the Authority or any Other Contracting Body decides to source Services through this CAEHRS then it may award a Call-Off Contract for the provision of Call-Off Services to a CAEHRS Provider on and subject to the terms set out in Schedule 4 (Call Off Terms and Conditions) of this CAEHRS (as supplemented, amended and/or refined pursuant to Clause E2.2(g)), provided that the Contracting Body conducts a Mini-Competition in respect of such Call-Off Services in accordance with the requirements of this Clause E.

### **E2 Mini-Competitions**

- E2.1 If the Authority or any Other Contracting Body decides to source Call-Off Services through this CAEHRS then it will conduct a Mini-Competition, in accordance with the requirements of this CAEHRS, the Regulations and the Guidance, leading to the award of a Call-Off Contract(s) for the Call-Off Services.

- E2.2 For each Mini-Competition, the Authority or any Other Contracting Body ordering the Call-Off Services under that Mini-Competition shall:

- (a) identify the nature and scope of the Call-Off Services to which the Mini-Competition relates ("**Relevant Call-Off Services**");
- (b) determine the Lot(s) (whether National Lot, Regional Lot, National Sub-Lot, or Regional Sub-Lot) to which the Mini-Competition relates ("**Relevant Lot(s)**");
- (c) where the Relevant Lot(s) include Regional Lot(s) and/or Regional Sub-Lot(s), determine the Tier(s) for any such Regional Lot(s) and/or Regional Sub-Lots(s) ("**Relevant Tier(s)**");
- (d) determine the CPA(s) for the delivery of the Relevant Call-Off Services ("**Relevant CPA(s)**");
- (e) determine the CAEHRS Providers who have the Contractor Financial Capacity greater than or equal to the Annual Contract Value of the Call-Off Contract to be awarded in the Relevant Lot(s) and (where applicable) the Relevant Tier(s) to which the Mini-Competition relates ("**Relevant Contractor Financial Capacity**");
- (f) invite all of the CAEHRS Providers, who, at the date of issue of the invite to participate in that Mini-Competition, are:
  - (i) appointed to the Relevant Lot(s) and (where applicable) the Relevant Tier(s):  
and

- (ii) are not Suspended; and
- (iii) have the Relevant Contractor Financial Capacity

to tender for that Mini-Competition (such invitation shall include all necessary information on the Mini-Competition procedure, including without limitation relevant timescales and deadlines, the Relevant Lot(s) and (where applicable) the Relevant Tier(s), the Call-Off Services Award Criteria, and the terms and conditions for the provision of the Call-Off Services, and shall confirm the maximum number of Relevant CPAs or Call-Off Contracts that can be awarded to a CAEHRS Provider under that Mini-Competition);

- (g) supplement, amend and/or refine the Call-Off Terms and Conditions in respect of the Relevant Call-Off Services in the Authority's absolute discretion;
- (h) apply the Call-Off Services Award Criteria to the CAEHRS Providers' compliant Tenders submitted in response to the invite to participate in the particular Mini-Competition as the basis of its decision to award a Call-Off Contract for the Relevant Call-Off Services; and
- (i) subject to Clause E2.3, award Call-Off Contract(s) for the Relevant Call-Off Services by placing Order(s) with the successful CAEHRS Provider(s) which:
  - (i) state(s) the nature and scope of the Relevant Call-Off Services;
  - (ii) identify(ies) the Relevant Lot, Relevant CPA(s), and (where applicable) the Relevant Tier to which the Call-Off Contract(s) relate(s);
  - (iii) state(s) the price payable for the Relevant Call-Off Services in accordance with the tender submitted by the successful CAEHRS Provider; and
  - (iv) incorporate(s) the Call-Off Terms and Conditions applicable to the Relevant Call-Off Services, as supplemented, amended and/or refined pursuant to Clause E2.2(g).

E2.3 The Authority and/or any Other Contracting Body (as applicable) reserves the right to:

- (a) combine several or all Call-Off Contracts awarded to any single CAEHRS Provider under any Mini-Competition, irrespective of whether such Call-Off Contracts relate to more than one Lot;
- (b) determine the maximum number of CPAs or Call-Off Contracts that can be awarded to any CAEHRS Provider under any Mini-Competition or in any Lot or in any Tier; and
- (c) determine the maximum number of CPAs or Call-Off Contracts that can be awarded to the Group of any CAEHRS Provider under any Mini-Competition or in any Lot or in any Tier.

E2.4 The Contractor agrees that all tenders submitted by the Contractor in relation to a Mini-Competition held pursuant to this Clause E shall remain open for acceptance for ninety (90) days (or such other period specified in the invitation to participate in the Mini-Competition issued by the relevant Contracting Body).

E2.5 Notwithstanding the fact that the Authority and/or any Other Contracting Body has followed the Mini-Competition procedure set out in this Clause E, the Authority and/or any Other Contracting Body shall be entitled at all times to decline to make an award for Call-Off Services. Nothing in this CAEHRS shall oblige the Authority or any Other Contracting Body to place any Order for Services with any CAEHRS Provider at any time.

### **E3 CAEHRS Tiers**

- E3.1 Within each of the Regional Lots there will be two Tiers, Tier 1 and Tier 2. A CAEHRS Provider may be appointed to one Tier only of each Regional Lot. When a CAEHRS Provider is awarded a CAEHRS in a Regional Lot, the Authority will notify the CAEHRS Provider of the Tier within that Regional Lot to which the CAEHRS Provider has been appointed. The Regional Lots and Tiers within those Regional Lots to which the Contractor has been appointed are specified in Schedule 1B.
- E3.2 Subject to Clause E3.4, CAEHRS Providers who have been appointed to Tier 1 within Regional Lots 1-5, will only be eligible to participate in Mini-Competitions and bid for Call-Off Contracts which are to be delivered in those Regional Lots or any Regional Sub-Lots of those Regional Lots where those Call-Off Contracts have a Tier Minimum Call-Off Contract Value of greater than, or equal to, £11million Annual Contract Value.
- E3.3 Subject to Clause E3.4, CAEHRS Providers who have been appointed to Tier 1 within Regional Lots 6 and 7, will only be eligible to participate in Mini-Competitions and bid for Call-Off Contracts which are to be delivered in those Regional Lots or any Regional Sub-Lot of those Regional Lots where those Call-Off Contracts have a Tier Minimum Call-Off Contract Value of greater than, or equal to, £6million Annual Contract Value.
- E3.4 Where the Authority determines in its absolute discretion that, under Clause E2:
- (a) it can only invite fewer than 3 CAEHRS Providers to participate in a Mini-Competition under Tier 2 of the Relevant Lot, or
  - (b) the number of CAEHRS Providers it can invite to participate in a Mini-Competition, under Tier 2 of the Relevant Lot, is less than the maximum number of Call-Off Contracts that the Authority could award in Tier 2 of the Relevant Lot in that Mini-Competition,
- then the Authority may also invite CAEHRS Providers who have been appointed to Tier 1 in the Relevant Lot to participate in that Mini-Competition even where the Tier Minimum Call-Off Contract Value is less than the figures set out in E3.2 and E3.3 respectively.
- E3.5 Subject to Clause E3.7, CAEHRS Providers who have been appointed to Tier 2 within Regional Lots 1-5 will only be eligible to participate in Mini-Competitions and bid for Call-Off Contracts which are to be delivered in those Regional Lots or any Regional Sub-Lot of those Regional Lots and which have a Tier Minimum Call-Off Contract Value of greater than or equal to £2 million and a Tier Maximum Call-Off Contract Value of less than £11 million ACV.
- E3.6 Subject to Clause E3.7, CAEHRS Providers who have been appointed to Tier 2 within Regional Lots 6 and 7 will only be eligible to participate in Mini-Competitions and bid for Call-Off Contracts which are to be delivered in those Regional Lots or any Regional Sub-Lot of those Regional Lots and which have a Tier Minimum Call-Off Contract Value of greater than or equal to £2 million and a Tier Maximum Call-Off Contract Value of less than £6 million ACV.
- E3.7 Where the Authority determines in its absolute discretion that, under Clause E2:
- (a) it can only invite fewer than 3 CAEHRS Providers to participate in a Mini-Competition under Tier 1 of the Relevant Lot, or
  - (b) the number of CAEHRS Providers it can invite to participate in a Mini-Competition, under Tier 1 of the Relevant Lot, is less than the maximum number of Call-Off Contracts that the Authority could award in Tier 1 of the Relevant Lot in that Mini-Competition,

then the Authority may also invite CAEHRS Providers:

- (i) who have been appointed to Tier 2 in the Relevant Lot, and
- (ii) have the Relevant Contractor Financial Capacity

to participate in that Mini-Competition even where the Tier Maximum Call-Off Contract Value is more than the figures set out in E3.5 and E3.6 respectively.

E3.8 If a CAEHRS Provider is awarded a CAEHRS in 2 Regional Lots and meets the National Lot Additional Selection Criteria, the Authority may appoint that CAEHRS Provider to the National Lot. Schedule 1B indicates whether the Contractor has been appointed to the National Lot or not. Only CAEHRS Providers who have been appointed to the National Lot will be eligible to participate in Mini-Competitions and bid for Call-Off Contracts which are to be delivered in the National Lot or any National Sub-Lot. For the avoidance of doubt, Call-Off Contracts to be delivered in the National Lot or National Sub-Lot will have no Tier Minimum Call-Off Contract Value and no Tier Maximum Call-Off Contract Value. For the further avoidance of doubt, Call-Off Contracts to be delivered in the National Lot or in any National Sub-Lot may have an Annual Contract Value below £2million.

#### **E4 Responsibility for Awards**

E4.1 The Contractor acknowledges that each Contracting Body is independently responsible for its conduct of any Mini-Competition(s) or its award of any Call-Off Contract(s) under this CAEHRS and that the Authority is not responsible or accountable for, and shall have no liability whatsoever in relation to:

- (a) the conduct of Other Contracting Bodies in relation to this CAEHRS; or
- (b) the performance or non-performance of any Call-Off Contracts between the Contractor and Other Contracting Bodies entered into pursuant to this CAEHRS.

#### **F Form of Order**

F1.1 Subject to Clause E above, each Contracting Body may place an Order with the Contractor by serving an order in writing in substantially the form set out in Schedule 3 (Template Order Form).

#### **G Accepting Orders**

G1.1 Subject to Clause F1.1, the Contractor shall promptly and in any event within three (3) Working Days acknowledge receipt of the Order and notify the relevant Contracting Body that it accepts the Order by signing and returning the Order Form within the time limit stipulated by the Contracting Body.

G1.2 If the Contractor does not return the Order Form within the time limit stipulated by the Contracting Body under Clause G1.1, then the offer from the Contracting Body to the Contractor may be withdrawn and the Contracting Body may offer that Order to the CAEHRS Provider that submitted the next most economically advantageous tender in accordance with the relevant Call-Off Services Award Criteria, without any liability to the Contractor.

G1.3 The Contractor in agreeing to accept such an Order pursuant to Clause G1.1 above shall enter a Call-Off Contract with the relevant Contracting Body for the provision of Services referred to in that Order. A Call-Off Contract shall be formed on the Contracting Body's receipt of the signed Order Form provided by the Contractor pursuant to Clause G1.1.

#### **H Warranties and Representations**

H1.1 Each Party represents and warrants that:

- (a) it has full capacity and authority to enter into and to perform this CAEHRS;
- (b) this CAEHRS is executed by its duly authorised representative;
- (c) there are no actions, suits or proceedings or regulatory investigations before any court or administrative body or arbitration tribunal pending or, to its knowledge, threatened against it (or, in the case of the Contractor, any of its Affiliates) that might affect its ability to perform its obligations under this CAEHRS; and
- (d) its obligations under this CAEHRS constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms subject to applicable (as the case may be for each Party) bankruptcy, reorganisation, insolvency, moratorium or similar Laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or law).

H1.2 The Contractor warrants and represents to the Authority that:

- (a) it is validly incorporated, organised and subsisting in accordance with the Laws of its place of incorporation;
- (b) it has obtained and will maintain all licences, authorisations, permits, necessary consents (including, where its procedures so require, the consent of its Parent Company) and regulatory approvals to enter into and perform its obligations under this CAEHRS;
- (c) it has not committed or agreed to commit a Prohibited Act and has no knowledge that an agreement has been reached involving the committal by it or any of its Affiliates of a Prohibited Act, save where details of any such arrangement have been disclosed in writing to the Authority before the Commencement Date;
- (d) its execution, delivery and performance of its obligations under this CAEHRS does not and will not constitute a breach of any Law or obligation applicable to it and does not and will not cause or result in a breach of any agreement by which it is bound;
- (e) as at the Commencement Date, all written statements and representations in any written submissions made by the Contractor as part of the procurement process, including without limitation its Tender, and any other documents submitted by it, remain true and accurate except to the extent that such statements and representations have been superseded or varied by this CAEHRS;
- (f) as at the Commencement Date, it has notified the Authority in writing of any Occasion of Tax Non-Compliance or any litigation that it is involved in connection with any Occasion of Tax Non-Compliance;
- (g) it has and shall continue to have all necessary Intellectual Property Rights including in and to any materials made available by the Contractor (and/or any Sub-Contractor) to the Authority which are necessary for the performance of the Contractor's obligations under this CAEHRS; and
- (h) it shall take all steps, in accordance with Good Industry Practice, to prevent the introduction, creation or propagation of any disruptive elements (including any virus, worms and/or Trojans, spyware or other malware) into systems, data, software or the Authority's Confidential Information (held in electronic form) owned by or under the control of, or used by, the Authority and/or Other Contracting Bodies.

## **I Conflicts of Interest**

- I1.1 The Contractor shall take appropriate steps to ensure that neither the Contractor nor any Staff are 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 of any Affiliate of the Contractor or of the Contractor's Group) or Staff and the duties owed to the Authority and Other Contracting Bodies under the provisions of this CAEHRS or any Call-Off Contract.
- I1.2 The Contractor shall promptly notify and provide full particulars to the Authority or the relevant Other Contracting Body if such conflict referred to in Clause I1.1 above arises or is reasonably foreseeable to arise.
- I1.3 The Authority reserves the right to terminate this CAEHRS immediately by giving notice in writing to the Contractor and/or to take such other steps it deems necessary 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 of any Affiliate of the Contractor or of the Contractor's Group) and the duties owed to the Authority under the provisions of this CAEHRS or any Call-Off Contract. The action of the Authority pursuant to this Clause I1.3 shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to the Authority.
- I1.4 This Clause I shall apply during the Term and for a period of two (2) years after the later of termination or expiry of this CAEHRS and the termination or expiry of the last Call-Off Contract between a Contracting Body and the Contractor in full force and effect.

## **J CAEHRS Performance**

- J1.1 The Contractor shall perform its obligations under this CAEHRS in accordance with:
- (a) the requirements of this CAEHRS;
  - (b) the terms and conditions of the respective Call-Off Contracts;
  - (c) Good Industry Practice;
  - (d) all applicable Standards;
  - (e) all applicable Law; and
  - (f) the DWP Supplier Code of Conduct as set out in Schedule 19.
- J1.2 The Contractor shall bring to the attention of the Authority any conflict between any of the requirements of Clause J1.1 and the Contractor shall comply with the Authority's decision on the resolution of any such conflict.

## **K Standards**

- K1.1 The Contractor shall comply with the Standards at all times during the performance by the Contractor of this CAEHRS and any Call-Off Contract.
- K1.2 Throughout the Term the Parties shall notify each other of any new or emergent standards which could affect the Contractor's provision, or the receipt by a Contracting Body under a Call-Off Contract, of the Services. The adoption of any such new or emergent standard, or changes to existing Standards, shall be agreed in accordance with the CAEHRS Variation Procedure (provided that the Contractor shall not unreasonably withhold or delay its agreement to any such change).
- K1.3 Where a new or emergent standard is to be developed or introduced by the Authority, the Contractor shall be responsible for ensuring that the potential impact on the Contractor's provision, or a Contracting Body's receipt under a Call-Off Contract, of the Services is

explained to the Authority and the relevant Contracting Body within a reasonable timeframe, prior to the implementation of the new or emergent standard.

- K1.4 Where Standards references conflict with each other or with best professional practice or Good Industry Practice adopted after the Commencement Date, then the later Standard or best practice shall be adopted by the Contractor. Any such alteration to any Standard(s) shall require Approval and shall be implemented within an agreed timescale.
- K1.5 Where a standard, policy or document is referred to by reference to a hyperlink, then if the hyperlink is changed or no longer provides access to the relevant standard, policy or document, the Contractor shall notify the Authority and the Parties shall agree the impact of such change.

## **L Contractor Financial Capacity**

- L1.1 The Contractor must maintain its Contractor Financial Capacity at all times throughout the Term. A failure by the Contractor to maintain its Contractor Financial Capacity shall constitute a Serious Breach of this CAEHRS.
- L1.2 In order to participate in a Mini-Competition, the Contractor must have a Contractor Financial Capacity greater than or equal to the Annual Contract Value of the Call-Off Contract to be awarded in the Relevant Lot(s), and (where applicable) the Relevant Tier(s), to which the Mini-Competition relates.
- L1.3 The Authority shall assess the Contractor Financial Capacity of the Contractor:
- (a) when evaluating the Contractor's Tender;
  - (b) when issuing an invitation to participate in a Mini-Competition in accordance with Clause E2.2;
  - (c) upon the request of any Contracting Body; or
  - (d) otherwise, whenever the Authority considers (in its absolute discretion) that it is appropriate to do so.
- L1.4 In the event that, in an assessment carried out pursuant to Clause L1.3, the Authority determines in its absolute discretion that Contractor does not have the Contractor Financial Capacity required by this Clause L, the Authority shall so notify the Contractor (and any Contracting Body in writing) and the Authority may invoke any rights it might have under this CAEHRS in respect of a Serious Breach of this CAEHRS.

## **M Call-Off Contract Performance**

- M1.1 The Contractor shall perform all Call-Off Contracts entered into with the Authority or any Other Contracting Body in accordance with:
- (a) the requirements of this CAEHRS; and
  - (b) the terms and conditions of the particular Mini-Competition and the relevant Call-Off Contract(s).
- M1.2 In the event of, and only to the extent of, any conflict between the terms and conditions of this CAEHRS and the Call-Off Terms and Conditions, the Call-Off Terms and Conditions shall prevail.

## **N Prices for Services**

### **N1 Price based on Tender**

- N1.1 The prices under Call-Off Contracts entered into with Contracting Bodies for Call-Off Services shall be based on the prices tendered in accordance with the requirements of the particular Mini-Competition held pursuant to Clause E.

## **N2 Third Party Revenue**

- N2.1 The Contractor may not obtain any third party revenue, income or credit based on the Services and/or any Call-Off Services and/or copyright works delivered under this CAEHRS without the Approval of the Authority.
- N2.2 Neither the Contractor nor its agents or Sub-contractors, shall levy any charge, fee or any other sum on the Participants in connection with the Services and/or any Call-Off Services without Approval which may be granted or refused at the Authority's sole discretion.

## **O Benchmarking**

- O1.1 The Parties shall comply with the provisions of Schedule 15 (Continuous Improvement and Benchmarking) in relation to the benchmarking of any or all of the Services and/or any Call-Off Services.

## **P Statutory Obligations and Regulations**

### **P1 Prevention of Bribery and Corruption**

- P1.1 The Contractor shall not, and shall ensure that any Staff shall not, commit any of the prohibited acts listed in this Clause P1. For the purposes of this Clause P1, a prohibited act is committed when the Contractor or any Staff:
- (a) directly or indirectly offers, promises or gives any person working for or engaged by the Authority a financial or other advantage to:
    - (i) induce that person to perform improperly a relevant function or activity; or
    - (ii) reward that person for improper performance of a relevant function or activity;
  - (b) directly or indirectly requests, agrees to receive or accepts any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with the CAEHRS and/or any Call-Off Contract;
  - (c) commits any offence:
    - (i) under the Bribery Act 2010;
    - (ii) under legislation creating offences concerning fraudulent acts;
    - (iii) at common law concerning fraudulent acts relating to the CAEHRS and/or any Call-Off Contract or any other contract with the Authority; or
    - (iv) defrauding, attempting to defraud or conspiring to defraud the Authority.
- P1.2 The Contractor warrants, represents and undertakes that it is not aware of any financial or other advantage being given to any person working for or engaged by the Authority, or that an agreement has been reached to that effect, in connection with the execution of the CAEHRS and/or any Call-Off Contract.
- P1.3 The Contractor shall, if requested, provide the Authority with any reasonable assistance to enable the Authority to perform any activity required by any relevant government or



agency in any relevant jurisdiction for the purpose of compliance with the Bribery Act 2010.

- P1.4 The Contractor shall establish, maintain and enforce and require that its Sub-contractors establish, maintain and enforce an anti-bribery policy and procedures which are adequate to prevent any Staff from committing any prohibited acts as set out in Clause P1.1 and shall keep appropriate records of its compliance with its obligations and make such records available to the Authority upon request.
- P1.5 To the extent permitted by Law, the Contractor shall immediately notify the Authority in writing if it becomes aware of or suspects any Default of Clauses P1.1 or P1.2, or has reason to believe that it has or any Staff has:
- (a) been subject to an investigation or prosecution which relates to an alleged prohibited act in Clauses P1.1 or P1.2;
  - (b) 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 as set out in Clause P1.1 or P1.2; or
  - (c) received a request or demand for any undue financial or other advantage of any kind in connection with the performance of this CAEHRS and/or any Call-Off Contract or otherwise suspects that any person or party directly or indirectly connected with this CAEHRS and/or any Call-Off Contract has committed or attempted to commit a prohibited act in Clauses P1.1 or P1.2.
- P1.6 If the Contractor notifies the Authority that it suspects or knows that there may be a Default of Clauses P1.1 or P1.2, the Contractor must respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the Authority to audit books, records and any other relevant documentation.
- P1.7 If the Contractor, its Staff or anyone acting on the Contractor's behalf engages in conduct prohibited by Clauses P1.1 or P1.2, the Authority may;
- (a) require the Contractor to remove from performance of this CAEHRS and/or any Call-Off Contract:
    - (i) any Staff; and/ or
    - (ii) anyone acting on the Contractor's behalfwhose acts or omissions have caused the Default; or
  - (b) immediately terminate this CAEHRS and/or any Call-Off Contract.
- P1.8 The Contractor shall, within three (3) Working Days of demand, indemnify fully, keep the Authority indemnified and hold harmless the Authority at all times from and against:
- (a) all claims, proceedings, actions, damages, costs and expenses (including, but not limited to, legal costs and disbursements), losses, amounts, sums, outgoings of any description and any other liabilities caused to the Authority whether directly or indirectly in whole or in part by reason of the termination of this CAEHRS and/or any Call-Off Contract pursuant to Clause P1.7, including the costs reasonably incurred by the Authority of making other arrangements for the supply of the Services and/or any Call-Off Services and any additional expenditure incurred by the Authority throughout the remainder of the Term; and

(b) recover in full from the Contractor any other Loss sustained by the Authority in consequence of any Default of Clauses P1.1 or P1.2.

P1.9 Despite Clause W (Disputes and Law), any dispute relating to:

(a) the interpretation of Clause P1; or

(b) the amount or value of any gift, consideration or commission,

shall be determined by the Authority, acting reasonably having given due consideration to all relevant factors, and its decision shall be final and conclusive.

P1.10 Any termination under Clause P1.7 will be without prejudice to any right or remedy which has already accrued or subsequently accrues to the Authority.

## **P2 Discrimination**

P2.1 The Contractor shall not unlawfully discriminate either directly or indirectly on such grounds as age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex or sexual orientation and without prejudice to the generality of the foregoing the Contractor shall not unlawfully discriminate within the meaning and scope of the Equality Act 2010 or other relevant or equivalent legislation, or any statutory modification or re-enactment thereof.

P2.2 The Contractor shall take all reasonable steps to secure the observance of Clause P2.1 by all Staff.

P2.3 The Contractor shall comply with the provisions of the Human Rights Act 1998.

## **P3 The Contracts (Rights of Third Parties) Act 1999**

P3.1 Subject to Clauses P3.2 and Q5.11, a person who is not a party to the CAEHRS shall have no right to enforce any of its provisions which, expressly or by implication, confer a benefit on him, without the prior written agreement of both Parties except as specified in this CAEHRS. This clause does not affect any right or remedy of any person which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999 and does not apply to the Crown.

P3.2 Notwithstanding Clause P3.1, the parties to this CAEHRS may, without the consent of any third party vary, terminate or rescind this CAEHRS or waive any rights under it, notwithstanding that this may extinguish or alter the benefits or rights conferred by Clause P3.1.

## **P4 Environmental Requirements**

P4.1 The Contractor shall, when working on the Premises, perform its obligations under this CAEHRS and/or any Call-Off Contract in accordance with the Authority's environmental principles, which are to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances, minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment.

P4.2 In delivering the Services and/or any Call-Off Services, the Contractor shall comply at all times with the requirements set out in Schedule 11 (Sustainable Development Requirements) or such other requirements as notified by the Authority to the Contractor from time to time and/or as set out in this CAEHRS and/or any Call-Off Contract.

P4.3 The Contractor shall (when designing, procuring, implementing and delivering the Services and/or any Call-Off Services ensure compliance with Article 6 and Annex III of the Energy Efficiency Directive 2012/27/EU and subsequent replacements.

## **P5 Health and Safety**

P5.1 The Contractor shall promptly notify the Authority of any health and safety hazards which may arise in connection with the performance of its obligations under the CAEHRS and/or any Call-Off Contract.

P5.2 The Authority shall promptly notify the Contractor of any health and safety hazards which may exist or arise at the Authority's Premises and which may affect the Contractor in the performance of its obligations under the CAEHRS and/or any Call-Off Contract.

P5.3 While on the Authority's Premises, the Contractor shall comply with any health and safety measures implemented by the Authority in respect of Staff and other persons working there.

P5.4 The Contractor shall notify the Authority immediately in the event of any incident occurring in the performance of its obligations under the CAEHRS and/or any Call-Off Contract on the Premises where that incident causes any personal injury or damage to property which could give rise to personal injury.

P5.5 The Contractor shall comply with the requirements of the Health and Safety at Work Act etc. 1974 and any other Laws relating to health and safety, which may apply to Staff and other persons working on the Premises in the performance of its obligations under the CAEHRS and/or any Call-off Contract.

P5.6 The Contractor shall ensure that its health and safety policy statement (as required by the Health and Safety at Work etc. Act 1974) is made available to the Authority on request.

## **P6 Tax Compliance**

P6.1 The Contractor represents and warrants that as at the Commencement Date, it has notified the Authority in writing of any Occasions of Tax Non-Compliance or any litigation that it is involved in that is in connection with any Occasions of Tax Non-Compliance.

P6.2 If at any point during the Term, an Occasion of Tax Non-Compliance occurs, the Contractor shall:

(a) notify the Authority in writing of such fact within five (5) Working Days of its occurrence; and

(b) promptly provide to the Authority:

(i) details of the steps taken by the Contractor and any steps that the Contractor will take to address the Occasion of Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors that it considers relevant; and

(ii) such other information in relation to the Occasion of Tax Non-Compliance as the Authority may require.

## **P7 Termination Rights due to any Occasion of Tax Non-Compliance**

P7.1 The Authority may terminate the CAEHRS by issuing a Termination Notice to the Contractor in the event that:

- (a) the warranty given by the Contractor pursuant to Clause P6.1 is materially untrue or misleading;
- (b) the Contractor does not notify the Authority of any Occasion of Tax Non-Compliance as required by Clause P6.2; or
- (c) the Contractor notifies the Authority of any Occasion of Tax Non-Compliance as required by Clause P6.2 but such steps that the Contractor will take to address the Occasion of Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors that the Contractor notifies to the Authority are not acceptable in the reasonable opinion of the Authority.

**P8 DWP Supplier Code of Conduct**

- P8.1 The Contractor shall at all times during the term of the CAEHRS comply with the DWP Supplier Code of Conduct.
- P8.2 Any breach by the Contractor of this Clause P8 shall entitle the Authority to terminate the CAEHRS by issuing a Termination Notice to the Contractor.

**Q Protection of Information**

**Q1 Authority Data**

- Q1.1 The Contractor shall not delete or remove any proprietary notices contained within or relating to the Authority Data.
- Q1.2 The Contractor shall not store, copy, disclose, or use the Authority Data except as necessary for the performance by the Contractor of its obligations under this CAEHRS or as otherwise expressly authorised in writing by the Authority.
- Q1.3 To the extent that Authority Data is held and/or processed by the Contractor, the Contractor shall supply that data to the Authority as requested.
- Q1.4 The Contractor shall take responsibility for preserving the integrity of Authority Data and preventing the corruption or loss of that data.
- Q1.5 The Contractor shall perform secure back-ups of all Authority Data and shall ensure that up-to-date back-ups are stored off-site in accordance with the Contractor's business continuity and disaster recovery plan. The Contractor shall ensure that such back-ups are available to the Authority at all times upon request and are delivered to the Authority at no less than three (3) Monthly intervals.
- Q1.6 The Contractor shall ensure that any system or media on which the Contractor holds any Authority Data, including back-up data, is a secure system that complies with the Security Policies and Standards.
- Q1.7 If the Authority Data is corrupted, lost or sufficiently degraded as a result of the Contractor's default so as to be unusable, the Authority may:
  - (a) require the Contractor (at the Contractor's expense) to restore or provide for the restoration of the Authority Data or Personal Data and the Contractor shall do so as soon as practicable but not later than ten (10) calendar days following the Authority giving notice to the Contractor; and/or
  - (b) itself restore or provide for the restoration of the Authority Data or Personal Data, and shall be repaid by the Contractor any reasonable expenses incurred in doing so.

- Q1.8 If at any time the Contractor suspects or has reason to believe that the Authority Data or Personal Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then the Contractor shall notify the Authority immediately and inform the Authority of the remedial action the Contractor proposes to take.
- Q1.9 In accordance with the DWP Offshoring Policy and while not in any way limiting any other provision of this CAEHRS, the Contractor and any of its Sub-contractors, shall not offshore Authority Data (as described in the DWP Offshoring Policy) outside the United Kingdom without the prior written consent of the Authority, and where the Authority gives consent, the Contractor shall comply with any reasonable instructions notified to it by the Authority in relation to the Authority Data in question.
- Q1.10 Where the Authority has given its prior written consent to the Contractor to process, host or access Authority Data from premises outside the United Kingdom (in accordance with Q1.9 of the CAEHRS):
- (a) the Contractor must notify the Authority (in so far as they are not prohibited by Law) where any Regulatory Bodies seek to gain or has gained access to such Authority Data;
  - (b) the Contractor shall take all necessary steps in order to prevent any access to, or disclosure of, any Authority Data to any Regulatory Bodies outside the United Kingdom unless required by Law without any applicable exception or exemption.
- Q1.11 Any breach by the Contractor of this Clause Q1 shall entitle the Authority to terminate this CAEHRS.
- Q1.12 In the event of an Insolvency Event, the Contractor (or a liquidator or provisional liquidator acting on behalf of the Contractor) shall at its own cost and at no cost to the Authority;
- (a) conduct a full and thorough search for any electronic and paper records held by the Contractor which contain Authority Data/Information and Participant Personal Data/Information, in accordance with the Authority instructions;
  - (b) return all such records to the Authority in accordance with their instructions;
  - (c) permanently destroy all copies of any relevant electronic records to the extent permitted by the GDPR; and
  - (d) provide written confirmation to the Authority that the actions outlined above in this clause have been completed.
- Q1.13 In the event of a Sub-contractor of the Contractor being in Liquidation then it is the responsibility of the Contractor to recover records held by the Sub-contractor and provide assurance to the Authority that they have been recovered.
- Q1.14 In the event the Contractor is put into Administration in any of the ways as outlined which falls within the definition of Insolvency Event or otherwise the Authority will work closely with the Administrator to ensure the Contractor is able to maintain Authority, Participant and other records they have created and held in accordance with Clause Q1 of this CAEHRS and maintain these standards in the safekeeping of Authority information, i.e. these records must be stored in accordance with Authority information assurance and HMG Cabinet Office information security standards.
- Q1.15 Whilst in Administration the duty of the Administrator is to help the Contractor trade. This may involve the Administrator seeking an organisation to buy up the Contractor. The assignment or novation of this CAEHRS to new ownership is not automatic and the Authority must be consulted (in accordance with Clause S2.1 and Approval obtained).

Where the CAEHRS is assigned or novated with the Authority's Approval, the contractor must provide the Authority with all the relevant information and records necessary for the assigned or novated contract to continue to be performed.

- Q1.16 In the event that through any Default of the Contractor, data transmitted or processed in connection with the CAEHRS is either lost or sufficiently degraded as to be unusable, the Contractor shall be liable for the cost of reconstitution of that data. The Contractor shall reimburse the Authority in respect of any charge levied for its transmission and any other costs charged in connection with such Default.

## **Q2 Protection of Personal Data and Special Categories of Personal Data**

- Q2.1 Each of the Parties including the personnel of each Party (personnel shall include directors, officers, employees, servants, agents, consultants, suppliers and sub-contractors) will comply with all of its applicable requirements of the Data Protection Legislation and shall not knowingly or negligently by any act or omission, place the other Party in breach, or potential breach of Data Protection Legislation. This clause is in addition to and does not relieve, remove or replace a Party's obligations under the Data Protection Legislation.

- Q2.2 The Parties shall each Process Personal Data. The Parties acknowledge that the factual arrangements between them dictate the role of each Party in respect of the Data Protection Legislation.

## **Q3 Controller Obligations**

- Q3.1 Each Party shall in relation to the Processing of Personal Data comply with its respective obligations under the Data Protection Legislation.

Without limiting the generality of the obligation set out in this Clause Q3.1, in particular, each Party shall ensure it is not subject to any prohibition or restriction which would:

- (a) prevent or restrict it from disclosing or transferring the Personal Data to the other Party, as required under this CAEHRS;
- (b) prevent or restrict it from granting the other Party access to the Personal Data, as required under this CAEHRS; or
- (c) prevent or restrict either Party from Processing Personal Data, as envisaged under this CAEHRS.

- Q3.2 Each Party shall ensure that:

- (a) all fair processing notices have been given (and/or as applicable, explicit consents obtained) and are sufficient in scope to enable each Party to Process the Contract Personal Data as required in order to obtain the benefits of its rights and to fulfil its obligations under this CAEHRS in accordance with the Data Protection Legislation, which shall include notification to any persons whose Personal Data may be shared by the Authority with the Contractor and by the Contractor with the Authority and with any other third party organisations envisaged within the CAEHRS;
- (b) appropriate Protective Measures are in place to ensure and be able to demonstrate that Processing is performed in accordance with the GDPR.

- Q3.3 The Contractor shall ensure that it and its Staff take all reasonable steps to ensure the reliability and integrity of any Staff who have access to the Personal Data and Special Categories of Personal Data and ensure that they:

- (a) are aware of and comply with the Contractor's duties under this Clause Q3;

- (b) are subject to appropriate confidentiality undertakings including between the Contractor and any Processor and Sub-processor;
- (c) are informed of the confidential nature of the Personal Data and Special Categories of Personal Data and have undergone adequate training in the use, care, protection and handling of Personal Data and Special Categories of Personal Data;
- (d) only Process any Contract Personal Data for the purpose of performing its obligations and exercising its rights under the CAEHRS;
- (e) do not share any Authority Data and/or Contract Personal Data with any third party for purposes not arising from the performance of the Services without Approval unless such data sharing is expressly permitted by the CAEHRS or required by Law;
- (f) only process any HMRC PAYE Data for purposes which directly relate to the Authority's functions pursuant to section 127 of the Welfare Reform Act 2012.

**Q3.4 Controller Obligations in relation to the Joint Personal Data**

In relation to Joint Personal Data, additionally, each Party shall:

- (a) be responsible for the accuracy of any Personal Data and Special Categories of Personal Data which originates with itself at the point in time that any such Personal Data becomes Joint Personal Data;
- (b) notify the other Party promptly, and in any event within forty-eight hours (48) of receipt of any Data Subject Access Request or any correspondence or communication (whether written or verbal) from the Information Commissioner's Office ("ICO Correspondence"), in relation to the Processing of Joint Personal Data, under or in connection with this CAEHRS, and together with such notice, provide a copy of such request or ICO Correspondence to the other Party. Each Party shall also provide the other Party with all reasonable co-operation and assistance as reasonably required by the other Party in relation to any such request or ICO Correspondence;
- (c) notify the other Party in writing without undue delay, and in any event, within twenty-four (24) hours, about any actual or suspected Personal Data Breach in relation to the Personal Data Processed under and in accordance with this CAEHRS and shall, within such timescale to be agreed by the parties (acting reasonably and in good faith):
  - (i) implement any measures necessary to restore the security of compromised Joint Personal Data; and
  - (ii) support the other Party to make any required notifications to the Information Commissioner's Office and affected Data Subjects.

**Q3.5 Processor Obligations where the Contractor is a Processor**

Notwithstanding the general obligations in Clauses Q2.1 and Q2.2, where the Contractor is a Processor, the Contractor shall as Processor meet the obligations in Clauses Q3.6 – Q3.18 for Personal Data and Special Categories of Personal Data.

**Q3.6** The Contractor shall notify the Authority immediately if it considers that any of the Authority's instructions infringe the Data Protection Legislation.

**Q3.7** The Contractor shall provide all reasonable assistance to the Authority in the preparation of any Data Protection Impact Assessment prior to commencing any processing. Such assistance may, at the discretion of the Authority, include (without limitation):

- (a) a systematic description of the envisaged processing operations and the purpose of the processing;
- (b) an assessment of the necessity and proportionality of the processing operations in relation to the Services;
- (c) an assessment of the risks to the rights and freedoms of Data Subjects;
- (d) the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data and Special Categories of Personal Data; and
- (e) upon request provide a copy of the record of the processing of any Personal Data and Special Categories of Personal Data it carries out on behalf of the Authority including (without limitation) the records specified in Article 30(2) of the GDPR.

Q3.8 The Contractor shall, in relation to any Personal Data and Special Categories of Personal Data processed or to be processed in connection with its obligations under this CAEHRS:

- (a) process that Personal Data and Special Categories of Personal Data only to the extent and in such manner as is necessary for the purposes specified in this CAEHRS, unless the Contractor is required to process the Personal Data and Special Categories of Personal Data otherwise by Law. In such case, the Contractor shall inform the Authority of that legal requirement unless the Law prevents such disclosure on the grounds of public interest;
- (b) ensure that it has in place Protective Measures, which are appropriate to protect against a Data Loss Event, which the Authority may reasonably reject (but failure to reject shall not amount to approval by the Authority of the adequacy of the Protective Measure) having taken account of the:
  - (i) nature of the Personal Data and Special Categories of Personal 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;
- (c) ensure that it and its Staff:
  - (i) do not process Personal Data and Special Categories of Personal Data except in accordance with this CAEHRS and Data Protection Legislation and access to such data is limited to those Staff who need to access Personal Data and Special Categories of Personal Data to meet the Contractor's Processor duties under the CAEHRS and Data Protection Legislation and only collect Personal Data and Special Categories of Personal Data on behalf of the Authority in the format agreed with the Authority which shall contain a data protection notice informing the Data Subject of the identity of the Controller, the identity of any data protection representative it may have appointed, the purpose(s) for which the Data Subject's Personal Data and Special Categories of Personal Data will be processed and any other information, which is necessary to comply with Data Protection Legislation. The Contractor shall not modify the format agreed with the Authority without the prior written consent of the Authority;



- (ii) take all reasonable steps to ensure the reliability and integrity of any Staff who have access to the Personal Data and Special Categories of Personal Data and ensure that they:
  - (A) are aware of and comply with the Contractor's duties under this Clause Q3.8;
  - (B) are subject to appropriate confidentiality undertakings including between the Contractor and any Sub-processor;
  - (C) are informed of the confidential nature of the Personal Data and Special Categories of Personal Data and do not publish, disclose or divulge any of the Personal Data and Special Categories of Personal Data to any third party unless directed in writing to do so by the Authority or as otherwise permitted by this CAEHRS or required to do so under a legal requirement/court order (provided that the Contractor shall give notice to the Authority of any disclosure of Personal Data and Special Categories of Personal Data that it or any of its Staff is required to make under such a legal requirement or court order immediately when it is made aware of such a requirement); and
- (d) have undergone adequate training in the use, care, protection and handling of Personal Data and Special Categories of Personal Data; and
- (e) not transfer Personal Data and Special Categories of Personal Data outside of the European Economic Area or to any International Organisation unless the prior written consent of the Authority has been obtained and provided the following conditions are fulfilled:
  - (i) the Authority or the Contractor has provided appropriate safeguards in relation to the transfer;
  - (ii) the Data Subject has enforceable rights and effective legal remedies;
  - (iii) the Contractor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data and Special Categories of Personal Data that is transferred; and
  - (iv) the Contractor complies with any reasonable instructions notified to it in advance by the Authority with respect to the processing of the Personal Data and Special Categories of Personal Data;
- (f) at the written direction of the Authority, delete or return Personal Data and Special Categories of Personal Data (and any copies of it) using a secure method of transfer to the Authority on termination of the CAEHRS unless the Contractor is required by Law to retain the Personal Data and Special Categories of Personal Data;
- (g) permit the Authority or the Authority's Representative to inspect and audit the Contractor's Processor activities (and/or those of its Staff) and comply with all reasonable requests or directions by the Authority to enable the Authority to verify that the Contractor is in full compliance with its obligations under the CAEHRS.

Q3.9 Subject to Clause Q3.10, the Contractor shall notify the Authority immediately if it:

- (a) receives a Data Subject Access Request (or purported Data Subject Access Request);
- (b) receives a request to rectify, block or erase any Personal Data;

- (c) receives any other request, notice, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
- (d) receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data and Special Categories of Personal Data processed under this Contract;
- (e) receives a request from any third party for disclosure of Personal Data and Special Categories of Personal Data where compliance with such request is required or purported to be required by Law; or
- (f) becomes aware of a data protection breach or a Data Loss Event.

Q3.10 The Contractor's obligation to notify the Authority under Clause Q3.9 shall include the provision of further information to the Authority promptly.

Q3.11 Taking into account the nature of the processing, the Contractor shall provide the Authority with full assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under Clause Q3.9 (and insofar as possible within the timescales reasonably required by the Authority) at no cost to the Authority including by promptly providing:

- (a) the Authority with full details and copies of the complaint, communication or request;
- (b) such assistance as is reasonably requested by the Authority to enable the Authority to comply with a Data Subject Access Request promptly;
- (c) the Authority, at its request, with any Personal Data and Special Categories of Personal Data it holds in relation to a Data Subject;
- (d) assistance as requested by the Authority following any Data Loss Event and/or data protection breach to enable the Authority to mitigate the impact of the Personal Data Breach, to ensure that Personal Data Breaches of the same nature do not occur again, to notify the competent regulatory body of the Personal Data Breach and/or to notify the Data Subjects of the Personal Data Breach;
- (e) assistance as requested by the Authority with respect to any request from the Information Commissioner's Office, or any consultation by the Authority with the Information Commissioner's Office.

Q3.12 The Contractor shall maintain complete and accurate records and information to demonstrate its compliance with its Processor obligations under this Clause Q3. This requirement does not apply where the Contractor employs fewer than 250 staff, unless:

- (a) the Authority determines the processing is not occasional;
- (b) the Authority determines the processing includes any Special Categories of Personal Data and/or Personal Data and Special Categories of Personal Data relating to criminal convictions and offences referred to in Article 10 of the GDPR; and
- (c) the Authority determines that the processing is likely to result in a risk to the rights and freedoms of Data Subjects.

Q3.13 The Contractor shall allow for audits of its Data Processing activity by the Authority or the Authority's designated auditor. The Contractor shall keep a record of any processing of Personal Data and Special Categories of Personal Data it carries out on behalf of the Authority including (without limitation) the records specified in Article 30(2) of the GDPR.

Q3.14 The Contractor shall designate a Data Protection Officer if required by Data Protection Legislation or by the Authority in writing.

- Q3.15 Before allowing any Sub-processor to process any Personal Data and Special Categories of Personal Data under this CAEHRS, the Contractor must:
- (a) notify the Authority in writing of the intended Sub-processor and processing;
  - (b) obtain the advance written consent of the Authority to allow the Sub-processor to process any Personal Data and Special Categories of Personal Data under the CAEHRS; and
  - (c) enter into a written contract with the Sub-processor which reflects the terms set out in this Clause Q3 such that they apply to the Sub-processor as a Processor.
- Q3.16 The Contractor shall remain fully liable for all acts or omissions of any Sub-processor and Staff.
- Q3.17 The Authority may, at any time on not less than thirty (30) Working Days' advance notice, revise this clause by replacing it with any applicable Controller to Processor standard clauses or similar terms forming part of an applicable certification scheme under Article 43 of the GDPR (which shall apply when incorporated by an attachment to this Contract).
- Q3.18 The Contractor shall comply with guidance issued by the Information Commissioner's Office. The Authority may on not less than thirty (30) Working Days' notice to the Contractor amend this CAEHRS to ensure that it complies with any guidance issued by the Information Commissioners Office and/or any changes to Data Protection Legislation.
- Q3.19 The Contractor shall indemnify and keep the Authority indemnified in full from and against all claims, proceedings, actions, damages, loss, penalties, fines, levies, costs and expenses and all loss of profits, business revenue or goodwill (whether direct or indirect) and all consequential or indirect loss howsoever arising out of, in respect of or in connection with, any breach by the Contractor or any of its Staff of this Clause Q3.

#### **Q4 Official Secrets Acts 1911 to 1989, Section 182 of the Finance Act 1989**

- Q4.1 The Contractor shall comply with, and shall ensure that its Staff comply with, the provisions of:
- (a) the Official Secrets Acts 1911 to 1989; and
  - (b) Section 182 of the Finance Act 1989.

Q4.2 Any breach by the Contractor of this Clause Q4 shall entitle the Authority to terminate this CAEHRS.

#### **Q5 Confidential Information**

- Q5.1 For the purposes of this Clause Q5, the term "**Disclosing Party**" shall mean a Party which discloses or makes available directly or indirectly its Confidential Information and "**Recipient**" shall mean the Party which receives or obtains directly or indirectly Confidential Information.
- Q5.2 Except to the extent set out in this Clause Q5 or where disclosure is expressly permitted elsewhere in this CAEHRS, the Recipient shall:
- (a) treat the Disclosing Party's Confidential Information as confidential and keep it in secure custody (which is appropriate depending upon the form in which such materials are stored and the nature of the Confidential Information contained in those materials);

- (b) not disclose the Disclosing Party's Confidential Information to any other person except as expressly set out in this CAEHRS or without obtaining the owner's prior written consent;
- (c) not use or exploit the Disclosing Party's Confidential Information in any way except for the purposes anticipated under this CAEHRS; and
- (d) immediately notify the Disclosing Party if it suspects or becomes aware of any unauthorised access, copying, use or disclosure in any form of any of the Disclosing Party's Confidential Information.

Q5.3 The Recipient shall be entitled to disclose the Confidential Information of the Disclosing Party where:

- (a) the Recipient is required to disclose the Confidential Information by Law, provided that Clause Q6 (Transparency and Freedom of Information) shall apply to disclosures required under the FOIA or the Environmental Information Regulations;
- (b) the need for such disclosure arises out of or in connection with:
  - (i) any legal challenge or potential legal challenge against the Authority arising out of or in connection with this CAEHRS;
  - (ii) the examination and certification of the Authority's accounts (provided that the disclosure is made on a confidential basis) or for any examination pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority is making use of any Services provided under this CAEHRS;
  - (iii) the conduct of a Central Government Body review in respect of this CAEHRS; or
  - (iv) the Recipient has reasonable grounds to believe that the Disclosing Party is involved in activity that may constitute a criminal offence under the Bribery Act 2010 and the disclosure is being made to the Serious Fraud Office.

Q5.4 If the Recipient is required by Law to make a disclosure of Confidential Information, the Recipient shall as soon as reasonably practicable and to the extent permitted by Law notify the Disclosing Party of the full circumstances of the required disclosure including the relevant Law and/or regulatory body requiring such disclosure and the Confidential Information to which such disclosure would apply.

Q5.5 The Contractor may disclose the Confidential Information of the Authority on a confidential basis only to:

- (a) Staff who are directly involved in the provision of the Services and need to know the Confidential Information to enable performance of the Contractor's obligations under this CAEHRS;
- (b) a member of the Contractor's Group, subject to Approval, where it is necessary to enable performance of the Contractor's obligations under this CAEHRS;
- (c) its auditors; and
- (d) its professional advisers for the purposes of obtaining advice in relation to this CAEHRS.

- Q5.6 Where the Contractor discloses Confidential Information of the Authority pursuant to this Clause Q5, it shall remain responsible at all times for compliance with the confidentiality obligations set out in this CAEHRS by the persons to whom disclosure has been made.
- Q5.7 The Authority may disclose the Confidential Information of the Contractor:
- (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) on a confidential basis to any Contracting Body for any proper purpose of the Authority or of the relevant Contracting Body;
  - (c) to Parliament and Parliamentary Committees or if required by any Parliamentary reporting requirement;
  - (d) to the extent that the Authority (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions;
  - (e) on a confidential basis to a professional adviser, consultant, supplier or other person engaged by any of the entities described in Clause Q5.7(a) for any purpose relating to or connected with this CAEHRS;
  - (f) on a confidential basis for the purpose of the exercise of its rights under this CAEHRS; or
  - (g) on a confidential basis to a proposed Transferee in connection with any assignment, novation or disposal of any of its rights, obligations or liabilities under this CAEHRS;

and for the purposes of the foregoing, references to disclosure on a confidential basis shall mean disclosure subject to a confidentiality agreement or arrangement containing terms no less stringent than those placed on the Authority under this Clause Q5.

- Q5.8 Nothing in this Clause Q5 shall prevent a Recipient from using any techniques, ideas or know-how gained during the performance of the CAEHRS in the course of its normal business to the extent that this use does not result in a disclosure of the Disclosing Party's Confidential Information or an infringement of Intellectual Property Rights.
- Q5.9 Any breach by the Contractor of Clauses Q5.1 to Q5.4 shall entitle the Authority to terminate the CAEHRS by issuing a Termination Notice to the Contractor.
- Q5.10 Clauses Q5.1 to Q5.6 are without prejudice to the application of the Official Secrets Acts 1911 to 1989 to any Confidential Information.
- Q5.11 The Contractor waives any contractual right or other confidentiality agreement in connection with its performance of this CAEHRS and agrees that the Authority may provide information to the Cabinet Office, other government departments or any other Contracting Authority for the purposes of the Public Contracts Regulations 2015 in the form of certificates of performance and answer any clarifications that such entity or anyone acting on behalf of such entity in connection with a procurement may have. The Contractor confirms that save for any deceitful or maliciously false statements of fact or purported fact included in a certificate or subsequent clarification from the Authority the Authority will not owe the Contractor any duty of care for or otherwise have any legal liability to the Contractor in respect of any factual inaccuracies, whether innocent or negligent, and/or in respect of any expressions of opinion by the Authority.

## **Q6 Transparency and Freedom of Information**

- Q6.1 The Parties acknowledge that the content of this CAEHRS and any changes to this CAEHRS agreed from time to time and all performance information, supplier information and contractual information which arises out of or in connection with this CAEHRS, except for:
- (a) any information which is exempt from disclosure in accordance with the provisions of the FOIA, which shall be determined by the Authority; and
  - (b) Commercially Sensitive Information;
- (the “**Transparency Information**”) is not Confidential Information.
- Q6.2 Notwithstanding any other provision of this CAEHRS, the Contractor hereby gives its consent for the Authority to publish to the general public any Transparency Information either in part or in its entirety (but with any information which is exempt from disclosure in accordance with the provisions of the FOIA redacted).
- Q6.3 The Contractor shall assist and co-operate with the Authority to enable the Authority to publish any Transparency Information.
- Q6.4 If the Authority believes that publication of any element of the Transparency Information would be contrary to the public interest, the Authority shall be entitled to exclude such information from publication. The Authority acknowledges that it would expect the public interest by default to be best served by publication of the Transparency Information in its entirety. Accordingly, the Authority acknowledges that it will only exclude Transparency Information from publication in exceptional circumstances and agrees that where it decides to exclude information from publication it will provide a clear explanation to the Contractor.
- Q6.5 The Authority may publish the Transparency Information in any format that it considers appropriate, having regard to the context of the wider commercial relationship with the Contractor.
- Q6.6 The Contractor agrees that any Information it holds and is reasonably relevant to or that arises from the provision of the Services and/or any Call-Off Services shall be provided to the Authority on request unless the cost of doing so would exceed the appropriate limit prescribed under section 12 of the FOIA. The Authority may disclose such information under the FOIA and the EIRs and may (except for Commercially Sensitive Information and Confidential Information (subject to Clause Q5.7(c) and Open Book Data)) publish such Information. The Contractor shall provide to the Authority within five (5) Working Days (or such other period as the Authority may reasonably specify) any such Information requested by the Authority.
- Q6.7 The Contractor acknowledges that the Authority is subject to the requirements of the FOIA and the Environmental Information Regulations. The Contractor shall and shall procure that its Sub-contractors shall:
- (a) provide all necessary assistance as reasonably requested by the Authority to enable the Authority to comply with its obligations under the FOIA and the Environmental Information Regulations;
  - (b) transfer to the Authority all Requests for Information relating to this CAEHRS that it receives as soon as practicable and in any event within two (2) Working Days of receipt;
  - (c) provide the Authority with a copy of all Information held on behalf of the Authority which is requested in a Request for Information and which is in its possession or control in the form that the Authority requires within five (5) Working Days (or such other period as the Authority may specify) of the Authority's request; and

(d) not respond directly to a Request for Information addressed to the Authority unless authorised in writing to do so by the Authority.

Q6.8 The Contractor acknowledges that the Authority may be required under the FOIA and EIRs to disclose Information (including Commercially Sensitive Information) without consulting or obtaining consent from the Contractor. The Authority shall take reasonable steps to notify the Contractor of a Request For Information (in accordance with the Secretary of State's section 45 Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the FOIA) to the extent that it is permissible and reasonably practical for it to do so but (notwithstanding any other provision in this Contract) the Authority shall be responsible for determining in its absolute discretion whether any Commercially Sensitive Information and/or any other information is exempt from disclosure in accordance with the FOIA and Environmental Information Regulations.

## **Q7 Publicity, Media and Official Enquiries**

Q7.1 The Contractor shall not:

(a) make any press announcements or publicise this CAEHRS or its contents in any way; or

(b) use the Authority's name or brand in any promotion or marketing or announcement of orders,

without the Approval of the Authority.

Q7.2 The Contractor shall ensure that their employees, agents, Sub-contractors, suppliers, professional advisors and consultants comply with Clause Q7.1

Q7.3 The Authority shall be entitled to publicise the CAEHRS, and any other information, data or others items which the Authority has a right to publish pursuant to the CAEHRS, in accordance with any legal obligation upon the Authority including any examination of the CAEHRS by Audit Agents or otherwise.

Q7.4 The Contractor shall pay the utmost regard to the standing and reputation of the Authority and shall ensure that neither it, nor any of its Affiliates or Staff does anything (by act or omission) which causes material adverse publicity for the Authority, brings the Authority into disrepute, damages the reputation of the Authority or harms the confidence of the public in the Authority, regardless of whether or not such act or omission is related to the Contractor's obligations under the CAEHRS.

Q7.5 Where applicable, each Party shall give the other advance notice of proposed visits to the Contractor's premises or any premises of its Sub-contractors (including Members of Parliament, members of the press and media) to observe the delivery of the Service(s) and/or any Call-Off Services by the Contractor or its Sub-contractors.

Q7.6 If so requested by the Authority, the notepaper and other written material of the Contractor and Sub-contractors relating to the delivery of the Services and/or any Call-Off Services shall carry only logos and markings approved by the Authority. This may include, but shall not be limited to, such banner or logo as the Authority shall use to identify the Services and/or any Call-Off Services from time to time. All publicity and marketing material produced by the Contractor (or its Sub-contractors) in relation to this CAEHRS shall be submitted to the Authority for Approval, and no such items shall be printed (other than for Approval purposes) until such Approval is received.

## **Q8 Security**

- Q8.1 The Authority shall be responsible for maintaining the security of the Authority Premises in accordance with its standard security requirements. The Contractor shall comply with all security requirements of the Authority while on the Authority Premises, and shall ensure that all Staff comply with such requirements.
- Q8.2 The Contractor shall ensure that the Security Plan produced by the Contractor fully complies with the Security Policies and Standards.
- Q8.3 The Contractor shall comply, and shall procure the compliance of its Staff, with the Security Plan and the Security Policies and Standards.
- Q8.4 The Authority shall notify the Contractor of any changes or proposed changes to the Security Policies and Standards. Any changes must be agreed in accordance with the CAEHRS Variation Procedure.
- Q8.5 Until and/or unless a change to the Security Policies and Standards is agreed by the Authority pursuant to Clause Q8.4 the Contractor shall continue to perform the Services in accordance with its existing obligations.
- Q8.6 The Contractor shall comply, and shall procure the compliance of the Staff, at all times, with the security requirements set out in Schedule 9 (Security Requirements).

## **Q9 Intellectual Property Rights**

- Q9.1 Save as granted elsewhere under this CAEHRS, neither the Authority nor the Contractor shall acquire any right, title or interest in the other's Pre-Existing IPR.
- Q9.2 The Contractor shall not, and shall procure that the Staff shall not, (except when necessary for the performance of this CAEHRS) without Approval, use or disclose any Authority Pre-Existing IPR or the Project Specific IPRs to any third party.
- Q9.3 All title to and all rights and interest in the Project Specific IPRs shall vest in the Authority. The Contractor hereby assigns to the Authority, with full title guarantee, title to and all rights and interest in the Project Specific IPRs and/or shall procure that the first owner of the Project Specific IPRs also does so.
- Q9.4 The assignment under Clause Q9.3 shall either take effect on the date of this CAEHRS or as a present assignment of future rights that will take effect immediately on the coming into existence of the relevant Project Specific IPRs, as appropriate.
- Q9.5 The Contractor shall waive or procure a waiver of any moral rights in any copyright works assigned to the Authority under this CAEHRS or any Call-Off Contract which may be entered into with the Authority.
- Q9.6 If requested to do so by the Authority, the Contractor shall without charge to the Authority execute all documents and do all such further acts as the Authority may require to perfect the assignment under Clause Q9.3 or shall procure that the owner of the Project Specific IPRs does so on the same basis.
- Q9.7 The Authority hereby grants to the Contractor a non-exclusive, revocable, non assignable licence to use the Authority Pre-Existing IPR and the Project Specific IPRs during the Term for the sole purpose of enabling the Contractor to provide the Services.
- Q9.8 Prior to using any third party Intellectual Property Rights, the Contractor shall obtain Approval. The Contractor shall provide the Authority with details of any third party licence required by the Contractor and/or the Authority in order for the Contractor to carry out its obligations under this CAEHRS or any Call-Off Contract which may be entered into with the Authority using the third party Intellectual Property Rights. The Authority reserves the



right to withhold Approval in the event that it does not agree to the terms of the third party licence or where any additional charges will be incurred.

Q9.9 Where the Contractor is granted Approval by the Authority to use the third party rights, the Contractor shall procure that the owner of third party rights grants to the Authority a licence upon the terms informed to the Authority when seeking the Approval.

Q9.10 The Contractor shall, during and after the Term, indemnify and keep indemnified and hold the Authority and the Crown harmless from and against all actions, suits, claims, demands, losses, charges, damages, costs and expenses and other liabilities which the Authority or the Crown may suffer or incur as a result of any claim that the provision by the Contractor of the Services and/or the possession or use by the Authority of the Deliverables infringes or allegedly infringes a third party's Intellectual Property Rights ("IPR Claim") except where the IPR Claim arises from:

- (a) items or materials based upon designs supplied by the Authority; or
- (b) the use of data supplied by the Authority which is not required to be verified by the Contractor under any provision of this CAEHRS or any Call-Off Contract which may be entered into with the Authority.

Q9.11 The Authority shall notify the Contractor in writing of the IPR Claim and the Authority shall not make any admissions which may be prejudicial to the defence or settlement of the IPR Claim. The Contractor shall at its own expense conduct all negotiations and any litigation arising in connection with the IPR Claim provided always that the Contractor:

- (a) shall consult the Authority on all substantive issues which arise during the conduct of such litigation and negotiations;
- (b) shall take due and proper account of the interests of the Authority; and
- (c) shall not settle or compromise the IPR Claim without Approval (not to be unreasonably withheld or delayed).

Q9.12 If an IPR Claim is made in connection with this CAEHRS or any Call-Off Contract which may be entered into with the Authority or in the reasonable opinion of the Contractor is likely to be made, the Contractor shall immediately notify the Authority and, at its own expense and subject to the consent of the Authority (not to be unreasonably withheld or delayed), use its best endeavours to:

- (a) modify the relevant part of the Services or the Deliverables without reducing the performance or functionality of the same, or substitute alternative services or deliverables of equivalent performance and functionality, so as to avoid the infringement or the alleged infringement, provided that the provisions herein shall apply with any necessary changes to such modified services or deliverables or to the substitute services or deliverables; or
- (b) procure a licence to use and supply the Services or the Deliverables, which are the subject of the alleged infringement, on terms which are acceptable to the Authority,

and in the event that the Contractor is unable to comply with Clauses Q9.12(a) or Q9.12(b) within twenty (20) Working Days of receipt of the Contractor's notification the Authority may terminate this CAEHRS (and/or any Call-Off Contract with the Authority) with immediate effect by notice in writing and the Contractor shall, upon demand, refund the Authority with all monies paid in respect of the Services or Deliverable that is subject to the IPR Claim.

Q9.13 In the event that a modification or substitution in accordance with Clause Q9.12(a) is not possible so as to avoid the infringement, or the Contractor has been unable to procure a

licence in accordance with Clause Q9.12(b) the Authority shall be entitled to delete the relevant Service from this CAEHRS and/or any Call-Off Contract with the Authority.

Q9.14 This Clause Q9 sets out the entire financial liability of the Contractor with regard to the infringement of any Intellectual Property Right as a result of the provision of the Services or the provision of the Deliverables hereunder. This shall not affect the Contractor's financial liability for other defaults or causes of action that may arise hereunder.

## **Q10 Records and Audit Access**

Q10.1 Subject to Clause Q10.2 the Contractor shall at all times keep and maintain until seven (7) years after the date of termination or expiry (whichever is the earlier) of this CAEHRS (or as long a period as may be agreed between the Parties), full and accurate records and accounts of the operation of this CAEHRS, including the Services provided under it, the Call-Off Contracts entered into with Contracting Bodies and the amounts paid by each Contracting Body, and such other items as each Contracting Body may reasonably require from time to time.

Q10.2 Notwithstanding the general obligation in Clause Q10.1, the Contractor shall and shall procure that each of its Sub-contractors shall at all times:

- (a) maintain a full record of the costs of performing the Services;
- (b) when requested by the Contracting Body, provide a summary of any of the costs of performing the Services in such form and detail as the Contracting Body may reasonably require; and
- (c) provide such facilities as the Contracting Body may reasonably require for its representatives (such representatives shall enter into a non-disclosure agreement and have the relevant expertise and competence) to visit any place where the records and accounts maintained under this Clause Q10 are held and to examine the records and accounts for the purposes of carrying out an examination into the economy, efficiency and quality of the Services and effectiveness with which the Contractor has used the Contracting Body's resources in the performance of this CAEHRS and/or any Call-Off Contract.

Q10.3 Notwithstanding Clause Q10.1, where the Contracting Body is funding the delivery of a Call-Off Contract using European Social Fund ("ESF") monies or any subsequent equivalent (or in its role as a co-financing organisation is using a Call-Off Contract as a match for ESF provision or any subsequent equivalent), the Contractor and each Sub-contractor engaged by it shall maintain the records and accounts referred to in this Clause Q10 until at least the Document Retention End Date.

Q10.4 The Contractor shall keep the records and accounts referred to in this Clause Q10 in accordance with best accountancy practice.

Q10.5 The Contractor shall provide (or procure provision of) access at all reasonable times to each Contracting Body's internal auditors or other duly authorised staff or agents to inspect such records and accounts (including those of Sub-contractors) as the relevant Contracting Body may require from time to time. Each Contracting Body shall be entitled to interview the Staff in order to obtain appropriate oral explanations of the records and accounts and the Contractor shall provide (or procure provision of) access to the relevant Staff at such times as may be reasonably required to enable the Contracting Body to do so.

Q10.6 Duly authorised staff or agents of each Contracting Body shall have the right to visit sites controlled by the Contractor and to be given free access to the Staff and to Participants during the hours when the Contractor is delivering the Services with a view to verifying

that the Contractor is delivering the Services in accordance with this CAEHRS and/or any Call-Off Contract.

Q10.7 The Contractor shall provide the records and accounts referred to in this Clause Q10 (together with copies of the Contractor's published accounts) during the Term and for a period of seven (7) years after expiry of the Term to the relevant Contracting Body and Audit Agent.

Q10.8 The Authority shall use reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Contractor or delay the provision of the Services or any Call-Off Services, save insofar as the Contractor accepts and acknowledges that control over the conduct of audits carried out by the Audit Agent is outside of the control of the Authority.

Q10.9 The Contractor shall ensure that all of its contracts with Sub-contractors include obligations reflecting the requirements of the Contracting Bodies under this Clause Q10.

Q10.10 The Contractor shall provide the rights set out in this Clause Q10 to any duly authorised staff or agents of the Authority (including, without limitation, the Provider Assurance Team), the National Audit Office, the European Court of Auditors, the European Commission and any third parties as notified by the relevant Contracting Body to the Contractor from time to time.

Q10.11 Without prejudice to the foregoing, in the event of an investigation into fraud, fraudulent activity, irregularity or other impropriety by the Contractor or any third party in relation to performance of the Services, the Authority reserves for itself and the Other Contracting Bodies, any statutory auditors of the Authority (or any Other Contracting Body) and their respective authorised agents or any government department the right of immediate access to all records and accounts referred to in this Clause Q10 and the Contractor agrees to render all necessary assistance to the conduct of such investigation at all times during the Term or at any time thereafter.

Q10.12 The Contractor shall indemnify and keep indemnified the Authority in full from and against all claims, proceedings, actions, damages, losses, costs and expenses and all loss of profits, business revenue or goodwill (whether direct or indirect) and all consequential or indirect loss howsoever arising out of, in respect of or in connection with, any breach by the Contractor (or each Sub-contractor) of this Clause Q10.

Q10.13 Without prejudice to Clause Q10.12 the Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under this Clause Q10.

## **Q11 Malicious Software**

Q11.1 The Contractor shall ensure all anti-virus software within the Contractor's Software and the Contractor's System is updated as frequently as is necessary in order to provide protection for the Authority's ICT System and the Authority's Data against the latest threats including any Malicious Software.

Q11.2 Notwithstanding Clause Q11.1 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 Authority Data, assist each other to mitigate any losses and to restore the Services to their desired operating efficiency.

Q11.3 Any cost arising out of the actions of the Parties taken in compliance with the provisions of clause Q11.2 shall be borne by the Parties as follows:

- (a) by the Contractor where the Malicious Software originates from the Contractor Software, Third Party Software licenced to the Contractor (and/or any Sub-contractor) or the Authority Data (whilst the Authority Data was under the control of the Contractor); and
- (b) by the Authority if the Malicious Software originates from the Authority Software, Third Party Software licenced to the Authority or the Authority Data (whilst the Authority Data was under the control of the Authority).

## **R Management Information**

### **R1 Provision of Management Information**

- R1.1 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 R and Schedule 17 (Management Information).
- R1.2 The Contractor shall also supply such Management Information as may be required by a Contracting Body in accordance with the terms of any Call-Off Contract entered into by the Contractor and a Contracting Body.
- R1.3 The Contractor grants the Authority a non-exclusive, transferable, perpetual, irrevocable, royalty-free licence to:
  - (a) use and share with:
    - (i) any Crown Body;
    - (ii) any other Contracting Authority; and
    - (iii) 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
  - (b) 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 CAEHRS and/or all Call-Off Contracts, monitoring public expenditure, identifying savings or potential savings, planning future procurement activity and managing risk.

### **R2 Financial Information**

- R2.1 Without prejudice to the general obligation in Clause R the Contractor shall provide financial information to the Authority in accordance with the requirements set out in Schedule 14 (Annual Financial Assurance Declaration) or in accordance with any other requirements notified by the Authority to the Contractor from time to time.
- R2.2 The Parties acknowledge that the Contractor shall have no obligation to provide information of the type listed in Schedule 14 (Annual Financial Assurance Declaration) (or of the type notified by the Authority to the Contractor from time to time pursuant to this Clause R2) where to do so would be in breach of listing or accounting rules of any exchange on which the shares of the Contractor are admitted for listing and/or trading, or any other rules or regulations with which the Contractor is obliged to comply as a result of that listing provided that the Contractor shall provide the Authority with the relevant information to the fullest extent permitted by those rules and regulations.

R2.3 Upon receipt of the financial information supplied by the Contractor pursuant to Clause R2.1, the Authority may:

- (a) store and analyse the financial information and produce statistics; and
- (b) share the financial information or any analysis or statistics produced using the financial information with any Crown Body, any other Contracting Authority and any other third party as may be agreed by the Authority and the Contractor from time to time.

## **S Control of the Contract**

### **S1 Variations to the CAEHRS**

S1.1 Any Variations must be made only in accordance with the CAEHRS Variation Procedure set out in Schedule 6 (CAEHRS Variation Procedure).

### **S2 Transfer and Sub-Contracting**

S2.1 The Contractor shall not assign, sub-contract or in any other way dispose of the CAEHRS or any part of it without Approval. Sub-contracting any part of the CAEHRS shall not relieve the Contractor of any of its obligations or duties under the CAEHRS.

S2.2 In the event that the Contractor enters into any Sub-contract in connection with this CAEHRS, it shall:

- (a) impose obligations on its Sub-contractor in the same terms as those imposed on it pursuant to this clause S2;
- (b) ensure that each Sub-contractor complies with such terms; and
- (c) as an independent obligation, within three (3) Working Days of demand, indemnify fully, keep the Authority indemnified and hold harmless the Authority at all times against all claims, proceedings, actions, damages, costs, expenses (including but not limited to legal costs and disbursements), losses, amounts, sums, outgoings of any description and any other liabilities caused to the Authority by any act or omission of a Sub-contractor in relation to such terms whether directly or indirectly or in whole or in part.

S2.3 Subject to Clause S2.4, the Authority may assign, novate or otherwise dispose of its rights and obligations under the CAEHRS or any part thereof to:

- (a) any Contracting Authority;
- (b) 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
- (c) any private sector body which substantially performs the functions of the Authority,

provided that any such assignment, novation or other disposal shall not increase the burden of the Contractor's obligations under the CAEHRS.

S2.4 Any change in the legal status of the Authority such that it ceases to be a Contracting Authority shall not, subject to Clause S2.3, affect the validity of the CAEHRS. In such circumstances, the CAEHRS shall continue in full force and effect for bind and inure to the benefit of any successor body to the Authority.

S2.5 If the rights and obligations under the CAEHRS are assigned, novated or otherwise disposed of pursuant to Clause S2.3 to a Transferee which is not a Contracting Authority

or if there is a change in the legal status of the Authority such that it ceases to be a Contracting Authority (in the remainder of this clause both such bodies being referred to as the “**Extraordinary Transferee**”):

- (a) the rights of termination of the Authority in Clause U1.1(d) shall be available to the Contractor in the event of respectively, the Insolvency Event, or Default of the Extraordinary Transferee; and
- (b) the Extraordinary Transferee shall only be able to assign, novate or otherwise dispose of its rights and obligations under the CAEHRS or any part thereof with the prior consent in writing of the Contractor.

### **S3 Waiver**

- S3.1 The failure of either Party to insist upon strict performance of any provision of the CAEHRS, or the failure of either Party to exercise, or any delay in exercising, any right or remedy under this CAEHRS or by Law shall not constitute a waiver of that right or remedy, nor shall it prevent or restrict the further exercise of the same.
- S3.2 The performance by either Party of any of its obligations under this CAEHRS after a failure by the other Party to perform any provision of this CAEHRS strictly in accordance with its terms shall not constitute a waiver of any right or remedy under this CAEHRS or by Law nor shall it prevent or restrict further exercise of the same.
- S3.3 No waiver shall be effective unless it is expressly stated to be a waiver and communicated to the other Party in writing in accordance with Clause A5 and in a manner that expressly states that a waiver is intended.
- S3.4 A waiver of any right or remedy arising from a breach of the CAEHRS shall not constitute a waiver of any right or remedy arising from any other or subsequent breach of the CAEHRS.

### **S4 Remedies Cumulative**

- S4.1 Except as otherwise expressly provided for by the Contract, all remedies available to either Party for breach of the CAEHRS are cumulative and may be exercised concurrently or separately and do not exclude any rights or remedies provided by Law, in equity or otherwise. The exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.

### **S5 Entire Agreement**

- S5.1 This CAEHRS constitutes the entire agreement between the Parties in respect of the matters dealt with therein. This CAEHRS supersedes all prior negotiations between the Parties and all representations and undertakings made by one Party to the other, whether written or oral, with the exception that this clause shall not exclude liability in respect of any Fraud or fraudulent misrepresentation.
- S5.2 Each of the Parties acknowledges and agrees that in entering into this CAEHRS it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking (whether negligently or innocently made) other than as expressly set out in this CAEHRS. The only remedy available to either Party for any such statements, representation, warranty or understanding shall be for breach of contract under the terms of the CAEHRS.
- S5.3 Subject to Clause S5.4, in the event of, and only to the extent of, any conflict or inconsistency between the provisions of the CAEHRS including any document referred to in the CAEHRS with contractual effect, the conflict or inconsistency shall be resolved in accordance with the following order of precedence:

- (a) the terms and conditions of the CAEHRS.
- (b) the CAEHRS Specification;
- (c) the Q&A;
- (d) the Tender;
- (e) the Tender Clarification;
- (f) any other document referred to in the CAEHRS.

S5.4 Notwithstanding Clause S5.3, in the event that the Contractor becomes aware of any conflict or inconsistency between the requirements contained in the above documents, the Contractor shall immediately notify the Authority's Representative in writing of such inconsistency and the Authority's Representative shall, as soon as practicable, notify the Contractor which requirement the Contractor shall comply with.

S5.5 Subject to Clause S5.6 in the event of, and only to the extent of, any conflict or inconsistency between the provisions of Schedule 19 (DWP Supplier Code of Conduct) and any other provision in the Terms and Conditions, the conflict or inconsistency shall be resolved in favour of the provision not found in Schedule 19 (DWP Supplier Code of Conduct).

S5.6 Notwithstanding Clause S5.5, in the event that the Contractor becomes aware of any conflict or inconsistency between the provisions of Schedule 19 (DWP Supplier Code of Conduct) and any other provision in the Terms and Conditions, the Contractor shall immediately notify the Authority's Representative in writing of such inconsistency and the Authority's Representative shall, as soon as practicable, notify the Contractor which provision the Contractor shall comply with.

## **S6 Counterparts**

S6.1 This CAEHRS may be executed in counterparts each of which when executed and delivered shall constitute an original but all counterparts together shall constitute one and the same agreement.

## **S7 Further Assurance**

S7.1 Each Party undertakes at the request of the other to do all acts and execute all documents which may be reasonably necessary to give effect to the meaning of this CAEHRS.

S7.2 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under Clause S7.1

## **T Liabilities**

### **T1 Liability and Indemnity**

T1.1 Neither Party excludes or limits liability to the other Party for:

- (a) death or personal injury caused by its negligence;
- (b) Fraud;
- (c) fraudulent misrepresentation;

- (d) any Default of any obligations implied by Section 2 of the Supply of Goods and Services Act 1982 or section 12 of the Sale of Goods Act 1979;
  - (e) any claim under the indemnity in Q10.12;
  - (f) any claim under the indemnity in Q3.19;
  - (g) any claim under the indemnity in Q9.10;
  - (h) any claim under the indemnity in P1.8;
  - (i) any claim under the indemnity in S2.2;
  - (j) any claim under Q5; or
  - (k) any claim under Q6.
- T1.2 Subject to Clause T1.1, each Party's total aggregate liability in connection with the CAEHRS in each 12 (twelve) month period during the Term (whether in contract, tort including negligence, breach of statutory duty or howsoever arising) shall be limited to £10 million (ten million pounds). For the avoidance of doubt the Parties acknowledge and agree that this Clause T shall not limit either Party's liability under any Call-Off Contract and that each Party's liability in relation to a Call-Off Contract shall be as set out in the Call-Off Contract.
- T1.3 Each and every indemnity in any document which forms part of this agreement:
- (a) is a separate and independent obligation from the other obligations in this CAEHRS;
  - (b) gives rise to a separate and independent cause of action;
  - (c) applies whether or not any indulgence is granted by the Authority;
  - (d) shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this CAEHRS, or any other judgment or order;
  - (e) notwithstanding Clause T1.7, shall not be subject to any duty for the Authority to mitigate;
  - (f) shall not be limited or capped; and
  - (g) shall not count towards the liabilities of the Contractor which are limited or capped under Clause T1.6.
- T1.4 The Contractor shall not be responsible for any injury, loss, damage, cost or expense if and to the extent that it is caused by the negligence or wilful misconduct of the Authority or by Default by the Authority of its obligations under the CAEHRS.
- T1.5 Subject to Clause T1.4, responsibility for the control, management and supervision of all Participants shall rest entirely with the Contractor subject to the Participant complying with all reasonable instructions and directions which the Contractor may issue to the Participant from time to time. The Authority shall not be liable for any personal injury, disease or death, or loss or damage whatsoever caused, by any act or omission of a Participant.
- T1.6 Subject always to Clauses Q3.19, T1.1, T1.3 and T2 and other than (i) pursuant to any indemnity in any document which forms part of this CAEHRS or (ii) as expressly set out in this CAEHRS, in no event shall either Party be liable to the other for any:



- (a) loss of profits, business, revenue or goodwill; and
- (b) indirect or consequential loss or damage.

T1.7 Notwithstanding Clause T1.6 but subject to Clause T1.2, the Contractor acknowledges that the Authority may, amongst other things, recover from the Contractor the following Losses incurred by the Authority to the extent that they arise as a result of a Default by the Contractor:

- (a) 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;
- (b) any wasted expenditure or charges;
- (c) any compensation or interest paid to a third party by the Authority; and
- (d) any fine or penalty incurred by the Authority pursuant to Law and any costs incurred by the Authority in defending any proceedings which result in such fine or penalty.

T1.8 Subject to Clause T1.3, each Party shall use reasonable endeavours to mitigate any loss or damage suffered arising out of or in connection with this CAEHRS, including any Loss for which the relevant Party is entitled to bring a claim against the other Party pursuant to the indemnities in this CAEHRS.

## **T2 Insurance**

T2.1 The Contractor shall comply with the provisions of Schedule 18 (Insurance Requirements) in relation to obtaining and maintaining insurance.

## **U Termination Rights and Disruption**

### **U1 Termination by the Authority**

U1.1 The Authority may terminate this CAEHRS by issuing a Termination Notice to the Contractor:

- (a) at any time where the CAEHRS should not have been entered into in view of a serious infringement of obligations under European Law declared by the Court of Justice of the European Union under Article 258 of the Treaty on the Functioning of the EU;
- (b) if a Force Majeure Event endures for a continuous period of more than 90 days;
- (c) if the CAEHRS has been substantially amended to the extent that the Public Contracts Regulations 2015 require a new procurement procedure;
- (d) where the Contractor commits a Serious Breach of this CAEHRS and:
  - (i) the Contractor has not remedied the Serious Breach to the satisfaction of the Authority within twenty (20) Working Days, or such other period as may be specified by the Authority, after issue of a written notice specifying the Serious Breach and requesting it to be remedied; or
  - (ii) the Serious Breach is not, in the reasonable opinion of the Authority, capable of remedy;
- (e) if the Authority or Other Contracting Body has terminated any Call-Off Contract held by the Contractor, on the grounds of default by the Contractor under that Call-Off Contract;

- (f) if the Authority has terminated any DWP Contract held by the Contractor, on the grounds of default by the Contractor under that DWP Contract;
- (g) in the circumstances detailed in Clause U2;
- (h) in the circumstances detailed in Clause U3;
- (i) in the circumstances detailed in Clause U4;
- (j) in the circumstances detailed in Clause U5; and
- (k) by giving at least three (3) Months' written notice to the Contractor and all other CAEHRS Providers;

and this CAEHRS shall terminate on the date specified in the Termination Notice.

U1.2 The Parties acknowledge that if the Authority exercises its rights under Clause U1.1(k) it shall exercise its equivalent rights under all CAEHRS with the CAEHRS Providers.

## **U2 Termination on Financial Standing**

- U2.1 The Authority may terminate this CAEHRS where (in the reasonable opinion of the Authority), there is a material detrimental change in the financial standing and/or the credit rating of the Contractor which:
- (a) adversely impacts on the Contractor's ability to supply the Services under this CAEHRS and/or any Call-Off Contract; or
  - (b) could reasonably be expected to have an adverse impact on the Contractor's ability to supply the Services under this CAEHRS and/or any Call-Off Contract.

## **U3 Termination on Insolvency and Change of Control**

- U3.1 The Authority may terminate this CAEHRS where the Contractor is a company and in respect of the Contractor:
- (a) 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;
  - (b) 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);
  - (c) a petition is presented for its winding up (which is not dismissed within fourteen (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;
  - (d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets;
  - (e) 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;
  - (f) it is or becomes insolvent within the meaning of Section 123 of the Insolvency Act 1986;

- (g) being a "small company" within the meaning of Section 382 of the Companies Act 2006, a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or
- (h) any event similar to those listed in Clause U3.1(a) to Clause U3.1(g) occurs under the law of any other jurisdiction.

U3.2 The Contractor shall notify the Authority immediately if the Contractor undergoes a change of control within the meaning of Section 1124 of the Corporation Tax Act 2010 ("Change of Control"). The Authority may terminate this CAEHRS within six (6) Months of:

- (a) being notified that a Change of Control has occurred; or
- (b) 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 an Approval was granted prior to the Change of Control.

#### **U4 Termination on failure to submit a tender**

U4.1 The Authority may terminate this CAEHRS where:

- (a) the Authority has invited the Contractor to participate in a Mini-Competition in accordance with E2 on three (3) separate consecutive occasions; and
- (b) the Contractor has failed, in the Authority's reasonable opinion, on each such occasion to participate in the Mini-Competition.

#### **U5 Termination at a CAEHRS Review**

U5.1 The Authority may terminate this CAEHRS if, at a CAEHRS Review, the Authority determines that:

- (a) a CAEHRS Call-Off Contract Suspension Event has occurred in respect of two or more CAEHRS Call-Off Contracts;
- (b) a DWP Contract Suspension Event has occurred in respect of two or more DWP Contracts;
- (c) a CAEHRS Call-Off Contract Suspension Event has occurred in respect of a CAEHRS Call-Off Contract, and a DWP Contract Suspension Event has occurred in respect of a DWP Contract;
- (d) any of the grounds for mandatory or discretionary exclusion which are set out in regulation 57 of the Public Contracts Regulations 2015 apply to the Contractor; or
- (e) the Contractor no longer has the Contractor Financial Capacity required for the Lot to which they have been appointed. In assessing, at the time of a CAEHRS Review, whether the Contractor continues to have the Contractor Financial Capacity required for the Lot to which the Contractor is appointed, the Authority may, but will not be bound to, allow the Contractor to submit mitigating information (which may include but not be limited to, cash flow forecasts, evidence of additional funding sources, and guarantees) to allay the concerns raised by the Authority and to assist the Authority to assess the risk of:
  - (i) the Contractor being unable to fulfil its current and/or future contractual obligations, or

- (ii) the Contractor becoming insolvent.

## **U6 Partial Termination**

- U6.1 Where the Authority has the right to terminate this CAEHRS, the Authority is entitled to terminate all or part of this CAEHRS pursuant to this Clause U6 provided always that, if the Authority elects to terminate this CAEHRS in part, the parts of this CAEHRS not terminated or suspended can, in the Authority's reasonable opinion, operate effectively to deliver the intended purpose of the surviving parts of this CAEHRS.
- U6.2 The Parties shall agree the effect of any change to this CAEHRS necessitated by a partial termination in accordance with the CAEHRS Variation Procedure, provided that the Contractor shall not be entitled to reject the change to the CAEHRS.

## **U7 Suspension of Contractor**

- U7.1 If the Authority is entitled to terminate this CAEHRS pursuant to Clause U, the Authority may instead elect in its absolute discretion to Suspend the Contractor by giving a Suspension Notice to the Contractor. The Contractor hereby agrees that, for the duration of any Suspension Period, it shall not be entitled to participate in any Mini-Competitions, or bid for, be awarded, or enter into, any Call-Off Contracts.
- U7.2 A CAEHRS Provider may also be Suspended by the Authority if at a CAEHRS Review the Authority determines that a CAEHRS Call-Off Contract Suspension Event or a DWP Contract Suspension Event has occurred.
- U7.3 A CAEHRS Provider can be Suspended by the Authority if they fail to continue to achieve Level 3 accreditation for Disability Confident as described at paragraph 25.1 in the CAEHRS Specification.
- U7.4 Where a Suspension has arisen from a CAEHRS Call-Off Contract Suspension Event or a DWP Contract Suspension Event, then the Suspension may be brought to an end by the Authority at the next CAEHRS Review if the Authority determines in its absolute discretion that the conditions for a CAEHRS Call-Off Contract Suspension Event or for an DWP Contract Suspension Event no longer apply.
- U7.5 Where a Suspension has arisen from the failure by the Contractor to continue to achieve Level 3 accreditation for Disability Confident then the Suspension may be brought to an end by the Authority from the time when the Authority in its absolute discretion is satisfied that the that Level 3 accreditation for Disability Confident has been achieved by the Contractor.
- U7.6 The Authority reserves the right to alter the duration of the Suspension Period. The Authority will notify the Contractor in writing of any such alteration of the Suspension Period.
- U7.7 The Parties acknowledge that Suspension shall not affect the Contractor's obligation to meet all of its obligations under any Call-Off Contracts entered into prior to the issue of a Suspension Notice and prior to the commencement of the Suspension Period specified in the Suspension Notice.

## **U8 CAEHRS Reviews**

- U8.1 The Authority will start each CAEHRS Review on a CAEHRS Review Date. This Clause U8 sets out the steps the Authority will take as part of a CAEHRS Review, and following a CAEHRS Review.
- U8.2 If, at the CAEHRS Review Date, two or more CAEHRS Providers (and/or former CAEHRS Providers) for the same Tier of the same Regional Lot:

- (a) are Suspended;
- (b) have had their CAEHRS terminated by the Authority; and/or
- (c) have previously Relinquished their place(s) on Tier 2 of that Regional Lot,

then the Authority will make Additional Tier Place(s) available in that Tier of that Regional Lot in accordance with Clauses U8.3 and U8.4.

U8.3 Where the total number of CAEHRS Providers under Clause U8.2 is equal to two, the Authority will make two Additional Tier Places available in that Tier of that Regional Lot, subject to Clause U8.5.

U8.4 Where the total number of CAEHRS Providers under Clause U8.2 is three or more, then the Authority will make three Additional Tier Places available in that Tier of that Regional Lot, subject to Clause U8.5.

U8.5 The Authority will reduce the number of Additional Tier Places it makes available under Clause U8.2 if that is necessary to avoid the number of CAEHRS Providers on a Tier of a Regional Lot exceeding the figures set out in Clauses U8.6 and U8.7.

U8.6 At any time during the Term:

- (a) a maximum of eleven (11) CAEHRS Providers can be on Tier 1 of each of Regional Lots 1-5; and
- (b) a maximum of twelve (12) CAEHRS Providers can be on Tier 2 of each of Regional Lots 1-5.

U8.7 At any time during the Term:

- (a) a maximum of eight (8) CAEHRS Providers can be on Tier 1 of each of Regional Lots 6 and 7; and
- (b) a maximum of twelve (12) CAEHRS Providers can be on Tier 2 of each of Regional Lots 6 and 7.

U8.8 For the purposes of Clauses U8.6 and U8.7, the number of CAEHRS Providers on a Tier of a Regional Lot includes any CAEHRS Providers that are Suspended.

U8.9 If the Authority has, following a CAEHRS Review, made any Additional Tier Place(s) available for Tier 1 of a Regional Lot, then the Authority will fill the Additional Tier Place(s) in accordance with Clauses U8.10 and U8.11.

U8.10 The Authority will fill any Additional Tier Place(s) under Tier 1 of a Regional Lot by allocating them to any CAEHRS Provider(s) on Tier 2 of the same Regional Lot that meet both of the following criteria:

- (a) the CAEHRS Provider(s) has the Contractor Financial Capacity for Tier 1 of that Regional Lot; and
- (b) the Tender(s) of the CAEHRS Provider(s) for Tier 2 received the highest overall score(s) for qualitative evaluation as compared to the other CAEHRS Provider(s) on Tier 2 of that Regional Lot that meet the requirement in Clause U8.10(a).

U8.11 If, after the Authority has taken the step outlined in Clause U8.10, there are at least two further Additional Tier Places under Tier 1 of a Regional Lot for the Authority to fill, then the Authority will run an open procurement competition for those Additional Tier Places.

- U8.12 If the Authority allocates an Additional Tier Place under Tier 1 of a Regional Lot to a CAEHRS Provider under Clause U8.10, that CAEHRS Provider Relinquishes their place on Tier 2 of that Regional Lot.
- U8.13 If the Authority has, following a CAEHRS Review, made any Additional Tier Places available for Tier 2 of a Regional Lot, then the Authority will fill the Additional Tier Places in accordance with Clause U8.14.
- U8.14 If there are at least two Additional Tier Places under Tier 2 of a Regional Lot for the Authority to fill, then the Authority will run an open procurement competition for those Additional Tier Places.
- U8.15 The Authority must commence any open procurement competition under Clause U8.11 and/or U8.14 before the next CAEHRS Review Date.

U8.16 Where:

- (a) a CAEHRS Provider is allocated an Additional Tier Place following an open procurement competition in accordance with Clause U8.11 and/or U8.14; and
- (b) following that allocation, the CAEHRS Provider has a CAEHRS that covers two or more Regional Lots; and
- (c) the CAEHRS Provider is not on the National Lot, and
- (d) the Authority determines, through the open procurement competition referred to in Clause U8.15(a), that the CAEHRS Provider meets the National Lot Additional Selection Criteria,

then the Authority may appoint that CAEHRS Provider to the National Lot.

U8.17 For the avoidance of doubt, a former CAEHRS Provider, that has previously had their CAEHRS terminated by the Authority, cannot be awarded an Additional Tier Place.

## **U9 General Provisions on Expiry or Termination**

- U9.1 Notwithstanding the service of a notice to terminate this CAEHRS, the Contractor shall continue to fulfil its obligations under this CAEHRS until the date of expiry or termination of this CAEHRS or such other date as required under this Clause U9.
- U9.2 Termination or expiry of this CAEHRS shall not cause any Call-Off Contracts to terminate automatically. For the avoidance of doubt, all Call-Off Contracts shall remain in force unless and until they are terminated or expire in accordance with their own terms.
- U9.3 Within thirty (30) Working Days of the date of termination or expiry of this CAEHRS, and if requested by the Authority, the Contractor shall return to the Authority any data and Confidential Information belonging to the Authority in the Contractor's possession, power or control, either in its then current format or in a format nominated by the Authority (in which event the Authority will reimburse the Contractor's reasonable data conversion expenses), together with all training manuals and other related documentation, and any other information and all copies thereof owned by the Authority, save that it may keep one copy of any such data or information for a period of up to twelve (12) Months to comply with its obligations under this CAEHRS, or such period as is necessary for such compliance.
- U9.4 Subject to Clause Q10.3, the Authority shall be entitled to require access to data or information arising from the provision of the Services from the Contractor until the latest of:

- (a) the expiry of a period of twelve (12) Months following termination or expiry of this CAEHRS; or
- (b) the expiry of a period of twelve (12) Months following the date on which the Contractor ceases to provide Services under any Call-Off Contract.

U9.5 Unless otherwise expressly provided in the CAEHRS:

- (a) the provisions of Clauses I (Conflicts of Interest), P1 (Prevention of Bribery and Corruption), Q1 (Authority Data), Q2 (Protection of Personal Data and Special Categories of Personal Data), Q4 (Official Secrets Acts 1911 to 1989, Section 182 of the Finance Act 1989), Q5 (Confidential Information), Q6 (Transparency and Freedom of Information), Q9 (Intellectual Property Rights), Q10 (Records and Audit Access), S4 (Remedies Cumulative), T1 (Liability and Indemnity), T2 (Insurance), U9 (General Provisions on Expiry or Termination), and W1 (Governing Law and Jurisdiction), shall survive the termination or expiry of this Contract; and
- (b) termination or expiry of the CAEHRS shall be without prejudice to any rights, remedies or obligations accrued under the CAEHRS prior to termination or expiration. Nothing in the CAEHRS shall prejudice the right of either Party to recover any amount outstanding at such termination or expiry.

## **U10 Disruption**

- U10.1 The Contractor shall take all reasonable care to ensure that in performing its obligations under the CAEHRS it does not disrupt the operations of the Authority, its employees or any other contractor employed by the Authority.
- U10.2 The Contractor shall immediately notify the Authority of any actual or potential industrial action, whether such action is by their own employees or others, which affects or might affect its ability at any time to perform its obligations under the CAEHRS.
- U10.3 In the event of industrial action by the Staff, the Contractor shall seek Approval to its proposals to continue to perform its obligations under the CAEHRS.
- U10.4 If the Contractor's proposals referred to in Clause U10.3 are considered insufficient or unacceptable by the Authority (acting reasonably), the Authority may terminate the CAEHRS with immediate effect by notice in writing.
- U10.5 If the Contractor is temporarily unable to fulfil the requirements of the CAEHRS owing to disruption of normal business by direction of the Authority, an appropriate allowance by way of extension of time will be approved by the Authority. In addition, the Authority will reimburse any additional expense reasonably incurred by the Contractor as a direct result of such disruption.

## **V Transfer of Undertakings (Protection of Employment) Regulations 2006**

- V1.1 All of the provisions relating to the operation of the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE"), as amended from time to time, which may apply to the Authority and/or any Other Contracting Body (as applicable) and the Contractor under or in connection with this CAEHRS and any Call-Off Contract are more particularly set out in the Call-Off Terms and Conditions.
- V1.2 This CAEHRS may facilitate Call-Off Contracts which may involve TUPE. The Contractor acknowledges and agrees that it will take its own advice as to whether TUPE applies on a Call-Off Contract by Call-Off Contract basis.

## **W Disputes and Law**

**W1 Governing Law and Jurisdiction**

W1.1 This CAEHRS and any dispute or claims (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and interpreted in accordance with English law and the Parties irrevocably submit to the jurisdiction of the English courts. Each Party irrevocably waives any objection which it might at any time have to the courts of England being nominated as the forum to hear and decide any proceedings and to settle any disputes and agrees not to claim that the courts of England are not a convenient or appropriate forum.

**W2 Dispute Resolution**

W2.1 The Parties shall resolve Disputes arising out of or in connection with this CAEHRS in accordance with the Dispute Resolution Procedure as set out in Schedule 12.

W2.2 The Contractor shall continue to provide the Services in accordance with the terms of this CAEHRS until a Dispute has been resolved.



**This Commercial Agreement for the provision of Employment and Health Related Services has been entered into on the date stated at the beginning of it.**

**[REDACTED]**

# Appendix A: CAEHRIS Specification



CAEHRIS  
Specification Final v3.

## Appendix B: Tender

[REDACTED]

**Appendix C: Q&A Log**



CAEHS QA Log  
Final.pdf

## **Schedule 1 - Services**

The Services shall include:

- (a) employment and health related support services helping people who are unemployed, disabled, have a health condition or barrier to work, to select, train for, obtain and retain employment, and
- (b) developing and maintaining contingency plans for the delivery of replacement employability and health-based support services at short notice at the request of the Authority following the occurrence of a trigger event

as more particularly set out in the CAEHRS Specification.

**Schedule 1B - Contractor's Lot(s) & Contractor's Tier(s)**

<b>Number of the Regional Lot(s) to which the Contractor has been appointed</b>	<b>Geographic area of the Regional Lot to which the Contractor has been appointed</b>	<b>Tier within the Regional Lot to which the Contractor has been appointed</b>	<b>Contract Reference</b>
Lot 1	Central England	Tier 2	UI_DWP_22220-1
Lot 2	North East England	Tier 1	UI_DWP_22220-2
Lot 3	North West England	Tier 1	UI_DWP_22220-3
Lot 4	Southern England	Tier 1	UI_DWP_22220-4
Lot 5	London and Home Counties	Tier 2	UI_DWP_22220-5
Lot 6	Wales	Tier 1	UI_DWP_22220-6
Lot 7	Scotland	Tier 1	UI_DWP_22220-7

Appointed to the National Lot – Yes

## Schedule 2 - Call-Off Services

The Call-Off Services Award Criteria for each Mini-Competition shall be set out in the invite to participate in the Mini-Competition pursuant to Clause E in a form substantially similar to the below table:

<b>Criterion Number</b>	<b>Criterion</b>	<b>Percentage Weightings (or rank order of importance where applicable)</b>
1	As set out in invite to participate in Mini-Competition	As set out in invite to participate in Mini-Competition
2	As set out in invite to participate in Mini-Competition	As set out in invite to participate in Mini-Competition
3	As set out in in invite to participate in Mini-Competition	As set out in in invite to participate in Mini-Competition
4	As set out in invite to participate in Mini-Competition	As set out in invite to participate in Mini-Competition
5	As set out in invite to participate in Mini-Competition	As set out in invite to participate in Mini-Competition

### Schedule 3 - Template Order Form

#### Template Order Form

#### SECTION A

This Order Form is issued in accordance with the Commercial Agreement for the provision of Employment and Health Related Services ("CAEHRS") between (1) the Secretary of State for Work and Pensions and (2) **[DN: INSERT NAME OF CONTRACTOR]** dated **[REDACTED]** for the provision of employment and health related support services with contract number **[REDACTED]**. The Contractor agrees to supply the Services specified below on and subject to the terms of this Call-Off Contract and for the avoidance of doubt this Call-Off Contract consists of the terms set out in this Order Form and the Terms and Conditions attached to this Order Form.

#### FROM

<b>Authority</b>	Secretary of State for Work and Pensions (" <b>Authority</b> ") acting as part of the Crown
<b>Service Address:</b>	Caxton House, Tothill Street, London, SW1H 9NA
<b>Invoice Address:</b>	<b>SSCL Accounts Payable Team</b> Room 6124 Tomlinson House Norcross Blackpool FY5 3TA
<b>Contact Reference:</b>	Name: Shared Services Helpline Ref: <b>[REDACTED]</b> Phone: <b>0845 602 8244</b> e-mail: <b>[REDACTED]</b>
<b>Order Number:</b>	<b>UI_DWP_</b> To be quoted on all correspondence relating to this Order:
<b>Commencement Date:</b>	<b>[REDACTED]</b>
<b>Contract Package Area (CPA):</b>	

#### TO

<b>Contractor:</b>	<b>[REDACTED]</b> (" <b>Contractor</b> ")
<b>Registered Number:</b>	<b>[REDACTED]</b>



<b>Service Address:</b>	[REDACTED]
<b>Contact Reference:</b>	Name: [REDACTED] Ref: [REDACTED] Phone: [REDACTED] e-mail: [REDACTED]

herein after called the "**Parties**", each being a "**Party**".

**SECTION B**

**1. FORMATION OF CONTRACT**

- 1.1 BY SIGNING AND RETURNING THIS ORDER FORM the Contractor agrees to enter this Call-Off Contract with the Authority to provide the Services.**
- 1.2 The Parties hereby acknowledge and agree that they have read the Order Form and the Terms and Conditions (attached hereto) and by signing below agree to be bound by this Call-Off Contract.**

**For and on behalf of the Contractor:**

Name and Title	
Signature	
Date	

**For and on behalf of the Authority (acting as part of the Crown):**

Name and Title	
Signature	
Date	

#### **Schedule 4 - Call-Off Terms and Conditions**

THE TEMPLATE TERMS AND CONDITIONS ARE SUBJECT TO CHANGE TO COVER THE SPECIFIC REQUIREMENTS OF EACH CALL-OFF CONTRACT, INCLUDING CONTRACTS TO PROVIDE CONTINGENCY SERVICES AS DESCRIBED AT PARAGRAPH 1.3 OF THE CAEHRS SPECIFICATION. THE SPECIFIC CALL-OFF TERMS AND CONDITIONS FOR EACH CALL-OFF CONTRACT WILL BE PUBLISHED WITH THE INVITATION TO PARTICIPATE IN THE MINI-COMPETITION FOR THE RELEVANT CALL-OFF CONTRACT.

THE CURRENT VERSION IS AVAILABLE IN THE VIRTUAL DATA ROOM

**Schedule 5 - Commercially Sensitive Information**

1 The Authority acknowledges that the Contractor has requested that the following information be treated as Commercially Sensitive Information:

Document	Page No.	Section	Condition or Paragraph No.	Explanation of harm which may result from disclosure and time period applicable to sensitivity.

2 The Authority will consult with the Contractor on any request for information, identified as Commercially Sensitive, under the FOIA.

3 The Authority reserves the right to disclose any Commercially Sensitive Information held within this CAEHRS in response to a request under the FOIA as set out at Clause Q5 of this Call-Off Contract.

4 The Authority will automatically publish all information provided by the Contractor not identified in this Schedule as constituting Commercially Sensitive Information provided that it satisfies the requirements of the FOIA.

5 The Authority reserves the right to determine whether any information provided in this Schedule does constitute Commercially Sensitive Information prior to publication.

## **Schedule 6 - CAEHRS Variation Procedure**

### **1. Introduction**

1.1 This Schedule 6 (CAEHRS Variation Procedure) details the scope of the Variations permitted and the process to be followed where the Authority proposes a Variation.

### **2 Procedure for proposing a Variation**

- 2.1 Except where paragraph 4 applies, the Authority may propose a Variation using the procedure contained in this paragraph 2.
- 2.2 In order to propose a Variation, the Authority shall serve each CAEHRS Provider with written notice of the proposal to vary this CAEHRS ("Notice of Variation").
- 2.3 The Notice of Variation shall contain details of the proposed Variation providing sufficient information to allow each CAEHRS Provider to assess the Variation.
- 2.4 Upon receipt of the Notice of Variation, each CAEHRS Provider has five (5) days to respond in writing with any objections to the Variation.
- 2.5 Where the Authority does not receive any written objections to the Variation within the timescales detailed in paragraph 2.4, the Authority may then serve each CAEHRS Provider with a written agreement detailing the Variation to be signed and returned by each CAEHRS Provider within five (5) days of receipt.
- 2.6 Upon receipt of a signed agreement from each CAEHRS Provider, the Authority shall notify all CAEHRS Providers in writing of the commencement date of the Variation.

### **3 Objections to a Variation**

- 3.1 In the event that the Authority receives one or more written objections to a Variation, the Authority may:
- 3.1.1 withdraw the proposed Variation; or
  - 3.1.2 propose an amendment to the Variation.
- 3.2 In the event that the Contractor is unable to agree to or provide the Variation, the Authority may:
- (a) agree to continue to perform its obligations under this CAEHRS without the Variation; or
  - (b) terminate this CAEHRS with immediate effect.

### **4 Variations which are not permitted**

- 4.1 The Authority may not propose any Variation which:
- 4.1.1 may prevent one or more of the CAEHRS Providers from performing its obligations in all material respects under this CAEHRS; or
  - 4.1.2 is in contravention of any Law.

## Schedule 7 - Diversity and Equality Requirements

### 1. General

- 1.1 The Contractor acknowledges that the Authority has a 'duty to promote' equality and must at all times be seen to be actively promoting equality of opportunity for and good relations between all persons irrespective of their race, gender, gender reassignment, disability, age, sexual orientation or religion/belief.
- 1.2 In delivering the Services, the Contractor shall, and shall procure that its Sub-contractors shall, assist and cooperate with the Authority in satisfying equality duties by fully complying with the requirements of this Schedule.

### 2. Compliance

- 2.1 The Contractor acknowledges the provisions of the equality legislation set out in Clause P2 of this CAEHRS ("**Equality Legislation**").
- 2.2 The Contractor shall produce a Diversity and Equality Delivery Plan in accordance with paragraph 2.5 (and sub paragraphs) and paragraph 2.6 (and sub paragraphs) of this Schedule, within six (6) months of the contract start date of the first Call-Off Contract entered into with the Authority.
- 2.3 The Contractor will provide workforce monitoring data in accordance with paragraph 3 (and sub paragraphs) of this Schedule, within six (6) months of the contract start date of any Call-Off Contract entered into with the Authority.
- 2.4 The Authority will consider and agree the submissions made by the Contractor when complying with paragraph 2 (and sub paragraphs of paragraph 2) and paragraph 3 (and sub paragraphs of paragraph 3) of this Schedule. Any issues will be raised with the Contractor by the contract manager acting on behalf of the Authority. Once submissions are agreed by the Authority the Contractor will formally review, revise and resubmit these on an annual basis. Diversity and equality aspects will also be discussed jointly by the Authority and the Contractor as an ongoing item at Call-Off Contract review meetings.
- 2.5 In delivering the Services, the Contractor shall prepare the Diversity and Equality Delivery Plan which as a minimum shall include:
  - (a) an overview of the Contractor's policy/policies and procedures for preventing unlawful discrimination and promoting equality of opportunity in respect of:
    - (i) Race
    - (ii) Gender
    - (iii) Gender reassignment
    - (iv) Disability
    - (v) Age
    - (vi) Sexual orientation
    - (vii) Religion/Belief

Full policy documents with regard to (a)(i) to (a)(vii) must be made available by the Contractor to the Authority on request.
  - (b) An overview of the Contractor's policy/policies and procedures covering:
    - (i) Harassment

- (ii) Bullying
- (iii) Victimisation
- (iv) Recruitment procedures
- (v) Staff training and development

Full policy documents with regard to (b)(i) to (b)(v) must be made available by the Contractor to the Authority on request

- (c) Details of the way in which the above policy/policies and procedures are, or will be (and by when), communicated within the Contractor's organisation
- (d) Details of what general diversity and equality-related training has been, or will be delivered (and by when), to the Contractor's staff
- (e) Details of what structure is already in place, or will be in place (and by when) and what resources are, or will be (and by when), directed towards diversity and equality within the Contractor's organisation; and
- (f) Details of any diversity and equality cases and tribunals (including volumes and outcomes)

2.6 In delivering the Services, the Contractor shall provide the evidence set out (a)(i) to (a)(iii) below, within the Diversity and Equality Delivery Plan referred to at paragraph 2.2 of this Schedule:

- (a) Where a Contractor is delivering services to customers on behalf of the Authority or Services to the Authority's staff, it must provide written evidence that:
  - (i) Equality Impact Assessments have been carried out prior to the Services being delivered and will be carried out in the event of any changes to the Services, in accordance with Equality Legislation. Equality Impact Assessments should be carried out in conjunction with the Authority so Contractors must consult with the Authority prior to completion.
  - (ii) they are making reasonable adjustments, as required by the Equality Legislation to make those services accessible to disabled people and that in the case of Information Technology services, those services are in accordance with the Authority's standards.
  - (iii) all of its employees who are involved have had appropriate training so that they understand the duties required by Equality Legislation, and where Services are being delivered on behalf of the Authority, the Contractor shall provide evidence that its employees understand the duties not to discriminate and to promote equality, in accordance with Equality Legislation.

### **3. Monitoring and reporting**

3.1 The Contractor shall provide workforce monitoring data as detailed in paragraph 3.2 of this Schedule, within six (6) months of the contract start date of any Call-Off Contract entered into with the Authority. A template for data collected in paragraph 3.2 will be provided by the Authority. Completed templates must then be included within the Diversity and Equality Delivery Plan as well as evidence relating to paragraphs 3.3 and 3.4 of this Schedule.

Contractors are required to provide workforce monitoring data relating to the workforce involved in delivery of any Call-Off Contract entered into with the Authority. Data relating to the wider Contractor workforce would however be well received by the Authority. Contractors are required to submit percentage figures only in response to paragraphs 3.2(a), 3.2(b) and 3.2(c).

3.2 The Contractor will provide information detailing:

(a) the proportion of its employees and to the extent reasonably possible, the employees of its Sub-contractors who are:

- (i) female;
- (ii) disabled; and/or
- (iii) prefer not to state gender and/or disability

(b) the proportion of its employees and to the extent reasonably possible, the employees of its Sub-contractors who in terms of ethnicity are:

White

- (i) white British;
- (ii) white Irish;
- (iii) of any other white background

Mixed

- (iv) white and black Caribbean;
- (v) white and black African;
- (vi) white and Asian;
- (vii) of any other mixed background

Asian or Asian British

- (viii) Indian;
- (ix) Pakistani;
- (x) Bangladeshi;
- (xi) of any other Asian background

Black or Black British

- (xii) Caribbean;
- (xiii) African;
- (xiv) of any other Black background

Chinese or other ethnic group

- (xv) Chinese;
- (xvi) of any other ethnic group

Prefer not to state

- (xvii) Prefer not to state ethnicity

For the avoidance of doubt, the seventeen (17) percentage figures submitted under categories (i) to (xvii) of this paragraph 3.2(b) (in each case in respect of the Contractor's employees and each Sub-contractors employees) should total one hundred percent (100%).

- (c) the proportion of its Sub-contractors that are:
  - (i) small to medium sized enterprises (meaning enterprises with less than two hundred and fifty (250) employees and a maximum annual turnover of forty (40) million pounds).
  - (ii) ethnic minority enterprises (in each case meaning an enterprise fifty one percent (51%) or more of which is owned by members of one (1) or more ethnic minority groups, or, if there are few owners, where at least fifty percent (50%) of the owners are members of one (1) or more ethnic minority groups). For this purpose, ethnic minority groups mean ethnic groups other than White as referred to at paragraph 3.2(b) of this Schedule.
  - (iii) black ethnic minority enterprises (in each case meaning an enterprise fifty one percent (51%) or more of which is owned by members of the Black or Black British ethnic group, or, if there are few owners, where at least fifty percent (50%) of the owners are members of the Black or Black British ethnic group). For this purpose, the Black or Black British ethnic group has the meaning referred to at categories xii) to xiv) in paragraph 3.2(b) of this Schedule.

For the avoidance of doubt, any given Sub-contractor may fall into one (1), two (2) or all of the categories (i) to (iii) listed in paragraph 3.2(c) of this Schedule, depending on its composition.

- 3.3 The Contractor will compare its figures, in all categories listed in paragraphs 3.2(a), 3.2(b) and 3.2(c) of this Schedule, and provide (where possible) comparisons against any official national/regional statistics that are publicly available.
- 3.4 The Contractor will provide evidence of what activities it is undertaking, or plans to undertake, in order to try to improve (where possible and appropriate) its current position in the categories detailed in paragraphs 3.2(a), 3.2(b) and 3.2(c) of this Schedule.
- 3.5 The Contractor will ensure at all times that it complies with the requirements of the DPA in the collection and reporting of the information to the Authority, especially as this is sensitive personal data (as defined in the DPA).



## **Schedule 8 - Welsh Language Scheme**

This Schedule 8 sets out the Contractor's obligations which are applicable to the provision of the Services in Wales.

### **1 General**

- 1.1 The Contractor acknowledges that in relation to the operation of its Services which are delivered in Wales, the Authority must at all times be seen to be actively promoting the equality of the English and Welsh languages, in accordance with the Welsh Language Act 1993.
- 1.2 In the performance of the CAEHRS and any Call-Off Contract, the Contractor shall ensure that it cooperates with the Authority in satisfying this duty, by fully complying with the requirements of this Schedule.

### **2 The DWP Welsh Language Scheme**

- 2.1 The DWP Welsh Language Scheme can be found at:  
  
<https://www.gov.uk/government/organisations/department-for-work-pensions/about/welsh-language-scheme>
- 2.2 The Contractor shall, in the delivery of the Services, ensure that it complies with the Department for Work and Pensions Welsh Language Scheme and such instructions as the Authority may issue from time to time in respect of promoting the equality of the English and Welsh languages.

### **3 Delivery of Services Through the Medium of Welsh**

- 3.1 The Contractor undertakes that those who have dealings with them are able to do so in English or Welsh, whichever is their preference.
- 3.2 The Contractor will ensure that:
- (a) those who want, or are required, to correspond with the Contractor will be able to do so in English or Welsh;
  - (b) those who are known to prefer corresponding through the medium of Welsh will have correspondence initiated in Welsh;
  - (c) any correspondence received in Welsh will be answered in Welsh within the same timescales and standards as those written in English;
  - (d) staff who are in Wales will greet any telephone callers in English and Welsh until the caller's preferred language can be ascertained;
  - (e) any help lines set up to deliver the service must offer a Welsh or English option and sufficient Welsh language speakers must be available to deal with callers through the medium of Welsh, if they select the Welsh option;
  - (f) any answer phones in the Contractor's offices in Wales will have a pre-recorded bilingual message;
  - (g) all people who participate in the Services are able to contribute through the medium of English or Welsh;

- (h) all material published and printed for use in Wales shall be available in English and Welsh, and available for use within the same timescales. The standard of bilingual or Welsh material shall be of equal quality to those produced solely in English;
- (i) all forms and explanatory material be available in both English and Welsh and available for use within the same timescales;
- (j) any complaints or grievance procedure should be provided in both English and Welsh.
- (k) any websites, including any interactive pages, set up to support the delivery of the service must be available in both Welsh and English; and
- (l) where DWP has notified the contractor or the participant has identified that Welsh is their preferred language this should be recorded, ensuring all future dealings with that participant will be in Welsh.

## Schedule 9 - Security Requirements

### GENERAL

The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, comply with the Authority's security requirements as set out in the CAEHRS which include the requirements set out in this Schedule 9 to the CAEHRS (the "**Authority's Security Requirements**"). The Authority's Security Requirements include, but are not limited to, requirements regarding the confidentiality, integrity and availability of Authority Assets, the Authority ICT System and the Contractor System.

Terms used in this Schedule 9 which are not defined below shall have the meanings given to them in Clause A1 (Definitions and Interpretations) of the Contract.

### 1. DEFINITIONS

1.1 In this Schedule 9, the following definitions shall apply:

- |   |  |
|---|--|
| <b>"Authority Personnel"</b>                                      | shall mean all persons employed by the Authority including directors, officers, employees together with the Authority's servants, agents, consultants, contractors and suppliers but excluding the Contractor and any Sub-contractor (as applicable).  |
| <b>"Availability Test"</b>  | shall mean the activities performed by the Contractor to confirm the availability of any or all components of any relevant ICT system as specified by the Authority.   |
| <b>"CHECK"</b>  | shall mean the scheme for authorised penetration tests which scheme is managed by the NCSC.  |
| <b>"Cloud"</b>  | shall mean an off-premise network of remote ICT servers on the Internet to store, process, manage and transmit data.   |
| <b>"Cyber Essentials"</b>   | shall mean the Government-backed, industry-supported scheme managed by the NCSC to help organisations to protect themselves against online threats or the relevant successor or replacement scheme which is published and/or formally recommended by the NCSC.                                     |
| <b>"Cyber Security Information Sharing Partnership" or "CiSP"</b> | shall mean the cyber security information sharing partnership established by the NCSC or the relevant successor or replacement scheme which is published and/or formally recommended by the NCSC.  |
| <b>"Good Security Practice"</b>                                   | shall mean:<br><br>a) the technical and organisational measures and practices that are required by, or recommended in, nationally or internationally accepted management standards and codes of practice relating to Information Security (such as published by the International Organization for |

Standardization or the National Institute of Standards and Technology);

- b) security standards and guidelines relating to Information Security (including generally accepted principles regarding the segregation of the duties of governance, implementation and control) provided to the general public or Information Security practitioners and stakeholders by generally recognised authorities and organisations; and
- c) the Government's security policies, frameworks, standards and guidelines relating to Information Security.

**“Information Security”** shall mean:

- a) the protection and preservation of:
  - i) the confidentiality, integrity and availability of any Authority Assets, the Authority ICT System (or any part thereof) and the Contractor System (or any part thereof);
  - ii) related properties of information including, but not limited to, authenticity, accountability, and non-repudiation; and
- b) compliance with all Law applicable to the processing, transmission, storage and disposal of Authority Assets.

**“Information Security Manager”** shall mean the person appointed by the Contractor with the appropriate experience, authority and expertise to ensure that the Contractor complies with the Authority's Security Requirements.

**“Information Security Management System (“ISMS”)** shall mean the set of policies, processes and systems designed, implemented and maintained by the Contractor to manage Information Security Risk as certified by ISO/IEC 27001.

**“Information Security Questionnaire”** shall mean the Authority's set of questions used to audit and on an ongoing basis assure the Contractor's compliance with the Authority's Security Requirements.

**“Information Security Risk”** shall mean any risk that might adversely affect Information Security including, but not limited to, a Breach of Security.

**“ISO/IEC 27001, ISO/IEC 27002 and ISO 22301** shall mean

- a) ISO/IEC 27001;
- b) ISO/IEC 27002/IEC; and
- c) ISO 22301

in each case as most recently published by the International Organization for Standardization or its successor entity (the **“ISO”**) or the relevant successor or replacement information security standard which is formally recommended by the ISO.

**“NCSC”** shall mean the National Cyber Security Centre or its successor entity (where applicable).

**“Penetration Test”** shall mean a simulated attack on any Authority Assets, the Authority ICT System (or any part thereof) or the Contractor System (or any part thereof).

**“PCI DSS”** shall mean the Payment Card Industry Data Security Standard as most recently published by the PCI Security Standards Council, LLC or its successor entity (the **“PCI”**).

**“Risk Profile”** shall mean a description of any set of risk. The set of risks can contain those that relate to a whole organisation, part of an organisation or as otherwise applicable.

**“Security Test”** shall include, but not be limited to, Penetration Test, Vulnerability Scan, Availability Test and any other security related test and audit.

**“Tigerscheme”** shall mean a scheme for authorised penetration tests which scheme is managed by USW Commercial Services Ltd.

**“Vulnerability Scan”** shall mean an ongoing activity to identify any potential vulnerability in any Authority Assets, the Authority ICT System (or any part thereof) or the Contractor System (or any part thereof).

1.2 Reference to any notice to be provided by the Contractor to the Authority shall be construed as a notice to be provided by the Contractor to the Authority’s Representative.

## **2. PRINCIPLES OF SECURITY**

2.1 The Contractor shall at all times comply with the Authority’s Security Requirements and provide a level of security which is in accordance with the Security Policies and Standards, Good Security Practice and Law.

## **3. ISO/IEC 27001 COMPLIANCE AND AUDIT**

3.1 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, comply with ISO/IEC 27001 in relation to the Services during the Term.

- 3.2 The Contractor shall appoint an Information Security Manager and shall notify the Authority of the identity of the Information Security Manager on the Commencement Date and, where applicable, within 5 Working Days following any change in the identity of the Information Security Manager.
- 3.3 The Contractor shall ensure that it operates and maintains the Information Security Management System during the Term and that the Information Security Management System meets the Security Policies and Standards, Good Security Practice and Law and includes:
- a) a scope statement (which covers all of the Services provided under this CAEHRs);
  - b) a risk assessment (which shall include any risks specific to the Services);
  - c) a statement of applicability;
  - d) a risk treatment plan; and
  - e) an incident management plan
- in each case as specified by ISO/IEC 27001.

The Contractor shall provide the Information Security Management System to the Authority upon request within 10 Working Days from such request.

- 3.4 The Contractor shall carry out regular Security Tests in compliance with ISO/IEC 27001 and shall within 10 Working Days after completion of the relevant audit provide any associated security audit reports to the Authority.
- 3.5 Notwithstanding the provisions of paragraph 3.1 to paragraph 3.4 the Authority may, in its absolute discretion, notify the Contractor that it is not in compliance with the Authority's Security Requirements and provide details of such non-compliance. The Contractor shall, at its own expense, undertake those actions required in order to comply with the Authority's Security Requirements within one calendar month following such notification or on a date as agreed by the Parties. For the avoidance of doubt, any failure to comply with the Authority's Security Requirements within the required timeframe (regardless of whether such failure is capable of remedy) shall constitute a Serious Breach.

#### **4. CYBER ESSENTIALS SCHEME**

- 4.1 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, obtain and maintain certification to Cyber Essentials (the "Cyber Essentials Certificate") in relation to the Services during the Term. The Cyber Essentials Certificate shall be provided by the Contractor to the Authority annually on the dates as agreed by the Parties.
- 4.2 The Contractor shall notify the Authority of any failure to obtain, or the revocation of, a Cyber Essentials Certificate within 2 Working Days of confirmation of such failure or revocation. The Contractor shall, at its own expense, undertake those actions required in order to obtain a Cyber Essentials Certificate following such failure or revocation. For the avoidance of doubt, any failure to obtain and/or maintain a Cyber Essentials Certificate during the Term after the first date on which the Contractor was required to provide a Cyber Essentials Certificate in accordance with paragraph 4.1 (regardless of whether such failure is capable of remedy) shall constitute a Serious Breach.

#### **5. RISK MANAGEMENT**

- 5.1 The Contractor shall operate and maintain policies and processes for risk management (the **Risk Management Policy**) during the Term which includes standards and processes for the assessment of any potential risks in relation to the Services and processes to ensure that the Authority's Security Requirements are met (the **Risk Assessment**). The Contractor shall

provide the Risk Management Policy to the Authority upon request within 10 Working Days of such request. The Authority may, at its absolute discretion, require changes to the Risk Management Policy to comply with the Authority's Security Requirements. The Contractor shall, at its own expense, undertake those actions required in order to implement the changes required by the Authority within one calendar month of such request or on a date as agreed by the Parties.

- 5.2 The Contractor shall carry out a Risk Assessment (i) at least annually, (ii) in the event of a material change in the Contractor's System or in the threat landscape or (iii) at the request of the Authority. The Contractor shall provide the report of the Risk Assessment to the Authority, in the case of at least annual Risk Assessments, within 5 Working Days of completion of the Risk Assessment or, in the case of all other Risk Assessments, within one calendar month after completion of the Risk Assessment or on a date as agreed by the Parties. The Contractor shall notify the Authority within 5 Working Days if the Risk Profile in relation to the Services has changed materially, for example, but not limited to, from one risk rating to another risk rating.
- 5.3 If the Authority decides, at its absolute discretion, that any Risk Assessment does not meet the Authority's Security Requirements, the Contractor shall repeat the Risk Assessment within one calendar month of such request or as agreed by the Parties.
- 5.4 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, cooperate with the Authority in relation to the Authority's own risk management processes regarding the Services.
- 5.5 For the avoidance of doubt, the Contractor shall pay all costs in relation to undertaking any action required to meet the requirements stipulated in this paragraph 5. Any failure by the Contractor to comply with any requirement of this paragraph 5 (regardless of whether such failure is capable of remedy), shall constitute a Serious Breach.

## **6. SECURITY AUDIT AND ASSURANCE**

- 6.1 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, complete the information security questionnaire in the format stipulated by the Authority (the "**Information Security Questionnaire**") at least annually or at the request by the Authority. The Contractor shall provide the completed Information Security Questionnaire to the Authority within one calendar month from the date of request.
- 6.2 The Contractor shall conduct Security Tests to assess the Information Security of the Contractor's System and, if requested, the Authority ICT System. In relation to such Security Tests, the Contractor shall appoint a third party which i) in respect of any Penetration Test, is duly accredited by CHECK, CREST (International), or Tigerscheme and, ii) in respect of any Security Test to which PCI DSS apply, is an approved scanning vendor duly accredited by the PCI. Such Security Test shall be carried out (i) at least annually, (ii) in the event of a material change in the Contractor System or in the Authority ICT System or (iii) at the request of the Authority which request may include, but is not limited to, a repeat of a previous Security Test. The content, and format of any report of such Security Tests shall be approved in advance of the Security Test by the Authority. The Contractor shall provide any report of such Security Tests within one calendar month following the completion of such Security Test or on a date agreed by the Parties. The Contractor shall, at its own expense, undertake those actions required to rectify any risks identified by any Security Test in the manner and within the timeframe required by the Authority in its absolute discretion.
- 6.3 The Authority shall be entitled to send the Authority's Representative to witness the conduct of any Security Test. The Contractor shall provide to the Authority notice of any Security Test at least one month prior to the relevant Security Test.

- 6.4 Where the Contractor provides code development services to the Authority, the Contractor shall comply with the Authority's Security Requirements in respect of code development within the Contractor System and the Authority ICT System.
- 6.5 Where the Contractor provides software development services, the Contractor shall comply with the code development practices specified in the CAEHRS Specification or in the Authority's Security Requirements.
- 6.6 The Authority, or an agent appointed by it, may undertake Security Tests in respect of the Contractor System after providing advance notice to the Contractor. If any Security Test identifies any non-compliance with the Authority's Security Requirements, the Contractor shall, at its own expense, undertake those actions required in order to rectify such identified non-compliance in the manner and timeframe as stipulated by the Authority at its absolute discretion. The Contractor shall provide all such co-operation and assistance in relation to any Security Test conducted by the Authority as the Authority may reasonably require.
- 6.7 The Authority shall schedule regular security governance review meetings which the Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, attend.

## **7. PCI DSS COMPLIANCE AND CERTIFICATION**

- 7.1 Where the Contractor obtains, stores, processes or transmits payment card data, the Contractor shall comply with the PCI DSS.
- 7.2 The Contractor shall obtain and maintain up-to-date attestation of compliance certificates ("**AoC**") provided by a qualified security assessor accredited by the PCI and up-to-date self-assessment questionnaires ("**SAQ**") completed by a qualified security assessor or an internal security assessor, in each case accredited by the PCI (each with the content and format as stipulated by the PCI and such reports the "PCI Reports"), during the Term. The Contractor shall provide the respective PCI Reports to the Authority upon request within 10 Working Days of such request.
- 7.3 The Contractor shall notify the Authority of any failure to obtain a PCI Report or a revocation of a PCI Report within 2 Working Days of confirmation of such failure or revocation. The Contractor shall, at its own expense, undertake those actions required in order to obtain a PCI Report following such failure or revocation within one calendar month of such failure or revocation.

## **8. SECURITY POLICIES AND STANDARDS**

- 8.1 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, comply with the Security Policies and Standards set out Annex A and B.
- 8.2 Notwithstanding the foregoing, the Authority's Security Requirements applicable to the Services may be subject to change following certain events including, but not limited to, any relevant Variation in the delivery of the Services. Any change in the Authority's Security Requirements resulting from such Variation (if any) shall be agreed by the Parties in accordance with the CAEHRS Variation Procedure.
- 8.3 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, maintain appropriate records and is otherwise able to demonstrate compliance with the Security Policies and Standards.

## **9. CYBER SECURITY INFORMATION SHARING PARTNERSHIP**

- 9.1 The Contractor may become a member of the Cyber Security Information Sharing Partnership in accordance with the recommendations by the NCSC during the Term. The



Contractor may participate in the Cyber Security Information Sharing Partnership for the exchange of cyber threat information.

- 9.2 Where the Contractor becomes a member of the Cyber Security Information Sharing Partnership, it shall review the NCSC weekly threat reports on a weekly basis and implement recommendations in line with the Contractor's Risk Management Policy.

## ANNEX A - AUTHORITY SECURITY POLICIES

The Security Policies are published on:

<https://www.gov.uk/government/publications/dwp-procurement-security-policies-and-standards>  
unless specified otherwise:

- a) Acceptable Use Policy
- b) Information Security Policy
- c) Physical Security Policy
- d) Information Management Policy
- e) Email Policy
- f) Technical Vulnerability Management Policy
- g) Remote Working Policy
- h) Social Media Policy
- i) Forensic Readiness Policy
- j) SMS Text Policy
- k) Privileged Users Security Policy
- l) User Access Control Policy
- m) Security Classification Policy
- n) Cryptographic Key Management Policy
- o) HMG Personnel Security Controls – May 2018  
(published on <https://www.gov.uk/government/publications/hmg-personnel-security-controls>)

## ANNEX B - SECURITY STANDARDS

The Security Standards are published on:

<https://www.gov.uk/government/publications/dwp-procurement-security-policies-and-standards>:

- a) SS-001 - Part 1 - Access & Authentication Controls
- b) SS-001 - Part 2 - Privileged User Access Controls
- c) SS-002 - PKI & Key Management
- d) SS-003 - Software Development
- e) SS-005 - Database Management System Security Standard
- f) SS-006 - Security Boundaries
- g) SS-007 - Use of Cryptography
- h) SS-008 - Server Operating System
- i) SS-009 - Hypervisor
- j) SS-010 - Desktop Operating System
- k) SS-011 - Containerisation
- l) SS-012 - Protective Monitoring Standard for External Use
- m) SS-013 - Firewall Security
- n) SS-014 - Security Incident Management
- o) SS-015 - Malware Protection
- p) SS-016 - Remote Access
- q) SS-017 - Mobile Devices
- r) SS-018 - Network Security Design
- s) SS-019 - Wireless Network
- t) SS-022 - Voice & Video Communications
- u) SS-023 - Cloud Computing
- v) SS-025 - Virtualisation
- w) SS-027 - Application Security Testing
- x) SS-028 - Microservices Architecture
- y) SS-029 - Securely Serving Web Content
- z) SS-030 - Oracle Database
- aa) SS-031 - Domain Management
- bb) SS-033 - Patching

## **Schedule 10 - Apprenticeships & Skills Requirements**

### **1. General**

- 1.1 The Government is committed to addressing skills issues and promoting training opportunities through procurement, to maximise the potential for improvements provided by its considerable spend.
- 1.2 In order to support and drive economic growth, the Government announced that it has prioritised the key policy agendas to be promoted through public procurement. Supporting apprenticeships, skills and the fight against youth unemployment is one of these 'Policy through Procurement' priorities on which Departments must now focus.
- 1.3 The Contractor acknowledges that the Authority is required to support the above apprenticeships and skills aims and targets.
- 1.4 In delivering the Services, the Contractor shall, and shall procure that its Sub-contractors shall, assist and cooperate with the Authority by fully complying with the requirements of this Schedule.

### **2. Compliance**

- 2.1 The Contractor is required to take all reasonable steps to employ apprentices, and report to the Authority the numbers of apprentices employed and wider skills training provided, during delivery of the Services.
- 2.2 The Contractor shall take all reasonable steps to ensure that 5% of the employees delivering each Call-Off Contract (or a similar specified proportion of hours worked in delivering each Call-Off Contract) are employees on a formal apprenticeship programme. This can include administration and support staff and apprenticeships from Sub-contractor workforces.
- 2.3 The Contractor is required to make available to its employees working on delivery of each Call-Off Contract, information about the Government's Apprenticeship Programme and wider skills opportunities.
- 2.4 The Contractor will provide any appropriate further skills training opportunities for employees involved in delivery of each Call-Off Contract.
- 2.5 The Contractor will produce a written report in accordance with paragraph 3 (and sub-paragraphs) of this Schedule, within three (3) months of the contract start date of any Call-Off Contract entered into with the Authority. Written updates will then be required on a quarterly basis thereafter.

### **3. Monitoring and reporting**

- 3.1 The Contractor shall provide a written report in accordance with paragraph 2.5 of this Schedule which includes:
  - (a) the number of people during the reporting period involved in delivery of the Call-Off Contract, including administration and support staff and Sub-contractor's staff;
  - (b) the number of existing apprentices involved in the delivery of the Call-Off Contract;
  - (c) the number of new starts on apprenticeships initiated as a result of delivery of the Call-Off Contract;
  - (d) if applicable, a robust explanation as to why it is not possible to meet the 5% target in each Call-Off Contract, as it may be that use of apprentices is not possible or appropriate in delivery of the Call-Off Contract;

- (e) actions being taken to improve the take up of apprenticeships. These could include issuing leaflets on apprenticeships to eligible existing staff, advertising apprenticeship vacancies with local Jobcentre Plus, schools and colleges, offering apprenticeships in administration/support roles or seeking advice from the National Apprenticeship Service;
- (f) other training/skills development being undertaken by employees involved in delivery of the Call-Off Contract including:
  - i) Work experience placements for 14 to 16 year olds
  - ii) Work experience/work trial placements for other ages
  - iii) Student sandwich/gap year placements
  - iv) Graduate placements
  - v) Vocational training
  - vi) Basic skills training
  - vii) On site training provision/facilities; and

3.2 The Contractor will ensure at all times that it complies with the requirements of the DPA in the collection and reporting of the information to the Authority.

## Schedule 11 - Sustainable Development Requirements

This Schedule sets out the Sustainable Development Requirements which are applicable to the provision of the Services.

### 1 General

- 1.1 The Contractor acknowledges that the Authority must at all times be seen to be actively promoting Sustainable Development through its environmental, social and economic responsibilities.
- 1.2 In delivering the Services, the Contractor shall and shall ensure that its Sub-contractors assist and cooperate with the Authority, by fully complying with the requirements of this Schedule.

### 2 Compliance

- 2.1 The Contractor shall produce a Sustainable Development Policy Statement and Sustainable Development Plan in accordance with paragraphs 2.2 and 2.3 of this Schedule, within three (3) Months of the Commencement Date and every twelve (12) Months thereafter. The Sustainable Development Policy Statement and Sustainable Development Plan must be specific to the CAEHRS and any Call-Off Contract and include all Sub-contractors involved in delivery of the CAEHRS and any Call-Off Contract. The Contractor must obtain the required information from Sub-contractors and then collate and submit as stated above.
- 2.2 In delivering the Services, the Contractor shall prepare a Sustainable Development Policy Statement giving, for each organisation involved in delivery of the CAEHRS and any Call-Off Contract an overarching commitment to:
  - (a) dispose of contract waste in a legal manner (i.e. waste is disposed of via a registered waste collector, the Waste Electrical and Electronic Equipment (WEEE) regulations are adhered to where relevant);
  - (b) reduce energy consumption;
  - (c) promote waste management including recycling;
  - (d) promote green or public transport;
  - (e) promote Corporate Social Responsibility (CSR); and
  - (f) the Sustainable Development Policy and that of continuous improvement which should be signed and dated by senior management.
- 2.3 In delivering the Services, the Contractor shall prepare and deliver a Sustainable Development Plan which should be used to turn the commitment shown in the Sustainable Development Policy into action and which as a minimum, detail how each organisation involved in delivery of the CAEHRS will:
  - (a) reduce their **Environmental** footprint of this CAEHRS and any Call-Off Contract through:
    - (i) minimising the use of energy, water and materials;
    - (ii) minimising waste and increasing recycling levels;
    - (iii) utilising recycled goods within operations;

- (iv) providing efficient low carbon delivery methods; and
- (v) promoting the use of green or public transport.
- (b) contribute to **Social** sustainability of this CAEHRS and any Call-Off Contract through compliance with “Schedule 13 – Life Chances” where requested by the Authority.
- (c) drive **Economic** sustainability of this CAEHRS and any Call-Off Contract through:
  - (i) supporting job creation both locally and nationally; and
  - (ii) facilitating opportunities for Minority Owned Businesses and Small and Medium-sized Enterprises.

2.4 To aid the department in monitoring the progress of each organisation the following information should also be included in the Contractor’s plan:

- (a) a baseline assessment of current position in terms of waste minimisation, recycling and energy consumption (energy consumption only required if current energy usage is available to organisations);
- (b) annual estimates of the progress of Sustainable Development actions; and
- (c) details of how Staff awareness of Sustainability will be increased in line with the Sustainable Development Plan.

## Schedule 12 - Dispute Resolution Procedure

### 1 DEFINITIONS

In this Schedule, the following definitions shall apply:

- “CEDR”** the Centre for Effective Dispute Resolution of International Dispute Resolution Centre, 70 Fleet Street, London, EC4Y 1EU;
- “Counter Notice”** has the meaning given in paragraph 7.2;
- “Expert”** in relation to a Dispute, a person appointed in accordance with paragraph 6.2 to act as an expert in relation to that Dispute;
- “Expert Determination”** determination by an Expert in accordance with paragraph 6;
- “Mediation Notice”** has the meaning given in paragraph 4.2;
- “Mediator”** the independent third party appointed in accordance with paragraph 5.2 to mediate a Dispute;
- “Multi-Party Dispute”** a Dispute which involves the Parties and one or more Related Third Parties;
- “Multi-Party Dispute Representatives”** has the meaning given in paragraph 9.6;
- “Multi-Party Dispute Resolution Board”** has the meaning given in paragraph 9.6;
- “Related Third Party”** a party to:
- (a) another contract with the Authority or the Contractor which is relevant to this CAEHRS; or
  - (b) a Sub-contract; and
- “Contractor Request”** a notice served by the Contractor requesting that the Dispute be treated as a Multi-Party Dispute, setting out its grounds for that request and specifying each Related Third Party that it believes should be involved in the Multi-Dispute Resolution Procedure in respect of that Dispute.

### 2 DISPUTE NOTICES

2.1 If a Dispute arises then:

- (a) the Authority's Representative and the Contractor's Representative shall attempt in good faith to resolve the Dispute; and
- (b) if such attempts are not successful within a reasonable period, not being longer than twenty (20) Working Days, either Party may issue to the other a Dispute Notice.

2.2 A Dispute Notice:

- (a) shall set out:
  - (i) the material particulars of the Dispute;



- (ii) the reasons why the Party serving the Dispute Notice believes that the Dispute has arisen; and
    - (iii) if the Party serving the Dispute Notice believes that the Dispute should be dealt with under the Expedited Dispute Timetable as set out in paragraph 3, the reason why; and
  - (b) may specify in accordance with the requirements of paragraphs 9.2 and 9.3 that the Party issuing the Dispute Notice has determined (in the case of the Authority) or considers (in the case of the Contractor) that the Dispute is a Multi-Party Dispute, in which case paragraph 2.3 shall apply.
- 2.3 If a Dispute Notice specifies that the Dispute has been determined or is considered to be a Multi-Party Dispute pursuant to paragraph 2.2(b), then:
- (a) if it is served by the Authority it shall be treated as a Multi-Party Procedure Initiation Notice; and
  - (b) if it is served by the Contractor it shall be treated as a Contractor Request, and in each case the provisions of paragraph 9 shall apply.
- 2.4 Subject to paragraphs 2.5 and 3.2 and so long as the Authority has not served a Multi-Party Procedure Initiation Notice in respect of the relevant Dispute, following the issue of a Dispute Notice the Parties shall seek to resolve the Dispute:
- (a) first by commercial negotiation (as prescribed in paragraph 4);
  - (b) then, if either Party serves a Mediation Notice, by mediation (as prescribed in paragraph 5); and
  - (c) lastly by recourse to arbitration (as prescribed in paragraph 7) or litigation (in accordance with Clause W1 (Governing Law and Jurisdiction)).
- 2.5 Specific issues shall be referred to Expert Determination (as prescribed in paragraph 6) where specified under the provisions of this CAEHRS and may also be referred to Expert Determination where otherwise appropriate as specified in paragraph 6.1.
- 2.6 Unless agreed otherwise in writing, the Parties shall continue to comply with their respective obligations under this CAEHRS regardless of the nature of the Dispute and notwithstanding any issue of a Dispute Notice or a Multi-Party Procedure Initiation Notice or proceedings under paragraph 8 (Urgent Relief).

### **3 EXPEDITED DISPUTE TIMETABLE**

- 3.1 In exceptional circumstances where the use of the times in this Schedule would be unreasonable, including (by way of example) where one Party would be materially disadvantaged by a delay in resolving the Dispute, the Parties may agree to use the Expedited Dispute Timetable. If the Parties are unable to reach agreement on whether to use the Expedited Dispute Timetable within five (5) Working Days of the issue of a Dispute Notice, the use of the Expedited Dispute Timetable shall be at the sole discretion of the Authority.
- 3.2 If the Expedited Dispute Timetable is to be used pursuant to the provisions of paragraph 3.1 or is otherwise specified under the provisions of this CAEHRS, then the following periods of time shall apply in lieu of the time periods specified in the applicable paragraphs:
- (a) in paragraph 4.2(b), ten (10) Working Days;

- (b) in paragraph 5.2, ten (10) Working Days;
- (c) in paragraph 6.2, five (5) Working Days; and
- (d) in paragraph 7.2, ten (10) Working Days.

3.3 If at any point it becomes clear that an applicable deadline cannot be met or has passed, the Parties may (but shall be under no obligation to) agree in writing to extend the deadline. If the Parties fail to agree within two (2) Working Days after the deadline has passed, the Authority may set a revised deadline provided that it is no less than five (5) Working Days before the end of the period of time specified in the applicable paragraphs (or two (2) Working Days in the case of paragraph 6.2). Any agreed extension shall have the effect of delaying the start of the subsequent stages by the period agreed in the extension. If the Authority fails to set such a revised deadline, then the use of the Expedited Dispute Timetable shall cease and the normal time periods shall apply from that point onwards.

#### **4 COMMERCIAL NEGOTIATION**

4.1 Following the service of a Dispute Notice, then, so long as the Authority has not served a Multi-Party Procedure Initiation Notice in respect of the relevant Dispute, the Authority and the Contractor shall make reasonable endeavours to resolve the Dispute as soon as possible by commercial negotiation between a person nominated in writing by the Authority by notice to the Contractor and a person nominated in writing by the Contractor by notice to the Authority.

4.2 If either Party is of the reasonable opinion that the resolution of a Dispute by commercial negotiation, or the continuance of commercial negotiation, will not result in an appropriate solution:

- (a) the Parties have already held discussions of a nature and intent (or otherwise were conducted in the spirit) that would equate to the conduct of commercial negotiation in accordance with this paragraph 4; or
- (b) the Parties have not settled the Dispute in accordance with paragraph 4.1 within thirty (30) Working Days of service of the Dispute Notice,

either Party may serve a written notice to proceed to mediation in accordance with paragraph 5 (a "**Mediation Notice**").

#### **5 MEDIATION**

5.1 If a Mediation Notice is served, the Parties shall attempt to resolve the dispute in accordance with the version of CEDR's Model Mediation Procedure which is current at the time the Mediation Notice is served (or such other version as the Parties may agree).

5.2 If the Parties are unable to agree on the joint appointment of an independent person to mediate the Dispute within twenty (20) Working Days from (and including) the service of a Mediation Notice then either Party may apply to CEDR to nominate such a person.

5.3 If the Parties are unable to reach a settlement in the negotiations at the mediation, and only if both Parties so request and the Mediator agrees, the Mediator shall produce for the Parties a non-binding recommendation on terms of settlement. This shall not attempt to anticipate what a court might order but shall set out what the Mediator suggests are appropriate settlement terms in all of the circumstances.

5.4 Any settlement reached in the mediation shall not be legally binding until it has been reduced to writing and signed by, or on behalf of, the Parties (in accordance with the

CAEHRS Variation Procedure where appropriate). The Mediator shall assist the Parties in recording the outcome of the mediation.

## **6 EXPERT DETERMINATION**

- 6.1 If a Dispute relates to any aspect of the technology underlying the provision of the Services or otherwise relates to a technical matter of an IT, accounting or financing nature and the Dispute has not been resolved by commercial negotiation in accordance with paragraph 4 or, if applicable, mediation in accordance with paragraph 5, then either Party may by written notice to the other request (agreement to which request shall not be unreasonably withheld or delayed) that the Dispute be referred to an expert for determination.
- 6.2 The expert shall be appointed by agreement in writing between the Parties, but in the event of a failure to agree within ten (10) Working Days of the relevant request made pursuant to paragraph 6.1, or if the person appointed is unable or unwilling to act, the expert shall be appointed:
- (a) if the Dispute relates to any aspect of the technology underlying the provision of the Services or a matter of an IT technical nature, on the instructions of the President of the British Computer Society (or any other association that has replaced the British Computer Society);
  - (b) if the Dispute relates to a matter of a financial technical nature, on the instructions of the President of the Institute of Chartered Accountants of England and Wales; or
  - (c) if the Dispute relates to a matter of a technical nature not falling within paragraphs 6.2(a) or (b), on the instructions of the president (or equivalent) of:
    - (i) an appropriate body agreed between the Parties; or
    - (ii) if the Parties do not reach agreement on the relevant body within fifteen (15) Working Days of the relevant request made pursuant to paragraph 6.1, such body as may be specified by the President of the Law Society on application by either Party.
- 6.3 The Expert shall act on the following basis:
- (a) he/she shall act as an expert and not as an arbitrator and shall act fairly and impartially;
  - (b) the Expert's determination shall (in the absence of a material failure to follow the agreed procedures) be final and binding on the Parties;
  - (c) the Expert shall decide the procedure to be followed in the determination and shall be requested to make his/her determination within thirty (30) Working Days of his appointment or as soon as reasonably practicable thereafter and the Parties shall assist and provide the documentation that the Expert requires for the purpose of the determination;
  - (d) any amount payable by one Party to another as a result of the Expert's determination shall be due and payable within twenty (20) Working Days of the Expert's determination being notified to the Parties;
  - (e) the process shall be conducted in private and shall be confidential; and
  - (f) the Expert shall determine how and by whom the costs of the determination, including his/her fees and expenses, are to be paid.

## 7 ARBITRATION

- 7.1 Subject to compliance with its obligations under paragraph 4.1 and to the provisions of paragraph 6, the Authority may at any time before court proceedings are commenced refer the Dispute to arbitration in accordance with the provisions of paragraph 7.5.
- 7.2 Before the Contractor commences court proceedings or arbitration, it shall serve written notice on the Authority of its intentions and the Authority shall have fifteen (15) Working Days following receipt of such notice to serve a reply (a “**Counter Notice**”) on the Contractor requiring the Dispute to be referred to and resolved by arbitration in accordance with paragraph 7.5 or be subject to the exclusive jurisdiction of the courts of England and Wales. The Contractor shall not commence any court proceedings or arbitration until the expiry of such fifteen (15) Working Day period.
- 7.3 If the Authority serves a Counter Notice, then:
- (a) if the Counter Notice requires the Dispute to be referred to arbitration, the provisions of paragraph 7.5 shall apply; or
  - (b) if the Counter Notice requires the Dispute to be subject to the exclusive jurisdiction of the courts of England and Wales, the Dispute shall be so referred to those courts and the Contractor shall not commence arbitration proceedings.
- 7.4 If the Authority does not serve a Counter Notice within the fifteen (15) Working Day period referred to in paragraph 7.2, the Contractor may either commence arbitration proceedings in accordance with paragraph 7.5 or commence court proceedings in the Courts of England and Wales which shall (in those circumstances) have exclusive jurisdiction.
- 7.5 The Parties hereby confirm that if any arbitration proceedings are commenced pursuant to paragraphs 7.1 to 7.4:
- (a) the Dispute shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration (“**LCIA**”) (subject to paragraphs 7.5(e), (f) and (g));
  - (b) the arbitration shall be administered by the LCIA;
  - (c) the LCIA procedural rules in force at the date that the Dispute was referred to arbitration shall be applied and are deemed to be incorporated by reference into this CAEHS and the decision of the arbitrator shall be binding on the Parties in the absence of any material failure to comply with such rules;
  - (d) if the Parties fail to agree the appointment of the arbitrator within ten (10) Working Days from the date on which arbitration proceedings are commenced or if the person appointed is unable or unwilling to act, the arbitrator shall be appointed by the LCIA;
  - (e) the chair of the arbitral tribunal shall be British;
  - (f) the arbitration proceedings shall take place in London and in the English language; and
  - (g) the seat of the arbitration shall be London.

## 8 URGENT RELIEF

Either Party may at any time take proceedings or seek remedies before any court or tribunal of competent jurisdiction:

- (a) for interim or interlocutory remedies in relation to this CAEHRS or infringement by the other Party of that Party's Intellectual Property Rights; and/or
- (b) where compliance with paragraph 2.1 and/or referring the Dispute to mediation may leave insufficient time for that Party to commence proceedings before the expiry of the limitation period.

## **9 MULTI-PARTY DISPUTES**

- 9.1 All Multi-Party Disputes shall be resolved in accordance with the procedure set out in this paragraph 9 (the "**Multi-Party Dispute Resolution Procedure**").
- 9.2 If at any time following the issue of a Dispute Notice, the Authority reasonably considers that the matters giving rise to the Dispute involve one or more Related Third Parties, then the Authority shall be entitled to determine that the Dispute is a Multi-Party Dispute and to serve a notice on the Contractor which sets out the Authority's determination that the Dispute is a Multi-Party Dispute and specifies the Related Third Parties which are to be involved in the Multi-Party Dispute Resolution Procedure, such notice a "**Multi-Party Procedure Initiation Notice**".
- 9.3 If following the issue of a Dispute Notice but before the Dispute has been referred to Expert Determination or to arbitration in accordance with paragraph 7, the Contractor has reasonable grounds to believe that the matters giving rise to the Dispute have been contributed to by one or more Related Third Parties, the Contractor may serve a Contractor Request on the Authority.
- 9.4 The Authority shall (acting reasonably) consider each Contractor Request and shall determine within five (5) Working Days whether the Dispute is:
- (a) a Multi-Party Dispute, in which case the Authority shall serve a Multi-Party Procedure Initiation Notice on the Contractor; or
  - (b) not a Multi-Party Dispute, in which case the Authority shall serve written notice of such determination upon the Contractor and the Dispute shall be treated in accordance with paragraphs 3 to 8.
- 9.5 If the Authority has determined, following a Contractor Request, that a Dispute is not a Multi-Party Dispute, the Contractor may not serve another Contractor Request with reference to the same Dispute.
- 9.6 Following service of a Multi-Party Procedure Initiation Notice a Multi-Party Dispute shall be dealt with by a board (in relation to such Multi-Party Dispute, the "**Multi-Party Dispute Resolution Board**") comprising representatives from the following parties to the Multi-Party Dispute, at least one of whom from each of the parties shall be of a suitable level of seniority and have full authority to finalise any agreement with the other parties to settle the Multi-Party Dispute:
- (a) the Authority;
  - (b) the Contractor;
  - (c) each Related Third Party involved in the Multi-Party Dispute; and
  - (d) any other representatives of any of the Parties and/or any Related Third Parties whom the Authority considers necessary,
- (together "**Multi-Party Dispute Representatives**").

- 9.7 The Parties agree that the Multi -Party Dispute Resolution Board shall seek to resolve the relevant Multi-Party Dispute in accordance with the following principles and procedures:
- (a) the Parties shall procure that their Multi-Party Dispute Representatives attend, and shall use their best endeavours to procure that the Multi-Party Dispute Representatives of each Related Third Party attend, all meetings of the Multi-Party Dispute Resolution Board in respect of the Multi-Party Dispute;
  - (b) the Multi-Party Dispute Resolution Board shall first meet within ten (10) Working Days of service of the relevant Multi-Party Procedure Initiation Notice at such time and place as the Parties may agree or, if the Parties do not reach agreement on the time and place within five (5) Working Days of service of the relevant Multi-Party Procedure Initiation Notice, at the time and place specified by the Authority, provided such place is at a neutral location within England and that the meeting is to take place between 9.00 a.m. and 5.00 p.m. on a Working Day; and
  - (c) in seeking to resolve or settle any Multi-Party Dispute, the members of the Multi-Party Dispute Resolution Board shall have regard to the principle that a Multi-Party Dispute should be determined based on the contractual rights and obligations between the Parties and the Related Third Parties and that any apportionment of costs should reflect the separate components of the Multi-Party Dispute.
- 9.8 If a Multi-Party Dispute is not resolved between the Parties and all Related Third Parties within twenty-five (25) Working Days of the issue of the Multi-Party Procedure Initiation Notice (or such longer period as the Parties may agree in writing), then:
- (a) either Party may serve a Mediation Notice in respect of the Multi-Party Dispute in which case paragraph 5 shall apply;
  - (b) either Party may request that the Multi-Party Dispute is referred to an expert in which case paragraph 6 shall apply; and/or
  - (c) subject to paragraph 9.9, paragraph 7 shall apply to the Multi-Party Dispute,
- and in each case references to the “Contractor” or the “Parties” in such provisions shall include a reference to all Related Third Parties.
- 9.9 If a Multi-Party Dispute is referred to arbitration in accordance with paragraph 7 or a Dispute becomes a Multi-Party Dispute during the course of arbitration proceedings and either Party is unable to compel a Related Third Party to submit to such arbitration proceedings, the Authority or the Contractor may discontinue such arbitration proceedings and instead initiate court proceedings. The costs of any such discontinued arbitration proceedings shall be borne by the Party which is in a direct contractual relationship with the Related Third Party or, where the Related Third Party is a Sub-contractor, by the Contractor.

## **Schedule 13 - Life Chances**

### **1 General**

- 1.1 The Contractor acknowledges that the Crown is committed to assisting people to move from welfare to employment and driving forward improvements in economic, social and environmental well-being.
- 1.2 The Contractor (a) acknowledges that the Authority has a responsibility to support and promote wider social sustainability objectives for the benefit of society; and (b) agrees to cooperate with the Authority to improve life chances for those most disadvantaged and furthest from the labour market.
- 1.3 The Contractor acknowledges that the Authority is supporting the Crown's life chances and social value agendas by aiming to promote opportunities for groups of persons ("**DWP Priority Groups**") which the Authority regards as meriting priority assistance including but not limited to Apprentices, Disabled People, Young People, Older Workers, Ex-Offenders and Black and Minority Ethnic People.

### **2 Diversity and Equality Delivery Plan**

- 2.1 In addition to complying with its obligations set out in Clause P2 and this Schedule 13 (Life Chances), the Authority requires the Contractor to provide such information as the Authority may request on (a) the action(s) the Contractor is taking in the course of supplying the Services to comply with its obligations set out in Clause P2 and in this Schedule 13 (Life Chances) and (b) the effect such action(s) have on the Staff used in the performance of its obligations under the Contract.
- 2.2 As part of the information to be provided by the Contractor under paragraph 2.1 of this Schedule 13 (Life Chances), the Authority requires the Contractor to provide to the Authority:
  - (a) a diversity and equality delivery plan ("**Diversity and Equality Delivery Plan**") six (6) Months after the Commencement Date, and annually thereafter. The Diversity and Equality Delivery Plan must be specific to the CAEHRS and include details of all Staff including but not limited to all Sub-contractors involved in the performance of the Contractor's obligations under the Contract.
  - (b) details of the action(s) the Contractor is taking to support the Crown's social value agenda including but not limited to the action(s) the Contractor is taking to meet its obligations under paragraph 2.3 of this Schedule.
- 2.3 The Contractor shall, and shall ensure that its Sub-contractors, take the following action(s) in respect of DWP Priority Groups:
  - (a) **Apprentices**
    - (i) Ensure that (5) % of the Staff used in the performance of the Contractor's obligations under the CAEHRS are Apprentices.
    - (ii) Make available to potential members of Staff used in the performance of the Contractor's obligations, under any CAEHRS call-off contract, information about the National Apprenticeship Service.
  - (b) **Disabled People**
    - (i) Take steps to become a Disability Confident Employer and achieve level 3 within 12 months of the Commencement Date and maintain such Disability Confident Employer status at all times thereafter during the Term. For the

purposes of this Schedule, the term "**Disability Confident Employer**" (including the levels associated with such definition) is more particularly described in the Authority's Disability Confident accreditation publication, as updated and/or replaced by the Authority and notified to the Contractor from time to time. Any breach by the Contractor of this paragraph 2.3(b)(i) shall be a Serious Breach for the purposes of Clause U1.1(d) and shall entitle the Authority (at its absolute discretion) to exercise its rights under the corresponding provisions of Clause U1.

- (ii) Make appropriate use of Access to Work to support recruit and retain disabled workers.
  - (iii) When recruiting Staff to be used in the performance of the Contractor's obligations under the Contract, offer Disabled People interviews under a guaranteed interview scheme for vacancies for Staff where the Disabled People meet the minimum criteria for such vacancies.
  - (iv) Offer Work Trials to Disabled People to support filling vacancies for Staff.
  - (v) Provide Employment Experience to Disabled People as members of Staff used in the performance of the Contractor's obligations under the CAEHRS to develop their skills and experience and increase their employability.
- (c) **Young People – Under 25**
- (i) Offer Work Trials to Young People to support filling vacancies for Staff.
  - (ii) Provide Employment Experience to Young People as members of Staff used in the performance of the Contractor's obligations under the CAEHRS to develop their skills and experience and increase their employability.
- (d) **Older Workers – Over 50**
- (i) Offer Work Trials to Older Workers to support filling vacancies for Staff.
  - (ii) Provide Employment Experience to Older People as members of Staff used in the performance of the Contractor's obligations under the CAEHRS to develop their skills and experience and increase their employability.
- (e) **Ex-Offenders**
- (i) Offer Work Trials to Ex-Offenders to support filling vacancies for Staff.
  - (ii) Provide Employment Experience to Ex-Offenders as members of Staff used in the performance of the Contractor's obligations under the CAEHRS to develop their skills and experience and increase their employability.
- (f) **Black and Minority Ethnic People**
- (i) Offer Work Trials to Black and Minority Ethnic people to support filling vacancies for Staff.
  - (ii) Provide Employment Experience to Black and Minority Ethnic people as members of Staff used in the performance of the Contractor's obligations under the CAEHRS to develop their skills and experience and increase their employability.
- (g) **Employee Vacancies**



- (i) Advertise all vacancies for Staff via Find a Job (<https://www.gov.uk/jobsearch>) in addition to any other recruitment agencies with whom the Contractor advertises such vacancies and any other actions the Contractor takes to recruit Staff.

2.4 The Diversity and Equality Delivery Plan must also include:

- (a) an overview of Contractor and any Sub-contractor's policies and procedures for preventing unlawful discrimination and promoting equality of opportunity in respect of:
  - (i) age;
  - (ii) disability;
  - (iii) gender reassignment;
  - (iv) marriage and civil partnership;
  - (v) pregnancy and maternity;
  - (vi) race;
  - (vii) religion or belief;
  - (viii) sex; and
  - (ix) sexual orientation.
- (b) an overview of Contractor and any Sub-contractor's policies and procedures covering:
  - (i) harassment
  - (ii) bullying
  - (iii) victimisation
  - (iv) Staff training and development
- (c) details of the way in which the above policies and procedures are, or will be (and by when), communicated to Staff;
- (d) details of what general diversity and equality related training has been, or will be delivered (and by when), to Staff;
- (e) details of what structure and resources are currently directed towards active promotion of diversity and equality within the Staff used in the performance of the Contractor's obligations under this Contract, or if not currently in place, what will be put in place and by when.

2.5 The Authority will consider and must agree the contents of Diversity and Equality Delivery Plan. Any issues will be raised with the Contractor by the contract manager acting on behalf of the Authority. If an issue relates to a Sub-contractor, the Contractor must raise and resolve the issue with the Sub-contractor.

**Life Chances Workforce Monitoring Template**

- 2.6 The Contractor shall provide the Life Chances Workforce Monitoring template (contained in Appendix 1 to this Schedule 13 (Life Chances)), as may be updated and amended by the Authority from time to time, duly completed in full by the Contractor in respect of all Staff (including but not limited to all Sub-contractors used in the performance of the Contractor's obligations under the Contract), six (6) Months after the Commencement Date and quarterly thereafter or at such other times as the Authority may reasonably require from time to time. For the avoidance of doubt, if the Contractor provides the information required under this paragraph 2.6 at the times stipulated in this paragraph 2.6 to a Contracting Body under any Call-Off Contract, then the Contractor shall be deemed to have satisfied its obligations to the Authority under this paragraph 2.6.
- 2.7 The Contractor shall complete the Life Chances Workforce Monitoring template in line with the 'Life Chances through Procurement Guidance for DWP Contractors' and the contract definitions.
- 2.8 The Contractor will compare figures in all categories listed in the Appendix 1 - Workforce Monitoring template and provide (where possible) comparisons against any official national/regional statistics that are publicly available in accordance with the "Social Value Guidance for Contractors" provided by the Authority to the Contractor.
- 2.9 The 'Social Value Guidance for Contractors' provides links to a number of data collection sources, this is not an exhaustive list and other sources are available. The Authority recognises that there may be regional variations in terms of population demographics and some data categories and coverage may not be complete or fully aligned, however, the Contractor agrees to provide high level analysis and identification of trends as and when requested by the Authority.
- 2.10 The Contractor shall provide and shall ensure that its Sub-contractors provide such evidence as the Authority may require of action(s) undertaken or planned by the Contractor and/or any Sub-contractor to improve the numbers in the Social Value Workforce Monitoring template (contained in Appendix 1 to this Schedule 13 (Life Chances)) to the satisfaction of the Authority.
- 2.11 Diversity and Equality, the Crown's social value agenda and DWP Priority Groups will be discussed jointly by the Authority and the Contractor as an on-going item at contract review meetings. Such meetings will discuss the information provided by the Contractor in accordance with paragraph 2.2 of this Schedule 13 (Life Chances).

**APPENDIX 1 - LIFE CHANCES WORKFORCE MONITORING**

**Important – the figures the Contractor provides must relate specifically to the staff used in the performance of the contractor’s obligations under the contract only, which for the avoidance of doubt includes any Sub-contractor.**

<b>Date of Return Month: Year</b>	
<b>Name of Contract:</b>	
<b>Contract Number:</b>	
<b>Name of Contractor:</b>	
<b>Commencement Date:</b>	
<b>Total Number of Staff, which for the avoidance of doubt includes any Sub-contractors</b>	

**1 – Number of new Staff posts created in the performance of the Contractor’s obligations under the Contract**

<b>New Staff Posts</b>	<b>Number of new Staff posts created in period</b>	
	<b>1-34 hr per week posts</b>	<b>35 hr + per week posts</b>
Baseline return (at 6 months for months 0-6)		
1 <sup>st</sup> annual return (at 18 months for months 7-18)		
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)		
3 <sup>rd</sup> annual return (at 42 months for months 31-42)		

**2 – Number of Apprentices in Staff used in the performance of the Contractor’s obligations under the Contract**

<b>DWP Priority Group - Apprentices</b>	<b>Number of Apprentices in Staff which have been employed for 26 weeks or longer in period</b>	<b>% of Apprentices in Staff at the end of the period</b>	<b>Number of Apprentices who began apprenticeships as part of the Staff during the period</b>
Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return (at 42 months for months 31-42)			

**3 – Number of Disabled People in Staff used in the performance of the Contractor’s obligations under the Contract**

<b>DWP Priority Group - Disabled People</b>	<b>Number of Disabled People in Staff which have been employed for 26 weeks or longer in period</b>	<b>% of Disabled People in Staff at end of period</b>	<b>Number of Disabled People who began employment as part of the Staff during the period</b>
Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return (at 42 months for months 31-42)			

**4 – Number of Disabled People, who had been interviewed by the Contractor under the Guaranteed Interview Scheme (GIS) for Staff posts used in the performance of the Contractor’s obligations under the Contract,**

<b>DWP Priority Group – Disabled People in the Staff who had been interviewed by the Contractor under the GIS</b>	<b>Number of Disabled People who have been interviewed for Staff posts by the Contractor under the GIS during the period</b>
Baseline return (at 6 months for months 0-6)	
1 <sup>st</sup> annual return (at 18 months for months 7-18)	
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)	
3 <sup>rd</sup> annual return  (at 42 months for months 31-42)	

**5 – Number of Young People in Staff used in the performance of the Contractor’s obligations under the Contract**

<b>DWP Priority Group - Young People</b>	<b>Number of Young People in Staff which have been employed for 26 weeks or longer in period</b>	<b>% Young People in Staff at end of period</b>	<b>Number of Young People who began employment as part of the Staff during the period</b>
Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return  (at 42 months for months 31-42)			

**6 – Number of Older Workers in Staff used in the performance of the Contractor’s obligations under the Contract**

<b>DWP Priority Group - Older Workers</b>	<b>Number of Older Workers in Staff which have been employed for 26 weeks or longer in period</b>	<b>% Older Workers in Staff at end of period</b>	<b>Number of Older Workers who began employment as part of the Staff during the period</b>
Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return (at 42 months for months 31-42)			

**7 – Number of Ex-Offenders in Staff used in the performance of the Contractor’s obligations under the Contract.**

<b>DWP Priority Group - Ex-Offenders</b>	<b>Number of ex-offenders in Staff which have been employed for 26 weeks or longer in period</b>	<b>% ex-offenders in Staff at end of period</b>	<b>Number of ex-offenders who began employment as part of the Staff during the period</b>
Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return			

(at 42 months for months 31-42)			
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**8 – Number of Black or Minority Ethnic (BME) in Staff used in the performance of the Contractor’s obligations under the Contract.**

<b>DWP Priority Group - Ex-Offenders</b>	<b>Number BME in Staff which have been employed for 26 weeks or longer in period</b>	<b>% BME in Staff at end of period</b>	<b>Number of BME who began employment as part of the Staff during the period</b>
Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return (at 42 months for months 31-42)			

**9 – Number of Employment Experience placements conducted in the performance of the Contractor’s obligations under the Contract**

<b>Employment Experience placements</b>	<b>Number of Employment Experience placements conducted during the period</b>
Baseline return (at 6 months for months 0-6)	
1 <sup>st</sup> annual return (at 18 months for months 7-18)	
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)	
3 <sup>rd</sup> annual return (at 42 months for months 31-42)	

**10 – Number of Work Trials conducted as part of the recruitment of Staff used in the performance of the Contractor’s obligations under the Contract.**

<b>Work Trials</b>	<b>Number of Work Trials conducted during the period</b>
Baseline return (at 6 months for months 0-6)	
1 <sup>st</sup> annual return (at 18 months for months 7-18)	
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)	
3 <sup>rd</sup> annual return  (at 42 months for months 31-42)	

**11 – Number of vacancies for Staff advertised via Find a Job**

<b>Staff vacancies advertised via Find a Job</b>	<b>Number of vacancies for Staff advertised via Find a Job during the period</b>	<b>% of all vacancies for Staff advertised via Find a Job during the period.</b>
Baseline return (at 6 months for months 0-6)		
1 <sup>st</sup> annual return (at 18 months for months 7-18)		
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)		
3 <sup>rd</sup> annual return (at 42 months for months 31-42)		



## **Schedule 14 - Annual Financial Assurance Declaration**

Where the Contractor has more than one contract with the Authority the information and returns detailed in this Schedule will only be required at an organisational level not contract level.

### **1 Financial information required on an ongoing or annual basis**

- 1.1 The Contractor is required to disclose material organisational changes that impact on its ongoing financial viability, including details of the revenue replacement strategy and impact on profitability and stability where significant contracts are due to end.
- 1.2 The Contractor is required to notify the Authority immediately of proposed changes to the organisational control or group structure, proposed mergers or acquisitions or proposed changes to the Contractor's financial viability.

### **2 Annual Assurance Declaration**

- 2.1 The Contractor will complete and return the Annual Assurance Declaration (see Annex 2, as amended by the Authority from time to time) to:

Department for Work and Pensions

Finance Group

Ground Floor, Hartshead Square

Sheffield

S1 2FD

Or e-mail to

SHS.EMPLOYABILITYUMBRELLAAGREEMENT@DWP.GSI.GOV.UK

together with the documents detailed below within one month of submitting annual returns and accounts for the organisation to Companies House. In addition, where a Parent Company Guarantee has been provided, the Contractor is required to provide the documents detailed below for the Parent Company within one month of submission to the relevant body, including a translation and conversion (Profit and Loss, Balance Sheet and key Balance Sheet Notes) into £GB if necessary, stating the conversion rate used.

- a) Annual Accounts – A copy of the final audited financial statements including Balance Sheets and Profit and Loss Accounts with associated accounting policies and notes to the accounts within 10 months of the end of the accounting period, as per the deadline imposed by Companies House, for Contractors registered in the UK. Where Contractors are not registered with Companies House, they must forward the information detailed in Annex 1. Where Annual Accounts are not signed off, we may request a copy of the latest Financial Year Draft Accounts prior to Annual Accounts being signed off. The draft accounts should include Balance Sheet and Profit and Loss Account with associated accounting policies and notes to the Accounts.
- b) Annual Return – A copy of the Annual Return form AR01 submitted to Companies House for Contractors registered in the UK. Where Contractors are not registered with Companies House, they must forward the information detailed in Annex 1.
- c) Forecast Accounts – A copy of the latest Forecast Accounts including Balance Sheet and Profit and Loss Account with associated accounting policies and notes to the accounts for the year following the accounts submitted in 2.1 above.

- d) Current Borrowing - A statement of current borrowing against lending limits and terms including review and renewal dates. (Including overdrafts, loans and mortgages) Disclosure of any material changes to the borrowing potential of the organisation, bank overdraft facility etc.
- e) Supply Chain Monitoring - A copy of the Contractor's supply chain monitoring process, which should include details of the process for monitoring the financial viability of the supply chain (including timing), together with any known risks to supply chain stability and material changes to the supply chain. This should include extracts from Board level meetings, risk registers etc where any of the above items have been discussed.
- f) Other such documents, information and representations that the Authority may require from time to time.

## Annex 1

Information from Contractors who are not required to submit form AR01 to Companies House.

- 1.1 Where Contractors are not required to submit form AR01 to Companies House, they must supply a copy of the Annual Accounts as appropriate for the Country in which they are registered, including Balance Sheets and Profit and Loss Accounts with associated accounting policies and notes to the accounts within the 10 months of the end of the accounting period, together with the following information:
  - a) Organisation name in full
  - b) Registered Company number (if any)
  - c) Annual Return made up date
  - d) Principal Business Activities – give a brief description of your business activities
  - e) Company Type e.g. Public or Private
  - f) Registered Office Address of the Organisation
  - g) The address where the organisation keeps company records if not at the Registered Office
  - h) The name and address of the company secretary, where applicable
  - i) For all Company Directors provide details including name, country/state of residence, nationality, date of birth and business occupation of all the company's directors
  
- 1.2 If the company has share capital, the annual return must also contain:
  - a) Information about the issued share capital; and
  - b) Details of the shareholders.

**Annex 2**

Annual Contractor Financial Assurance Declaration

Contractor's name.....

Contractor's address.....

1. We enclose the following documents for DWP –

- | <b>Document Required</b>       | <b>Explanation if not supplied</b> |
|--------------------------------|------------------------------------|
| <b>Annual Accounts</b>         |                                    |
| <b>Annual Return</b>           |                                    |
| <b>Forecast Accounts</b>       |                                    |
| <b>Current Borrowing</b>       |                                    |
| <b>Supply Chain Monitoring</b> |                                    |

2. We declare that the information supplied to the Authority provides a complete, true and fair view of the Organisation's financial position and performance for the year ending .....

3. We have declared to DWP any proposed changes to the control or structure of the Organisation, proposed mergers or acquisitions, or any changes to the Organisation's Financial Viability. We have disclosed any material changes to borrowing potential / overdraft facility. We have disclosed to DWP our supply chain monitoring process and any material changes to our supply chain.

Signed.....

Name.....

Position in Organisation.....

On behalf of.....

Date.....

## Schedule 15 - Continuous Improvement and Benchmarking

### 1 DEFINITIONS

1.1 In this Schedule, the following expressions shall have the following meanings:

<b>"Benchmarked Rates"</b>	means the prices for the Benchmarking Services
<b>"Benchmark Review"</b>	means a review of the Services carried out in accordance with this Schedule to determine whether those Services represent Good Value
<b>"Benchmarking Services"</b>	means any Services included within the scope of a Benchmark Review pursuant to this Schedule
<b>"Comparable Rates"</b>	means rates payable to the Comparison Group for Comparable Services that can be fairly compared with the prices for the Services
<b>"Comparable Services"</b>	means Services that are identical or materially similar to the Benchmarking Services (including in terms of scope, specification, volume and quality of performance) provided that if no identical or materially similar Services exist in the market, the Contractor shall propose an approach for developing a comparable Services benchmark
<b>"Comparison Group"</b>	means a sample group of organisations providing Comparable Services which consists of organisations which are either of similar size to the Contractor or which are similarly structured in terms of their business and their service offering so as to be fair comparators with the Contractor or which, are best practice organisations
<b>"Equivalent Data"</b>	means data derived from an analysis of the Comparable Rates and/or the Comparable Services (as applicable) provided by the Comparison Group
<b>"Good Value"</b>	means that the Benchmarking Rates are within the Upper Quartile
<b>"Upper Quartile"</b>	means, in respect of Benchmarking Rates, that based on an analysis of Equivalent Data, the Benchmarking Rates, as compared to the range of prices for Comparable Services, are within the top 25% in terms of best value for money for the recipients of Comparable Services

### 2 BACKGROUND

- 2.1 The Contractor acknowledges that the Authority wishes to ensure that the Services, represent value for money to the taxpayer throughout the Term.
- 2.2 This Schedule sets out the following processes to ensure this CAEHS represents value for money throughout the Term and subsequently while any Call-Off Contracts remain in force

- (a) benchmarking; and
- (b) continuous improvement.

### **3 BENCHMARKING**

#### **3.1 Frequency Purpose and Scope of Benchmark Review**

- (a) The Contractor shall carry out Benchmark Reviews of the Services when so requested by the Authority.
- (b) The Authority shall not be entitled to request a Benchmark Review during the first six (6) Month period from the Commencement Date nor at intervals of less than twelve (12) Months after any previous Benchmark Review.
- (c) The purpose of a Benchmark Review will be to establish whether the Benchmarked Services are, individually and/or as a whole, Good Value.
- (d) The Services that are to be the Benchmarked Services will be identified by the Authority in writing.

#### **3.2 Benchmarking Process**

- (a) The Contractor shall produce and send to the Authority for Approval, a draft plan for the Benchmark Review.
- (b) The plan must include:
  - (i) a proposed timetable for the Benchmark Review;
  - (ii) a description of the benchmarking methodology to be used;
  - (iii) a description that demonstrates objectively and transparently that the benchmarking methodology to be used is capable of fulfilling the benchmarking purpose; and
  - (iv) a description of how the Contractor will scope and identify the Comparison Group.
- (c) The Authority must give notice in writing to the Contractor within ten (10) Working Days after receiving the draft plan, advising whether it approves the draft plan, or, if it does not approve the draft plan, suggesting amendments to that plan. The Authority may not unreasonably withhold or delay its approval of the draft plan and any suggested amendments must be reasonable.
- (d) Where the Authority suggests amendments to the draft plan under paragraph 3.2(c) the Contractor must produce an amended draft plan. Paragraph 3.2(b) shall apply to any amended draft plan.
- (e) Once it has received the Approval of the draft plan, the Contractor shall:
  - (i) finalise the Comparison Group and collect data relating to Comparable Rates. The selection of the Comparable Rates (both in terms of number and identity) shall be a matter for the Contractor's professional judgment using:
    - (A) market intelligence;
    - (B) the Contractor's own data and experience;

- (C) relevant published information; and
  - (D) pursuant to paragraph 3.2(f) below, information from other suppliers or purchasers on Comparable Rates;
- (ii) by applying the adjustment factors listed in paragraph 3.2(g) and from an analysis of the Comparable Rates, derive the Equivalent Data;
  - (iii) using the Equivalent Data to calculate the Upper Quartile;
  - (iv) determine whether or not each Benchmarked Rate is, and/or the Benchmarked Rates as a whole are, Good Value.
- (f) The Contractor agrees to use its reasonable endeavours to obtain information from other suppliers or purchasers on Comparable Rates.
- (g) In carrying out the benchmarking analysis the Contractor may have regard to the following matters when performing a comparative assessment of the Benchmarked Rates and the Comparable Rates in order to derive Equivalent Data:
- (i) the contractual terms and business environment under which the Comparable Rates are being provided (including the scale and geographical spread of the customers);
  - (ii) exchange rates;
  - (iii) any other factors reasonably identified by the Contractor, which, if not taken into consideration, could unfairly cause the Contractor's pricing to appear non-competitive.

### 3.3 **Benchmarking Report**

- (a) For the purposes of this Schedule “**Benchmarking Report**” shall mean the report produced by the Contractor following the Benchmark Review and as further described in this Schedule.
- (b) The Contractor shall prepare a Benchmarking Report and deliver it to the Authority, at the time specified in the plan approved pursuant to paragraph 3.2(c) of this Schedule, setting out its findings. Those findings shall be required to:
- (i) include a finding as to whether or not a Benchmarked Services, as a whole are, Good Value;
  - (ii) if any of the Benchmarked Services are, individually or as a whole, not Good Value, specify the changes that would be required to make that Benchmarked Services, as a whole, Good Value; and
  - (iii) include sufficient detail and transparency so that the Authority can interpret and understand how the Contractor has calculated whether or not the Benchmarked Services are, individually or as a whole, Good Value.
- (c) The Parties agree that any changes required to this CAEHRS identified in the Benchmarking Report may be implemented at the direction of the Authority in accordance with Clause S1.
- (d) The Authority shall be entitled to publish the results of any benchmarking of the prices of the Services to Other Contracting Bodies.

## 4 CONTINUOUS IMPROVEMENT

- 4.1 The Contractor shall adopt a policy of continuous improvement in relation to the CAEHRS and Call-Off Contracts pursuant to which it will regularly review with the Authority the Services and the manner in which it is providing the Services with a view to reducing the Authority's costs, the costs of Contracting Bodies (including the prices of the Services) and/or improving the quality and efficiency of the Services. The Contractor and the Authority will provide to each other any information which may be relevant to assisting the objectives of continuous improvement and in particular reducing costs.
- 4.2 Without limiting paragraph 4.1 the Contractor shall produce at the start of each anniversary of the Commencement Date a plan for improving the provision of the Services under all Call-Off Contracts and reducing the prices of the Services (without adversely affecting the performance of the CAEHRS or any Call-Off Contract) during the forthcoming year ("**Continuous Improvement Plan**") for the approval of the Authority. The Continuous Improvement Plan shall include, as a minimum, proposals in respect of the following:
- (a) identifying the emergence of new and evolving technologies which could improve the Services;
  - (b) identifying changes in behaviour of Contracting Bodies that result in a cost saving and a reduction in the prices of the Services;
  - (c) identifying and implementing efficiencies in the Contractor's internal processes and administration that may lead to cost savings and reductions in the prices of the Services;
  - (d) identifying and implementing efficiencies in the way the Authority and/or Contracting Bodies interact with the Contractor that may lead to cost savings and reductions in the prices of the Services;
  - (e) identifying and implementing efficiencies in the Contractor's supply chain that may lead to cost savings and reductions in the prices of the Services; and
  - (f) measuring and reducing the sustainability impacts of the Contractor's operations and supply-chains pertaining to the Services, and identifying opportunities to assist Contracting Bodies in meeting their sustainability objectives.
- 4.3 The initial Continuous Improvement Plan for the first (1<sup>st</sup>) year of shall be submitted by the Contractor to the Authority for approval within ninety (90) Working Days of the first Order or six (6) Months following the Commencement Date, whichever is earlier.
- 4.4 The Authority shall notify the Contractor of its Approval or rejection of the proposed Continuous Improvement Plan or any updates to it within twenty (20) Working Days of receipt. Within ten (10) Working Days of receipt of the Authority's notice of rejection and of the deficiencies of the proposed Continuous Improvement Plan, the Contractor shall submit to the Authority a revised Continuous Improvement Plan reflecting the changes required. Once approved by the Authority, the programme shall constitute the Continuous Improvement Plan for the purposes of this CAEHRS.
- 4.5 Once the first Continuous Improvement Plan has been Approved in accordance with paragraph 4.4
- (a) the Contractor shall use all reasonable endeavours to implement any agreed deliverables in accordance with the Continuous Improvement Plan; and



(b) the Parties agree to meet as soon as reasonably possible following the start of each quarter (or as otherwise agreed between the Authority and the Contractor) to review the Contractor's progress against the Continuous Improvement Plan.

4.6 The Contractor shall update the Continuous Improvement Plan as and when required but at least once every year of this CAEHRS (after the first (1<sup>st</sup>) year of this CAEHRS) in accordance with the procedure and timescales set out in paragraph 4.2

4.7 All costs relating to the compilation or updating of the Continuous Improvement Plan and the costs arising from any improvement made pursuant to it and the costs of implementing any improvement, shall have no effect on and are included in the prices of the Services.

4.8 Should the Contractor's costs in providing the Services to a Contracting Body be reduced as a result of any changes implemented by the Contracting Body, all of the cost savings shall be passed on to the Contracting Body by way of a consequential and immediate reduction in the prices for the Services, unless the Contractor and the Contracting Body agree that the cost savings should be distributed in some other way.

## Schedule 16 - CAEHRS Management

### 1 INTERPRETATION

1.1 The following definitions shall apply to this Schedule in addition to the definitions contained in Clause A1.1:

**"Authority Representative"** means the representative appointed by the Authority from time to time in relation to this CAEHRS

**"Contractor Action Plan"** means a document, maintained by the Authority, capturing information about the relationship between the Parties including, but not limited to strategic objectives, actions, initiatives, communication channels, risks and contractor performance

**"Contractor CAEHRS Manager"** has the meaning given to it in paragraph 2.1(a) of this Schedule

**"Contractor Review Meetings"** has the meaning given to it in paragraph 2.2(a). of this Schedule

1.2 The successful delivery of this CAEHRS will rely on the ability of the Contractor and the Authority in developing a strategic relationship immediately following the conclusion of this CAEHRS with the Contractor and maintaining this relationship throughout the Term.

1.3 To achieve this strategic relationship, there will be a requirement to adopt proactive CAEHRS management activities which will be informed by quality Management Information, and the sharing of information between the Contractor and the Authority.

### 2 INTRODUCTION

#### 2.1 CAEHRS Management Structure

- (a) The Contractor shall provide a suitably qualified nominated contact (the "Contractor CAEHRS Manager") who will take overall responsibility for delivering the Services required within this CAEHRS, as well as a suitably qualified deputy to act in their absence.
- (b) A full governance structure for the CAEHRS will be agreed between the Parties during the CAEHRS implementation stage.
- (c) Following discussions between the Parties following the Commencement Date, the Authority shall produce and issue to the Contractor a draft Contractor Action Plan. The Contractor shall not unreasonably withhold its agreement to the draft Contractor Action Plan. The Contractor Action Plan shall, unless the Authority otherwise approves in writing, be agreed between the Parties and come into effect within two (2) weeks from receipt by the Contractor of the draft Contractor Action Plan.
- (d) The Contractor Action Plan shall be maintained and updated on an ongoing basis by the Authority. Any changes to the Contractor Action Plan shall be notified by the Authority to the Contractor. The Contractor shall not unreasonably withhold its agreement to any changes to the Contractor Action Plan. Any such changes shall, unless the Authority otherwise approves in writing, be agreed between the Parties and come into effect within two (2) weeks from receipt by the Contractor of the Authority's notification.

#### 2.2 Contractor Review Meetings

- (a) Regular performance review meetings will take place at the Authority's premises throughout the Term and thereafter until the expiry of the Term ("Contractor Review Meetings").

- (b) The exact timings and frequencies of such Contractor Review Meetings will be determined by the Authority following the conclusion of the CAEHRS. It is anticipated that the frequency of the Contractor Review Meetings will be once every month or less. The Parties shall be flexible about the timings of these meetings.
- (c) The purpose of the Contractor Review Meetings will be to review the Contractor's performance under this CAEHRS and, where applicable, the Contractor's adherence to the Contractor Action Plan. The agenda for each Contractor Review Meeting shall be set by the Authority and communicated to the Contractor in advance of that meeting.
- (d) The Contractor Review Meetings shall be attended, as a minimum, by the Authority Representative(s) and the Contractor CAEHRS Manager.

**Schedule 17 - Management Information**

**1 General**

1.1 The Contractor grants the Authority a non-exclusive, transferable, perpetual, irrevocable, royalty-free licence to:

- (a) use and share with:
  - (i) any Crown Body;
  - (ii) any other Contracting Authority; and
  - (iii) 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
- (b) 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 CAEHRS, monitoring public expenditure, identifying savings or potential savings, planning future procurement activity and managing risk.

**2 Management Information and Format**

2.1 The Contractor agrees to provide timely Management Information and/or MI Reports to the Authority which incorporates the data listed below, in the correct format, and which the Contractor represents and warrants are full, accurate and complete as at the date of provision to the Authority.

<b>Management Information required</b>	<b>Frequency or date required by</b>
All MI relating to Customer Service Standards.	Each at the frequency required and immediately on request
Any material changes to the Contractor's and/or Guarantor's organisation that impacts on its ongoing financial viability including details of the revenue replacement strategy and impact awareness on the organisation's profitability and stability where significant contracts are due to end.	Immediately
Any proposed Change of Control, changes to the organisational control or group structure of the Contractor and/or the Guarantor, proposed mergers or acquisitions or proposed changes to the Contractor's financial viability.	Immediately
Any financial information relating to the Contractor which could include but is not limited to a copy of its Annual Accounts, Annual Returns, management accounts, evidence to the Authority's satisfaction of its	Immediately on request

<b>Management Information required</b>	<b>Frequency or date required by</b>
assets, liabilities and funding position, and copies of its board papers and board minutes.	
Details of the wages, salaries, bonuses and profit sharing arrangements as applicable in respect of all Staff.	Immediately on request
The number of supplier and end-to-end supply chain staff working on this CAEHRS (including data on absences) and in what roles, including a full-time equivalent (FTE) breakdown.	Immediately on request
Caseload sizes per adviser (including the average and maximum caseload size of the Contractor's Staff, and the Staff of the Contractor's end-to-end supply chain) for each Call-Off Contract.	Immediately on request
The number of people participating within the main element of the Delivery Model for each Call-Off Contract.	Immediately on request
Contractor performance against the Customer Service Standards for each Call-Off Contract.	Immediately on request
Participant fail to attend rates by Participant group/Segment for interviews, group sessions and other interventions for each Call-Off Contract.	Immediately on request
Participant attendance at face-to-face and group sessions and potentially other agreed channels of engagement within the last two months for each Call-Off Contract.	Immediately on request
The performance and management of the Sub-contractors (including cohort performance against the performance levels and Customer Service Standards in the CAEHRS ) for each Call-Off Contract.	Immediately on request
The names of each Sub-contractor used by the Contractor, the Contractor's main contact (name, phone number and email address) for each Sub-contractor with an alternative for contingency, the Services delivered by each Sub-contractor, the geographic area covered by each Sub-contractor, the amount paid to each Sub-contractor each Month, the Contractor's risk assessment of the stability of each Sub-contractor, and the Contractor's	Immediately on request

<b>Management Information required</b>	<b>Frequency or date required by</b>
contingency plan(s) should a Sub-contractor become insolvent.	
A summary of the Contractor's compliance with its obligation to pay any undisputed sums which are due from it to a Sub-contractor within thirty (30) days from the receipt of a valid invoice for each Call-Off Contract.	Immediately on request
Analysis of Participant complaints, analysis of trends and themes, and management action plans to reduce future occurrences for each Call-Off Contract.	Immediately on request
Data on the Contractor's high level order book, and turnover analysis, including but not limited to: the commissioner of each of the Contractor's contracts, the percentage of the Contractor's turnover represented by each contract, and contract key dates (e.g. income start and end).	Immediately on request
Marginal costs information, which is all costs, including financial and time costs, which the Contractor would have incurred to achieve one extra Outcome from each Cohort from which it has earned an Outcome in the immediately preceding 12 Months for each Call-Off Contract.	Immediately on request
Details of the Contractor's policy, process and methodology for its risk assessments of the stability of each Sub-contractor.	Immediately on request
Request for data around number of tenders participated in, contracts awarded and other information as the Authority may reasonably request.	Immediately on request
Any further information as the Authority may reasonably request.	Immediately on request

2.2 The Authority may from time to time make changes to the data it requires the Contractor to provide in a MI Report including to the data required or 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 Report 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.

- 2.3 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.
- 2.4 The Authority may provide the Contractor with supplemental guidance for completing the MI Report 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 Report in accordance with any such guidance.
- 2.5 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 Frequency and Coverage**

- 3.1 All MI Reports must be returned to the Authority on or prior to the Reporting Date every Month during the Term and thereafter, until all transactions relating to Contracts to which the Contractor is a party have permanently ceased.
- 3.2 The MI Report should be used (among other things) to report activity and transactions occurring during the Month(s) to which the MI Report relates.
- 3.3 Unless otherwise notified to the Contractor by the Authority, the Contractor must return the MI Report for each Month(s) even where there are no transactions to report in the relevant Month (a "**Nil Return**").
- 3.4 The Contractor must inform the Authority of any errors or corrections to the Management Information:
  - (a) in the next MI Report due immediately following discovery of the error by the Contractor; or
  - (b) as a result of the Authority querying any data contained in an MI Report.

### **4 Submission of the MI Report**

The completed MI Report shall be completed electronically and returned to the Authority by uploading and/or sending the MI Report in accordance with the instructions notified by the Authority to the Contractor from time to time. The Contractor agrees to comply with any such instructions provided they do not materially increase the burden on the Contractor.

### **5 Defective Management Information**

- 5.1 The Contractor acknowledges that it is essential that the Authority receives timely and accurate Management Information pursuant to this CAEHS because Management Information is used by the Authority to inform 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) Working Days following receipt of any such reminder.

### **6 Meetings**

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 any other rights the Authority may have). If the Authority requests such a meeting the Contractor shall propose measures to ensure that the MI Failures 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.

## **7 MI Admin Fees**

- 7.1 If, in any rolling three (3) Month period, two (2) or more MI Failures occur, the Contractor acknowledges and agrees that the Authority shall have the right to invoice the Contractor MI Admin Fees and (subject to paragraph 7.2 in respect of any MI Failures as they arise in subsequent Months.
- 7.2 If, following activation of the Authority's right to charge MI Admin Fee(s) in respect of MI Failures pursuant to paragraph 7.1 the Contractor submits the Monthly MI Report for two (2) consecutive Months and no MI Failure occurs then the right to charge the Admin Fee(s) shall lapse. For the avoidance of doubt the Authority shall not be prevented from exercising such right again during the Term if the conditions in paragraph 7.1 are met.
- 7.3 The Contractor acknowledges and agrees that the MI Admin Fees are a fair reflection of the additional costs incurred by the Authority as a result of the Contractor failing to supply Management Information as required by this CAEHRS.
- 7.4 The Authority shall notify the Contractor if any MI Admin Fees arise pursuant to paragraph 7.1 above and shall be entitled to invoice the Contractor for such MI Admin Fees, which shall be payable by the Contractor within thirty (30) days of the date of the relevant invoice. Any exercise by the Authority of its rights under this paragraph 7.4 be without prejudice to any other rights that may arise pursuant to the terms of this CAEHRS .



## **Schedule 18 - Insurance Requirements**

### **1 OBLIGATION TO MAINTAIN INSURANCES**

- 1.1 Without prejudice to its obligations to the Authority under this CAEHRS, including its indemnity obligations, the Contractor shall for the periods specified in this Schedule take out and maintain, or procure the taking out and maintenance of the insurances as set out in Annex 1 and any other insurances as may be required by applicable Law (together the “**Insurances**”). The Contractor shall ensure that each of the Insurances is effective no later than the date on which the relevant risk commences.
- 1.2 The Insurances shall be maintained in accordance with Good Industry Practice and (so far as is reasonably practicable) on terms no less favourable than those generally available to a prudent contractor in respect of risks insured in the international insurance market from time to time.
- 1.3 The Insurances shall be taken out and maintained with insurers who are:
- (a) of good financial standing;
  - (b) appropriately regulated; and
  - (c) except in the case of any Insurances provided by an Affiliate of the Contractor, of good repute in the international insurance market.
- 1.4 Where any Insurances are provided by an Affiliate of the Contractor, the Contractor shall provide to the Authority on the Commencement Date (or inception of the relevant Insurances if later) and thereafter within ten (10) Working Days of written request from the Authority evidence of good financial standing of the relevant Affiliate in a form satisfactory to the Authority.
- 1.5 The Contractor shall ensure that the public and products liability policy shall contain an indemnity to principal’s clause under which the Authority shall be indemnified in respect of claims made against the Authority in respect of death or bodily injury or third party property damage arising out of or in connection with the Services and for which the Contractor is legally liable.

### **2 GENERAL OBLIGATIONS**

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

### **3 FAILURE TO INSURE**

- 3.1 The Contractor shall not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the Insurances.

- 3.2 Where the Contractor has failed to purchase any of the Insurances or maintain any of the Insurances in full force and effect, the Authority may elect (but shall not be obliged) following written notice to the Contractor to purchase the relevant Insurances, and the Authority shall be entitled to recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Contractor.

#### **4 EVIDENCE OF INSURANCES**

The Contractor shall upon the Commencement Date and within fifteen (15) Working Days after the renewal or replacement of each of the Insurances, provide evidence, in a form satisfactory to the Authority, that the Insurances are in force and effect and meet in full the requirements of this Schedule. Receipt of such evidence by the Authority shall not in itself constitute acceptance by the Authority or relieve the Contractor of any of its liabilities and obligations under this CAEHRS .

#### **5 AGGREGATE LIMIT OF INDEMNITY**

- 5.1 Where the minimum limit of indemnity required in relation to any of the Insurances is specified as being "in the aggregate":

- (a) if a claim or claims which do not relate to this CAEHRS are notified to the insurers which, given the nature of the allegations and/or the quantum claimed by the third party(ies), is likely to result in a claim or claims being paid by the insurers which could reduce the level of cover available below that minimum, the Contractor shall immediately submit to the Authority:
  - (i) details of the policy concerned; and
  - (ii) its proposed solution for maintaining the minimum limit of indemnity specified; and
- (b) if and to the extent that the level of insurance cover available falls below that minimum because a claim or claims which do not relate to this CAEHRS are paid by insurers, the Contractor shall:
  - (i) ensure that the insurance cover is reinstated to maintain at all times the minimum limit of indemnity specified for claims relating to this CAEHRS; or
  - (ii) if the Contractor is or has reason to believe that it will be unable to ensure that insurance cover is reinstated to maintain at all times the minimum limit of indemnity specified, immediately submit to the Authority full details of the policy concerned and its proposed solution for maintaining the minimum limit of indemnity specified.

#### **6 CANCELLATION**

- 6.1 Subject to paragraph 6.2, the Contractor shall notify the Authority in writing at least 5 Working Days prior to the cancellation, suspension, termination or non-renewal of any of the Insurances.
- 6.2 Without prejudice to the Contractor's obligations under paragraph 4, paragraph 6.1 shall not apply where the termination of any Insurances occurs purely as a result of a change of insurer in respect of any of the Insurances required to be taken out and maintained in accordance with this Schedule.

## **7 INSURANCE CLAIMS**

- 7.1 The Contractor shall promptly notify to insurers any matter arising from, or in relation to, the Services and/or this CAEHRS or any Call-Off Contract for which it may be entitled to claim under any of the Insurances. In the event that the Authority receives a claim relating to or arising out of the Services and/or this CAEHRS or any Call-Off Contract, the Contractor shall co-operate with the Authority and assist it in dealing with such claims at its own expense including without limitation providing information and documentation in a timely manner.
- 7.2 Except where the Authority is the claimant party, the Contractor shall give the Authority notice within twenty (20) Working Days after any insurance claim relating to or arising out of the provision of the Services or this CAEHRS on any of the Insurances or which, but for the application of the applicable policy excess, would be made on any of the Insurances and (if required by the Authority) full details of the incident giving rise to the claim.
- 7.3 Where any Insurance requires payment of a premium, the Contractor shall be liable for and shall promptly pay such premium.
- 7.4 Where any Insurance is subject to an excess or deductible below which the indemnity from insurers is excluded, the Contractor shall be liable for such excess or deductible. The Contractor shall not be entitled to recover from the Authority any sum paid by way of excess or deductible under the Insurances whether under the terms of this CAEHRS or otherwise.

## **ANNEX 1: REQUIRED INSURANCES**

### **PART A: THIRD PARTY PUBLIC & PRODUCTS LIABILITY INSURANCE**

#### **1 Insured**

The Contractor

#### **2 Interest**

2.1 To indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay as damages, including claimant's costs and expenses, in respect of accidental:

(a) death or bodily injury to or sickness, illness or disease contracted by any person;

(b) loss of or damage to property;

happening during the period of insurance (as specified in Paragraph 5 of this Annex 1 to this Schedule 18 (Insurance Requirements) and arising out of or in connection with the provision of the Services and in connection with this CAEHRS .

#### **3 Limit of Indemnity**

Not less than the limits of the indemnity under the insurance policy that the Insured has in place as at the Commencement Date (i) in respect of any one occurrence, the number of occurrences being unlimited, and (ii) in the aggregate per annum in respect of products and pollution liability.

#### **4 Territorial limits**

As in the insurance policy that Insured has in place as at the Commencement Date.

#### **5 Period of Insurance**

From the Commencement Date for the Term and renewable on an annual basis unless agreed otherwise by the Authority in writing.

#### **6 Cover Features and Extensions**

Indemnity to principals clause.

#### **7 Principal Exclusions**

7.1 War and related perils.

7.2 Nuclear and radioactive risks.

7.3 Liability for death, illness, disease or bodily injury sustained by employees of the Insured during the course of their employment.

7.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by applicable Law in respect of such vehicles.

7.5 Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the Insured.

7.6 Liability arising out of technical or professional advice other than in respect of death or bodily injury to persons or damage to third party property.

- 7.7 Liability arising from the ownership, possession or use of any aircraft or marine vessel.
- 7.8 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.

**8 Maximum Deductible Threshold**

Not to exceed the applicable maximum deductible threshold in the insurance policy that Insured has in place as at the Commencement Date for each and every third party property damage claim (personal injury claims to be paid in full).

## **PART B: PROFESSIONAL INDEMNITY INSURANCE**

### **1 Insured**

The Contractor

### **2 Interest**

To indemnify the Insured for all sums which the Insured shall become legally liable to pay (including claimants' costs and expenses) as a result of claims first made against the Insured during the period of insurance (as specified in paragraph 5) by reason of any negligent act, error and/or omission arising from or in connection with the provision of the Services.

### **3 Limit of Indemnity**

Not less than the limits of the indemnity under the insurance policy that the Insured has in place as at the Commencement Date in respect of any one claim and in the aggregate per annum, exclusive of defence costs which are payable in addition.

### **4 Territorial Limits**

As in the insurance policy that Insured has in place as at the Commencement Date.

### **5 Period of Insurance**

From the Commencement Date and renewable on an annual basis unless agreed otherwise by the Authority in writing (a) throughout the Term or until earlier termination of this CAEHRS and (b) for a period of six (6) years thereafter.

### **6 Cover Features and Extensions**

Retroactive cover to apply to any "claims made policy wording" in respect of this CAEHRS or retroactive date to be no later than the Commencement Date.

### **7 Principal Exclusions**

7.1 War and related perils.

7.2 Nuclear and radioactive risks.

### **8 Maximum Deductible Threshold**

Not to exceed the applicable maximum deductible threshold in the insurance policy that Insured has in place as at the Commencement Date each and every claim.

## **PART C: UNITED KINGDOM COMPULSORY INSURANCES**

The Contractor shall meet its insurance obligations under applicable Law in full, including, UK employers' liability insurance and motor third party liability insurance.

## Schedule 19 - DWP Supplier Code of Conduct

### OVERARCHING STANDARDS OF BEHAVIOUR

- 1 The overarching standards of behaviour the Authority expects of the Contractor are:
  - a. **Ethical behaviour** – the Authority expects the highest standards of ethical behaviour and professionalism from Contractors when Contractors deal with the Authority, service users, and stakeholders. The Authority also expects Contractors to act within the spirit of the contract.
  - b. **Counter fraud and corruption** – the Authority expects all Contractors to comply with anti-corruption laws, anti-money laundering laws and to have robust control systems to prevent and detect fraudulent or potentially fraudulent activity.
  - c. **Transparency** – the Authority expects all Contractors to be transparent when dealing with the Authority, their service users, their Sub-contractors, and stakeholders.
  - d. **Treatment of Sub-contractors** – the Authority expects Contractors to treat their Sub-contractors fairly when dealing with prompt payment, risk management and charging for services provided to them by the Contractor.
  - e. **Corporate Social Responsibility** – the Authority expects its Contractors to be good corporate citizens by upholding the values of this Code and supporting key government corporate social responsibility policy areas, such as: diversity and inclusion, sustainability, prompt payment, small and medium sized enterprise engagement, support of the Armed Forces Covenant, apprenticeships and skills development. The Authority supports constructive and collaborative partnership working and expects Contractors to invest in the relationship between the Authority and the Contractors.
- 2 The Authority expects the Contractor to adhere to, and the Authority reserves the right to monitor, the following:

### RELATIONSHIP MANAGEMENT / ETHICAL BEHAVIOUR

- 3 Contractors must act openly, honestly and with integrity in delivering services, working with the Authority, its customers and stakeholders and when claiming payment for services. Contractors must maintain accurate systems and complete records of business transactions with appropriate and proportionate controls and control environments that maintain the integrity of the information and data and protect it from potential abuse, falsification or error.
- 4 Contractors must not force unfair contract terms on their Sub-contractors, nor allow unfair exploitation of a dominant market or customer position.
- 5 Contractors must act at all times with respect and integrity, use open and transparent accounting, and work within the spirit of the contract as well as within the contractual terms. Where there is a conflict between the spirit and contract terms Contractors must bring this to the attention of the Authority.
- 6 Contractors must ensure that risk is managed by the party best able to do so and be prepared to share with the Authority intelligence of Sub-contractor risks, so that end to end risks can be managed and that material commercial and operational risks, for example Sub-contractor failure, can be managed and mitigated.



## TREAT EMPLOYEES AND SUB-CONTRACTORS FAIRLY

- 7 Contractors and their Sub-contractors must ensure that robust procedures are adopted and maintained to ensure the protection of human rights at all times. Contractors must ensure the elimination of unethical and illegal employment practices, such as modern slavery, forced labour and child labour, and other forms of exploitative and unethical treatment of workers and service users. Contractors and their Sub-contractors are encouraged to pay employees (and seek employment opportunities for customers at or above) the National Living Wage.
- 8 Contractors and their Sub-contractors must have policies and processes in place for recording and eliminating the occurrence of health and safety related incidents.
- 9 The Authority requires full Sub-contractor transparency and compliance with HM Government policy initiatives including the support and capacity building of micro-organisations, small and medium sized organisations, prompt payment, and support for economic growth.
- 10 Contractors must engage their Sub-contractors in a manner consistent with the Authority's treatment of its direct Contractors. This includes, but is not limited to, appropriate pricing, volume management, service fee flow, charging for central and corporate services, fiduciary and financial risk management, and applying transparent and appropriate contractual measures where the Sub-contractor underperforms against its contracts and the spirit of those contracts.
- 11 The Authority will not tolerate bribery, corruption or fraud in any form and Contractors must conduct their business honestly, fairly and free from such behaviours. Contractors, and the Sub-contractor, must protect against these behaviours and report any instances or concerns to the Authority immediately. The Authority takes a zero tolerance approach to bribery, corruption and fraud, and will investigate any instance of suspected bribery, corruption or fraud.
- 12 The Authority's employees, employees of the Authority's Contractors, and service users have the right to be treated with respect in all circumstances. The Authority will not tolerate discrimination, harassment, victimisation, bullying, intimidation or disrespect to the Authority's staff, stakeholders or service users.

## VALUE

- 13 Value for Money ("VfM") and financial transparency are essential requirements to the Authority's commissioned work. All Contractors and their Sub-contractors must seek to maximise value including by improving performance and quality of services throughout the life of the contract / relationship.
- 14 Contractors must demonstrate that they are pursuing continuous improvement throughout the contract and Sub-contracts, and apply stringent and robust financial controls, management and governance to reduce waste and improve efficiency in their internal operations and within the Sub-contracts. The Authority expects Contractors and their Sub-contractors to demonstrate openness and honesty and be realistic about their performance, in all circumstances.
- 15 The Authority expects to obtain value for money and to be able to demonstrate long-term value for money to the UK taxpayer. This means that contracts should be priced to offer sustainable value throughout their life, including when changes are made to the contract.
- 16 The Authority's minimum expectation is that contracts are delivered to meet targets and that Contractors will continually improve value and quality through continuous improvement, improved performance and improved quality.

- 17 The Authority does not expect Contractors to exploit an incumbent, monopoly position, Sub-contractor(s), urgent situation(s), or an imbalance of capability or information to impose opportunistic pricing.
- 18 The Authority expects Contractors to work in good faith to resolve any disputes promptly and fairly during the life of a contract through good relationship management and, where appropriate, use contractual dispute resolution mechanisms, recognising that taxpayer and Contractor interests are rarely best served by litigation.
- 19 The Authority expects Contractors to seek opportunities to improve value and social value in contracts and to share best practice with the Authority and other authorities / Contractors.

## REPUTATION AND CONFLICT

- 20 The Authority expects Contractors and their Sub-contractors to behave ethically, comply with legal and industry requirements and seek to implement best practice.
- 21 Contractors must be honest when representing their work for the Authority, their performance of the contract and their relationship with the Authority. The Authority expects Contractors to protect the HM Government's reputation and ensure that neither they nor any of their partners or Sub-contractors bring the government into disrepute, for example by engaging in any act or omission which may diminish public trust in HM Government.
- 22 The Authority requires Contractors to mitigate against any real or perceived conflict of interest through their work with HM Government. A Contractor with a position of influence gained through a contract must not use that position to disadvantage any other Contractor or reduce the potential for future competition, for example by creating a technical solution that locks in the Contractor's own goods or services.
- 23 The Contractor and their Sub-contractors must conduct business in compliance with competition (anti-trust) laws and must not seek to co-ordinate the market with other Contractors or their Sub-contractors in a way that restricts competition.

## COUNTER FRAUD AND CORRUPTION

- 24 Contractors must adhere to anti-corruption laws, including but not limited to the Bribery Act 2010, and money laundering regulations. Contractors must have robust processes to ensure that the Sub-contractors in their supply chain also comply with these laws.
- 25 The Authority has a zero tolerance to any form of corrupt practices including extortion and fraud, and will investigate any suspected instances. The Authority expects Contractors to be vigilant and to proactively identify fraud, and the risk of fraud, in their business. Contractors must have robust systems, controls and/or control environments to protect against the potential for fraud, including, but not limited to, prohibiting perverse employee reward systems.
- 26 Contractors and their Sub-contractors must declare to the Authority any instances or allegations of unethical behaviour by an existing or previous member of staff, or where there is a known or suspected conflict of interest. Contractors must immediately notify the Authority where fraudulent practice and/or financial irregularity is suspected or discovered and disclose any interests that might affect their decision-making or the advice that they give to HM Government.

## FINANCIAL TRANSPARENCY OBJECTIVES

- 27 The Contractor will cooperate with the Authority so that:

- a. the Authority can understand any financial information that the Contractor submits to the Authority,
- b. both Parties have confidence that the Fees are clearly and wholly attributed to the Contract,
- c. both Parties can understand the potential impact of any changes to Call-Off Contracts on the payments that the Authority makes to the Contractor,
- d. both Parties can review, address issues with, and re-forecast progress in relation to the provision of the Services,
- e. the Authority can demonstrate that it is achieving value for money/economic value through the Contract,
- f. all financial documents and models prepared by the Contractor shall be consistent with each other in the use of terminology, presentation, and underlying structure, and
- g. the Authority is in a position to validate any payments it makes to the Contractor.

## COVID-19 GUIDANCE

- 28 The Contractor must, in delivering the Services, adhere to any guidance issued by HM Government on working safely during the COVID-19 pandemic. This includes, but is not limited to, any guidance published at the following address:

<https://www.gov.uk/guidance/working-safely-during-coronavirus-covid-19>