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*Issued by: Transport Operations Environment & Transport Department, Leicestershire  
County Council, County Hall, Glenfield, Leicester, LE3 8RJ*

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# **Schedule 2A: Call-Off Terms and Conditions**

## **For Framework Agreement (BB3)**

**For the provision of  
Large Vehicle Passenger Transport Services  
(9+ passenger seats)**

**For Mainstream, SEN and Social Care Transport  
(excluding Local Bus Services)**

**7<sup>th</sup> June 2016 - 31<sup>st</sup> May 2020**

**Version 1.4**

**Date: 1<sup>st</sup> June 2019**

# SCHEDULE 2A: CALL-OFF TERMS AND CONDITIONS

## FOR FRAMEWORK AGREEMENT (BB3) FOR THE PROVISION OF LARGE VEHICLE PASSENGER TRANSPORT SERVICES (9+ PASSENGER SEATS)

### FOR MAINSTREAM, SEN AND SOCIAL CARE TRANSPORT (EXCLUDING LOCAL BUS SERVICES)

#### General Provisions

Definitions.....	3
Initial Contract Period.....	4
Extension of Initial Contract Period.....	4
Supplier's Status.....	5
Authority's Obligations.....	5
Mistakes in Information.....	5
Services.....	5
Provision and Removal of Equipment.....	6

#### Staffing

Key Personnel.....	6
Suppliers Staff.....	7
Health and Safety.....	8
TUPE.....	8
Discrimination.....	8

#### Contract Price and Recovery of Sums Due

Contract Price.....	9
Recovery of Sums Due.....	9

#### Information

Confidentiality.....	9
Monitoring of Contract Performance.....	10
Remedies in the Event of Inadequate Performance.....	10
Rights and Remedies.....	11
Transfer and Sub-contracting.....	11
Waiver.....	12
Variation.....	12
The Contracts (Rights of Third Parties) Act 1999.....	13
Severance.....	13

#### Liabilities

Liabilities, Indemnity and Insurance.....	13
Insurances.....	14

Taxation, National Insurance and Employment Liability.....	15
Warranties and Representations.....	15

### **Default, Disruption and Termination**

Termination on Insolvency and Change of Control.....	16
Termination on Default.....	18
Termination for Convenience.....	18
Consequences of Termination or Expiry.....	18
Disruption.....	19
Recovery on Termination and Exit Strategy.....	20
Dispute Resolution.....	20
Force Majeure.....	21
Entire Agreement.....	21
Notices.....	21
Governing Law and Jurisdiction.....	22
Business Continuity.....	22

### **Document Control**

<b>Issue</b>	<b>Amendment Detail</b>	<b>Author</b>	<b>Date</b>
v1.0	Final version issued to all BB3 Operators – to 31 <sup>st</sup> May 2017	BM	1/6/16
v1.1	Start date of Framework changed from 1/6/16 to 7/6/16	BM	7/6/16
v1.2	Framework extended for one year until 31 <sup>st</sup> May 2018 Clause 31 amended replaced “Supplier” with “Other Party”	BM	10/1/17
v1.3	Framework extended for one year until 31 <sup>st</sup> May 2019	BM	1/6/18
V1.4	Framework extended for one year until 31 <sup>st</sup> May 2020	BM	1/6/19

The terms and conditions set out in this Schedule are the basis upon which Services may be obtained by the Authority. Except where otherwise stated words herein have the same meaning as defined under the Framework Agreement and the clauses of the Framework Agreement shall apply to this Contract where the context requires.

## GENERAL PROVISIONS

### 1. DEFINITIONS

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

**Contract Price:** the price (exclusive of any applicable VAT), payable to the Supplier by the Authority under the Contract, as set out in the Order Form, for the full and proper performance by the Supplier of its obligations under the Contract.

**Contract Year:** a period of 12 months, commencing on the Service Commencement Date.

**Contracting Authority:** any contracting authority as defined in regulation 2 of the Public Contracts Regulations 2015 (*SI 2015/102*) other than the Authority.

**Equipment:** the Supplier's vehicles, equipment, materials and such other items supplied and used by the Supplier in the performance of its obligations under the Contract; or such items as are provided by the Authority to the Supplier for the express purpose of enabling the Supplier to meet its obligations under this Contract.

**Force Majeure:** any event or occurrence that is outside the reasonable control of the Party concerned and which is not attributable to any act or failure to take preventative action by that Party, including: fire; flood; violent storm; pestilence; explosion; malicious damage; armed conflict; acts of terrorism; nuclear, biological or chemical warfare; or any other disaster, natural or man-made, but excluding:

- (a) any industrial action occurring within the Supplier's or any Sub-Contractor's organisation; or
- (b) the failure by any Sub-Contractor to perform its obligations under any Sub-Contract.

**Framework Agreement:** the framework agreement for the provision of Large Vehicle Passenger Transport Services between the Authority and the Supplier dated 7<sup>th</sup> June 2016 and of which these Conditions form a schedule

**Good Industry Practice:** standards, practices, methods and procedures conforming to the Law and the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged in a similar type of undertaking under the same or similar circumstances.

**Initial Contract Period:** the period set out in clause 2.

**Key Personnel:** any individual identified in the Order Form as being key personnel.

**Order Form:** Means Schedule 1

**Period:** the period from the Service Commencement Date to the date set out in the Order Form (Schedule 1) unless terminated otherwise in accordance with the provisions of the Contract or the date of expiry of an extended period.

**Quality Standards:** the quality standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent body (and their successor bodies), that a skilled and experienced operator in the same type of industry or business sector as the Supplier would reasonably and ordinarily be expected to comply with (as may be further detailed in the Order Form) and any other quality standards set out in the Order Form.

**Supplier:** any third party service provider appointed by the Authority to supply any services that are substantially the same as or similar to any of the Services and which the Authority receives in substitution for any of the Services following the expiry, termination or partial termination of the Contract.

**Service Commencement Date:** the service commencement date set out in the Order Form.

**Staff Vetting Procedures:** the Authority's procedures and departmental policies for the vetting of personnel for:

- (a) eligibility to work in the UK;
- (b) the handling of information of a sensitive or confidential nature or the handling of information which is subject to any relevant security measure;
- (c) the carrying out of regulated activity within the meaning of the Safeguarding Vulnerable Groups Act 2006.

**TUPE:** the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246)

**VAT:** value added tax in accordance with the provisions of the Value Added Tax Act 1994.

## 2. INITIAL CONTRACT PERIOD

The Contract shall take effect on the Service Commencement Date and shall expire automatically on the date set out in the Order Form (Schedule 1), unless it is otherwise terminated in accordance with the provisions of the Contract, or as otherwise agreed between the Parties.

## 3. EXTENSION OF INITIAL CONTRACT PERIOD

The Authority may, by giving written notice to the Supplier not less than one week before the last day of the Initial Contract Period, extend the Contract provided that

the total Contract Period does not exceed five years. The provisions of the Contract will apply throughout any such extended period.

#### **4. SUPPLIER'S STATUS**

At all times during the Contract Period the Supplier shall be an independent service provider and nothing in the Contract 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 except as expressly permitted by the terms of the Contract.

#### **5. AUTHORITY'S OBLIGATIONS**

Except as otherwise expressly provided, the obligations of the Authority under the Contract are obligations of the Authority in its capacity as a contracting counterparty and nothing in the Contract shall operate as an obligation on, or in any other way fetter or 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 the Contract (howsoever arising) on the part of the Authority to the Supplier.

#### **6. MISTAKES IN INFORMATION**

The Supplier shall be responsible for the accuracy of all documents and information supplied to the Authority by the Supplier in connection with the supply of the Services and shall pay the Authority any extra costs occasioned by any discrepancies, errors or omissions therein.

#### **7. SERVICES**

7.1 The Supplier shall supply the Services during the Contract Period in accordance with the Authority's requirements as set out in the Contract in consideration for the payment of the Contract Price. The Authority may inspect and examine the manner in which the Supplier supplies the Services during normal business hours on reasonable notice.

7.2 The Supplier acknowledges that it has made its own enquiries to satisfy itself as to the accuracy and adequacy of any information supplied to it by or on behalf of the Authority before submitting its Tender and Supplemental Tender so as to be satisfied in relation to all matters connected with the performance of its obligations under the Contract.

7.3 The Supplier shall:

- a. at all times comply with the Quality Standards, and, where applicable, shall maintain accreditation with the relevant Quality Standards authorisation body; and

b. at all times perform its obligations under the Contract in accordance with the Law and Good Industry Practice.

7.4 The Supplier shall ensure that all Staff supplying the Services shall do so with all due skill, care and diligence and shall possess such qualifications, skills and experience as are necessary for the proper supply of the Services.

7.5 Timely supply of the Services shall be of the essence of the Contract, including in relation to commencing the supply of the Services within the time agreed or on a specified date.

## **8. PROVISION AND REMOVAL OF EQUIPMENT**

8.1 Unless otherwise agreed between the Parties, the Supplier shall provide all the Equipment necessary for the supply of the Services.

8.2 All Equipment used by the Supplier, including Equipment provided to the Supplier by the Authority, shall be at the Supplier's own risk and the Authority shall have no liability for any loss of or damage to any Equipment unless the Supplier is able to demonstrate that such loss or damage was caused or contributed to by the Authority.

8.3 The Supplier shall maintain all items of Equipment in a safe, serviceable and clean condition.

8.4 Notwithstanding its obligation under clause 8.3 the Supplier shall, as soon as it has notice, whether constructive or express, or at the Authority written request (which shall not be unreasonably made), at its own expense and as soon as reasonably practicable:

a. remove from service any Equipment that is either hazardous, unsafe or not in accordance with the Contract; and

b. where the item is owned by the Supplier replace such item with a suitable substitute item of Equipment.

## **STAFFING**

### **9. KEY PERSONNEL**

9.1 The Parties may agree to the appointment of Key Personnel as agreed from time to time between the Parties. The Supplier shall, and shall procure that any Sub-Contractor shall, obtain the prior written approval of the Authority before removing or replacing any Key Personnel during the Contract Period, and, where possible, at least one Months' written notice must be provided by the Supplier of its intention to replace Key Personnel.

- 9.2 The Authority shall not unreasonably delay or withhold its consent to the appointment of a replacement for any relevant Key Personnel by the Supplier or Sub-Contractor, but the Authority may interview or require details of the candidates for Key Personnel positions before they are appointed.
- 9.3 The Supplier acknowledges that the Key Personnel are essential to the proper provision of the Services to the Authority. The Supplier shall ensure that the role of any Key Personnel is not left vacant for any period and that any replacement shall have suitable qualifications and experience and be fully competent to carry out the tasks assigned to the Key Personnel whom he or she has replaced.
- 9.4 The Authority may also require the Supplier to remove any Key Personnel that the Authority considers in any respect unsatisfactory. The Authority shall not be liable for the cost of replacing any Key Personnel.

## **10. SUPPLIER'S STAFF**

- 10.1 The Authority may, by written notice to the Supplier, inform the Supplier that:-
- a. any member of the Staff; or
  - b. any person employed or engaged by any member of the Staff,  
  
who is engaged in delivering the Services in such a way that he has direct contact with users of the Services or other members of the public, and whose continued contact would, in the reasonable opinion of the Authority, be undesirable is to no longer undertake those part of the Services that require direct contact with users of the Services or other members of the public.
- 10.2 At the Authority's written request, the Supplier shall provide a list of the names of all persons who may deliver Services, specifying the capacities in which they are concerned with the Contract and giving such other particulars as the Authority may reasonably request.
- 10.3 If the Supplier fails to comply with clause 10.2 within one Working Day of the date of the request then the Authority may require the Supplier to exclude Supplier Staff from delivering the Services. Exercise of the Authority's rights under this clause shall not excuse the Supplier from any attributable failure to perform the Services.
- 10.4 The Supplier warrants that it has complied with the Staff Vetting Procedures in respect of all Staff employed or engaged by the Supplier at the Service Commencement Date and that it shall not employ or engage any person in the provision of the Services who is barred from, or whose previous conduct or records indicate that they would not be suitable to carry out the Services.



10.5 The Supplier shall ensure that its employees and others providing the Services on its behalf are properly and sufficiently qualified, competent, careful, skilled, honest, experienced, instructed and supervised as the case may be to enable them to adequately carry out tasks and activities under the Services.

## **11. HEALTH AND SAFETY**

11.1 The Supplier shall promptly notify the Authority of any health and safety hazards which may arise in connection with the performance of its obligations under the Contract.

11.2 The Supplier shall notify the Authority immediately in the event of any incident occurring in the performance of its obligations under the Contract where that incident causes any personal injury or damage to property which could give rise to personal injury.

11.3 The Supplier shall comply with the requirements of the Health and Safety at Work etc Act 1974 and any other acts, orders, regulations and codes of practice relating to health and safety, which may apply to Staff and other persons working on the Premises in the performance of its obligations under the Contract.

11.4 The Supplier 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.

## **12. TUPE**

12.1 The Supplier shall meet all its statutory obligations under TUPE insofar as it has or shall have any such obligations arising from either the commencement of this Contract and/or its expiry or termination.

## **13. DISCRIMINATION**

13.1 The Supplier shall not unlawfully discriminate within the meaning and scope of any law, enactment, order or regulation relating to discrimination (whether in race, gender, religion, disability, sexual orientation, age or otherwise).

13.2 The Supplier shall take all reasonable steps to secure the observance of clause 13.1 by all servants, employees or agents of the Supplier and all suppliers and Sub-contractors employed in the execution of the Contract.

## **CONTRACT PRICE AND RECOVERY OF SUMS DUE**

### **14. CONTRACT PRICE**

- 14.1 In consideration of the Supplier's performance of its obligations under the Contract, the Authority shall pay the Contract Price in accordance with the requirements and processes set out in the Operational Specification set out at Schedule 2B of the Framework Agreement.
- 14.2 The Authority shall, in addition to the Contract Price and following evidence of a valid VAT invoice, pay the Supplier a sum equal to the VAT chargeable on the value of the Services supplied in accordance with the Contract.

### **15. RECOVERY OF SUMS DUE**

- 15.1 Wherever under the Contract any sum of money is recoverable from or payable by the Supplier (including any sum which the Supplier is liable to pay to the Authority in respect of any breach of the Contract), the Authority may unilaterally deduct that sum from any sum then due, or which at any later time may become due to the Supplier under the Contract or under any other agreement or contract with the Authority.
- 15.2 Any overpayment by either Party, whether of the Contract Price or of VAT or otherwise, shall be a sum of money recoverable by the Party who made the overpayment from the Party in receipt of the overpayment.
- 15.3 The Supplier shall make any payments due to the Authority without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Supplier has a valid court order requiring an amount equal to such deduction to be paid by the Authority to the Supplier.
- 15.4 All payments due shall be made within a reasonable time unless otherwise specified in the Contract, in cleared funds, to such bank or building society account as the recipient Party may from time to time direct.

## **INFORMATION**

### **16. CONFIDENTIALITY**

- 16.1 On or before the expiry of the Contract, the Supplier shall ensure that all documents and/or computer records in its possession, custody or control which

contain Confidential Information or relate to personal information of the Authorities' employees, rate-payers or service users, are delivered up to the Authority or securely destroyed.

## **17. MONITORING OF CONTRACT PERFORMANCE**

The Supplier shall comply with the monitoring arrangements set out in the Specification and/or Order Form or as otherwise required from time to time including, but not limited to, providing such data and information as the Supplier may be reasonably required to produce under the Contract.

## **18. REMEDIES IN THE EVENT OF INADEQUATE PERFORMANCE**

18.1 In the event that the Supplier is unable to provide the Services to an adequate standard (in the reasonable opinion of the Authority) then the Authority may, without prejudice to its rights under clause 18.2, take the steps set out in Schedule 2B of the Framework Agreement.

18.2 If the Authority is of the reasonable opinion that there has been a material breach of the Contract by the Supplier, then the Authority may, without prejudice to its rights under clause 30, do any of the following:

- a. without terminating the Contract, itself supply or procure the supply of all or part of the Services until such time as the Supplier shall have demonstrated to the reasonable satisfaction of the Authority that the Supplier will once more be able to supply all or such part of the Services in accordance with the Contract;
- b. without terminating the whole of the Contract, terminate the Contract in respect of part of the Services only (whereupon a corresponding reduction in the Contract Price shall be made) and thereafter itself supply or procure a third party to supply such part of the Services; and/or
- c. charge the Supplier for and the Supplier shall pay any costs reasonably incurred by the Authority (including any reasonable administration costs) in respect of the supply of any part of the Services by the Authority or a third party to the extent that such costs exceed the payment which would otherwise have been payable to the Supplier for such part of the Services and provided that the Authority uses its reasonable endeavours to mitigate any additional expenditure in obtaining replacement Services.

18.3 If the Supplier fails to supply any of the Services in accordance with the provisions of the Contract and such failure is capable of remedy, then the Authority shall instruct the Supplier to remedy the failure and the Supplier shall at its own cost and expense remedy such failure (and any damage resulting from such failure) within five Working Days of the Authority's instructions or such other period of time as the Authority may direct.

18.4 If the Supplier:

- a. fails to comply with clause 18.3 above and the failure is materially adverse to the interests of the Authority or prevents the Authority from discharging a statutory duty; or
- b. persistently fails to comply with clause 18.3 above,

the Authority may terminate the Contract with immediate effect by giving the Supplier notice in writing.

## **19. RIGHTS AND REMEDIES**

The rights and remedies provided under this Contract are in addition to, and not exclusive of, any rights or remedies provided by law.

## **20. TRANSFER AND SUB-CONTRACTING**

20.1 The Supplier shall not assign, novate, sub-contract or in any other way dispose of the Contract or any part of it without prior Approval. Sub-contracting any part of the Contract shall not relieve the Supplier of any of its obligations or duties under the Contract.

20.2 Provided that the Authority has given prior written consent, the Supplier shall be entitled to novate the Contract following the novation of the Framework Agreement where:

- a. the specific change in contractor was provided for in the procurement process for the award of the Framework Agreement;
- b. there has been a universal or partial succession into the position of the Supplier, following a corporate restructuring, including takeover, merger, acquisition or insolvency, by another economic operator that meets the criteria for qualitative selection applied in the procurement process for the award of this agreement.

20.3 The Supplier shall be responsible for the acts and omissions of its Sub-Contractors as though they are its own.

20.4 Where the Authority has consented to the placing of Sub-Contracts, copies of each Sub-Contract shall, at the request of the Authority, be sent by the Supplier to the Authority as soon as reasonably practicable.

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

- a. any Contracting Authority;

- b. any other body established by the Crown or under statute to substantially 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 Supplier's obligations under the Contract.

## **21. WAIVER**

- 21.1 A waiver of any right or remedy under this Contract or by law is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default.
- 21.2 A failure or delay by a party to exercise any right or remedy provided under this Contract or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under this Contract or by law shall prevent or restrict the further exercise of that or any other right or remedy.

## **22. VARIATION**

- 22.1 The Authority may request a variation to the Services ordered provided that such variation does not amount to a material change to the Order. Such a change is hereinafter called a "Variation".
- 22.2 If the Supplier is unable to provide the Variation to the Services or where the Parties are unable to agree a change to the Contract Price, the Authority may:
  - a. agree that the Parties continue to perform their obligations under the Contract without the Variation; or
  - b. terminate the Contract with immediate effect, except where the Supplier has already delivered part or all of the Order in accordance with the Order Form or where the Supplier can show evidence of substantial work being carried out to fulfil the Order, and in such a case the Parties shall attempt to agree on a resolution to the matter. Where a resolution cannot be reached, the matter shall be dealt with under the Dispute Resolution Procedure.
- 22.3 If the Parties agree the Variation and any variation in the Contract Price, the Supplier shall carry out such Variation and be bound by the same provisions so far as is applicable, as though such Variation was stated in the Contract.

## **23. THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

- 23.1 A person who is not a party to this Contract shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Contract.
- 23.2 No term of this Contract is intended to confer a benefit on, or to be enforceable by, any person who is not a party to this Contract.

## **24. SEVERANCE**

- 24.1 If any provision or part-provision of this Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Contract.
- 24.2 If one party gives notice to the other of the possibility that any provision or part-provision of this Contract is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

## **LIABILITIES**

### **25. LIABILITY, INDEMNITY AND INSURANCE**

- 25.1 Nothing in the Contract shall be construed to limit or exclude either Party's liability for:
- a. death or personal injury caused by its negligence;
  - b. Fraud or fraudulent misrepresentation;
  - c. any breach of any obligations implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982;
  - d. any claim under clause 27.
- 25.2 Subject to clause 25.3 and 25.4, the Supplier shall indemnify and keep indemnified the Authority in full from and against all claims, proceedings, actions, damages, costs, expenses and any other liabilities which may arise out of, or in consequence of, the supply, or late or purported supply, of the Services or the performance or non-performance by the Supplier of its obligations under the Contract or the presence of the Supplier or any Staff on the Premises, including in respect of any death or personal injury, loss of or damage to property, financial loss arising from any advice given or omitted to be given by the Supplier, or any other loss which is caused directly or indirectly by any act

or omission of the Supplier. The Supplier 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 breach by the Authority of its obligations under the Contract.

25.3 Subject to clause 25, in no event shall either Party be liable to the other for any:

- a. loss of profits;
- b. loss of business;
- c. loss of revenue; or
- d. loss of or damage to goodwill.

25.4 The Authority may, among other things, recover as a direct loss:

- a. any additional operational and/or administrative expenses arising from the Supplier's Default;
- b. any wasted expenditure or charges rendered unnecessary and/or incurred by the Authority arising from the Supplier's Default; and
- c. the additional cost of any replacement services for the remainder of the Contract Period following termination of the Contract as a result of a Default by the Supplier.

25.5 Nothing in the Contract shall impose any liability on the Authority in respect of any liability incurred by the Supplier to any other person, but this shall not be taken to exclude or limit any liability of the Authority to the Supplier that may arise by virtue of either a breach of the Contract or by negligence on the part of the Authority, or the Authority's employees, servants or agents.

## 26. INSURANCES

26.1 The Supplier shall at its own cost effect and maintain with a reputable insurance company a policy or policies of insurance providing as a minimum the following levels of cover:

- a. public liability insurance with a limit of indemnity of not less than £10 (ten) million in relation to any one claim or series of claims; or
- b. public liability insurance with a limit of indemnity of not less than £5 (five) million in relation to any one claim or series of claims **and** cover for injury to third parties (for both passengers and non-passengers) of not less than £10 (ten) million in relation to any one claim or series of claims, via a Motor Insurance Policy.

26.2 The Supplier shall at its own cost also effect and maintain with a reputable insurance company a policy or policies of employer's liability insurance with a limit of indemnity of not less than £10 (ten) million **OR** in accordance with any

legal requirement for the time being in force in relation to any one claim or series of claims;

(the **Required Insurances**). The cover shall be in respect of all risks which may be incurred by the Supplier, arising out of the Supplier's performance of the Contract, including death or personal injury, loss of or damage to property or any other loss. Such policies shall include cover in respect of any financial loss arising from any advice given or omitted to be given by the Supplier.

26.3 The Supplier shall give the Authority, on request, copies of all insurance policies referred to in this clause or a broker's verification of insurance to demonstrate that the Required Insurances are in place, together with receipts or other evidence of payment of the latest premiums due under those policies.

26.4 If, for whatever reason, the Supplier fails to give effect to and maintain the Required Insurances, the Authority may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Supplier.

26.5 The terms of any insurance or the amount of cover shall not relieve the Supplier of any liabilities under the Contract.

26.6 The Supplier shall hold and maintain the Required Insurances for a minimum of six years after the end of the Contract Period.

## **27. TAXATION, NATIONAL INSURANCE AND EMPLOYMENT LIABILITY**

27.1 The Parties acknowledge and agree that the Contract constitutes a contract for the provision of Services and not a contract of employment. The Supplier shall at all times indemnify the Authority and keep the Authority indemnified in full from and against all claims, proceedings, actions, damages, costs, expenses, liabilities and demands whatsoever and howsoever arising by reason of any circumstances whereby the Authority is alleged or determined to have been assumed or imposed with the liability or responsibility for the Staff (or any of them) as an employer of the Staff and/or any liability or responsibility to HM Revenue or Customs as an employer of the Staff whether during the Contract Period or arising from termination or expiry of the Contract.

## **28. WARRANTIES AND REPRESENTATIONS**

28.1 The Supplier warrants and represents that:

- a. it has full capacity and authority and all necessary consents (including where its procedures so require, the consent of its Parent Company) to enter into and perform its obligations under the Contract;
- b. the Contract is executed by a duly authorised representative of the Supplier;



- c. in entering the Contract it has not committed any Prohibited Act;
- d. as at the Service Commencement Date, all information, statements and representations contained in the Framework Tender and Supplemental Tender Responses for the Services are true, accurate and not misleading except as may have been specifically disclosed in writing to the Authority before execution of the Contract and it will advise the Authority of any fact, matter or circumstance of which it may become aware during the Contract Period which would render any such information, statement or representation to be false or misleading;
- e. no claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress or, to the best of its knowledge and belief, pending or threatened against it or its assets which will or might affect its ability to perform its obligations under the Contract;
- f. it is not subject to any contractual obligation, compliance with which is likely to have an adverse effect on its ability to perform its obligations under the Contract;
- g. no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Supplier's assets or revenue;
- h. it owns, has obtained or is able to obtain, valid licences for all Intellectual Property Rights that are necessary for the performance of its obligations under the Contract;
- i. the Services shall be provided and carried out by appropriately experienced, qualified and trained Staff with all due skill, care and diligence;

## **DEFAULT, DISRUPTION AND TERMINATION**

### **29. TERMINATION ON INSOLVENCY AND CHANGE OF CONTROL**

29.1 Without affecting any other right or remedy available to it, the Authority may terminate this Contract with immediate effect by giving written notice to the Supplier if:

- a. the Supplier 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 (being a company or limited liability partnership) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 **OR** (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 **OR** (being a partnership) has any partner to whom any of the foregoing apply;

- b. the Supplier commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors;
- c. a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Supplier (being a company);
- d. 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 given or if an administrator is appointed, over the Supplier (being a company);
- e. the holder of a qualifying floating charge over the assets of the Supplier (being a company) has become entitled to appoint or has appointed an administrative receiver;
- f. a person becomes entitled to appoint a receiver over the assets of the Supplier or a receiver is appointed over the assets of the Supplier;
- g. the Supplier (being an individual) is the subject of a bankruptcy petition or order;
- h. a creditor or encumbrancer of the Supplier attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the Supplier's assets and such attachment or process is not discharged within 14 days;
- i. any event occurs, or proceeding is taken, with respect to the Supplier in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause a to clause h (inclusive); or
- j. the Supplier suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business.

29.2 The Supplier shall notify the Authority immediately if the Supplier undergoes a change of control within the meaning of section 1124 of the Corporation Tax Act 2010 (**Change of Control**). The Authority may terminate the Contract by notice in writing with immediate effect within six 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 before the Change of Control.

### **30. TERMINATION ON DEFAULT**

30.1 The Authority may terminate the Contract by giving written notice to the Supplier with immediate effect if the Supplier commits a material breach and if:

- a. the Supplier has not remedied the material breach to the satisfaction of the Authority within 10 Working Days, or such other period as may be specified by the Authority, after issue of a written notice specifying the material breach and requesting it to be remedied; or
  - b. the material breach is not, in the opinion of the Authority, capable of remedy.
- 30.2 For the purposes of clause 30.1, **material breach** means a breach (including an anticipatory breach) that is serious in the widest sense of having a serious effect on the benefit which the Authority would otherwise derive from the Contract.

In deciding whether any breach is material no regard shall be had to whether it occurs by some accident, mishap, mistake or misunderstanding.

- 30.3 The Authority may terminate the Contract by giving written notice to the Supplier with immediate effect if:
- a. the Supplier repeatedly breaches any of the terms of this Contract in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of this Contract;
  - b. if any of the provisions of Regulation 73(1) of the Public Contracts Regulations 2015 apply;
  - c. any warranty given by the Supplier in clause 28 of this Contract is found to be untrue or misleading.
- 30.4 If the Authority fails to pay the Supplier undisputed sums of money when due, the Supplier shall notify the Authority in writing of such failure to pay. If the Authority fails to pay such undisputed sums within 90 Working Days of the date of such written notice, the Supplier may terminate the Contract in writing with immediate effect, except that such right of termination shall not apply where the failure to pay is due to the Authority exercising its rights under this contract.

### **31. TERMINATION FOR CONVENIENCE**

Either Party may terminate this Contract at any time by giving two Months' written notice to the other Party.

### **32. CONSEQUENCES OF TERMINATION OR EXPIRY**

- 32.1 Where the Authority terminates the Contract under clause 30 and then makes other arrangements for the supply of Services, the Authority may recover from the Supplier the cost reasonably incurred of making those other arrangements and any additional expenditure incurred by the Authority throughout the

remainder of the Contract Period. The Authority shall take all reasonable steps to mitigate such additional expenditure. Where the Contract is terminated under clause 30, no further payments shall be payable by the Authority to the Supplier until the Authority has established the final cost of making those other arrangements.

32.2 Except as otherwise expressly provided in the Contract:

- a. termination or expiry of the Contract shall be without prejudice to any rights, remedies or obligations accrued under the Contract before termination or expiration and nothing in the Contract shall prejudice the right of either Party to recover any amount outstanding at such termination or expiry; and
- b. termination of the Contract shall not affect the continuing rights, remedies or obligations of the Authority or the Supplier under clause. clauses 14, 15, 16, 18, 22, 23, 24, 29, 31, and 36.

### **33. DISRUPTION**

33.1 The Supplier shall take reasonable care to ensure that in the performance of its obligations under the Contract it does not disrupt the operations of the Authority, its employees or any other Supplier employed by the Authority.

33.2 The Supplier shall immediately inform the Authority of any actual or potential industrial action, whether such action be by their own employees or others, which affects or might affect its ability at any time to perform its obligations under the Contract.

33.3 In the event of industrial action by the Staff, the Supplier shall seek the Authority's Approval to its proposals for the continuance of the supply of the Services in accordance with its obligations under the Contract.

33.4 If the Supplier's proposals referred to in clause 33.3 are considered insufficient or unacceptable by the Authority acting reasonably then the Authority may:

- a. require the Supplier to provide alternative proposals; or
- b. undertake the services itself and recover from the Supplier the additional costs incurred in the process.

Subject to clause 33.5, nothing in this clause shall release the Supplier from the proper performance of its obligations under the Contract.

33.5 If the Supplier is temporarily unable to fulfil the requirements of the Contract 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 Supplier as a direct result of such disruption.

### **34. RECOVERY ON TERMINATION AND EXIT STRATEGY**

- 34.1 On the termination of the Contract for any reason and up to six months before an expiry date or notified termination date, the Supplier shall:
- a. immediately return to the Authority all Confidential Information, Personal Data and Authority's Intellectual Property in its possession or in the possession or under the control of any permitted suppliers or Sub-Contractors, which was obtained or produced in the course of providing the Services;
  - b. immediately deliver to the Authority all Equipment; (including materials, documents, information and access keys) provided to the Supplier under clause 8. Such property shall be handed back in good working order (allowance shall be made for reasonable wear and tear);
  - c. assist and co-operate with the Authority to ensure an orderly transition of the provision of the Services to any Replacement Supplier and/or the completion of any work in progress to include, where required, employee information as may be required for either Party or a replacement supplier to fulfil their respective obligations under TUPE ; and
  - d. promptly provide all information concerning the provision of the Services which may reasonably be requested by the Authority for the purposes of adequately understanding the manner in which the Services have been provided or for the purpose of allowing the Authority or the Replacement Supplier to conduct due diligence.
- 34.2 If the Supplier fails to comply with clause a and clause b, the Authority may recover possession thereof and the Supplier grants a licence to the Authority or its appointed agents to enter (for the purposes of such recovery) any premises of the Supplier or its permitted suppliers or Sub-Contractors where any such items may be held.
- 34.3 Where the end of the Contract Period arises due to the Supplier's Default, the Supplier shall provide all assistance under clause c and clause d free of charge. Otherwise, the Authority shall pay the Supplier's reasonable costs of providing the assistance and the Supplier shall take all reasonable steps to mitigate such costs.

### **35. DISPUTE RESOLUTION**

- 35.1 If a dispute arises out of or in connection with this Contract or the performance, validity or enforceability of it (Dispute) then except as expressly provided in this Contract, the parties shall follow the procedure set out for dispute resolution in the Framework Agreement.

### **36. FORCE MAJEURE**

36.1 Neither party shall be in breach of this Contract nor liable for delay in performing, or failure to perform, any of its obligations under this Contract if such delay or failure result from events, circumstances or causes beyond its reasonable control. In such circumstances the affected party shall be entitled to a reasonable extension of the time for performing such obligations. If the period of delay or non-performance continues for four weeks, the party not affected may terminate this Contract by giving fourteen days' written notice to the affected party.

### **37. ENTIRE AGREEMENT**

37.1 This Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

37.2 Each party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Contract. Each party agrees that it shall have no claim for innocent or negligent misrepresentation [or negligent misstatement] based on any statement in this Contract, provided that nothing in this clause 37 shall operate to exclude any liability for fraud.

37.3 In the event of and only to the extent of any conflict between the Order Form, the clauses of the Contract and any document referred to in those clauses, the conflict shall be resolved in accordance with the following order of precedence:

- a. the clauses of the Contract;
- b. the Order Form except Appendices B (Supplier's Tender) and C (Supplemental Tender) to the Order Form;
- c. the terms of the Framework Agreement, the Schedules to the Framework Agreement except Schedule 2A and 2B and the appendices to the Order Form, except the Supplier's Tender, and Appendix C to the Order Form (Supplemental Tender);
- d. any other document referred to in the clauses of the Contract; and
- e. the Supplier's Tender and Supplemental Tender.

### **38. NOTICES**

38.1 Except as otherwise expressly provided within the Contract, no notice or other communication from one Party to the other shall have any validity under the Contract unless made in writing by or on behalf of the Party sending the communication.

38.2 Any notice or other communication which is to be given by either Party to the other shall be given by letter (sent by hand, post, registered post or by the recorded delivery service) or e-mail. Such letters shall be addressed to the other Party in the manner referred to in clause 38.3. Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two Working Days after the day on which the letter was posted, or four hours in the case of e-mail, or sooner where the other Party acknowledges receipt of such letters or e-mail.

38.3 For the purposes of clause 38.2 the address of each Party shall be:

- a. for the Authority: Transport Operations, Leicestershire County Council, County Hall, Glenfield, Leicestershire, LE3 8RJ
- b. for the Supplier: the details shall be as provided by or on its behalf in its response to the Invitation to Tender.

38.4 Either Party may change its address for service by serving a notice in accordance with this clause.

#### **39. GOVERNING LAW AND JURISDICTION**

39.1 This Contract and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

#### **40. BUSINESS CONTINUITY**

40.1 The Supplier will throughout the contract maintain in place business continuity arrangements and will review those arrangements at appropriate intervals during the contract and if necessary update them, so as to ensure as far as reasonably practical, that in the event of unexpected circumstances, either within or external to the Supplier's organisation, service delivery to the Council is subject to the minimum level of disruption.

40.2 Suppliers are expected to provide a copy of their business continuity plans on request to the Council within 10 working days of that request being made.