



# **Conditions of Contract for the Provision of Passenger Transport Services**

## Version Control

Version	Date	Responsible Officer	Change Description
10	22/10/2015	A.Bainbridge	Version Control added, Data Label added, Page Numbers added, Smoke Free Policy added to Interpretation, Tobacco Policy removed and Smoke Free Policy added
11	18/11/2015	A.Bainbridge	<b>1.1 Interpretation:</b> E Cigarette and Framework Agreement added. <b>3. Contract Period:</b> Change to wording. <b>4.7 Drivers/Escorts:</b> Changes to wording at 4.7.2 c), d), e), 4.84, 4.85, 4.89, 4.8.13. <b>4.9. Lost Property:</b> Change to wording. <b>10. Contractors Duties as an Employer:</b> Changes to wording at 10.1.4. <b>19. Payment and Value Added Tax:</b> Change to wording at 19.2. <b>40. Break:</b> Changes to wording at 40.1 & 40.2. <b>41. Consequences of Termination:</b> Changes to wording at 41.1, 41.2 & 41.3. Other cosmetic changes have also been made.
12	21/03/2016	A.Bainbridge	<b>4.3 Registration:</b> Wording updated.
13	17/01/2017	A.Bainbridge	<b>32. Transfer and Sub-contracting:</b> condition 32.4 added. <b>38. Termination</b> – new clause. Re-numbering of all other conditions. Re-numbering of the following conditions to incorporate new numbering for Condition 40 (previously 39): 4.10.3, 6.4.3, 10.2.11, 18.6, 42.1 & 42.2 Contents pages and Interpretation updated as applicable. WLC logo amended (19/01/17)
14	05/05/2017	A.Bainbridge	<b>1.1 Interpretation:</b> PCV definition added. <b>4.10 Penalty Points:</b> Refresh of table according to Operational Specification requirements. <b>21. Price Adjustment:</b> Optional clauses added.
15	07/02/2018	A.Bainbridge	Council Logo update. CPI link update.
16	13/04/2018	C. Peden	Updated Interpretation section and Data Protection clause with wording from Legal.
17	14/11/2018	P. Walker	Data Protection Act updated to 2018 – 47.4 & 48.2
18	13/10/2021	K.Anderson	Updates to section 45 – GDPR legislation description.
19	18/05/2022	K Anderson	Prompt Payment clause added as per SPPN 2/2022

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## CONDITIONS

### 1. INTERPRETATION

#### 1.1 In this Contract:-

“Advance Purchase Order” means a Purchase Order estimating the Authority’s requirement for the goods or services for the current financial year.

“Approval” and “Approved” refer to the written consent of the Authority’s Representative.

“Authority” means West Lothian Council and includes the Authority’s Representative.

“Authority’s Premises” means land or buildings owned or occupied by the Authority where the services are delivered.

“Authority’s Property” means any property, other than heritable property, issued or made available to the Contractor by the Authority in connection with the Contract

“Authority’s Representative” means the individual authorised to act on behalf of the Authority for the purposes of the Contract as notified to the Contractor from time to time.

"Authority's Responsibilities" means the obligations, dependencies and responsibilities of the Authority identified in the Contract.

"Authority's Smoke Free Policy" means the smoke free policy of the Authority as such policy may be amended or updated from time to time. A copy of the current smoke free policy of the Authority is included in the Tender Submission – Smoke Free Policy and a copy of the Authority's current smoke free policy (as may be amended or updated from time to time) can be obtained from the Authority at any time by request to the Authority's HR Policy Manager. The Authority's current call centre telephone number is 01506 280000.

“Commencement Date” means the date on which the Contract commences in terms of Condition 3.1.

“Condition” means a condition within the Contract.

“Contract” means the agreement to the Conditions between the Authority and the Contractor consisting of the following Sections and any Terms of Reference which, in the event of ambiguity or contradiction between the same, shall be given precedence in the order listed:-

Instructions / Conditions of Contract;  
Tender Submission: Specification;  
Tender Submission: Schedule of Prices and Rates;  
Tender Submission: Form of Agreement.

“Contractor” means the Person named as the Contractor in Tender Submission: Form of Agreement, his permitted successors and assignees.

“Contractor’s Representative” means the individual authorised to act on behalf of the Contractor for the purposes of the Contract.

“Contract Period” means the period of the duration of the Contract in accordance with Condition 3.

“Contract Price” means the price, exclusive of Value Added Tax, payable by the Authority to the Contractor for the Supply of Services.

Data Processing Agreement" means an agreement in terms of the draft data processing agreement shown at Appendix [ ] annexed hereto.

“Data Protection law” means the UK GDPR, the Data Protection Act 2018 and any associated regulations or guidance issued by the Information Commissioner as amended, replaced or superseded from time to time.

"Data Sharing Agreement" means an agreement in terms of the draft data sharing agreement shown at Appendix [ ] annexed hereto.

“Disclosure Record” means a disclosure record as defined in Section 97 of the Protection of Vulnerable Groups (Scotland) Act 2007.

“E cigarette” means ... A cigarette-shaped device containing a nicotine-based liquid that is vaporized and inhaled, used to simulate the experience of smoking tobacco.

“E-Procurement” means any of the electronic procurement systems used by the Authority.

“Equipment” means all equipment, materials, consumables and plant, other than the Authority’s Property, to be used by the Contractor in the provision of the Services.

"FOI Legislation" means the Freedom of Information (Scotland) Act 2002 and the Environmental Information (Scotland) Regulations 2004.

Framework Agreement means as defined by the Public Contracts (Scotland) Regulations 2012: “an agreement or other arrangement between one or more contracting authorities and one or more economic operators which establishes the terms (in particular the terms as to price and, where appropriate, quantity) under which the economic operator will enter into one or more contracts with a contracting authority in the period during which the framework agreement applies”.

"Intellectual Property Rights" means patents, trade marks, service marks, design rights (whether registerable or not), applications for any of the above rights, copyright, trade or business names or other similar rights or obligations whether registerable or not in any country including but not limited to the United Kingdom.

"Key Staff" means Staff identified by the Contractor in its tender submission in response to the question – About Your Company/Organisation: Key Staff

"Monitoring Report" means a report that has been provided in template form by the council to the operator, to be populated with passenger revenue and journey data at the month end.

"Month" means calendar month.

"Non Disclosure Agreement" means an agreement in terms of the draft Non Disclosure Agreement shown at Appendix [ ] annexed hereto.

"Parties" means the Authority and the Contractor as identified in Tender Submission: Form of Agreement.

"PCV" means Passenger Carrying Vehicle

"Person" where the context allows, includes a corporation or an unincorporated body.

"Personnel" means persons directly employed by the Authority.

"PHC" means Private Hire Car

"Premises" means land or buildings where the Services are performed.

"Price" means a price entered in Tender Submission: Schedule of Prices and Rates or as may be otherwise agreed in any Terms of Reference entered into pursuant to the Contract.

Option \* delete as appropriate (only to be used when Option 2 at Condition 47 is selected).

"PRSA Appendix" means the relevant provisions of the Contractor's records management arrangements as assessed in the tender process together with any particular requirements of the Authority all as set out in Appendix [ ] annexed hereto.]

"PSV" means Public Service Vehicle

"Purchase Card" means a bank provided charge card that empowers staff to obtain services without the need for paper requisitions, purchase orders or invoices (where applicable).

“Purchase Order” means a paper purchase order, a verbal Purchase Card transaction or a Purchase Order received via Pecos.

“Rate” means a rate entered in Tender Submission: Schedule of Prices and Rates.

“Regulated Work” means regulated work with children or adults or both as defined in the Protection of Vulnerable Groups (Scotland) Act 2007.

“Services” means the services set out in Tender Submission: Specification or as more particularly described in any Terms of Reference.

“Site” means the area within the Premises in which the Services are performed.

“Staff” means all persons used by the Contractor to supply the Services.

“Terms of Reference” means any terms of reference document(s) agreed in writing between the parties pursuant to the Contract describing the Services, the Authority's Responsibilities and the Price in respect of the same.

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

“Transport Exemption” means where the Authority is permitted to request provision of or sight of a Disclosure Record under Section 67 of the Protection of Vulnerable Groups (Scotland) Act 2007 and The Protection of Vulnerable Groups (Scotland) Act 2007 (Unlawful Requests for Scheme Records) (Prescribed Circumstances) Regulations 2010 or any other legislation or regulations.

“Variation” means a properly executed variation to the Contract in compliance with Condition 36.

**1.2** The interpretation and construction of the Contract shall be subject to the following provisions:

- a)** a reference to any statute, enactment, order, regulation or similar instrument shall be construed as a reference to the statute, enactment order, regulation or instrument as subsequently amended or re-enacted.



- b)** the headings to Conditions are for ease of reference only and shall not affect the interpretation or construction of the Conditions;
- c)** references to Conditions are references to Conditions in the Section of the Contract in which they appear, unless otherwise stated;
- d)** where the context allows, the masculine includes the feminine and the neuter, and the singular includes the plural and vice versa.

## **2. ENTIRE AGREEMENT**

**2.1** The Contract constitutes the entire agreement between the Parties relating to the subject matter of the Contract. The Contract supersedes all prior negotiation, representations and undertakings, whether written or oral, except that this Condition shall not exclude liability in respect of any fraudulent misrepresentation.

## **3. CONTRACT PERIOD**

**3.1** The Contract shall take effect and shall expire as specified in the specification and award letter unless it is otherwise terminated in accordance with the provisions of these Conditions or extended under Condition 3.2 hereof.

**3.2** The Authority may extend the Contract Period up to a maximum period as detailed within the specification and award letter by issuing a Variation within a reasonable timescale in advance of the date when the Contract would otherwise expire.

## **4. SERVICES**

**4.1** The Contractor shall perform the Services in accordance with the provisions of the Contract subject to compliance by the Authority with its obligations under the Contract and further subject to the Authority providing the Contractor with all necessary information for the provision of the Services.

### **4.2 Licensing**

**4.2.1** The Contractor shall be fully licensed in accordance with current legislation and ensure that all the appropriate certificates and licences are at all times in full force and effect. In particular it shall be the Contractor's sole responsibility to:

- a)** Hold any necessary PSV Operator's licence, community bus permit or hire car booking office licence.
- b)** Ensure that all vehicles used have the appropriate PSV licence, community bus permit, PHC, or taxi licence as required.
- c)** Ensure that all drivers hold any necessary PSV, PHC driver's licence, taxi driver's licence or other licence or permit and any other necessary qualifications and comply at all times with any relevant regulations and licence conditions.

**4.2.2** The Contractor shall notify the Authority, in writing, immediately, and in any event within one working day of the imposition of any immediate prohibitions issued by the Police or Department of Transport or any other authority including

any local authority and of any suspended licences relating to vehicles belonging to or operated by the Contractor or any sub-contractor. The Authority reserves the right to exchange information about the Contractor's vehicles, business or operation of any contract with the Traffic Commissioner, VOSA, Police or any other government body.

#### **4.3**     Registration

Where required, it shall be the sole responsibility of the Contractor to register with the Traffic Commissioner, in accordance with the Traffic Commissioners requirements and procedures, all necessary particulars of the local bus service and any subsequent variations to the Contract permitted or agreed under the Contract.

#### **4.4**     Statistics, Audit and Inspection

**4.4.1** The Contractor shall permit Authority Representatives to:

- a) inspect any vehicle used or to be used for the performance of the Contract immediately before, during or after operation of any journey.
- b) by prior agreement inspect vehicles not in service.
- c) inspect maintenance facilities and records.
- d) inspect passenger tickets or passes.
- e) travel as an escort on any Contract journey.
- f) access any relevant books, documentation, vouchers, waybills, tickets and accounts, having given the Contractor reasonable notice of such a request.

**4.4.2** The Contractor shall provide the Authority with accurate statistics showing performance for each service as the Authority shall reasonably require, over and above the monthly monitoring reports.

#### **4.5**     Vehicles

In addition to any licence provisions or Terms and Conditions which may be imposed by any Licensing Authority, all vehicles used in the operation of this Contract must:

- a) be in a fit and serviceable condition and appropriate for providing the service required.
- b) be able to use the roads utilised for the Services bearing in mind the requirements of weight restrictions, low bridges and Traffic Regulation Orders.

- c) have exterior paintwork, interior seats and fittings in good condition such as to promote confidence in users.
- d) have effective heating and ventilation.
- e) be clean internally and externally at the start of each day's operation and be swept out in the course of the day as necessary.
- f) Any special requirements for the vehicle, including passenger lift, ramp, wheelchair and clamp provision, child seats, restraints and safety belts must be in accordance with the manufacturers' or distributors' instruction and guidance.

#### **4.6**    Vehicle Emissions

In accordance with the Road Vehicles (Construction and Use) Regulations 1986, vehicle engines must be switched off whilst vehicles are stationary in car parks, school bus parks or any situation where a vehicle is stationary and no activity is taking place i.e. passengers are not entering or alighting the vehicle.

#### **4.7**    Drivers (And Escorts)

**4.7.1** Contractors are responsible for the actions of all Staff engaged by them in operation of the Contract.

**4.7.2** Any Staff used in the operation of the Contract must:

- a. ensure that they are aware of the Contract specification for any service they operate
- b. must exercise care of their passengers, preferably with the help of customer care training. This includes communication with customers, driving with consideration of passengers, showing a particular care of the needs of young children, the elderly and disabled passengers.
- c. display driving behaviour which, in the sole reasonable opinion of the Authority, is appropriate at all times.
- d. ensure that behaviour which, in the sole reasonable opinion of the Authority, is appropriate is displayed in front of passengers.
- e. all be smartly and appropriately (in the sole reasonable opinion of the Authority) dressed. The wearing of football shirts is not permitted while operating the Contract.

- 4.7.3** The Authority reserves the right to require the removal of a member or members of Staff from a particular route(s)/Contract(s).

## 4.8 Duties Of Contractors

- 4.8.1** Services shall be on time at the start of each journey and thereafter at each timing point; no service should run early and late running is only acceptable through circumstances beyond the Contractor's control. The correct route and pick up points should be followed unless the driver is prevented from doing so by road works or similar or by specific written instructions from the Authority for each individual service. In adverse weather, Staff should use their discretion to decide whether a journey is possible.
- 4.8.2** If external factors regularly create difficulties in adhering to the timetable and/or route specification then the Contractor shall request to the Authority to review and provide a Variation if necessary.
- 4.8.3** The Contractor shall inform the Authority of any Services which regularly carry no passengers and of any journeys on which potential passengers were unable to board the vehicle/vehicles due to insufficient capacity being available.
- 4.8.4** The driver of each vehicle used to provide the Services must be contactable during the hours of operation of the Services. Any call taken or made must relate to the operation of the Services.
- 4.8.5** The Contractor must report to the Authority all accidents, breakdowns or other significant delays whilst operating the service. This information is to be given as soon as possible after the breakdown or similar occurs. Especially where children are involved in any service the Public Transport team should be notified immediately after any emergency action is taken to secure safety of life.
- The Contractor must confirm to the Authority, in writing, details of the situation within:
- 24 hours for accidents or emergencies
  - 48 hours for breakdowns
- 4.8.6** The Contractor or his/her representative must be immediately contactable by telephone during normal office hours and have an available email account to assist in communications concerning the Services.
- 4.8.7** In the event of a complaint about a service being received by the Authority, the Contractor must supply an explanation of the event within one working day of being informed of it. If the complaint is made direct to the Contractor he must reply in writing to the complainant within 3 working days, with a copy of the reply sent concurrently to the Authority's Public Transport team.
- 4.8.8** The Contractor shall be obliged to cover Staff or vehicle deficiencies by sub-contracting if necessary, unless stated otherwise.

- 4.8.9** The Contractor must ensure that there is no smoking on any service , and notices to that effect must be displayed in the vehicle. Contractors are responsible for informing the Authority of any instances where an individual has refused to comply. This condition shall comply with condition 12.2 Smoke Free Policy.
- 4.8.10** Contractors must ensure that no person unauthorised by the Authority enters or travels in the vehicle.
- 4.8.11** It shall be the responsibility of the Contractor to claim any Concessionary Travel payments and Bus Service Operators Grant if applicable.
- 4.8.12** The Contractor shall be responsible for all fees and charges associated with operating the service, for example bus station departure charges and registration, cancellation and amendment fees.
- 4.8.13** The Contractor shall be responsible for any injury or death to any passenger or third party in the course of the Services being provided. The Authority will accept no liability for any damage arising to a vehicle in the course of its journey or for any injury or death to any passenger or third party as a result of provision of the Services.

#### **4.9** Lost Property

The Contractor shall make appropriate provision to deal with lost property in accordance with the Public Service Vehicles (Lost Property) Regulations 1978 and any amendments or re-enactments as may from time to time be in force.

- 4.10** In addition to termination on default the Authority operates a Penalty Point system in respect of failure by the Contractor to operate Services in terms of the Contract. The Penalty Point system is operated without prejudice to the Authority's rights in terms of the Contract. Penalty Points will be imposed, on the Contract, in the event of default or failure by the Contractor in respect of specified events. The specified events attracting Penalty Points, and the number of Penalty Points which will be imposed, subject to the provisions of Condition 4.10.1 in respect of each specified event, are set out in the table below.

<b>Specified Event</b>	<b>REFERENCE</b>	<b>POINTS</b>
The penalty points for each Specified Event below apply to all services to which the Terms and Conditions or Specifications referred to in the relevant Reference column of this table apply.		
Failure to register with the Traffic Commissioner.	Terms and Conditions: 4.3	10

<b>Specified Event</b>	<b>REFERENCE</b>	<b>POINTS</b>
Incorrect Registration with the Traffic Commissioner.	Terms and Conditions: 4.3	5
Failure to maintain correct operating, vehicle or driver licence.	Terms and Conditions: 4.2.1	1-80 at Authority's Discretion
Failure to notify the Authority of any prohibitions issued by the Police, Department of Transport, Traffic Commissioner, VOSA or other authority.	Terms and Conditions: 4.2.2	5
Failure to comply with the provisions relating to the Protection of Vulnerable Groups (Scotland) Act 2007	Terms and Conditions: 10.2	20
Failure to ensure duty of care to all passengers	Terms and Conditions: 4.7.2	1-80 at Authority's Discretion
Failure to maintain vehicle in fit and serviceable condition.	Terms and Conditions: 4.5	1-80 Variable at Authority's Discretion
Use of unsuitable vehicle with regard to weight restrictions, low bridges and Traffic Regulation Orders	Terms and Conditions: 4.5	1-80 at Authority's Discretion
Failure to maintain vehicle paintwork, seats and fittings.	Terms and Conditions: 4.5	2
Failure to maintain effective heating and ventilation.	Terms and Conditions: 4.5	2
Failure to maintain vehicle cleanliness	Terms and Conditions: 4.5	2
Failure to deliver contract specification.	Terms and Conditions: 4.7.2	2-10 Variable at Authority's discretion
Driver's failure to demonstrate adequate customer care.	Terms and Conditions: 4.7.2	Variable at Authority's Discretion
Inappropriate driving behaviour.	Terms and Conditions: 4.7.2	2-10 Variable at Authority's discretion
Inappropriate behaviour.	Terms and Conditions: 4.7.2	2-10 Variable at Authority's discretion
Failure to submit Monitoring report	Terms and Conditions 19.2	7
Inappropriate dress including wearing of football shirts.	Terms and Conditions: 4.7.2	2
Contractor's failure to ensure duty of care to all passengers.	Terms and Conditions: 14.1	Variable at Authority's Discretion
Failure to maintain confidentiality/misuse of contract information.	Terms and Conditions: 25	10-20 Variable at



Specified Event	REFERENCE	POINTS
		Authority's Discretion
Failure to adhere to assignation, disposal or sub-contracting conditions.	Terms and Conditions: 32	1-80 at Authority's Discretion
Running service more than one minute early.	Terms and Conditions: 4.8.1	7
Running service late – within operator's control.	Terms and Conditions: 4.8.1	Up to 5
Failure to observe correct route/pick up points.	Terms and Conditions: 4.8.1	7
Failure to advise Authority of capacity issues.	Terms and Conditions: 4.8.3	2
Failure to advise Authority of consistent difficulties in adhering to timetable or route.	Terms and Conditions: 4.8.2	2
Inability to contact driver or driver making/taking unrelated calls	Terms and Conditions: 4.8.4	5
Failure to advise Authority of accident, breakdown or significant delay within specified time limit.	Terms and Conditions: 4.8.5	1-20 at Authority's Discretion
Failure to ensure availability of contract manager/representative by telephone.	Terms and Conditions: 4.8.6	10
Failure to maintain email account.	Terms and Conditions: 4.8.6	10
Failure to seek sub contractor in emergency situation.	Terms and Conditions: 4.8.8	1-20 at Authority's Discretion
Failure to uphold smoke free policy.	Terms and Conditions: 12.2	10
Failure to prevent unauthorised person(s) from travelling in the vehicle.	Terms and Conditions: 4.8.10	2
Failure to submit invoices within 30 days.	Terms and Conditions: 19.2	7
Submission of incorrect monitoring report.	Terms and Conditions : 19.2	3
Failure to adhere to complaints procedure.	Terms and Conditions: 4.8.7	1-10 Variable at Authority's Discretion
Preventing authorised council officers access to inspect vehicle, passes, tickets or documentation.	Terms and Conditions: 4.4.1	20
Failure to provide additional statistics.	Terms and Conditions: 4.4.2	20
Failure to adhere with the Road Vehicles Regulations 1986.	Terms and Conditions: 4.6	5-10 Variable at Authority's Discretion
Use of staff without qualifications, licences and competence.	Terms and Conditions: 10.1.1	1-20 Variable at the

Specified Event	REFERENCE	POINTS
		Authority's Discretion
Failure to provide appropriate number of staff required to fulfil contract.	Terms and Conditions: 10.1.2	5
Failure to provide services in accordance with the operational specification.	Terms and Conditions: 15.1	1-20 Variable at the Authority's Discretion
Failure to seek approval for public statement relating to the existence or performance of the contract.	Terms and Conditions: 26.1	1-20 Variable at the Authority's Discretion
Failure to notify the Authority of any health and Safety hazards.	Terms and Conditions: 31.1	3-5 Variable at the Authority's Discretion
Failure to inform staff of known health and safety hazards.	Terms and Conditions: 31.3	3-7 Variable at the Authority's Discretion
Failure to comply with health and safety measures implemented by the Authority.	Terms and Conditions: 31.4	5-15 Variable at the Authority's Discretion

**4.10.1** Penalty Points shall be increased by the Authority prior to imposition by the addition of further points (calculated as follows) :-

- a) Contracts having more than 120 single journeys per week – Penalty Points in terms of the table above x 0.25 = the further points referred to above.
- b) Contract having between 61 and 120 single journeys per week – Penalty Points in terms of the table above x 0.5 = the further points referred to above.
- c) Contract having between 13 and 60 single journeys per week – Penalty Points in terms of the table above x 0.75 = the further points referred to above.
- d) Contract having up to 12 single journeys per week – Penalty Points in terms of the table above, for the avoidance of doubt there will be no further points applied in such cases

“Further Penalty Points” means any applicable further penalty points as set out in paragraphs a), b), c) and d) above.

“Total Penalty Points” shall mean the amount of points equal to the Penalty Points plus the Further Penalty Points.

**4.10.2** Penalty Points and Further Penalty Points will be imposed at the sole discretion of the Authority and will endure for a period of 12 months from the date of the specified event that gave rise to the imposition of the Penalty Points and Further Penalty Points.

**4.10.3** If at any time during the period of the Contract, 20 Total Penalty Points (or a cumulative total of 20 Total Penalty Points) or more have been imposed upon the Contract, the Contractor shall be deemed to be in fundamental breach of the Contract, which is not capable of being remedied, and the Authority shall be entitled to terminate the Contract or any Services in terms of the provisions of Condition 40.

**5. NOT USED.**

**6. CONDITIONS AFFECTING PROVISION OF SERVICES**

**6.1 TERMS AND CONDITIONS**

This Contract may only be varied with the written agreement of the Authority. No terms or conditions put forward at any time by the Contractor shall form any part of the Contract other than those proposed and accepted in accordance with the Proposed Amendments to the Contract Documents or in accordance with the provisions of Condition 36 hereof.

**6.2 ORDERS, DELIVERY NOTES AND INVOICES**

**6.2.1** Purchase orders, advance purchase orders, delivery notes and invoices shall not vary the Contract. The Conditions as set out in accordance with Condition 6.1 shall apply at all times.

**6.2.2** The Contractor shall not supply any Service without receipt of a Purchase Order.

**6.2.3** Failure by the Contractor to ensure receipt of a Purchase Order may delay payment in accordance with Condition 19.

**6.2.4** The Contractor may assign to another person (an "assignee").

- (i) the right to receive payment of the Price or any part thereof due to the Contractor under this Contract subject to deduction of sums in respect of which the Authority exercises its right of recovery under Condition 22 of this Contract and;

The Contractor shall notify or procure that any assignee notifies the Authority of any variations to the arrangements for payment of the Price or for handling

invoices, in each case in good time to enable the Authority to redirect payments or invoices accordingly. In the absence of such notification the Authority shall be under no obligation to vary its arrangements for payment of the Price or for handling invoices.

- 6.2.5** The Authority shall be entitled to pursue any such assignee for any sums due to the Authority.

### **6.3 AWARD**

The Authority reserves the right to award all or any part of a contract to any Contractor. The Authority reserves the right not to award all or any part of a contract.

- 6.3.1** Any tender for the supply of Services submitted to the Authority may be subject to post tender negotiations as provided for in the Authority's standing orders.

- 6.3.2.** The Contractor shall be deemed to have satisfied himself as regards the nature and extent of the Services, the supply and conditions affecting labour, the suitability of the Authority's Property (if any) and the Equipment necessary for the performance of the Services, subject to all such matters being discoverable by the Contractor.

- 6.3.3.** Prior to the award of the contract the Contractor must agree in writing to conduct business transactions electronically with the Authority in accordance with Condition 6.4.

### **6.4 E-PROCUREMENT**

- 6.4.1** It is the Authority's intention to procure Services electronically via E-Procurement. It is therefore mandatory that all Contractors to the Authority agree to conduct business transactions with the Authority electronically.

- 6.4.2** The degree of participation and the timescale to commence participation will be agreed in writing prior to the award of the Contract.

- 6.4.3** Any Contractor who gives this undertaking and does not commence participation within the agreed timescale will be in fundamental breach of Contract and the Contract may be terminated in accordance with Condition 40.

## **7. CONTRACTOR'S STATUS**

- 7.1** Nothing in the Contract shall be construed as creating a partnership, a contract of employment or a relationship of principal and agent between the Authority and the Contractor.

**8. AUTHORITY'S PROPERTY**

- 8.1** All the Authority's Property shall remain the property of the Authority and shall be used in the performance of the Contract and for no other purpose without prior Approval.
- 8.2** On receipt of the Authority's Property the Contractor shall subject it to a visual inspection and testing as may be necessary to check that it is not defective. Within fourteen days of receipt of any item of the Authority's Property, or such other period as may be Approved, the Contractor shall notify the Authority in writing of any defects discovered. Within fourteen days after receiving such notification, the Authority shall inform the Contractor of the action to be taken with such defective property.
- 8.3**
- a)** The Contractor shall maintain all items of the Authority's Property (if any) in good and serviceable condition, fair wear and tear excepted, and in accordance with the manufacturers' recommendation.
  - b)** The Contractor shall be responsible for any costs resulting from any item of the Authority's Property requiring replacement as a direct result of the Contractor's negligence.
  - c)** Any item replaced under Condition 8.3(b), will be left in-situ on expiry of the Contract.
- 8.4** The Authority shall not be responsible for any costs resulting from any loss of or damage to or failure of the Authority's Property caused by the Contractor unless the Contractor is able to demonstrate that such loss, damage or failure was caused or contributed to by the negligence or default of the Authority.
- 8.5** The Contractor shall not in any circumstances have a lien on any of the Authority's Property and shall take all steps necessary to ensure that the title of the Authority and the exclusion of any lien are brought to the attention of any third party dealing with the Authority's Property.

**9. EQUIPMENT**

- 9.1** The Contractor shall provide all the Equipment necessary for the provision of the Services.
- 9.2** The Contractor shall maintain all items of Equipment in good and serviceable condition.
- 9.3** All Equipment shall be at the risk of the Contractor and the Authority shall have no liability for any loss of, or damage to, any Equipment unless the Contractor is able to demonstrate that such loss or damage was caused or contributed to by the negligence or default of the Authority.

- 9.4** The Contractor shall provide for the haulage or carriage of Equipment to the Premises and its off-loading and removal when no longer required.
- 9.5** The Authority may at its option purchase any item of Equipment from the Contractor at any time, if the Authority considers that the item is likely to be required in the provision of the Services following the expiry or termination of the Contract, subject to the purchase price to be paid by the Authority in respect of the same being agreed in writing between the parties.

## **10. CONTRACTORS DUTIES AS AN EMPLOYER**

### **10.1 General**

- 10.1.1** All Staff shall possess the qualifications, licences and competence appropriate to the tasks for which they are employed.
- 10.1.2** The Contractor shall provide, at all times, the number of Staff required to fulfil his obligation under the Contract.
- 10.1.3** Unless given prior Approval, the Contractor shall make the Key Staff available as the Contractor shall deem appropriate for the entire period needed as required to fulfil their part in the provision of the Services, whilst they are employed or engaged by the Contractor.
- 10.1.4** Without the prior written consent of the other party neither party to the Contract shall for the duration of this Contract and for a period of six months thereafter solicit, procure or attempt to procure the employment or professional assistance (either directly or indirectly) of any of the personnel engaged by the other party (whether employees or contractors) in the performance of the Contract. If either party should engage personnel in breach of this condition, both parties acknowledge that it is reasonable that the party should upon commencement of the engagement pay to the other party by way of damages a sum equal to 50% of the employee's initial gross annual salary and associated benefits. Both parties agree that this condition shall apply to any parent, subsidiary or otherwise associated company.
- 10.1.5** Where the Protection of Vulnerable Groups (Scotland) Act 2007 is applicable to the Contract, the Contractor must provide the Authority with a list of those who will be carrying out Regulated Work in performance of the Contract. The Contractor must immediately inform the Authority, in writing, of any changes in those carrying out or who will be carrying out Regulated Work in performance of the Contract and provide the Authority with an updated list immediately upon any such change. The Authority shall be entitled to verify the

identity of any person who is carrying out Regulated Work in performance of the Contract or who will carry out Regulated

Work in performance of the Contract and the Contractor shall ensure that those carrying out or who will carry out Regulated Work in performance of the Contract comply with any requirements of the Authority in this respect. In the event that such list or updated list is not provided timeously or in the event that the identity of any such person is not verified to the satisfaction of the Authority, the Authority may suspend the Contractor or the relevant person or both from performing the Contract until such time as the matter is resolved to the satisfaction of the Authority. In the event that the Contractor is suspended from performing the Contract, the Contractor shall not be entitled to payment in respect of the period of suspension. The Contractor shall ensure that those who are carrying out Regulated Work in performance of the Contract or who will carry out Regulated Work in performance of the Contract shall comply with any requirements of the Authority in relation to identity badges.

## **10.2 Protection of Children and Vulnerable Groups**

- 10.2.1** The Contractor shall ensure, that all Staff, sub-contractors and others who carry out or will carry out Regulated Work in performance of the Contract, are registered members of the Protection of Vulnerable Groups Scheme for the type of work which they carry out or will carry out in performance of the Contract.
- 10.2.2** The Authority shall be entitled at any time to request that a Scheme Record Update is obtained in respect of any individuals who are carrying out or will carry out Regulated Work in performance of the Contract and the Contractor shall forthwith arrange for such a Scheme Record Update to be applied for where it has the consent of the individual to do so. Without prejudice to the foregoing, in the event that the Contractor employs a new employee who is a member of the Protection of Vulnerable Groups Scheme, the Contractor shall arrange for a Scheme Record Update to be applied for where it has the consent of the individual to do so.
- 10.2.3** Where the Scheme Record Update discloses that new vetting information has been added since the last Scheme Record, the Contractor will upgrade to a Scheme Record where the Contractor obtains the consent of the individual who is the subject of the Scheme Record Update to do so or the Contractor will arrange for a new Scheme Record to be applied for where the Contractor obtains the consent of the individual to do so. Where the Scheme Record Update indicates that there is vetting information on the Scheme Record and the Transport Exemption applies, the

Contractor will exhibit the Scheme Record to the Authority, where it has the consent of the individual who is the subject of the Scheme Record to do so. Where such individual's consent to apply for an upgrade or to apply for a Scheme Record or to exhibit a Scheme Record or Scheme Record Update to the Authority is not given or where for any reason a Scheme Record Update or a Scheme Record is not provided forthwith to the Authority and the Transport Exemption applies, the Authority has the right, without prejudice to its other legal remedies, to require such individual to be withdrawn immediately from performance of the Contract and any Services relating to it.

**10.2.4** Where the Transport Exemption applies the Contractor shall disclose Disclosure Records to the Authority forthwith upon request where the Contractor has the consent of the individual who is the subject of the Disclosure Record to do so. Where said individual's consent is not given or where for any other reason any such Disclosure Record is not provided forthwith to the Authority, the Authority has the right, without prejudice to its other legal remedies, to require such individual to be withdrawn immediately from performance of the Contract and any Services relating to it. Where the Transport Exemption applies, the Authority will request Disclosure Records for any individuals who will carry out Regulated Work prior to that individual being permitted to carry out Regulated Work in performance of the Contract. The Authority will require to be satisfied with an individual's Disclosure Records prior to that individual carrying out Regulated Work in performance of the Contract. The Contractor shall ensure that no individual is permitted to carry out Regulated Work in performance of the Contract prior to the Authority confirming satisfaction with that individual's Disclosure Records. The Contractor shall ensure that any requests to individuals for consent to disclose their Disclosure Records to the Authority are progressed without delay.

**10.2.5** Where the Authority is not satisfied with any Disclosure Record provided or exhibited to the Authority, the Authority has the right, without prejudice to its other legal remedies, to require the individual who is the subject of such Disclosure Record to be withdrawn immediately from performance of the Contract and any Services relating to it.

**10.2.6** Where a Contractor receives notification that an individual who is or will be carrying out Regulated Work in performance of the Contract is listed as being unsuitable to carry out such Regulated Work or is otherwise barred from carrying out such Regulated Work or is under consideration for listing, the Contractor shall immediately withdraw such individual from performance of the Contract. Where the Transport Exemption applies and the Contractor obtains the consent of the individual who is the subject of the notification, the Contractor shall apply for or arrange for an application to be made for a Scheme



Record Update for such individual. Where the Transport Exemption applies, the Contractor shall exhibit the Scheme Record Update to the Authority where the Contractor has the consent of the individual who is the subject of the Scheme Record Update to do so and the terms of Condition 10.2.3 shall apply. Where an individual has been withdrawn from performance of the Contract due to being under consideration for listing but has not been barred the Contractor shall not allow that individual to perform the Contract or any Services relating to it without the prior written approval of the Authority. Where an individual is barred from carrying out Regulated Work covered by the Contract, the Contractor shall ensure that the individual is permanently withdrawn from performance of the Contract or any services relating to it.

- 10.2.7** The Authority is entitled to carry out audits or spot checks on the Contractor at any time. The Contractor shall fully co-operate with the Authority in such audits or spot checks. Without prejudice to the foregoing generality, the Contractor shall respond to all correspondence and enquiries from the Authority timeously.
- 10.2.8** The Contractor shall ensure that Disclosure Scotland and its successors and the Authority are advised of any changes in the Contractor's address or contact details immediately.
- 10.2.9** Any references to the consent of an individual in Condition 10 shall mean written consent.
- 10.2.10** The Authority will not be responsible for acting as an umbrella body in relation to applications for Disclosure Records and will not be responsible for counter-signing applications for Disclosure Records. Once the Contractor has been awarded the Contract, the Contractor shall be responsible for having the appropriate registration in place with Disclosure Scotland to enable the Contractor to counter-sign applications for Disclosure Records or for arranging for an umbrella body to counter-sign applications for Disclosure Records. The Authority is not responsible for any costs or fees associated with obtaining Disclosure Records, registering with Disclosure Scotland or use of an umbrella body and such costs shall be the responsibility of the Contractor in questions between the Authority and the Contractor.

- 10.2.11** The failure by the Contractor to comply with Condition 10 will be a fundamental breach of the Contract in terms of Condition 40 and Authority may terminate the Contract in accordance with Condition 40.

## **11. CO-ORDINATION**

- 11.1** The Contractor shall co-ordinate his activities in the provision of the Services with those of Personnel and other contractors or consultants engaged by the Authority where required to do so by the Authority.

## **12. THE AUTHORITY'S PREMISES**

### **12.1 USE OF**

- 12.1.1** Where the Services are performed on the Authority's Premises the Contractor shall have the use of the Authority's Premises without charge as a licensee and shall vacate those premises on completion or earlier termination of the Contract.
- 12.1.2** The Contractor shall not use the Authority's Premises for any purpose or activity other than the provision of the Services unless given prior written Approval by the Authority.
- 12.1.3** Should the Contractor require modifications to the Authority's Premises, such modifications shall be subject to prior written Approval by the Authority and shall be carried out by the Authority at the Contractor's expense. The Authority shall undertake Approved modification work without undue delay. Ownership of such modifications shall rest with the Authority.
- 12.1.4** The Contractor shall not deliver any Equipment to the Authority's Premises outside normal working hours without prior Approval.
- 12.1.5** The Contractor shall maintain all Equipment and (where permitted to store Equipment within or at the Authority's Premises) its place of storage within or at the Authority's Premises in a safe, serviceable and clean condition.
- 12.1.6** On the completion or earlier termination of the Contract, the Contractor shall, subject to the provisions of Condition 9.5, remove all Equipment and shall clear away from the Authority's Premises all waste arising from the performance of the Services and shall leave the Authority's Premises in a clean and tidy condition.
- 12.1.7** Whilst on the Authority's Premises, the Contractor shall use its reasonable endeavours to ensure that all Staff shall

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comply with such rules, regulations and other requirements  
as may be in force in respect of the conduct of Persons

attending and working on the Authority's Premises as notified to the Contractor.

## **12.2 SMOKE FREE POLICY**

- 12.2.1** Smoking is not permitted indoors in the Authority's premises or in the Authority's vehicles.
- 12.2.2** The use of e-cigarettes or other similar products designed to replicate the behaviour of smoking without the use of tobacco is not permitted in the Authority's premises or in the Authority's vehicles.
- 12.2.3** Smoking is not permitted at entrances/exits or surrounding grounds of the Authority's premises.
- 12.2.4** The use of e-cigarettes or other similar products designed to replicate the behaviour of smoking without the use of tobacco is not permitted at entrances/exits or surrounding grounds of the Authority's premises.
- 12.2.5** The Authority does not provide special smoking rooms/areas within its premises.
- 12.2.6** Contractors, Staff, sub-contractors and sub-contractors' staff are not allowed to smoke in vehicles used or to be used for the purpose of the Contract. Contractors shall comply with and shall procure that all Staff, sub-contractors and sub-contractors' staff comply with the Smoking, Health and Social Care (Scotland) Act 2005 and any regulations, orders or statutory instruments made thereunder.
- 12.2.7** The Contractor shall comply with the Authority's Smoke Free Policy at all times.

## **13. RIGHT OF ACCESS TO THE AUTHORITY'S PREMISES**

- 13.1** Where the Services are to be delivered on the Authority's Premises, the Authority shall grant to the Contractor and Staff reasonable access to the site.
- 13.2** If the Authority gives the Contractor notice that a specifically named member of Staff shall not be admitted to the Authority's Premises, the Contractor shall use its reasonable endeavours to ensure that that person shall not seek admission and shall not be admitted.
- 13.3** If and when so directed in writing by the Authority, the Contractor shall within seven days of written direction to do so, provide:-

- a) a list showing the company name and address of every person whom the Contractor wishes to be admitted to the Authority's Premises and, where required by the Authority every other person who is or may be involved in any other way in the performance of the Contract, the capacity in which each person is or may be so involved and any other particulars required by the Authority;
  - b) evidence satisfactory to the Authority to establish the identity of each such person;  
and
  - c) any other information about each such person, with any supporting evidence required by the Authority, including full details of birth-place and parentage of any such person who is not a citizen of the United Kingdom by birth, or who was born within the United Kingdom of parents who were not citizens of the United Kingdom by birth.
- 13.4** Where Staff are required to have a pass for admission to the Authority's Premises, the Authority's Representative shall, subject to satisfactory completion of their approval procedures, arrange for passes to be issued.
- 13.5** Staff who cannot produce a valid pass issued by the Authority, when required to do so by any appropriate Personnel or Agent/Authority Representative, or who contravene any conditions on the basis of which a pass was issued, may be refused admission to the Authority's Premises and/or required to leave those Premises if already there.
- 13.6** The Contractor shall use its reasonable endeavours to ensure that any pass issued to the Contractor, Staff or any of its employees is promptly returned if at any time the Authority's Representative so requires or if the person in respect of whom it was issued ceases to be involved in the performance of the Contract. The Contractor shall use its reasonable endeavours to ensure that all passes issued to the Contractor, Staff or any of its employees are promptly returned to the Authority on completion or earlier termination of the Contract, and in any event within 14 days of such completion or earlier termination.

#### **14. MANNER OF PROVIDING THE SERVICES**

- 14.1** The Contractor shall perform the Services with all due care, skill and diligence, and in accordance with good practice. The Contractor is responsible for discharging a duty of care to all passengers in its charge. The Contractor shall use its reasonable endeavours to provide the Services in accordance with any timescales agreed in writing between the parties.

- 14.2** If any of the Services are performed on land or buildings owned or occupied by the Authority, such Services shall be performed only on

Approved Sites. The Authority acknowledges that the whole or any part of the Services may be performed on land or buildings not owned or occupied by the Authority (offsite) subject to prior approval by the Authority.

- 14.3 The signing by the Authority's Representative of time sheets or other similar documents shall not be construed as implying the Contractor's compliance with the Contract.

## **15. STANDARDS**

- 15.1 Services will be provided in accordance with the standards set out in Tender Submission: Specification.
- 15.2 On the request of the Authority's Representative, the Contractor shall provide proof to the Authority's satisfaction that the Services are being provided in accordance with the Contract.
- 15.3 The introduction of new practices by the Contractor which will, in the opinion of the Contractor, have a material adverse effect on the Authority's ability to retender the Services shall require the prior Approval of the Authority.

## **16. NOT USED**

## **17. PROGRESS REPORTS**

- 17.1 Where progress reports are required to be submitted under the Contract, the Contractor shall render those reports at such time and in such form as may be specified by the Authority or as otherwise agreed between the Parties.
- 17.2 The submission and receipt of progress reports shall not prejudice the rights of either Party under the Contract.

## **18. RE-TENDERING AND HANDOVER**

- 18.1 Within twenty-one days of being so requested by the Authority's Representative, the Contractor shall provide, and thereafter keep updated, in fully indexed and catalogued format, all the information necessary to enable the Authority to issue tender documents for the future provision of the Services.
- 18.2 Where the Transfer of Undertakings (Protection of Employment) Regulations 2006 may apply on the termination or expiration of the Contract, the information to be provided by the Contractor within twenty one days of being so requested by the Authority's Representative or a potential contractor's representative, who has qualified to tender for the future provision of the Service, shall

include, as applicable, accurate information relating to the Staff who would be transferred under the same terms of employment under those Regulations, including in particular:-

- a) the number of Staff who would be transferred, but with no obligation on the Contractor to specify their names;
- a) in respect of each of those members of Staff, their age, sex, salary, length of service, hours of work, overtime hours and rates, any other factors affecting redundancy entitlement and any outstanding claims arising from their employment;
- b) the general terms and conditions applicable to those members of Staff, including probationary periods, retirement age, periods of notice, current pay agreement, working hours, entitlement to annual leave, sick leave, maternity and special leave, terms of mobility, any loan or leasing schemes, any relevant collective agreements, facility time arrangements and additional employment benefits.

**18.3** The Authority shall require any potential contractor, who has qualified to tender for the future provision of the Service, to treat the information referred to in Condition 18.2 in confidence, not to communicate it except to such persons within their organisation and to such extent as may be necessary for the purpose of preparing a response to an invitation to tender issued by the Authority and not to use it for any other purpose.

**18.4** The Contractor shall indemnify the Authority against any claim made against the Authority at any time by any person in respect of any liability incurred by the Authority arising from any deficiency or inaccuracy in information that the Contractor is required to provide under Condition 18.2.

**18.5** The Contractor shall not:-

- a) at any time during the Contract Period, including any extension of the original Contract Period, move any persons in its employment into the undertaking or relevant part of an undertaking which provides the Services, who do not meet the standards of skill and experience, or who are in excess of the number, required for the purpose of the Contract; or
- b) make any substantial change in the terms and conditions of employment of any Staff which is inconsistent with the Contractor's established employment and remuneration policies.

**18.6** Where, in the opinion of the Authority's Representative, any change, or proposed change, in the Staff in the undertaking or relevant part of an undertaking, or any change in the terms and conditions of



employment of such Staff, would be in breach of Condition 18.5, the Authority shall have the right:-

- a) to make representations to the Contractor against the change or proposed change;
- b) to give notice to the Contractor requiring him to remedy the breach in terms of Condition 40; and
- c) if the Contractor has not remedied the breach to the satisfaction of the Authority's Representative following notice in terms of Condition 40, to terminate the Contract by reason of the default of the Contractor, in accordance with Condition 40.

**18.7** The Contractor shall allow access to the Site, in the presence of the Authority's Representative, to any person representing any service provider whom the Authority has selected to tender for the future provision of the Services.

**18.8** For the purpose of access to the Site in accordance with Condition 18.7, where the Site is on the Contractor's premises, the Authority shall give the Contractor seven days' notice of a proposed visit together with a list showing the names of all persons who will be attending those premises. Their attendance shall be subject to compliance with the Contractor's security procedures, subject to compliance not being in conflict with the objectives of the visit.

**18.9** The Contractor shall co-operate fully with the Authority during the handover arising from the completion or earlier termination of the Contract. This co-operation, during the Setting Up Operations period of the new Contract, shall extend to allowing full access to, and providing copies of, all documents, reports, summaries and any other information necessary in order to achieve an effective transition without disruption to routine operational requirements.

**18.10** Within ten working days of being so requested by the Authority's Representative, the Contractor shall transfer to the Authority, or any Person designated by the Authority, free of charge, all computerised filing, recording, documentation, planning and drawings held on software and utilised in the provision of the Services subject to the necessary approvals being granted under Data Protection Law. The transfer shall be made in a fully indexed and catalogued disk format, to operate on a proprietary software package identified to that used by the Authority.

## **19. PAYMENT AND VALUE ADDED TAX**

**19.1** In consideration of the provision of the Services by the Contractor in accordance with the terms of the Contract, the Authority shall pay the

Contractor a proportion of the Contract Price calculated in accordance with Tender Submission: Schedule of Prices and Rates.

- 19.2** The Contractor shall submit an original invoice to the Authority immediately following the provision of the Services, and in every case within 30 days of the end of the month in which the Service was provided. Each invoice shall contain all appropriate references including invoice, order and contract numbers, a detailed breakdown of the Services and the appropriate unit Prices or Rates, to two decimal places, and shall be supported by any other documentation required by the Authority to substantiate the invoice. The Authority will pay the Contractor for each calendar month in arrears following the receipt of an invoice and monitoring report:

- a)** Local Bus services - one twelfth of the annual contract value.
- b)** School Transport services - the daily contract rate multiplied by the number of days operated.
- c)** Demand Responsive services – Contract journey rate applicable to Framework and Demand Responsive services multiplied by the number of journeys performed.

Where fares and income are collected on behalf of the Authority, a full breakdown of said fares and income must be provided on the council provided e-template accompanying the invoice. The invoice should separately identify the gross cost (being the tendered price) of the service provision for the invoice period and any relevant fares or income.

The Authority will regard any invoice submitted without a monitoring report as incomplete and payment may be delayed as a result.

No payment will be made for journeys that run early or, through the fault of the Contractor, not at all.

If the Authority intimates to the Contractor that a service, or part of a service is temporarily not required, the Contractor will be paid:

- a)** 75% of the Contract Price for such service or part of such service if less than 24 hours notice given;
- b)** 50% of the Contract Price for such service or part of such service if more than 24 hours but less than 3 days notice given;
- c)** no payment will be made if more than 3 days notice given.

Notification will given in writing, by email or by telephone.

- 19.3** Payment by Bankers' Automated Clearing Services (BACS) shall be made to the Contractor within thirty days of receipt by the Authority

(at its nominated address for invoices) of the Contractor's valid original invoice.

- 19.4** The Authority shall pay the Contractor, in addition to the Contract Price, a sum equal to the Value Added Tax chargeable on the value of the Services provided in accordance with the Contract.
- 19.5** The Authority may reduce payment in respect of any Services, which the Contractor has either failed to provide or has provided inadequately, without prejudice to any other rights or remedies of the Authority.

## **20. PAYMENTS OF SUB-CONTRACTORS**

- 20.1** Where the Contractor enters into a sub-contract for the provision of any part of the Services, that Contractor shall ensure that a provision is included which:
  - 20.1.1** requires the payment to be made of all sums due by the Contractor to the sub-contractor within a specified period not exceeding 30 days from the receipt of a valid invoice as defined by the sub-contract requirements and provides that, where the Authority has made payment to the Contractor in respect of the Contract and the sub-contractor's invoice relates to the Contract then, to that extent, the invoice must be treated as valid and, provided the Contractor is not exercising a right of retention or set-off in respect of a breach of contract by the sub-contractor or in respect of a sum otherwise due by the sub-contractor to the Contractor, payment must be made to the sub-contractor without deduction;
  - 20.1.2** notifies the sub-contractor that the sub-contract forms part of a larger contract for the benefit of the Authority and that should the sub-contractor have any difficulty in securing the timely payment of an invoice, that matter may be referred by the sub-contractor to the Authority; and
  - 20.1.3** in the same terms as that set out in this condition 20.1 (including for the avoidance of doubt this Condition 20.1.3) subject only to modification to refer to the correct designation of the equivalent party as the Contractor and sub-contractor as the case may be.
  - 20.1.4** **LATE PAYMENT OF INVOICES.** Suppliers to the Authority, including sub-contractors are requested to address complaints regarding late payments of invoices to, in the first instance, the addressee of the invoice and, in the second instance to the Corporate Procurement Manager, West Lothian Council, [CPU@westlothian.gov.uk](mailto:CPU@westlothian.gov.uk) .

## 21. PRICE ADJUSTMENT

[Option 1] \* delete as appropriate

**21.1** For the avoidance of doubt, Prices and Rates are fixed for the Contract Period including any extensions of the Contract Period and cover delivery of the Services at or to such premises within West Lothian as the Authority may direct.]

[Option 2] \* delete as appropriate

**21.1** In this clause:-

the "Review Date" means 1<sup>ST</sup> [ MONTH TO BE COMPLETED] in each year

"CPI" means the Consumer Prices Index – All Items (CPI) compiled by the Office for National Statistics which can be viewed at <https://www.ons.gov.uk/economy/inflationandpriceindices>

The Authority will review the Prices or Rates (as applicable) with effect from the Review Date for contracts that have been in operation 4 calendar months prior to the Review date of that year. The Prices or Rates (as applicable) shall be increased or decreased by the percentage equal to the percentage increase or decrease in the CPI calculated in relation to a period of 12 elapsed months prior to the Review Date.. The Percentage Increase or Decrease ] shall be calculated by using the CPI figure for the month of [ MONTH TO BE COMPLETED – 4 MONTHS PRIOR TO REVIEW DATE]

(available in MONTH TO BE COMPLETED – 3 MONTHS PRIOR TO REVIEW DATE) preceding the Review Date.

[ TO BE DELETED PRIOR TO PUBLICATION. Example given for guidance

:

The "Review Date" means **1 April** [year to be completed

The Authority will review the Prices or Rates (as applicable) with effect from the Review Date. The Prices or Rates (as applicable) shall be increased or decreased by the percentage equal to the percentage increase or decrease in the CPI calculated in relation to a period of 12 elapsed months prior to and including the **December** preceding the Review Date (the "Percentage Increase or Decrease"). The Percentage Increase or Decrease shall be calculated by using the CPI figure for the month of **December** (available in **January**) preceding the Review Date.

[Option 3 \* delete as appropriate

**21.1** Subject to the terms of Condition 21.4 hereof, Prices and Rates are fixed for the first [TO BE COMPLETED] years of the Contract and cover delivery of the Goods to such premises within West Lothian as the Authority may direct.

**21.2** In this Condition:-

the "Review Date" means 1 April [YEAR TO BE COMPLETED].

"CPI" means the Consumer Prices Index – All Items compiled by the Office for National Statistics which can viewed at <https://www.ons.gov.uk/economy/inflationandpriceindices>

The Authority will review the Prices or Rates (as applicable) with effect from the Review Date. The Prices or Rates (as applicable) shall be increased or decreased by the percentage equal to the percentage increase or decrease in the CPI calculated in relation to a period of 12 elapsed months prior to and including the December preceding the Review Date (the "Percentage Increase or Decrease"). The Percentage Increase or Decrease shall be calculated by using the CPI figure for the month of December (available in January) preceding the Review Date. The reviewed Prices or Rates (as applicable) shall be recorded as a Variation.]

**21.3** Prices or Rates (as applicable) changes shall not be applied until thirty days from the Review Date.

**21.4** The Authority reserves the right to benchmark Prices/Rates for Services with other suppliers at any time during the Contract Period. These Services may be bought from suppliers other than the contracted supplier if it is considered to be in the best interests of the Authority.

- 21.5** In the event that the Contractor wishes to make any seasonal discounts, short term special offers or other offers or discounts available to the Authority which will result in a reduction in the Contract Price, Price or Rate and the Authority wishes to accept such discounts or offers, the reduced Contract Price, Price or Rate shall apply without the need for a Variation.

## **22. RECOVERY OF SUMS DUE**

- 22.1** Whenever under the Contract any sum of money is recoverable from or payable by the Contractor (including any sum which the Contractor is liable to pay to the Authority in respect of any breach of this Contract), the Authority may unilaterally deduct that sum from any sum then due or which at any later time becomes due to the

Contractor under this Contract or under any other contract with the Authority.

- 22.2** The Authority shall give at least twenty-one days' notice in writing to the Contractor of its intention to make a deduction under Condition 22.1, giving particulars of the sum to be recovered and the contract under which the payment arises in respect of which the deduction is to be made together with the grounds for making such deduction.

- 22.3** Any overpayment by the Authority to the Contractor, whether of the Contract Price or of Value Added Tax, shall be a sum of money recoverable by the Authority from the Contractor.

## **23. INTELLECTUAL PROPERTY RIGHTS - ASSIGNMENT AND INDEMNITY**

- 23.1** The Contractor hereby assigns to the Authority all Intellectual Property Rights owned by the Contractor in any material which is generated by the Contractor and delivered to the Authority exclusively in the performance of the Services and shall waive all moral rights relating to such material. The Contractor shall not reproduce, publish or supply any such material to any Person other than the Authority without prior Approval.

- 23.2** In performing the Services the Contractor shall obtain Approval before utilising any material which is or may be subject to any Intellectual Property Rights other than any of the Contractor's Intellectual Property Rights, the Authority's Intellectual Property Rights or those Intellectual Property Rights referred to in Condition 23.1

- 23.3** Subject to Condition 23.4, the Contractor shall indemnify the Authority against all claims, proceedings, actions, damages, settlements, legal costs (including but not limited to legal costs and disbursements on a solicitor and client basis), and expenses arising from, or from the use by the Authority following delivery by the Contractor, of any material developed exclusively during the provision of the Services which infringes the Intellectual Property

Rights of any third party provided that the Authority (a) notifies the Contractor promptly on becoming aware of any such claim, proceedings, action, damages, settlement, legal costs and expenses in respect of the same, (b) does not by any act or omission admit liability or make or agree to make any payment in respect of the same and allows the Contractor sole control of the defence or settlement of the same and (c) provides the Contractor with all reasonable assistance in respect of the same.

The foregoing provisions shall not apply insofar as any such infringement is caused by or arises from, (a) the use by or on behalf of the Authority of any material developed exclusively during the provision of the Services in combination with any item or materials not supplied by the Contractor, (b) any alteration or modification carried out by or on behalf of the Authority to any materials

developed exclusively during the provision of the Services without the

prior written approval of the Contractor, or (c) the use of any specification issued by or agreed with the Authority in writing or compliance with any requirements or instructions issued by the Authority to the Contractor.

- 23.4** The provisions of Condition 23.3 shall not apply in respect of any material which the Authority has supplied to the Contractor or which the Authority has specified for use by the Contractor or for delivery to the Authority.
- 23.5** The Authority shall indemnify the Contractor against all claims, proceedings, actions, damages, legal costs (including but not limited to legal costs and disbursements on a solicitor and client basis), expenses and any other liabilities arising from or incurred by the use by the Contractor, in the performance of the Services, of any material referred to in Condition 23.4 which involves any infringement or alleged infringement of the Intellectual Property Rights of any third party.
- 23.6** Where any claim is made by a third party in respect of any material referred to in Condition 23.3 or 23.5, the Party, which is required to provide an indemnity under those provisions, shall have the right to conduct, or take over the conduct of, the defence to the claim and to any proceedings or action brought by the third party.

## **24. SECURITY**

- 24.1** The Contractor shall take all reasonable measures, by the display of notices or other appropriate means, to ensure that Staff have notice that all enactments relating to security which are applicable to the Contractor in providing the Services shall apply to them and shall continue to apply to them, if so applicable, after the expiry or earlier termination of the Contract.

- 24.2** Whilst on the Authority's Premises, the Contractor shall use its reasonable endeavours to ensure that Staff comply with all security measures implemented by the Authority in respect of Personnel and other Persons attending those Premises to the extent that the Authority has provided copies of its written security procedures to the Contractor.
- 24.3** The Authority shall have the right to carry out any search of Staff or of vehicles used by the Contractor at the Authority's Premises.
- 24.4** The Contractor shall co-operate with any investigation relating to security which is carried out by the Authority or by any person who is responsible to the Authority for security matters and when required by the Authority's Representative:-



- a) shall use his best endeavours to make any Staff identified by the Authority's Representative available to be interviewed by the Authority's Representative, or by a person who is responsible to the Authority for security matters, for the purposes of the investigation. Staff shall have the right to be accompanied by the Contractor's Representative and to be advised or represented by any other person whose attendance at the interview is acceptable to both the Authority's Representative and the Contractor's Representative; and
- c) shall, subject to any legal restriction on their disclosure, provide all documents, records or other material of any kind which may reasonably be required by the Authority or by a person who is responsible to the Authority for security matters, for the purposes of the investigation. The Authority shall have the right to retain any such material for use in connection with the investigation and, so far as possible, shall provide the Contractor with a copy of any material retained.

## **25. CONFIDENTIALITY**

### **25.1 Each Party:-**

- a) shall treat as confidential all information obtained from the other Party under or in connection with the Contract;
- b) shall not disclose any of that information to any third party without the prior written consent of the other Party, except to such persons and to such extent as may be necessary for the performance of the Contract;
- d) shall not use any of that information otherwise than for the purposes of the Contract.

### **25.2 The Contractor shall take all necessary precautions to ensure that all information obtained from the Authority under or in connection with the Contract:-**

- a) is given only to the minimum number of Staff and only to the extent necessary for each member of Staff's activities in the provision of the Services; and
- b) is treated as confidential and not disclosed (without prior Approval) or used by any Staff otherwise than for the purposes of the Contract.

### **25.3 Where it is considered necessary in the opinion of the Authority's Representative, on request by the Authority the Contractor shall ensure that Staff sign a confidentiality undertaking before commencing work in connection with the provision of the Services.**

The confidentiality undertaking shall be in a format acceptable to the Authority.

**25.4** Conditions 25.1 and 25.2 shall not apply to any information:-

- a) required to comply with the Freedom of Information (Scotland) Act 2002 and any codes of practice applicable from time to time relating to access to public authorities' information.
- b) required to ensure compliance with all relevant Statutory Provisions.
- c) which is or becomes public knowledge (otherwise than by breach of this condition); or
- d) which is in the possession of the Party concerned, without restriction as to its disclosure, before receiving it from the disclosing Party; or
- e) which is received from a third party who lawfully acquired it and who is under no obligation restricting its disclosure.

**25.5** Nothing in this Condition shall prevent the Authority:-

- a) disclosing such information relating to the outcome of the procurement process for the Contract as may be required to be published in the Supplement to the Official Journal of the European Union; or
- b) disclosing any information obtained from the Contractor:-
  - (i) to any other department of the Authority or any other Public Body; or
  - (ii) to any Person engaged in providing any assistance to the Authority for any purpose relating to or ancillary to the Contract,provided that in disclosing information under sub-paragraph (i) or (ii) the Authority shall disclose only the information which is necessary for the purpose concerned and requires that the information is treated in confidence and that a confidentiality undertaking is given where appropriate; or
- c) disclosing information obtained from the Contractor under Condition 18.2 subject to the obligations imposed by Condition 18.3.

**25.6** Nothing in this Condition shall prevent either Party from using any techniques, ideas or know-how gained during the performance of

the Contract in the course of its normal business, to the extent that this

does not result in a disclosure of confidential information or an infringement of any Intellectual Property Rights.

**25.7** The Contractor shall not use any confidential information obtained from the Authority for the solicitation of business from the Authority or any other part of the Authority.

**25.8** The obligations imposed by this Condition shall continue to apply after the expiry or termination of the Contract.

## **26. PUBLICITY**

**26.1** The Contractor shall not make any public statement relating to the existence or performance of the Contract without the prior written Approval of the Authority, which shall not be unreasonably withheld.

## **27. RIGHT OF AUDIT**

**27.1** The Contractor shall keep secure and maintain until two years after the final payment of all sums due under the Contract, or such longer period as may be agreed between the Parties, full and accurate records of the Services, all expenditure reimbursed by the Authority and all payments made by the Authority.

**27.2** The Contractor shall grant to the Authority, its Auditor or its authorised agents, such access to those records as they may reasonably require in order to check the Contractor's compliance with the Contract.

## **28. INDEMNITY AND INSURANCE**

**28.1** The Contractor shall indemnify the Authority fully against all claims, proceedings, actions, damages, legal costs, expenses and any other liabilities in respect of any financial loss, death or personal injury, or loss of or damage to property, unless the Contractor is able to demonstrate that such financial loss, death or personal injury, or loss of or damage to property was not caused or contributed to by his negligence or default, or the negligence or default of his Staff or sub-contractors, or by any circumstances within his or their control.

**28.2** The Contractor shall effect and maintain with a reputable insurance company a policy or policies of insurance providing an adequate level of cover in respect of the risks which may be incurred by the Contractor, as set out in Condition 28.1.

**28.3** The Contractor shall hold employer's liability insurance in accordance with any legal requirement for the time being in force.

- 28.4** Subject to the following proviso, the Contractor shall produce to the Authority, upon request completed certificates of insurance or a signed and dated letter from its insurance broker as detailed in Tender Submission: Insurance Requirement. In all cases the certificates of insurance shall be completed by the Contractor's insurer or insurance broker. Where certificates of insurance are completed by an insurance broker, the broker shall be regulated and authorised to conduct business by the Financial Conduct Authority or equivalent. The foregoing is subject to the following proviso:-

In the event that said completed certificates of insurance or letter from the Contractor's insurance broker are not in place at the time of tendering, such completed certificates of insurance or letter from the Contractor's insurance broker shall be produced to the Authority on request prior to the Commencement Date.

- 28.5** The terms of any insurance or the amount of cover shall not relieve the Contractor of any liabilities under the Contract.

## **29. CORRUPT GIFTS AND PAYMENTS OF COMMISSION**

- 29.1** The Contractor shall not do (and warrants that in entering the Contract he has not done) any of the following (referred to in this condition as "prohibited acts").

- a)** offer, give or agree to give to any servant of the Authority any gift or consideration of any kind as an inducement or reward for doing or not doing (or having done or not having done) any act in relation to the obtaining or performance of this or any other contract with the Authority, or for showing or not showing favour or disfavour to any Person in relation to this or any other contract with the Authority;
- b)** enter into this or any other contract with the Authority in connection with which commission has been paid or has been agreed to be paid by him or on his behalf, or to his knowledge, unless before the Contract is made particulars of any such commission and the terms and conditions of any such agreement for the payment of it have been disclosed in writing to the Authority.

- 29.2** If the Contractor, his employees, agents or any sub-contractor, or anyone acting on his or their behalf, does any of the prohibited acts or commits any offence under the Bribery Act 2010 or breaches the Bribery Act 2010 with or without the knowledge of the Contractor, in relation to this or any other contract with the Authority, the Authority shall be entitled:-

- a)** to terminate the Contract and recover from the Contractor the amount of any loss resulting from the termination;

- b) to recover from the Contractor the amount or value of any such gift, consideration or commission; and
- c) to recover from the Contractor any other loss sustained in consequence of any breach of this Condition, whether or not the Contract has been terminated.

**29.3** In exercising its rights or remedies under this Condition, the Authority shall:-

- a) act in a reasonable and proportionate manner having regard to such matters as the gravity of, and the identity of the person performing the prohibited act;
- b) give all due consideration, where appropriate, to action other than termination of the Contract, including (but without limitation to):
  - i) requiring the Contractor to procure the termination of a sub-contract where the prohibited act is that of a sub-contractor; or
  - ii) requiring the Contractor to procure the dismissal of an employee (whether his own or that of a sub-contractor) where the prohibited act is that of such an employee.

### **30. UNLAWFUL DISCRIMINATION**

**30.1** The Contractor shall not unlawfully discriminate within the meaning and scope of the provisions of the Equality Act 2010 and of any statutory instrument and Code of Practice made thereunder.

**30.2** The Contractor shall take all reasonable steps to secure that all servants, employees or agents of the Contractor and all sub-contractors employed in the performance of the Contract do not unlawfully discriminate as set out in Condition 30.1.

### **31. HEALTH AND SAFETY**

**31.1** The Contractor shall promptly notify the Authority of any health and safety hazards which may arise in connection with the performance of the Services.

**31.2** 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 the Services.

**31.3** The Contractor shall inform all Staff engaged in the provision of Services of all known health and safety hazards and shall instruct those Staff in connection with any necessary safety measures.

- 31.4** Whilst on the Authority's Premises, the Contractor shall comply with any health and safety measures implemented by the Authority in respect of Personnel and other Persons working on those Premises.
- 31.5** The Contractor shall notify the Authority's Representative immediately in the event of any incident occurring in the performance of the Services where that incident causes any death, personal injury or any damage to property which could give rise to death or personal injury.
- 31.6** The Contractor shall take all measures necessary to 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 in the performance of the Services.

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

- 32.1** Subject to the following proviso, the Contractor shall not assign, sub-contract or in any other way dispose of the Contract or any part of it without prior Approval, in accordance with Condition 36. The Contractor shall indicate in Tender Submission: Proposed Sub-Contractors any sub-contractor he proposes to use in the delivery of the Services. Additional sub-contractors may only be added by the issue of a Variation.

The foregoing is subject to the following proviso :this condition shall not prohibit the Contractor from arranging for the provision of a service under this Contract, by vehicles or staff operated by a third party in an emergency, in which case the Contractor shall inform the Authority as soon as possible.

- 32.2** On giving written notice to the Contractor of not less than thirty days, the Authority shall be entitled to assign any or all of its rights under the Contract to any contracting authority as defined in Regulation 3(1) of the Public Contracts (Scotland) Regulations 2012, provided that such assignment shall not materially increase the burden of the Contractor's obligations under the Contract.
- 32.3** The Contractor shall be responsible for the acts and omissions of his sub-contractors as though they were his own.
- 32.4** The Contractor shall also include in every sub-contract:
  - 32.4.1** a right for the Contractor to terminate that sub-contract if the relevant subcontractor fails to comply in the performance of its contract with legal obligations in the fields of environmental, social or employment law or if any of the termination events (involving substantial modification of the Contract, contract award despite the existence of exclusion

grounds or a serious infringement of EU legal obligations) specified in condition 38.1 occur; and

**32.4.2** a requirement that the sub-contractor includes a provision having the same effect as 32.4.1 above in any sub-contract which it awards. In this condition 32.4, 'sub-contract' means a contract between two or more suppliers, at any stage of remoteness from the Authority in a sub-contracting chain, made wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of this Contract

### **33. SERVICE OF NOTICES AND COMMUNICATIONS**

- 33.1** 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 concerned.
- 33.2** Any notice or other communication that is to be given by either Party to the other shall be given by letter, or by facsimile transmission or electronic mail. Such letters shall be delivered by hand or sent prepaid by first class post, addressed to the other Party named in the Services of Notices and Communications document of Public Tenders Scotland. If the other Party does not acknowledge receipt of any such letter, facsimile transmission or item of electronic mail, and the relevant letter is not returned as undelivered, the notice or communication shall be deemed to have been given (three) working days after the day on which the letter was posted.
- 33.3** Either Party may change its address for service by notice given in accordance with this Condition.

### **34. SEVERABILITY**

- 34.1** If any provision of the Contract is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions of the Contract shall continue in full force and effect as if the Contract had been executed with the invalid, illegal or unenforceable provision eliminated. In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of the Contract, the Parties shall immediately commence negotiations in good faith to remedy the invalidity.

### **35. WAIVER**

- 35.1** The failure of either Party to exercise any right or remedy shall not constitute a waiver of the right or remedy.



- 35.2** No waiver shall be effective unless it is communicated to the other Party in writing.
- 35.3** A waiver of any right or remedy arising from a breach of contract shall not constitute a waiver of any right or remedy arising from any other breach of the Contract.

## **36. VARIATION**

- 36.1** The Contract shall not normally be varied unless such variation is agreed in writing by means of a Variation to Contract Form as set out in the tender document.
- 36.2** In the event of an emergency or temporary variation the Authority shall have the right to vary the Contract by oral instructions given by the Authority's Representative, which shall be confirmed by the issue of a Variation to Contract Form to the Contractor within seven days.
- 36.3** The Authority shall have the right to vary the Services at any time, subject to the Variation being related in nature to the Services being provided, and no such Variation shall vitiate the Contract.
- 36.4** Subject to the following proviso, the Contractor may request a variation to the Contract provided that;
- a)** the Contractor shall notify the Authority's Representative in writing of any additional or changed requirement which it considers should give rise to such a variation within seven days of such occurrence first becoming known to the Contractor;
  - b)** any proposed variation of the Contract shall be fully supported by a quotation as detailed in Condition 36.5.

The foregoing is subject to the following proviso :-

The Contractor shall only be entitled to request a variation to the Contract to request payment of any additional price or sum in the event that additional or changed requirements result in one of the following applying :- (i) the costs incurred or to be incurred by the Contractor represent an additional 15% or

more of the normal cost of providing the service or (ii) the costs incurred or to be incurred by the Contractor represent an additional 10% or more of the normal cost of providing the service and the relevant additional or changed requirement is or will be in place for at least 4 weeks.

- 36.5** The Contractor, within fourteen days of being requested by the Authority's Representative or where requesting a variation of the Contract pursuant to Condition 36.4, shall submit a quotation to the Authority, such quotation to contain at least the following information:

- a) a description of the services together with the reason for the proposed Variation;
- b) the price, where applicable;
- c) details of the impact, if any, on other aspects of the Contract

**36.6** The price for any Variation shall, unless otherwise agreed between the Parties, be calculated in the following order of precedence:-

- a) using the Prices or Rates;
- b) prices pro-rata to the Prices or Rates;
- c) prices based on the Prices or Rates.

**36.7** Subject to the following proviso, the Authority shall either approve or reject any variation to the Contract proposed by the Contractor. The foregoing is subject to the following proviso :

For the avoidance of doubt, the Contractor shall not be entitled to payment of any additional price or sum in the event that additional or changed requirements do not result in one of the following applying :- (i) the costs incurred or to be incurred by the Contractor represent an additional 15% or more of the normal cost of providing the service or (ii) the costs incurred or to be incurred by the Contractor represent an additional 10% or more of the normal cost of providing the service and the relevant additional or changed requirement is or will be in place for at least 4 weeks.

**36.8** In the event that the Contractor disputes any decision by the Authority to reject a proposed Variation, or contends that a proposed Variation is outstanding or continues to be required, the Contractor shall update the information contained in his quotation for the proposed Variation every Month and shall send the updated information to the Authority.

## **37. FORCE MAJEURE**

**37.1** Neither Party shall be liable to the other Party by reason of any failure or delay in performing its obligations under the Contract which is due to Force Majeure, where there is no commercially practicable means available to the Party concerned to avoid such failure or delay.

**37.2** If either Party becomes aware of any circumstances of Force Majeure which give rise to any such failure or delay, or which appear likely to do so, that Party shall promptly give notice of those circumstances as soon as practicable after becoming aware of them and shall inform the other Party of the period for which it estimates that the failure or delay will continue.

- 37.3** For the purposes of this Condition, “Force Majeure” means any event or occurrence which is outside the control of the Party and which is not attributable to any act or failure to take preventive action by the Party concerned, but shall not include any industrial action occurring within the Contractor’s organisation or within any sub-contractor’s organisation.
- 37.4** Any failure or delay by the Contractor in performing his obligations under the Contract which results from any failure or delay by an agent, sub-contractor or supplier shall be regarded as due to Force Majeure only if that agent, sub-contractor or supplier is itself impeded in complying with an obligation to the Contractor by Force Majeure.

## **38. TERMINATION**

**38.1** The Authority may terminate the Contract in the event that:

- (a)** the Contract has been subject to substantial modification which would have required a new procurement procedure in accordance with regulation 72(9) (modification of contracts during their term) of The Public Contracts (Scotland) Regulations 2015;
- (b)** the Contractor has, at the time of contract award, been in one of the situations referred to in regulation 58(1) (exclusion grounds) of The Public Contracts (Scotland) Regulations 2015, including as a result of the application of regulation 58(2) of those regulations, and should therefore have been excluded from the procurement procedure; or
- (c)** the Contract should not have been awarded to the Contractor in view of a serious infringement of the obligations under the Treaties and the Directive 2014/24/EU that has been declared by the Court of Justice of the European Union in a procedure under Article 258 of the Treaty on the Functioning of the European Union.

In this Condition, ‘the Treaties’ has the meaning given in the European Communities Act 1972.

**38.2** The Authority may also terminate the Contract in the event of a failure by the Contractor to comply in the performance of the Contract with legal obligations in the fields of environmental, social and employment law.

**38.3** Termination under Condition 38.1, 38.2, 39 or 40 shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereupon accrue to the Authority and shall not affect the continued operation of Conditions 23 (Intellectual Property Rights – Assignment and Indemnity), 25 (Confidentiality) and 27 (Right of Audit).

## **39. TERMINATION ON INSOLVENCY**

**39.1** The Authority may terminate the Contract by written notice having immediate effect if:-

- a) where the Contractor is an individual or a firm the Contractor or any partner in the firm becomes bankrupt or has a receiving order or administration order made against him, or appears unable to pay a debt within the meaning of section 268 of the Insolvency Act 1986, or any similar event occurs under the law of any other jurisdiction within the United Kingdom; or
- b) where the Contractor is a Company, the Contractor passes a resolution or the Court makes an order that the Contractor be wound up otherwise than for the purpose of solvent reconstruction or amalgamation; or a receiver, manager or administrator is appointed on behalf of a creditor in respect of the Contractor's business or any part of it; or the Contractor is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986; or any similar event occurs under the law of any other jurisdiction within the United Kingdom.

#### **40. TERMINATION ON DEFAULT**

Either Party may terminate the Contract, or terminate any part of the Services, by written notice to the other Party with immediate effect or with effect from such other date as the Party terminating the Contract may state in its written notice if the other Party is in default of any obligation under the Contract and:-

- a) The other Party has not remedied the default to the satisfaction of the Party seeking to terminate the Contract or any part of the Services within thirty days, or such greater period as may be specified by that Party seeking to terminate the Contract or any part of the Services, after service of written notice specifying the default and requiring it to be remedied; or
- b) The default is not capable of remedy; or
- c) The default is a fundamental breach of the Contract.

In accordance with Condition 4.10 the Authority operates a system of penalty points for any failure to operate services, so as to ensure any penalties applied are fair and consistent. This system does not remove the right of the Authority, if and whenever there shall be any breach, non-observance or non-performance of any obligations on the part of the Contractor herein contained, by notice in writing from the Authority to the Contractor to terminate the Contract in accordance with its terms.

Termination shall be without prejudice to the rights of the parties in respect of anything done or omitted to be done before the termination.

#### **41. BREAK**

- 41.1** Either Party shall have the right to terminate the Contract or to terminate any part of the Services, at any time by giving written notice, in accordance with the timescales detailed below, or earlier if by mutual agreement:

For Services not registered with the Traffic Commissioner requiring vehicles with 16 passenger seats or less a maximum of 1 calendar month notice.

For Services not registered with the Traffic Commissioner requiring vehicles with more than 16 passenger seats a maximum of 2 calendar months notice.

For Services registered with the Traffic Commissioner, a maximum of 3 calendar months notice.

- 41.2** Where more than one type of service referred to in Condition 41.1 is covered by the Contract, the period of notice to be given in terms of Condition 41.1 shall be the longest period of notice which applies to any of the Services referred to in Condition 41.1.

## **42. CONSEQUENCES OF TERMINATION**

- 42.1** If the Authority terminates the Contract under Condition 40, or terminates any part of the Services under that Condition, and then makes other arrangements for the provision of the Services or any part thereof, the Authority shall be entitled to recover from the Contractor the cost of making those other arrangements and any additional expenditure incurred by the Authority in meeting the costs of those other arrangements. The Contractor shall only be liable to repay the additional costs incurred by the Authority in excess of the Contract Price (or the relevant part thereof) for the periods detailed below:

For Services not registered with the Traffic Commissioner requiring vehicles with 16 passenger seats or less, the Contractor shall be obliged to meet the Authority's additional costs for no more than 1 calendar month.

For Services not registered with the Traffic Commissioner requiring vehicles with more than 16 passenger seats, the Contractor shall be obliged to meet the Authority's additional costs for no more than 2 calendar months.

For Services registered with the Traffic Commissioner, the Contractor shall be obliged to meet the Authority's additional costs for no more than 6 calendar months provided that (a) the Authority provides to the Contractor as soon as reasonably practicable after service of notice of termination, a fully itemised and costed list together with documentary evidence that such costs have been reasonably incurred by the Authority as a direct result of such termination, (b) the Authority has taken immediate and reasonable steps to mitigate the costs of making those other arrangements and (c) such costs shall not exceed one million pounds (£1,000,000). Such recovery shall be the Authority's sole and exclusive remedy in

respect of such termination of the Contract or Services or any part thereof. Where the Contract or any part of the Services are terminated by the Authority under Condition 40 no further payment shall be payable by the Authority to the Contractor until the Authority has established the final cost of making those other arrangements provided that the Authority establishes said final cost not more than nine months after the effective date of such termination..

- 42.2** If the Contractor terminates the Contract under Condition 40, or terminates any part of the Services under that Condition, the Authority shall reimburse the Contractor in respect of any loss, excluding loss of profit, reasonably incurred by the Contractor as a result of the termination but for no longer than the periods detailed below:

For Services not registered with the Traffic Commissioner requiring vehicles with 16 passenger seats or less, the Authority shall be obliged to reimburse the Contractor for its losses (but not for any loss of profit) for no more than 1 calendar month.

For Services not registered with the Traffic Commissioner requiring vehicles with more than 16 passenger seats, the Authority shall be obliged to reimburse the Contractor for its losses (but not for any loss of profit) for no more than 2 calendar months.

For Services registered with the Traffic Commissioner, the Authority shall be obliged to reimburse the Contractor for its losses (but not for any loss of profit) for no more than 6 calendar months. provided that the Contractor takes immediate and reasonable steps, consistent with the obligation to provide the Services during the period stated by the Contractor in its written notice , to terminate all contracts with sub-contractors on the best available terms, to cancel all capital and recurring cost commitments, and to reduce Equipment and labour costs as appropriate.

- 42.3** For the purposes of Condition 42.2, the Contractor shall submit to the Authority's Representative, as soon as reasonably practicable after service of the notice, a fully itemised and costed list, with supporting evidence, of all losses (except loss of profit) incurred by the Contractor as a result of the termination of the Contract, or the termination of any part of the Services, to be updated only in respect of ongoing costs each week until the Contract or part of the Services are terminated and the time limits specified in Condition 42.2 have expired.

- 42.4** The Authority shall not be liable under Condition 42.2 to pay any sum which, when added to any sums paid or due to the Contractor under the Contract, exceeds the total sum that would have been payable to the Contractor if the provision of the Services had been completed in accordance with the Contract.

## **43. DISPUTE RESOLUTION**

### **CONCILIATION**

- 43.1** The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of, or in connection with, the Contract.

### **ADJUDICATION**

- 43.2** If the dispute cannot be resolved by the Parties pursuant to Condition 43.1, the dispute may, by agreement between the Parties, be referred to adjudication pursuant to Condition 43.4.

- 43.3** The performance of the Services shall not cease or be delayed by the reference of a dispute to adjudication.

- 43.4** The procedure for adjudication and consequential provisions relating to adjudication are as follows:-

- a) A neutral adviser or adjudicator ("the Adjudicator") shall be chosen by agreement between the Parties or, if they are unable to agree upon the identity of the Adjudicator within fourteen days after a request by one Party to the other (provided that there remains agreement for adjudication), or if the Adjudicator agreed upon is unable or unwilling to act, either Party shall within fourteen days from the date of the proposal to appoint an Adjudicator or within fourteen days of notice to either Party that he is unable or unwilling to act, apply to the Chartered Institute of Arbitrators (Scottish Branch) to appoint an Adjudicator.

- b) The Parties shall within fourteen days of the appointment of the Adjudicator meet with him in order to agree a programme for the exchange of all relevant information and the structure to be adopted for negotiations to be held. If considered appropriate, the Parties may at any stage seek assistance from the Chartered Institute of Arbitrators (Scottish Branch) to provide guidance on a suitable procedure.

The Adjudicator shall reach a decision within 28 days of referral or such period as is agreed by the parties after the dispute has been referred.

The Adjudicator may extend the period of 28 days by up to 14 days with the consent of the party by whom the dispute was referred.

- c) Unless otherwise agreed, all negotiations connected with the dispute and any settlement agreement relating to it shall be conducted in confidence and without prejudice to the rights of the Parties in any future proceedings.



- d) If the Parties reach agreement on the resolution of the dispute, the agreement shall be reduced to writing and shall be binding on the Parties once it is signed by both the Authority's Representative and the Contractor's Representative.
- e) Failing agreement, either of the Parties may invite the Adjudicator to provide a non-binding but informative opinion in writing. Such an opinion shall be provided on a without prejudice basis and shall not be used in evidence in any proceedings relating to the Contract without the prior written consent of both Parties;
- f) The Adjudicator shall decide the apportionment of costs of the adjudication. The decision of the Adjudicator shall be final and binding.

#### **44. LAW AND JURISDICTION**

- 44.1** This Contract shall be governed by and interpreted in accordance with Scots Law and shall be subject to the exclusive jurisdiction of the Scottish Courts.

#### **45. DATA PROTECTION**

- 45.1** The Contractor agrees to ensure that it will at all times comply with the provisions of Data Protection law\* in storing and processing personal data and all personal data acquired from the Authority will be returned on request. The Contractor agrees to indemnify the Authority against all actions, costs, claims, damages or expenses incurred by the Authority or for which the Authority may become liable due to any failure by the Contractor, its employees, agents, servants, volunteers or others for whom it is responsible in law, to comply with Data Protection law.
- 45.2** The Contractor shall enter into and duly execute the Data Processing Agreement within seven days of the date of the Contract. Notwithstanding the date of execution of the Data Processing Agreement, the Contractor shall comply with the terms of the Data Processing Agreement at all times and failure to comply with the terms of the Data Processing Agreement shall be a fundamental breach of Contract.
- 45.3** The Contractor shall enter into and duly execute the Data Sharing Agreement within seven days of the Commencement Date. Notwithstanding the date of execution of the Data Sharing Agreement, the Contractor shall comply with the terms of the Data Sharing Agreement at all times and failure to comply with the terms of the Data Sharing Agreement shall be a fundamental breach of Contract.

- 45.4** The Contractor shall duly execute the Third Party Access Agreement and Non Disclosure Agreement within seven days of the Commencement Date. Notwithstanding the date of execution of the Third Party Access Agreement and Non Disclosure Agreement, the Contractor shall comply with the terms of the Third Party Access Agreement and Non Disclosure Agreement at all times and failure to comply with the terms of the Third Party Access Agreement or Non Disclosure Agreement shall be a fundamental breach of Contract.

**46. FREEDOM OF INFORMATION (FOI)**

The Contractor acknowledges that the Authority is subject to the FOI Legislation. The Contractor shall provide all such assistance as the Authority may require to enable it to comply with the FOI Legislation.

**47. PUBLIC RECORDS (SCOTLAND) ACT 2011**

[Option 1\* delete as appropriate]

The Contractor acknowledges that pursuant to the Public Records (Scotland) Act 2011, the Authority must prepare and maintain a records management plan ("Records Management Plan") setting out proper arrangements for the management of the Authority's public records (as that term is defined by section 3(1) of the Public Records (Scotland) Act 2011) and ensure that its public records are managed in accordance with its Records Management Plan. In so far as any public records will be created by or on behalf of the Contractor or otherwise come into the possession of the Contractor in carrying out the Authority's functions during the Contract and/or pursuant to the Contract, the Contractor shall comply at all times with the Authority's Records Management Plan (as the same may be updated from time to time) and provide all such assistance as the Authority may require to enable it to comply with the Public Records (Scotland) Act 2011.]

[Option 2 \*delete as appropriate]

- 47.1** In this Condition 47, the term "Act" shall refer to the Public Records (Scotland) Act 2011; "Records Management Plan" means the plan prepared by the Authority and approved by the Keeper of the Records of Scotland under section 1 of the Act, "Records Management Provisions" refers to the policies, procedures and arrangements for the management and preservation of the records created by the Contractor further to this Agreement, as such policies, procedures and arrangements are more fully set out in the PRSA Appendix; and "Contractor's Retention Schedule" refers to those parts of the Records Management Provisions relating to how long particular records or classes of records created or managed by the Contractor are to be retained for after they have come to the end of their normal operational use.

- 47.2** The Contractor shall, for the duration of this Contract provide the Authority with all assistance reasonably requested by the Authority

to assist the Authority in complying with its obligations under the Act and with the Authority's Records Management Plan where such

compliance is in respect of records created or to be created by the Contractor on behalf of the Authority in terms of this Contract. This assistance will be at no cost to the Authority.

**47.3** The Contractor shall, for the duration of this Contract and, in respect of records created during the term of this Contract for the duration set out for that class of record in the Contractor's Retention Schedule after the termination or expiry of this Contract, comply with the Records Management Provisions set out in the PRSA Appendix. [if applicable: The Contractor shall also comply with these provisions, for the period described, in relation to any pre-existing records which are transferred to the Contractor pursuant to this Contract].

**47.4** At the end of the relevant period set down in the Contractor's Retention Schedule for a particular record or class of records, then if the Contractor's Retention Schedule for that record or class of records, lists the final disposal of the record or class of record as

"Pass to Council", the Contractor shall offer to transfer the records in question to the Council, such transfer to include full ownership of the records (including transfer of the status of data controller of any personal data as defined in the Data Protection Law contained in the records, full beneficial ownership and transfer of any intellectual property rights relating to the records.) The transfer shall be at no cost to the Authority. The Contractor shall ensure that all relevant indices and any other relevant information reasonably required to locate individual items within the records, including metadata and database schema, are also offered to the Authority on the same terms.

**47.5** If the Contractor shall become bankrupt (whether voluntary or compulsorily), unable to pay its debts, insolvent or make any arrangements with its creditors, or if any resolution is adopted for the winding up of the Contractor, or if a receiver, administrator or administrative receiver is appointed over the whole or any part of its assets or the Contractor goes into liquidation (whether voluntary or compulsorily) otherwise than for the purposes of amalgamation or reconstruction or any form of execution is levied upon its assets, then immediately upon the occurrence of any of these events, the Contractor records which would, in terms of Condition 47.4, fall to be offered to the Authority at the time stipulated in the Contractor's Retention Schedule, shall be deemed to be held on trust by the Contractor on behalf of the Authority. The Contractor shall thereafter, if and when so required by the Authority, transfer the records in question to the Authority, such transfer to be on the same terms as would apply to a transfer made in terms of Condition 47.4

#### **48. LEGISLATION/LAW/BLACKLISTING**

- 48.1** The Contractor at, its own expense, shall, at all times, comply with and ensure that the following are complied with:- all obligations imposed by any statute or enactment or lawfully directed or required by any competent authority or court of competent jurisdiction.
- 48.2** Without prejudice to the foregoing generality, the Contractor must not commit any breach of the Employment Relations Act 1999 (Blacklists) Regulations 2010 or section 137 of the Trade Union and Labour Relations (Consolidation) Act 1992, or commit any breach of the Data Protection Law by unlawfully processing personal data in connection with any Blacklisting Activities. Breach of this Condition is a fundamental breach of the Contract which shall entitle the Authority to terminate the Contract with immediate effect. For the avoidance of doubt, "Blacklisting Activities" shall include any activities prohibited in said Employment Relations Act 1999 (Blacklists) Regulations 2010 or in section 137 of the said Trade Union and Labour Relations (Consolidation) Act 1992.