

## SCHEDULE 18

### Change Protocol

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#### Part 1 - Introduction

##### 1 Definitions

In each part of this schedule 18 (*Change Protocol*) the following expressions (in addition to those specified in schedule 1 (*Definitions, Interpretation and Construction*)) shall, save where the context or the express provisions of this Contract otherwise requires or admits, have the following meanings:

**"Agreed Abatement"** means:

- (a) in the case of a Low Value Change [REDACTED]
- (b) in the case of a Medium Value Change [REDACTED]  
and
- (c) in the case of a High Value Change [REDACTED]

**"Agreed Change in Costs"** means the final and fixed Estimated Change in Project Costs as determined in accordance with paragraph 4.2 of Part 4 of this schedule 18 (*Change Protocol*);

**"Agreed HVC Stage 1 Third Party Costs"** means the third party costs agreed or determined pursuant to paragraph 1.4 of Part 4 of this schedule 18 (*Change Protocol*);

**"Agreed HVC Stage 2 Third Party Costs"** means the third party costs agreed or determined pursuant to paragraph 3.6 of Part 4 of this schedule 18 (*Change Protocol*);

**"Approval Criteria"** means the criteria against which any Service Provider Stage 2 Response will be evaluated by the Authority and which will be specified by the Authority (acting reasonably) in the Authority Change Notice and which shall be based on:

- (a) compliance with the Authority's specifications for the Change;
- (b) evidencing value for money;
- (c) affordability to the Authority (in terms of developing a final price within the Service Provider Stage 1 Response); and
- (d) compliance with all relevant Legislation, Guidance and Consents;

**"Authority Change"** means a Change that is initiated by the Authority by submitting an Authority Change Notice to the Service Provider;

**"Authority Change Notice"** means a written notice submitted by the Authority requiring a Change and setting out the information specified in the relevant paragraph of this schedule 18 (*Change Protocol*);

**"Authority Stage 1 Confirmation"** has the meaning given in paragraph 3.2(a) of Part 4 of this schedule 18 (*Change Protocol*);

**"Authority Stage 2 Confirmation"** has the meaning given in paragraph 6.1 (a) of Part 4 of this schedule 18 (*Change Protocol*);

**"Benchmarking Process"** means the process set out in paragraph 8 of Part 4 of this schedule 18 (*Change Protocol*);

**"Benchmarking Report"** means the report produced by the Service Provider in accordance with the requirements of paragraph 8 of Part 4 (which shall, for the avoidance of doubt, include the information required by paragraph 8.2 of Part 4) of this schedule 18 (*Change Protocol*);

**"Best Value Change"** means a Change required by the provisions of clause 32 (*Best Value and Continuing Value for Money*);

**"Catalogue of Low Value Changes"** and **"Catalogue"** means the schedule setting out the prices and (where relevant) time periods for Low Value Changes as is set out in Appendix 1 to this schedule, as shall be amended from time to time in accordance with paragraph 6 of Part 2 of this schedule 18 (*Change Protocol*);

**"Catalogue Order Form"** means a request for a Low Value Change in the form set out in Appendix 3 to this schedule 18 (*Change Protocol*);

**"Change"** means any change, variation, extension or reduction in the service and/or the Project Networks Parts and/or the Project Facilities and shall include High Value Changes, Medium Value Changes, Low Value Changes, Best Value Changes and Accruals and De-Accruals;

**"Change Notice"** means an Authority Change Notice and/or Service Provider Change Notice (as the context shall require);

**"Comparable Market"** means local authority highways maintenance projects operated under PFI or other forms of PPP including Private Finance Transactions as defined in Regulation 16 of the Local Authorities (Capital Finance) Regulations 1997 (as amended)

provided that where there are less than five (5) such highways maintenance projects of similar content or less than three (3) contractors operating such contracts the **"Comparable Market"** shall be the market for operation of highways maintenance projects by a private sector operator;

**"Confirmation Notice"** means a written notice issued by the Authority pursuant to the relevant provision of this schedule 18 (*Change Protocol*) setting out the agreed details of the Change, including the agreed cost, method of payment and the times of its implementation which shall be in the form set out in Appendix 4 to this schedule 18 (*Change Protocol*);

**"Estimated Change in Project Costs"** means the aggregate of any estimated increased construction costs, installation costs, operating costs (including lifecycle and electricity costs) and financing costs less the aggregate of any estimated reduced construction costs, installation costs, operating costs (including lifecycle and electricity costs), financing costs and installation costs;

**"High Value Changes"** means a Change which is not listed in the Catalogue and which:

- (a) in the reasonable opinion of the Authority, is likely to either cost more than five million pounds [REDACTED] to implement, or require an adjustment to the Annual Unitary Charge that is greater than [REDACTED] of the Annual Unitary Charge; and/or
- (b) involves a Structure, Bridge and/or Tunnel (as the case may be); or
- (c) is a change to the terms and/or conditions of the Contract (which has not arisen as a result of any other Change);

**"Independent Technical Adviser"** means a person who is independent of the Authority or any Service Provider Party who is a member of the Institute of Civil Engineers and has not less than five (5) years relevant experience of highways maintenance PFI projects and, where this is not practicable, not less than five (5) years relevant experience of managing and maintaining a highways network;

**"Low Value Changes"** means any change to the Services requested by the Authority or any works required by the Authority or any additional items of Project Network Parts having a cost not exceeding:

- (a) [REDACTED] in respect of each individual request;
- (b) [REDACTED] in aggregate in any Contract Year,

(or as otherwise agreed from time to time between the Parties) except for any request which would (if implemented) increase the likelihood of the Services not complying with the Output Specification or materially and adversely affect the Service Provider's ability to perform its obligations under the Contract;

**"Medium Value Change"** means a change to the Services and/or any works required by the Authority and/or any items of Project Network Parts to be included or removed from the scope of the Project which is not a High Value Change, Low Value Change, Accrual or De-Accrual;

**"Medium Value Change Threshold"** means where the Medium Value Changes in any Contract Year exceeds 5 in number or cost in excess of the aggregated sum of [REDACTED];

**"Project Management Fee" or "PMF"** has the meaning given in paragraph 2.2 of Part 4 of this schedule 18 (*Change Protocol*);

**"Reference Price"** means a schedule of the Service Provider's and Service Provider Parties' costs in implementing the Change which as a minimum shall include capital, lifecycle and unmetered electricity costs over the remaining period of the Contract;

**"Service Provider Change"** means a High Value Change or Medium Value Change that is initiated by the Service Provider by submitting a Service Provider Change Notice to the Authority;

**"Service Provider Change Notice"** means a written notice submitted by the Service Provider and setting out the information specified in the relevant part of this schedule 18 (*Change Protocol*);

**"Service Provider Response"** means the written response of the Service Provider to an Authority Change Notice which shall include the information listed in the relevant paragraph of this schedule 18 (*Change Protocol*);

**"Service Provider Stage 1 Response"** shall have the meaning given in paragraph 2.1 of Part 4 of this schedule 18 (*Change Protocol*);

**"Service Provider Stage 2 Response"** shall have the meaning given in paragraph 4.1 of Part 4 of this schedule 18 (*Change Protocol*);

**"Stage 1 Third Party Costs Estimate"** shall have the meaning given to it in paragraph 4.3 of Part 4 of this schedule 18 (*Change Protocol*);

**"Tendering Report"** means a report prepared by the Service Provider which shall include the information required by paragraph 7.5 of Part 4 of this schedule 18 (*Change Protocol*);

**"Third Party Costs Estimate"** shall have the meaning given to it in paragraph 1.3 of Part 3 of this schedule 18 (*Change Protocol*); and

**"Whole Life Cost"** means, in relation to any High Value Change, the estimated and (to the extent that such information is available) the actual cost of operating and maintaining such High Value Change over its intended design life (consistent with the Service Provider Response).

## **2 Prohibited Changes**

2.1 Neither Party may propose a Change which:

- (a) requires the Service to be performed in a way that infringes any Legislation or Guidance or is inconsistent with Good Industry Practice;
- (b) would cause any Consents to be revoked (or new Consents required to implement the relevant Change to be unobtainable unless the provisions of the Contract provide the Service Provider with relief from any failure to obtain such Consents or the revocation of any existing Consents);
- (c) would materially and adversely affect the Service Provider's ability to deliver the Service (except for that part of the Service which has been specified as requiring to be amended in the Change Notice) in a manner not compensated pursuant to this schedule 18 (*Change Protocol*);
- (d) would materially and adversely affect the health and safety of any person;
- (e) would require the Service Provider to implement the Change in an unreasonable period of time;
- (f) would (if implemented) materially and adversely change the nature of the Project (including its risk profile);
- (g) is a change to the terms and/or conditions of the Contract (which has not arisen as a result of any other Change) to the extent it would (if implemented) adversely affect the risk profile of the Project;
- (h) whereby the Authority does not have the legal power or capacity to require the implementation of such Change.

- 2.2 The Service Provider may, within ten (10) Business Days of receipt of an Authority Change Notice, or such other period as may be agreed between the Parties acting reasonably and taking account of the complexity of the Change, state in writing whether it objects to the Authority Change Notice on any of the grounds set out in paragraph 2.1. If the Change is required as a result of a Change of Law, the Service Provider shall in its notice of objection, set out proposals for a Change which shall satisfy the Change in Law without, to the extent practicable, breaching any of the grounds in paragraph 2.1 above. The Authority shall, within twenty (20) Business Days of receipt of such notice provide written confirmation that either:
- (a) the Authority Change Notice is withdrawn (and where the Change was required as a result of a Change of Law, the Authority shall submit a new Authority Change Notice); or
  - (b) the objection by the Service Provider shall be referred for determination in accordance with Dispute Resolution.
- 2.3 For the avoidance of doubt, the Authority has an absolute discretion to accept or reject any Service Provider Change unless such Change is required as a result of a Change of Law.

### **3 Change Process**

- 3.1 Either Party may serve a Change Notice proposing a Change and such Change Notice shall be processed in accordance with the following:
- (a) an Authority Change which is a Low Value Change shall be processed in accordance with Part 2 of this schedule 18 (*Change Protocol*);
  - (b) an Authority Change which is a Medium Value Change shall be processed in accordance with Part 3 of this schedule 18 (*Change Protocol*);
  - (c) an Authority Change which is a High Value Change shall be processed in accordance with Part 4 of this schedule 18 (*Change Protocol*);
  - (d) a Service Provider Change shall be processed in accordance with Part 5 of this schedule 18 (*Change Protocol*); and
  - (e) where an Accrual or De-Accrual is required by the Authority, the provisions of schedule 19 (*Accrual and De-Accrual of Project Network Parts*) shall apply (and other than this paragraph 3.1(e), paragraphs 2 to 8 of Part 1 of this schedule 18 (*Change Protocol*) shall not apply),

except that the Authority may, in respect of any Change, submit a Change pursuant to Part 4 of this schedule 18 (*Change Protocol*) (notwithstanding that such a Change may not fall

within the definition of a High Value Change) provided that in such instance, the Authority shall be obliged to pay the Agreed HVC Stage 1 Third Party Costs and Project Management Fee for the Service Provider Stage 1 Response if the Authority were to withdraw the Authority Change Notice pursuant to paragraph 3.2(b) of Part 4.

#### **4 Funding**

- 4.1 In the event that a Medium Value Change or High Value Change includes Capital Expenditure then (unless the Authority has specified in the Authority Change Notice that it will fund such costs) the Service Provider shall use its reasonable endeavours to obtain funding for the whole of the estimated Capital Expenditure, on terms reasonably satisfactory to the Authority and the Senior Lenders.
- 4.2 If the Service Provider has used its reasonable endeavours to obtain funding for the whole of the estimated Capital Expenditure, but has been unable to do so within forty (40) Business Days of the date that the Authority issued an Authority Change Notice making such request, the Service Provider shall inform the Authority in writing of what funding (if any) it has managed to obtain. The Service Provider shall have no obligation to carry out the Authority Change, which shall be deemed to be withdrawn, unless the Authority confirms in writing within twenty (20) Business Days of receipt of such notice by the Service Provider, that it will pay the Capital Expenditure for which funding is not available.
- 4.3 The Authority may, at any time notify the Service Provider in writing that it will meet all or, to the extent the Service Provider has obtained funding for part of the Capital Expenditure, the remaining part of the Capital Expenditure.
- 4.4 For the avoidance of doubt, subject to clause 40 (*Change of Law*) and clause 41 (*Change in Highways Standards*), the Authority shall pay the Capital Expenditure incurred in carrying out any Low Value Change required by the Authority.
- 4.5 In the case of a Service Provider Change, any funding shall (unless otherwise agreed) be provided by the Service Provider except to the extent a Qualifying Change of Law applies, in which case the provisions of clause 40 (*Change of Law*) shall apply.

#### **5 Due Diligence**

- 5.1 The Senior Lender may carry out legal, financial, technical and insurance due diligence on any proposal for an Authority Change:
  - (a) in the case of a Medium Value Change where the Medium Value Change Threshold has been exceeded; or



(b) in the case of a High Value Change, as required.

5.2 In the event that the Senior Lender needs to procure legal, technical, financial or insurance due diligence, the Parties shall agree a budget and capped cost for the due diligence provided that the costs for the due diligence shall not exceed two per cent (2%) of the overall value of the relevant Authority Change unless the Parties (acting reasonably) agree otherwise.

5.3 The Service Provider shall:

(a) use reasonable endeavours to procure the Senior Lenders shall promptly give any consents which are required pursuant to the Financing Agreements to any Change and shall only withhold its consent on one (1) (or more) of the grounds set out in paragraph 2.1;

(b) procure that the insurance broker shall be notified by the Service Provider promptly of any material Change (materiality being judged in relation to the size and nature of the scope of the Change).

## **6 Implementation**

6.1 The Authority may not issue a Confirmation Notice in respect of a Change unless:

(a) the processing of the relevant Change Notice has been completed in accordance with Part 2, Part 3 or Part 4 of this schedule 18 (*Change Protocol*) (as applicable), and the revision of the Annual Unitary Charge and the Financial Model in respect of the relevant Change have been agreed or determined in accordance with clause 53 (*Financial Adjustments*);

(b) all amounts payable in respect of the relevant Change in accordance with paragraph 7 of this Part 1 have been agreed or determined and, in respect of amounts reimbursable pursuant to paragraph 7.4 of this Part 1 where due and payable prior to the date of the relevant Confirmation Notice, paid;

(c) any amendment to this Contract, any other Project Document and the Financing Agreements, and, where applicable, the terms of any additional, supplemental or replacement agreement, in each case required in respect of or as a result of the relevant Change have been agreed by the parties (or where applicable determined in accordance with the relevant dispute resolution procedure in each relevant agreement);

(d) either (i) any amendment to any policy of insurance, and any additional or replacement policy of insurance, in each case required in respect of or as a result of

the relevant Change has been effected or (ii) arrangements satisfactory to the Service Provider (acting reasonably) have been made for the effecting of any such amendment, and of any such additional and/or replacement policy, by the date on which implementation of the relevant Change commences;

- (e) the timescales for implementing the relevant Change that are to be stated in the relevant Confirmation Notice have been agreed or determined;
- (f) all Consents required in order for the Service Provider to commence the implementation of the relevant Change have been obtained and all conditions to those Consents have been satisfied or waived;
- (g) the Service Provider is satisfied (acting reasonably) that all other Consents required in respect of or as a result of the relevant Change will be obtained, and that all conditions to those Consents will be satisfied or waived, in each case by not later than the latest date on which the relevant Consent is required in order for the relevant Change to be implemented in accordance with the Confirmation Notice;
- (h) all consents or other approvals required under any of the Project Documents or the Financing Agreements in respect of or as a result of the relevant Change have been obtained and all conditions to those consents or other approvals have been satisfied or waived; and
- (i) no Dispute is outstanding in respect of the relevant Change (including any Dispute in relation to paragraph 4.2 of this Part 1),

save that the Authority may issue a Confirmation Notice notwithstanding a failure to obtain any Consent pursuant to sub-paragraph (f) or (g) above, and/or any failure to satisfy or waive any condition in respect of any Consent pursuant to sub-paragraph (f) or (g) above, provided that the Service Provider shall be entitled to a Compensation Event in respect of any such unobtained Consent and/or unsatisfied or unwaived condition (as appropriate) pursuant to the provisions of clause 33.2 (*Compensation Events*);

6.1A Where the Authority has issued a Confirmation Notice in respect of a Change:

- (a) where applicable, the Parties shall execute any deed of amendment to this Contract;
- (b) the Service Provider shall promptly implement any Change within the timescales set out in the Confirmation Notice and shall do so in a manner which minimises any inconvenience to the Authority;

- (c) the Service Provider shall notify the Authority when it believes the Change has been completed;
  - (d) the Service Provider shall update the Management Information System in accordance with paragraph 2.2 of Part 8 of the Output Specification (if relevant).
- 6.2 No amendments of this Contract shall be made as a result of a Low Value Change unless otherwise agreed between the Parties.
- 6.3 If the Service Provider does not:
- (a) respond to a Catalogue Order Form submitted by the Authority pursuant to paragraph 1.2 of Part 2 (in accordance with the requirements of paragraph 4.2 of part 2) or an Authority Change Notice (in the case of a High Value Change either at Stage 1 or Stage 2); or
  - (b) complete or implement the Change within the specified timescales,
- then the Monthly Unitary Charge shall be abated at the rate of the Agreed Abatement for every day of delay from the date the Service Provider Response should have been submitted or the Change should have been completed or implemented until the date the Service Provider Response is submitted or the Change is completed or implemented (as the case may be).
- 6.4 All Changes shall be implemented under the terms of this Contract and in particular all provisions applying to the Service shall apply to the carrying out of any additional works or changes to the Service.
- 6.5 The Service Provider shall keep a record of all Changes (both completed and outstanding) and provide the Authority with these records whenever reasonably required by the Authority.
- 6.6 The Service Provider shall use reasonable endeavours to ensure that all consents or other approvals required under any of the Project Documents or the Financing Agreements in respect of or as a result of the relevant Change have been obtained and all conditions to those consents or other approvals have been satisfied or waived prior to the issue of the relevant Confirmation Notice, provided that the Service Provider shall not be obliged to use reasonable endeavours where to do so would require the Service Provider to incur material expenditure which it is not compensated for either pursuant to this schedule 18 (*Change Protocol*) or under the terms of the relevant Change.

## 7 Payment

7.1 Subject to paragraph 7.2 of this Part 1, the Authority shall pay the Service Provider the agreed cost for carrying out or implementing any Authority Change either by way of (or as a combination of):

- (a) an adjustment to the Annual Unitary Charge, by incorporating the Agreed Change in Costs or financial change agreed or determined pursuant to Part 3 (as the case may be), in accordance with clause 53 (*Financial Adjustments*);
- (b) payment of an invoice submitted by the Service Provider for the agreed amount within twenty (20) Business Days of receipt; or
- (c) in the case of a Low Value Change, in accordance with paragraph 5 of Part 2.

7.2 Where the Authority agrees to pay any Capital Expenditure incurred in carrying out a Change:

- (a) the Authority and Service Provider shall agree:
  - (i) a payment schedule in respect of the payment of the Capital Expenditure reflecting the amount and timing of the costs to be incurred by the Service Provider in carrying out the Authority Change, to the extent borne by the Authority; and
  - (ii) where payment for part of the Authority Change reflects the carrying out of, or specific progress towards, an element within the Authority Change, an objective means of providing evidence confirming that the part of the Authority Change corresponding to each occasion when payment is due under the payment schedule has been duly carried out,

and such payment schedule and evidence shall be determined in accordance with Dispute Resolution in the event of the Authority and Service Provider failing to agree as to its terms;

- (b) the Authority shall make a payment to the Service Provider within twenty (20) Business Days of receipt by the Authority of invoices presented to the Authority (complete in all material respects) in accordance with the agreed payment schedule (as may be varied by agreement from time to time) accompanied by the relevant evidence (where applicable) that the relevant part of the Authority Change has been carried out; and

- (c) if payment is not made in accordance with paragraph 7.2(b), the Authority shall pay interest at the Default Interest rate to the Service Provider on the amount unpaid from the date twenty (20) Business Days after receipt of the relevant invoice until the date of payment.

7.3 Notwithstanding any other provision of this schedule 18 (*Change Protocol*):

- (a) the provisions of clause 40 (*Change of Law*) of the Contract shall apply to the payment of any costs incurred or any savings made in carrying out or implementing any Change which is required as a result of a Qualifying Change of Law; and
- (b) the provisions of clause 32 (*Best Value and Continuing Value for Money*) of the Contract shall apply to the payment of any costs incurred or any savings made in carrying out or implementing any Change which is required as a result of a Best Value Change.

7.4 Where, pursuant to paragraph 5.1, due diligence has been carried out by the Senior Lender, then the Authority shall reimburse the Service Provider for the actual costs of the Senior Lender carrying out due diligence of a proposed Authority Change, provided that:

- (a) in the case of a Medium Value Change, the Medium Value Change Threshold has been exceeded; and
- (b) the sums due shall never exceed the lower of the cap set out in paragraph 5.2 and the caps or fixed sum set out in the relevant Service Provider Response,

and where the costs of the due diligence have not been included in the Change in Project Costs, the Authority shall pay such costs within twenty (20) Business Days of an invoice submitted by the Service Provider for the agreed amount.

## **8 Disputes**

Any Dispute arising in respect of this schedule 18 (*Change Protocol*) will be resolved in accordance with Dispute Resolution.

## **9 Accruals and De-Accruals**

Save as otherwise expressly provided, the provisions of this schedule 18 (*Change Protocol*) shall not apply to any Accrual or De-Accrual of Project Network Parts pursuant to schedule 19 (*Accrual and De-Accrual of Project Network Parts*).

**10. Unmetered Electricity Forecast**

- 10.1 Where the Authority proposes a Change that includes the dimming of Street Lighting in accordance with the Dimming Requirements, or includes requirements in respect of the dimming of Street Lighting which are materially the same as the Dimming Requirements, the electricity forecast set out in part 1 of schedule 9 shall apply from the implementation of such Change and the Service Provider shall not be obliged to make any consequential changes to its labour, vehicles, plant or materials.
- 10.2 Where the Authority proposes a Change that includes the dimming of Street Lighting which is not materially the same as the Dimming Requirements the Parties (acting reasonably) shall agree a revised electricity forecast based on the forecast set out in part 1 of schedule 9 which shall apply from the implementation of such Change and the Service Provider shall take into account any consequential changes to its labour, vehicles, plant or materials.
- 10.3 If the Parties are unable to agree a revised electricity forecast pursuant to clause 10.2, either Party may refer the Dispute for determination pursuant to clause 70 (*Dispute Resolution*).

## **Part 2 - Low Value Changes**

### **1 Notification and Specification**

- 1.1 Subject to paragraph 2.1 of Part 1, the Service Provider shall carry out any Low Value Change requested by the Authority.
- 1.2 If a Low Value Change is required by the Authority, it shall submit to the Service Provider a Catalogue Order Form.

### **2 Service Provider Response**

- 2.1 Within five (5) Business Days of receipt of the Catalogue Order Form, the Service Provider shall confirm the fixed price of implementing the required Low Value Change which shall not exceed the rates set out in the Catalogue.
- 2.2 The Parties agree and acknowledge that, where there are no applicable rates in the Catalogue for the Low Value Change, analogous rates shall be applied (including any analogous x and y values), or failing any analogous rates, rates which are fair and reasonable and which shall be calculated on the basis that:
  - (a) wherever practicable the Service Provider shall procure that such works are carried out by an existing and suitably qualified employee of a Sub-Contractor. Where the Low Value Change can not be carried out by an existing employee of a Sub-Contractor, the cost of the labour element shall be calculated in accordance with the Catalogue (where applicable); and
  - (b) the materials element shall be charged at the cost of materials to the Service Provider or to the Sub-Contractor carrying out the work (net of all discounts) and there shall be no management fee, margin, overhead, contingency or other cost applied to such costs.
- 2.3 The Parties agree and acknowledge that the rates set out in the Catalogue shall be indexed on each anniversary of the Service Commencement Date.
- 2.4 The Service Provider shall make no additional charge to the Authority for processing, implementing or managing a Low Value Change.

### **3 Due Diligence**

- 3.1 The Service Provider shall procure that no due diligence by the Senior Lenders shall be required.

## **4 Implementation**

- 4.1 Following receipt by the Service Provider of written confirmation from the Authority in respect of the Low Value Change the Service Provider shall undertake the Low Value Change in accordance with the timescales set out in the confirmation notice.
- 4.2 If the Service Provider has not completed or implemented the Low Value Change within the timescales specified in the Catalogue (or within fifteen (15) Business Days as applicable), then the Service Provider will suffer a deduction from the Monthly Unitary Charge of the Agreed Abatement for every day of delay from the date the Low Value Change should have completed or implemented until the date the Low Value Change is actually completed or implemented.
- 4.3 Any dispute may be referred by either Party to Dispute Resolution, but the Service Provider shall, nevertheless, be required to carry out or implement the Low Value Change within the prescribed timescales notwithstanding the dispute, where such dispute concerns the cost of the Low Value Change.
- 4.4 All Low Value Changes shall be implemented in accordance with the terms of this Contract.
- 4.5 No changes shall be made to this Contract or any Project Document as a result of a Low Value Change, unless otherwise agreed between the Parties.
- 4.6 The Parties acknowledge and agree that paragraphs 2 to 7 (inclusive) of Part 1 shall not apply to Low Value Changes.

## **5 Payment**

- 5.1 Following the implementation of a Low Value Change, the Service Provider shall notify the Authority of the amount payable.
- 5.2 The Service Provider shall include the costs of any Low Value Change in the next Draft Monthly Monitoring Report following completion or implementation of the relevant Low Value Change. All amounts payable for Low Value Changes carried out in a Month shall, on expiry of that Month, be invoiced and paid in accordance with the procedure described in clause 45 (*Payment and Financial Matters*) of the Contract.
- 5.3 No adjustment of the Annual Unitary Charge shall be made as a result of any Low Value Change unless agreed between the Parties.
- 5.4 Where it is agreed that an adjustment of the Monthly Unitary Charge is required, the Monthly Unitary Charge following completion of the Low Value Change, shall be adjusted in accordance with clause 53 (*Financial Adjustments*).



## 6 Updating the Catalogue

- 6.1 From the date of the Contract, the Catalogue shall be that set out in Appendix I to this schedule 18 (*Change Protocol*) and, subject to paragraph 6.2, the rates set out therein shall be indexed on each anniversary of the date of the Contract.
- 6.2 On each fifth anniversary of the date of the Contract, the Parties shall review the Catalogue with the intention of:
- (a) including in the Catalogue unit prices for any Low Value Change or any Change which does not affect the risk profile of the Project which the Parties anticipate could occur during the life of the Project;
  - (b) including time periods for the installation of any Project Network Parts, the carrying out of any works or implementation of any Change for the matters referred to in paragraph 6.2(a);
  - (c) reviewing the unit pricing for each type of Project Network Part, the works and services specified in the Catalogue to ensure that the rates continue to provide value for money with reference to prices prevailing for similar items in the market at the time;
  - (d) taking account of any Low Value Changes which took place in the preceding Contract Year and which may occur again and should properly be included in the Catalogue.
- 6.3 No later than February of each relevant Contract Year, the Service Provider shall submit to the Authority any amendments to the Catalogue as required by the Authority or agreed by the Parties pursuant to paragraph 6.2 together with evidence that the unit pricing and works and services set out in the Catalogue (or proposed amendment to the Catalogue) offers the Authority value for money.
- 6.4 The Parties shall meet and endeavour, in good faith, to agree any amendments to the Catalogue. Any Dispute shall be referred to Dispute Resolution. No later than March of each relevant Contract Year, the Service Provider shall issue to the Authority an updated Catalogue which shall set out the agreed or determined amendments and shall constitute the Catalogue for the purposes of this Contract.

### Part 3 - Medium Value Changes

#### 1 Notification and Specification

1.1 If a Medium Value Change is required by the Authority, it shall serve an Authority Change Notice on the Service Provider.

1.2 The Authority Change Notice shall, where applicable, include, but not be limited to, the following information:

- (a) a statement that it is a Medium Value Change and whether or not the Change is required as a result of a Change of Law or is a Best Value Change;
- (b) a description of any works (or change to the Service) required in sufficient detail to allow the design and pricing of the Medium Value Change by the Service Provider;
- (c) whether, in respect of any additional works, the Service Provider is expected to provide maintenance and lifecycle services in respect of such additional works;
- (d) the location for the relevant Project Network Parts or works or services required;
- (e) the timing of the works or services required;
- (f) in respect of additional or varied services, a description of such service or variation to the Service together with the anticipated date of implementation of the variation or commencement of the new service in sufficient detail to allow the pricing of the Medium Value Change by the Service Provider;
- (g) whether any Consents are required in order to implement the Change;
- (h) the date by which the Service Provider shall provide the Service Provider Response to the Authority (which shall be appropriate to the complexity of the Change required and shall not be less than fifteen (15) Business Days from the date of the Authority Change Notice);
- (i) either confirmation that the Authority will fund the Medium Value Change itself and its proposals for payment (whether in stages or otherwise) or a request that the Service Provider raises finance for the Authority Change as required by paragraph 4 of Part 1 (*Funding*) of this schedule 18 (*Change Protocol*).

1.3 As soon as practicable following the issue of an Authority Change Notice and in any event no later than five (5) Business Days from the date of the Authority Change Notice, the Service Provider shall submit to the Authority an estimate of the reasonable third party costs ("**Third**

**Party Costs Estimate**") likely to be incurred by the Service Provider in providing the Service Provider Response pursuant to paragraph 2.1(i) below.

- 1.4 Within eight (8) Business Days of the date on which the Authority raised the Third Party Costs Estimate, the Authority shall confirm in writing to the Service Provider whether it agrees the contents thereof. In the event that the Authority does not agree to the Third Party Costs Estimate or does not notify the Service Provider within eight (8) Business Days of the date of the Third Party Costs Estimate, the Parties shall meet and use reasonable endeavours to agree (acting reasonably) such costs within five (5) Business Days and failing which either Party may refer the matter to Dispute Resolution.

## **2 Service Provider Response**

- 2.1 Subject to paragraph 2 of Part 1 of this schedule 18 (*Change Protocol*), within the period specified in the Authority Change Notice (or such other period as the Parties may agree), and in any event, following agreement or determination of the Third Party Costs Estimate (provided that if the Third Party Costs Estimate has been referred to Dispute Resolution and the Authority agrees to pay the Third Party Costs Estimate determined pursuant to Dispute Resolution, the Authority may require the Service Provider to produce the Service Provider Response prior to the determination of such Third Party Costs Estimate) within the period specified in the Authority Change Notice, the Service Provider shall provide the Authority with a Service Provider Response which shall include (where applicable) the following information:

- (a) a detailed programme for the design, Authority review of the design, construction and/or installation of the Medium Value Change (including the procuring of any Consents);
- (b) a detailed programme for commissioning and implementing any change in, or addition to the Service, including the provision and/or training of any staff;
- (c) the proposed method of certification of any installations or operational aspects of the Medium Value Change, if not covered by the procedures set out in this Contract;
- (d) the proposed consultants, sub-contractors and suppliers the Service Provider intends to appoint to process the Medium Value Change;
- (e) details of any impact of the Medium Value Change on the carrying out of the Service or the provision of the Service and in particular, details of any relief from compliance with any obligations of this Contract required during the implementation of the

Medium Value Change (including relief from Milestones and/or Performance Standards);

- (f) any Estimated Change in Project Costs that result from the Medium Value Change, taking into account any Capital Expenditure that is required or no longer required as a result of the Medium Value Change and the principles set out in clause 53.3.3 (*Financial Adjustments*);
- (g) where the Authority has specified in the Authority Change Notice that the Service Provider shall raise finance for the Authority Change, the steps the Service Provider has or will take to secure finance;
- (h) any loss of or increase in revenue that may result from the Medium Value Change;
- (i) the details of the actual reasonable third party costs properly incurred by the Service Provider in providing the Service Provider Response and details of the third-party activity that will be incurred in providing the Service Provider Response including (where applicable pursuant to paragraph 5 of Part 1) the anticipated cost of the Senior Lender carrying out due diligence (which in aggregate shall not be any more than the Third Party Costs Estimate as agreed or determined pursuant to paragraph 1.4 above);
- (j) any amendment to this Contract or any Project Document or any Financing Agreement required as a result of the Medium Value Change.

2.2 In calculating the Estimated Change in Project Costs and/or Capital Expenditure, the Service Provider shall apply the following principles wherever applicable:

- (a) any analogous x values, y values or rates included in the Catalogue or if no such rates, rates which are fair and reasonable;
- (b) any fair, reasonable and properly incurred professional fees, contingencies, overheads and/or profit margins charged by any consultant, sub-Service Provider, Sub-Contractor, Sub-subcontractor or supplier in respect of construction and/or installation and/or lifecycle and/or service provision that the Service Provider can demonstrate to the reasonable satisfaction of the Authority are being charged by consultants, sub-Service Providers, Sub-Contractors, Sub-subcontractors and/or suppliers in current market conditions;
- (c) the unit cost of any extension of, or change to, any Service (either in scope or area) shall be consistent with any analogous x values, y values or rates included in the Catalogue or, if no such rates, rates which are fair and reasonable. If the Service Provider can demonstrate, to the reasonable satisfaction of the Authority, that as a

result of the Medium Value Change, the relevant Service will be of a higher quality than required by the relevant Output Specification then the Authority may agree to increase such rates to reflect any increase in quality;

- (d) the cost of any Service Provider time, reasonably incurred, whether spent in processing, managing or monitoring the Medium Value Change (or proposed Medium Value Change), shall be charged for at the rates set out in Part 3 of Appendix 2 of this schedule 18 (*Change Protocol*) (and no additional mark-up or management fee shall be charged by the Service Provider over and above the costs it will be liable to pay its sub-contractors in carrying out the works and/or services (as the case may be));
- (e) where the Parties agree that paragraph 2.2(a) to 2.2(c) are not applicable, the value of any Medium Value Change shall be calculated in accordance with rates which are fair and reasonable and reflect market rates.

#### *Agreement of Service Provider Response*

2.3 As soon as practicable, and in any event no later than ten (10) Business Days after the Authority receives the Service Provider Response, the Parties shall discuss and endeavour to agree the issues set out in the Service Provider Response, and the Service Provider shall:

- (a) provide evidence that the Service Provider has used reasonable endeavours (including, where practicable (and without prejudice to the provisions of paragraph 7 of Part 4 of this schedule 18 (*Change Protocol*)) the use of competitive quotes) to oblige sub-Service Providers and suppliers to minimise any increase in costs and maximise any reduction in costs;
- (b) demonstrate how any Capital Expenditure to be incurred or avoided is being measured in a cost effective manner, including showing that when such expenditure is incurred, foreseeable Changes in Law at that time would be taken into account by the Service Provider; and
- (c) demonstrate that any expenditure that has been avoided, which was anticipated to be incurred that has been affected by the Authority Change, has been taken into account in the Capital Expenditure and/or Estimated Change in Project Costs.

2.4 If the Service Provider fails to provide the information required by paragraph 2.2 or satisfy the provisions of paragraphs 2.3 (a) to 2.3(c) (inclusive,) the Authority may (in writing) reject the Service Provider Response, in which event the Parties shall meet within ten (10) Business Days of the notice of rejection to discuss the reason for the Authority's rejection of the

Service Provider Response. The Service Provider shall use all reasonable endeavours to address the Authority's concern about the quality and content of the Service Provider Response. In particular, the Service Provider shall provide any additional information or documentation that the Authority shall reasonably require which relates to the contents of the Authority Change Notice and/or the Service Provider Response and/or the information required by paragraphs 2.3(a) to 2.3(c) (inclusive). The Authority may require the Service Provider to resubmit the Service Provider Response amended to take account of, and address, the Authority's concerns. The Service Provider shall submit such revised Service Provider Response within twenty (20) Business Days of such request.

- 2.5 If the Parties cannot agree on the contents of the Service Provider Response (as may be amended pursuant to paragraph 2.4), then either Party may refer the dispute to Dispute Resolution, provided that no determination shall oblige the Authority to issue an Authority Confirmation in respect of the disputed Medium Value Change and if the Service Provider Response is found to fail to provide the information required by paragraph 2.2 or satisfy the provisions of paragraph 2.3(a) to 2.3(c) inclusive, then paragraph 2.9 shall apply.

*Authority Confirmation*

- 2.6 The Authority shall, in writing, either confirm or withdraw the Authority Change Notice or reject the Service Provider Response and in the event that the Authority:
- (a) confirms the Authority Change Notice then the Authority shall issue a Confirmation Notice which shall set out the Change in Project Costs and agreed timescales for implementation and attach the agreed Service Provider Response; or
  - (b) withdraws an Authority Change Notice, paragraph 2.8 shall apply or
  - (c) rejects the Service Provider Response, paragraph 2.9 shall apply.
- 2.7 If the Authority does not issue a written notice pursuant to paragraph 2.6 within twenty (20) Business Days of the contents of the Service Provider Response having been agreed in accordance with paragraph 2.4 or determined pursuant to paragraph 2.5, then the Authority Change Notice shall be deemed to have been withdrawn.
- 2.8 Where an Authority Change Notice is withdrawn pursuant to paragraph 2.6 or deemed to have been withdrawn pursuant to paragraph 2.7 or paragraph 4.2 of Part 1, the Authority shall pay to the Service Provider the reasonable additional third-party costs incurred by the Service Provider in preparing such Service Provider Response provided that:
- (a) the Service Provider has used all reasonable endeavours to submit a reasonably priced Service Provider Response;

(b) the Service Provider included in the Service Provider Response a cost breakdown of the third-party costs incurred by the Service Provider in preparing the Service Provider Response and the Authority has:

(i) agreed that, given the nature of the proposed Medium Value Change, it was reasonable for the relevant third-party to incur costs in preparing the Service Provider Response on the basis of the extent of the proposed Medium Value Change and the work required in submitting an accurate Service Provider Response in compliance with this schedule 18 (*Change Protocol*); and

(ii) been provided with such evidence as it may reasonably require in order to verify such third-party costs and in order to demonstrate that they were properly incurred; and

(c) such costs shall not exceed the agreed Third Party Costs Estimate agreed or determined pursuant to paragraph 1.4.

2.9 The Authority shall not be responsible for payment of any costs incurred by the Service Provider in preparing the Service Provider Response (including for the avoidance of doubt any third-party costs) where the Authority has rejected the Service Provider Response on the grounds of non-compliance with the material requirements of this schedule 18 (*Change Protocol*).

2.10 Where the Authority Change is either withdrawn or rejected, the Authority shall be entitled to procure the works or services which would otherwise comprise the Medium Value Change outside the terms of this Contract ("**Authority MVC Works and Services**"), provided that if the Authority considers (acting reasonably) that such works or services will have:

(a) a material adverse effect on the Service Provider's ability to perform its obligations under the Contract; and/or

(b) a material financial effect on the Service Provider,

the Authority shall, subject to paragraph 2.12, issue a High Value Change pursuant to Part 4 in order to deal with such effect on the Service Provider.

2.11 If the Authority intends to procure Authority MVC Works and Services, it shall notify the Service Provider, in writing, as soon as reasonably practicable following the procurement of such Authority MVC Works and Services.

2.12 The Service Provider may notify the Authority during, or within five (5) Business Days of completion of the Authority MVC Works and Services of any matters it believes the Authority should take into account when considering whether to issue a High Value Change

pursuant to paragraph 2.10 and request (acting reasonably) that the Parties meet to discuss and agree whether such works and services procured pursuant to paragraph 2.10 will have:

- (a) a material adverse effect on the Service Provider's ability to perform its obligations under the Contract; and/or
- (b) a material financial effect on the Service Provider.

2.13 If the Service Provider requests a meeting pursuant to paragraph 2.11, the Parties shall meet within five (5) Business Days. If the Parties fail to agree the effect of the works and services procured pursuant to paragraph 2.10, the Service Provider may refer the matter to Dispute Resolution.

### **3 Due Diligence**

The provisions of paragraph 5 (*Due Diligence*) of Part 1 of this schedule 18 (*Change Protocol*) shall apply.

### **4 Implementation**

The provisions of paragraph 6 (*Implementation*) of Part 1 of this schedule 18 (*Change Protocol*) shall apply.

### **5 Payment**

The provisions of paragraph 7 (*Payment*) of Part 1 of this schedule 18 (*Change Protocol*) shall apply.



## Part 4 - High Value Changes

### I Notification and Specification

- 1.1 The Authority and the Service Provider shall co-operate and collaborate to ensure that each Party has early notification of the prospect of a High Value Change. Without prejudice to paragraph 1.2, the Authority shall involve the Service Provider as early as is practicable in the specification of the High Value Change to ensure that the developed specifications reflect input from the Service Provider and/or the relevant Service Provider Parties.
- 1.2 The Authority may, at any time, issue an Authority Change Notice which shall state:
- (a) that it is a High Value Change and whether it is required as a result of a Change of Law or is a Best Value Change; or
  - (b) that the High Value Change shall be valued either:
    - (i) by means of the Competitive Tendering Process; or
    - (ii) by means of the Benchmarking Process; or
    - (iii) by means of valuation by an Independent Technical Adviser;
  - (c) if applicable, affordability thresholds for the proposed works or services comprising the relevant High Value Change;
  - (d) if applicable, an output specification of the proposed works and/or Services required, in the same format and with similar detail as that provided in the Output Specification wherever possible, and where not possible, in sufficient detail to allow the design and pricing of a solution to the High Value Change;
  - (e) if applicable, a specification of the proposed services (or any change to the Services) in the same format with similar details as that provided in the Output Specification wherever possible and, where not possible, in sufficient detail to allow the pricing of the required additional service (or change to the Services);
  - (f) the location for the works or services required;
  - (g) the timing of the works or services required;
  - (h) whether the Service Provider is expected to provide maintenance and/or lifecycle services in respect of any additional works;

- (i) an outline risk allocation matrix setting out the Authority's preferred risk profile in respect of the High Value Change;
  - (j) a time period for submission of the Service Provider Stage 1 Response which shall be reasonable, taking into account the complexity of the High Value Change and, in any event, shall not be less than thirty (30) Business Days; and
  - (k) in the event that the Authority Change will require Capital Expenditure, whether the Authority intends to pay the Capital Expenditure involved in implementing the Change or whether the Authority requires the Service Provider to use its reasonable efforts to obtain funding in accordance with paragraph 4 of Part 1 of this schedule 18 (*Change Protocol*); and
  - (l) the Approval Criteria.
- 1.3 As soon as practicable following the issue of an Authority Change Notice and in any event, within ten (10) Business Days of the date of the Authority Change Notice, the Service Provider shall submit to the Authority an estimate of the reasonable third party costs ("**Stage 1 Third Party Costs Estimate**") likely to be incurred by the Service Provider in providing the Service Provider Stage 1 Response pursuant to paragraph 2.1(j).
- 1.4 Within ten (10) Business Days of the date on which the Authority needed the Stage 1 Third Party Costs Estimate, the Authority shall confirm to the Service Provider whether it agrees the contents thereof. In the event that the Authority does not agree to the Stage 1 Third Party Costs Estimate or does not notify the Service Provider within ten (10) Business Days of the date of the Stage 1 Third Party Costs Estimate, the Parties shall meet and use reasonable endeavours to agree (acting reasonably) such costs within ten (10) Business Days and failing which either Party may refer the matter to Dispute Resolution.
- 1.5 Where the Authority has proposed pursuant to paragraph 1.2(b) that the High Value Change shall be valued by way of the Benchmarking Process or valuation by an Independent Technical Adviser then the Service Provider may notify the Authority within ten (10) Business Days if the Service Provider does not agree with such proposal made under paragraph 1.2(b) on the basis that such method of valuation would not lead to a fair and reasonable valuation of the High Value Change.
- 1.6 If the Service Provider notifies the Authority in accordance with paragraph 1.5 that it does not agree with the Authority's proposal made under paragraph 1.2(b), the Parties shall meet and use reasonable endeavours to agree (acting reasonably) within ten (10) Business Days the basis on which the High Value Change should be valued, failing which either Party may refer the matter to Dispute Resolution.

## 2 Service Provider Stage 1 Response

2.1 Subject to paragraph 2 of Part 1 of this schedule 18 (*Change Protocol*), within the period specified in the Authority Change Notice, and in any event, following agreement or determination of the Stage 1 Third Party Costs Estimate (provided that if the Stage 1 Third Party Costs Estimate has been referred to Dispute Resolution and the Authority agrees to pay the Stage 1 Third Party Costs Estimate determined pursuant to Dispute Resolution, the Authority may require the Service Provider to produce the Service Provider Response (prior to the determination of such Stage 1 Third Party Costs Estimate) within the period specified in the Authority Change Notice), the Service Provider shall submit a report (a "**Service Provider Stage 1 Response**"), which shall (where applicable) include, the following information which shall contain sufficient detail to enable the Authority to make an informed decision pursuant to paragraph 3 and shall take account of the Authority's affordability thresholds set out in the Authority Change Notice:

- (a) an outline programme for implementation of the Change, including time periods for design development, Authority review of the design, anticipated dates of any applications for Consents and time periods for the provision and training of staff;
- (b) a broad indication of the impact of carrying out and implementing the High Value Change on the provision of the Service and compliance with the Contract and in particular, whether relief from compliance with any obligations set out in this Contract is likely to be required, including the obligations of the Service Provider to meet the Performance Standards and Milestones during the implementation of the High Value Change;
- (c) an indication of any impact on the Service Provider Programmes;
- (d) an indication of whether any additional Consents will be required;
- (e) an outline of the Estimated Change in Project Costs that will result from implementing the High Value Change, taking into account any Capital Expenditure that is required or no longer required as a result of the High Value Change and the principles set out in clause 53.3.3 (*Financial Adjustments*);
- (f) any Capital Expenditure that is required or no longer required as a result of the High Value Change and where the Authority has specified in the Authority Change Notice that the Service Provider shall raise financing for the Authority Change, the steps the Service Provider has or will take to secure such financing;

- (g) an indication of whether the Service Provider or the Senior Lender would fund the Capital Expenditure of the High Value Change;
- (h) an estimate of any loss of, or increase in, revenues that may result from the High Value Change;
- (i) the proposed Project Management Fee which shall be a capped fee calculated in accordance with paragraph 2.2;
- (j) the reasonable third-party costs properly incurred by the Service Provider in providing the Service Provider Response and details of the third-party activity likely to be incurred by the Service Provider, such as third-party advice, the carrying out of surveys, obtaining Consents, the Senior Lender carrying out due diligence and independent certification that may be required to be completed prior to agreement of the High Value Change (which shall not in aggregate exceed the Agreed HVC Stage 1 Third Party Costs);
- (k) a summary of any amendments required to this Contract or any Project Document or the Financing Agreements as a result of the Change; and
- (l) a value for money assessment explaining why the Service Provider's proposals represent value for money taking into account both the proposed Capital Expenditure and Whole Life Cost; and
- (m) an indication (together with appropriate supporting evidence) as to whether the Service Provider Stage 1 Response meets the Approval Criteria.

2.2 The Service Provider may charge a Project Management Fee for the time incurred by its employees in project managing the development, procurement and implementation of the High Value Change. The Project Management Fee shall:

- (a) be based on actual time spent (validated by timesheet records);
- (b) be calculated at the daily rates as set out in Part 3 of Appendix 2 of this schedule 18 (*Change Protocol*) but capped at the sum set out in the Authority Stage 1 Confirmation;
- (c) not include the time of any person who is not an employee of the Service Provider;
- (d) not include any mark-up or profit cost or additional overheads;
- (e) be paid in two (2) stages as follows:

- (i) on the Authority issuing an Authority Stage 1 Confirmation pursuant to paragraph 3.2(a); and
- (ii) on the Authority issuing an Authority Stage 2 Confirmation pursuant to paragraph 6.1(a) or withdrawing the High Value Change pursuant to paragraph 6.1(b),

and at each stage, the Service Provider shall charge (subject to the applicable cap) only for the time incurred by its staff up to completion of that stage.

2.3 In preparing the outline Estimated Change in Project Costs, including the calculation of any Capital Expenditure, the Service Provider shall, as specified by the Authority in the Authority Change Notice or agreed or determined in accordance with paragraphs 1.5 and 1.6 (as the case may be), either comply with the:

- (a) provisions of paragraph 7 if the Competitive Tendering Process is to apply; or
- (b) provisions of paragraph 8 if the Benchmarking Process is to apply; or
- (c) provisions of paragraph 9 if an Independent Technical Adviser has been or will be appointed.

2.4 The Service Provider shall ensure that the performance risk involved in implementing the High Value Change and any interface risks involved in linking new services with the Service are reflected (depending on the risk profile of the High Value Change) in the Estimated Change in Project Costs and not priced separately over and above the Estimated Change in Project Costs. The Service Provider shall not include any separate charge or fee payable to the Service Provider or any sub-contractor of the Service Provider in the costs included in the Estimated Change in Project Costs.

2.5 In developing a Service Provider Stage 1 Response, the Service Provider shall liaise with the Authority. The Authority shall provide to the Service Provider such information as to its requirements as the Service Provider may reasonably require and shall assist the Service Provider in the review of any draft design proposals in relation to the Service Provider Stage 1 Response. Any and all information and other input or feedback provided by the Authority to the Service Provider shall, unless expressly stated otherwise by the Authority, be provided without warranty and shall be without prejudice to the Authority's rights under this schedule 18 (*Change Protocol*).

### 3 Authority Stage 1 Confirmation

- 3.1 The Authority shall consider in good faith, the Service Provider Stage 1 Response. If the Authority finds that any material aspects of the Service Provider Stage 1 Response are unsatisfactory to it, it shall notify the Service Provider of the same and offer reasonable assistance to the Service Provider to enable it to address such deficiencies and resubmit the Service Provider Stage 1 Response as soon as reasonably practicable.
- 3.2 The Authority shall, within sixty (60) Business Days, of receipt of the Service Provider Stage 1 Response (as may be amended pursuant to paragraph 3.1), confirm in writing to the Service Provider that either:
- (a) the Service Provider should proceed with developing a Service Provider Stage 2 Response and shall confirm the agreed Project Management Fee, confirm that the Service Provider Stage 1 Response meets the Approval Criteria and set out the date by which the Service Provider Stage 2 Response shall be submitted (which date shall reflect the complexity of the High Value Change and shall not be less than sixty (60) Business Days) (an "**Authority Stage 1 Confirmation**"); or
  - (b) the Authority withdraws the Authority Change Notice. No compensation (including payment of any part of the Project Management Fee or Agreed HVC Stage 1 Third Party Costs) shall be paid to the Service Provider by the Authority if the Authority Change Notice is withdrawn at this Stage 1 save for where more than one (1) Authority Change Notice is deemed withdrawn in any one (1) Contract Year, in which case the Authority shall pay the Service Provider the Project Management Fee due at Stage 1 and the Agreed HVC Stage 1 Third Party Costs within twenty (20) Business Days of receipt of an invoice provided that:
    - (i) the Service Provider has used all reasonable endeavours to submit a reasonably priced Service Provider Response;
    - (ii) the Service Provider included in the Service Provider Response a cost breakdown of the third-party costs incurred by the Service Provider in preparing the Service Provider Stage 1 Response and the Authority has:
      - (A) agreed that, given the nature of the proposed High Value Change, it was reasonable for the relevant third party to incur costs in preparing the Service Provider Response on the basis of the extent of the proposed High Value Change and the work required in submitting an accurate Service Provider Response in compliance with this schedule 18 (*Change Protocol*);

(B) been provided with such evidence as it may reasonably require in order to verify such third-party costs and in order to demonstrate that they were properly incurred; and

(iii) such costs shall not exceed the Agreed Third Party Costs Estimate agreed or determined pursuant to paragraph 1.4.

3.3 If the Authority serves an Authority Stage 1 Confirmation, the Authority shall pay the Service Provider the Project Management Fee due at Stage 1 and the Agreed HVC Stage 1 Third Party Costs within twenty (20) Business Days of receipt of a Notice for the agreed sum submitted by the Service Provider provided that:

(a) the Service Provider has complied with the provisions of 3.2(b)(i),(ii) and (iii); and

(b) the Authority, pursuant to paragraph 3.2(b)(ii)(A) has agreed that it was reasonable for the third party to incur costs; and

(c) the Authority, pursuant to paragraph 3.2(b)(ii)(B), has been provided with satisfactory evidence to verify such third-party costs and demonstrate that they were properly incurred.

3.4 Where paragraph 4.2 of Part 1 applies and the Authority Change Notice is deemed withdrawn, then no compensation (including payment of any part of the Project Management Fee or Agreed HVC Stage 1 Third Party Costs) shall be paid to the Service Provider by the Authority save as outlined in paragraph 3.2(b) of this Part 4.

3.5 As soon as practicable following the issue of an Authority Stage 1 Confirmation (if any), and in any event within twenty (20) Business Days of the issue of an Authority Stage 1 Confirmation the Service Provider shall submit to the Authority an estimate of the reasonable third-party costs ("**Stage 2 Third Party Costs Estimate**") likely to be incurred by the Service Provider in providing the Service Provider Stage 2 Response pursuant to paragraph 4.1(j) below.

3.6 Within ten (10) Business Days of the date on which the Authority received the Stage 2 Third Party Costs Estimate, the Authority shall confirm to the Service Provider whether it agrees the contents thereof. In the event that the Authority does not agree to the Stage 2 Third Party Costs Estimate or does not notify the Service Provider within ten (10) Business Days of the date of the Stage 2 Third Party Costs Estimate, the Parties shall meet and use reasonable endeavours to agree (acting reasonably) such costs within ten (10) Business Days and failing which either Party may refer the matter to Dispute Resolution.

#### 4 Service Provider Stage 2 Response

4.1 Within the time period specified in the Authority Stage 1 Confirmation (or if no time is specified within sixty (60) Business Days of receipt of the Authority Stage 1 Confirmation) and in any event, following agreement or determination of the Stage 2 Third Party Costs Estimate, (provided that if the Stage 2 Third Party Costs Estimate has been referred to Dispute Resolution and the Authority agrees to pay the Stage 2 Third Party Costs Estimate determined pursuant to Dispute Resolution, the Authority may require the Service Provider to produce the Service Provider Response (prior to the determination of such Stage 2 Third Party Costs Estimate) within the period specified in the Authority Change Notice), the Service Provider shall submit a report (a "**Service Provider Stage 2 Response**") which shall, where applicable, include but not be limited to the following information:

- (a) a detailed design solution in accordance with the DMRB and, if the High Value Change relates to a Structure, Bridge or Tunnel, a copy of the draft Approval in Principle and any relevant drawings of the Structure, Bridge or Tunnel;
- (b) the proposed consultants, sub-contractors and suppliers that the Service Provider intends to appoint to process the High Value Change;
- (c) details of any Consents required in order to implement the High Value Change;
- (d) details of any impact (stoppage or changes) on the carrying out of the Service and, in particular, whether (and what) relief from compliance with obligations set out in this Contract is required, including the obligations to meet the Milestones and the Performance Standards (including any amendment required to the Output Specification and/or the Service Provider Programmes) during the implementation of the High Value Change and the duration of such relief;
- (e) the proposed method of certification of any construction or operational aspects of the High Value Change if not covered by the procedures in this Contract;
- (f) a detailed timetable and method statement setting out how the High Value Change will be delivered including but not limited to:
  - (i) identifying the different phases of the detailed design;
  - (ii) indicating which of the deliverables will be issued in which phase;
  - (iii) the points at which the Service Provider will require the Authority to issue any further confirmations to proceed to trigger the activities necessary to deliver the next phase of the implementation programme;



- (g) any surveys and investigations and associated reports that are reasonably necessary to ascertain information as to the nature, location and condition of the relevant land (including hydrological, geological, geotechnical and sub-surface conditions) together with information relating to archaeological finds, areas of archaeological, scientific or natural interest;
- (h) a completed risk register showing the potential risks identified in relation to the delivery of the High Value Change the occurrence of which are capable of adversely affecting the time for completion, cost and/or quality of the Project, the probability of such risks occurring and a financial estimate of the most likely consequences of each risk occurring together with the prioritisation of all continuing risks and an action plan in respect of, and risk owners for, all risks prioritised as serious risks;
- (i) any approval required from the insurers and/or the Senior Lenders together with details of the capped sum for the due diligence costs incurred or to be incurred in obtaining the same;
- (j) details of the reasonable third-party costs properly incurred by the Service Provider in preparing the Service Provider Stage 2 Response and details of any other third-party costs likely to be incurred and confirmation that costs to be incurred are included in the Agreed Change in Costs and shall not in aggregate exceed the Agreed HVC Stage 2 Third Party Costs;
- (k) a draft deed of amendment setting out any amendment(s) required to this Contract and/or any Project Document and/or any Financing Agreement as a result of the High Value Change;
- (l) the amount of any loss of or increase in revenues that may result from the High Value Change and confirmation that the effect is included in the Agreed Change in Costs;
- (m) if requested by the Authority, details of any funding obtained and the adjustments required to the Annual Unitary Charge, together with a proposed revised financial model including the detailed price estimates;
- (n) a final Agreed Change in Costs that results from the High Value Change, taking into account any Capital Expenditure that is required or no longer required as a result of the High Value Change, all reasonable third-party costs incurred or likely to be incurred by the Service Provider and any increase or decrease in operating costs and any loss of or increase in revenue that results from the High Value Change;

- (o) evidence that the Service Provider has used reasonable endeavours (including, where practicable and without prejudice to the provisions of paragraph 6.4, the use of competitive quotes) to oblige sub-contractors and suppliers to minimise any increase in costs and maximise any reduction in costs;
- (p) a demonstration of how any Capital Expenditure to be incurred or avoided is being measured in a cost effective manner, including showing that when such expenditure is incurred, foreseeable Changes of Law at that time would be taken into account by the Service Provider;
- (q) a demonstration that any expenditure that has been avoided, which was anticipated to be incurred that has been affected by the High Value Change, has been taken into account in the Capital Expenditure and/or Estimated Change in Project Costs;
- (r) a value for money assessment explaining why the Service Provider's proposals represent value for money taking into account both the proposed Capital Expenditure and Whole Life Cost;
- (s) an explanation (together with appropriate supporting evidence) as to why the Service Provider Stage 2 Response meets the Approval Criteria; and
- (t) details of the Project Management Fee for this stage and containing the information set out in paragraph 2.2 of this Part 4.

4.2 The Service Provider shall also include in the Service Provider Stage 2 Response the following information:

- (a) if the Authority specified in the Authority Change Notice that paragraph 7 will apply a Tendering Report;
- (b) if it is agreed or determined in accordance with paragraphs 1.5 and 1.6 that paragraph 8 will apply, a Benchmarking Report demonstrating that the unit rates for installation, lifecycle and maintenance services used to calculate the Agreed Change in Costs fall within reasonable ranges compared to benchmarks derived from industry benchmarks obtained from the Comparable Market; or
- (c) if it is agreed or determined in accordance with paragraphs 1.5 and 1.6 that paragraph 9 will apply, the Reference Price with details of how the Reference Price was used to calculate the Agreed Change in Project Costs and any comments made by the Independent Technical Adviser on the Agreed Change in Costs.

4.3 In developing a Service Provider Stage 2 Response, the Service Provider shall continue to liaise with the Authority.

4.4 Without prejudice to paragraph 4.3, the Authority shall co-operate with the Service Provider in relation to any Service Provider Stage 2 Response being developed by the Service Provider, including (without limitation) promptly providing:

- (a) written confirmation of any change to the affordability thresholds and any amendment to the Authority's requirements both as set out in the Authority Change Notice;
- (b) changes to funding which the Authority receives or to the way in which funding may be applied, either or both of which may affect whether a High Value Change is affordable;
- (c) any information reasonably required by the Service Provider to enable the Service Provider to submit a full and complete Service Provider Stage 2 Response and any such other information as the Service Provider may reasonably require and shall assist the Service Provider in the review of any draft designs and in the development of other aspects of the Service Provider Stage 2 Response (but not where this would involve the Authority incurring additional material expense); and
- (d) reasonable assistance to the Service Provider in relation to procurement by the Service Provider of all relevant Consents,

provided that any and all information and other input or feedback provided by the Authority to the Service Provider shall be provided without warranty and shall be without prejudice to the Authority's rights under this schedule 18 (*Change Protocol*).

4.5 The Service Provider shall notify the Authority as soon as it becomes aware of any matter which may have a reasonably foreseeable material adverse effect on the viability of any High Value Change including any planning issues likely to cause a material delay in the anticipated programme for the High Value Change or material cost increases.

## **5 Agreement of Service Provider Stage 2 Response**

5.1 As soon as practicable and in any event, not more than fifteen (15) Business Days after the Authority receives the Service Provider Stage 2 Response, the Parties shall discuss and endeavour to agree the issues set out in the Service Provider Stage 2 Response. The Authority may require (and the Service Provider shall provide) further information it reasonably requires to enable the Authority to evaluate the Service Provider Stage 2 Response

and, in particular, decide whether the Service Provider Stage 2 Response meets the Approval Criteria. In particular, the Service Provider shall:

- (a) provide evidence that the Service Provider has used reasonable endeavours (including, where practicable (and without prejudice to the provisions of paragraph 7), the use of competitive quotes) to oblige subcontractors and suppliers to minimise any increase in costs and maximise any reduction in costs;
- (b) demonstrate how any Capital Expenditure to be incurred or avoided is being measured in a cost effective manner, including showing that when such expenditure is incurred, foreseeable Changes of Law at that time would be taken into account by the Service Provider; and
- (c) demonstrate that any expenditure that has been avoided, which was anticipated to be incurred that has been affected by the High Value Change, has been taken into account in the Agreed Change in Costs,

and the Service Provider shall reply promptly and fully to all requests by the Authority for further information made pursuant to this paragraph 5.1.

5.2 The Authority may modify the Authority Change Notice (which modification shall be in writing). The Service Provider shall, as soon as practicable and in any event not more than ten (10) Business Days after receipt of such modification (or within such other period as the Parties may agree (acting reasonably), notify the Authority of any consequential changes to the Service Provider Stage 2 Response (which shall be deemed accordingly amended).

5.3 If, acting reasonably, the Authority is of the view that any aspect of the Stage 2 Response fails to meet the Approval Criteria and/or otherwise fails to satisfy any material requirement of *this* schedule 18 (*Change Protocol*), the Authority shall notify the Service Provider of the same and shall specify in writing and explain to the Service Provider in what respects the Service Provider Stage 2 Response does not meet the Approval Criteria, and/or fails to comply with the material requirements of *this* schedule 18 (*Change Protocol*). The Service Provider shall, within twenty (20) Business Days (or such other period as is agreed by the Parties) of such notification, revise and re-submit the Service Provider Stage 2 Response provided that where the Service Provider has already revised and re-submitted a Service Provider Stage 2 Response in respect of the same High Value Change (other than as a result of paragraph 5.2), the provisions of paragraph 6.1(c) shall apply.

5.4 If the revised Service Provider Stage 2 Response does not address the shortcomings notified by the Authority pursuant to paragraph 5.3 and the revised Service Provider Stage 2 Response

does not satisfy the Approval Criteria or other material requirements of this schedule 18 (*Change Protocol*) then paragraph 6.1(c) shall apply.

- 5.5 If the Parties cannot agree on the contents of the Service Provider Stage 2 Response, then either Party may refer the dispute to Dispute Resolution, provided that no determination shall oblige the Authority to issue an Authority Stage 2 Confirmation in respect of the disputed High Value Change.

## **6 Authority Stage 2 Confirmation**

- 6.1 As soon as reasonable and in any event no more than twenty (20) Business Days after the receipt of the Service Provider Stage 2 Response, or the revised Service Provider Stage 2 Response (as the case may be), the Authority shall either:
- (a) issue written confirmation (an "**Authority Stage 2 Confirmation**") and shall pay the Service Provider the Project Management Fee due at Stage 2 together with the Agreed HVC Stage 2 Third Party Costs (including any costs incurred by the Senior Lender in carrying out due diligence) within twenty (20) Business Days of the date of issue of the Authority Stage 2 Confirmation or, if later, receipt of a valid invoice for the agreed amount; or
  - (b) issue a written notice withdrawing the Authority Change Notice, in which case the provisions of paragraph 6.3 shall apply; or
  - (c) issue a written notice rejecting the Service Provider Stage 2 Response, in which case the Authority shall not be responsible for any costs incurred by the Service Provider in preparing the Service Provider Stage 2 Response (including any outstanding part of the Project Management Fee or any due diligence costs incurred by the Senior Lender or any Agreed HVC Stage 2 Third Party Costs). Provided that the Authority may only reject the Service Provider Stage 2 Response on the grounds that the Service Provider Stage 2 Response has failed to meet one (1) or more of the Approval Criteria or the Service Provider has failed to comply with any material requirement of this schedule 18 (*Change Protocol*).
- 6.2 If the Authority does not issue a written notice pursuant to paragraph 6.1 requiring the Authority either to confirm the Service Provider Stage 2 Response or withdraw the Authority Change Notice then the Authority Change Notice shall be deemed to have been withdrawn.
- 6.3 Where an Authority Change Notice is withdrawn pursuant to paragraph 6.1(b) or deemed to have been withdrawn pursuant to paragraph 6.2, the Authority shall pay to the Service Provider within twenty (20) Business Days of an invoice for such amount, the reasonable

third-party costs (including any costs incurred by the Senior Lender in carrying out due diligence in accordance with paragraph 7.4 of Part 1 of this schedule 18 (*Change Protocol*)) together with the outstanding balance of the Project Management Fee provided that:

- (a) the Service Provider has satisfied the Approval Criteria and other material requirements of this schedule 18 (*Change Protocol*);
- (b) the Authority has been provided with such evidence as it may reasonably require in order to verify such additional third-party costs and in order to demonstrate that they were properly incurred; and
- (c) the Agreed HVC Stage 2 Third Party Costs have not been exceeded.

6.4 Where the Authority Change is either withdrawn or rejected, the Authority shall be entitled to procure the works or services which would otherwise comprise the High Value Change outside the terms of this Contract ("**Authority HVC Works and Services**"), provided that if the Authority considers (acting reasonably) that such works or services will have:

- (a) a material adverse effect on the Service Provider's ability to perform its obligations under the Contract; and/or
- (b) a material financial effect on the Service Provider,

the Authority shall, subject to paragraph 6.6, issue a High Value Change pursuant to this Contract in order to deal with such effect on the Service Provider.

6.5 If the Authority intends to procure Authority HVC Works and Services, it shall notify the Service Provider, in writing, as soon as reasonably practicable following the procurement of such Authority HVC Works and Services.

6.6 The Service Provider may notify the Authority during, or within five (5) Business Days of completion of the Authority HVC Works and Services of any matters it believes the Authority should take into account when considering whether to issue a High Value Change pursuant to paragraph 6.4 and request (acting reasonably) that the Parties meet to discuss and agree whether such works and services procured pursuant to paragraph 6.4 will have:

- (a) a material adverse effect on the Service Provider's ability to perform its obligations under the Contract; and/or
- (b) a material financial effect on the Service Provider.

6.7 If the Service Provider requests a meeting pursuant to paragraph 6.6, the Parties shall meet within five (5) Business Days. If the Parties fail to agree the effect of the works and services

procured pursuant to paragraph 6.4, the Service Provider may refer the matter to Dispute Resolution.

## **7 Competitive Tendering**

7.1 Where this paragraph 7 applies, the Service Provider shall in preparing the Service Provider Stage 2 Response, structure the works and/or services required by the High Value Change into a number of discrete work packages, and shall invite at least three (3) competitive tenders for each work package.

7.2 The Service Provider and the Authority shall agree:

- (a) the work packages to be priced through competitive tendering based on what is judged to provide best value for money;
- (b) the evaluation criteria;
- (c) any additional interface risks between the carrying out of any additional works and/or services, and the Project Facilities and/or Project Network Parts and/or carrying out of the Service; and
- (d) that the preferred tenderer shall be selected on the basis of the most economically advantageous tender.

7.3 The Service Provider shall be responsible for:

- (a) running the competition for the work packages;
- (b) evaluating and selecting the preferred tenderers;
- (c) negotiating and finalising appointment of the preferred tenderers; and
- (d) managing the implementation of the works and services required as part of the High Value Change,

provided that the Authority shall acting reasonably within twenty (20) Business Days following the conclusion of the tendering process either approve or object to the preferred tenderer(s) or indicate its preferred alternative from the Service Provider's list of parties who have submitted a tender but no sub-contractor shall be appointed, until or unless, an Authority Stage 2 Confirmation is issued.

7.4 On conclusion of the tendering process, the Service Provider shall submit with the Service Provider Stage 2 Response, a Tendering Report and the Agreed Change in Project Costs shall

be based on the prices determined through the tendering process and shall take into account the principles set out in clause 53.3.3 (*Principles of Adjustment*).

7.5 The Tendering Report shall include, the following information:

- (a) details of the companies which were asked to tender for each work package, indicating whether a compliant bid was in fact submitted;
- (b) the basis upon which each company was invited to tender including their appropriate experience and expertise;
- (c) details of how the evaluation process was carried out including the scoring for each tenderer;
- (d) the basis of the recommendation of the successful tenderer for each work package;
- (e) confirmation that the tendered price is a fixed price which includes all costs, overheads, risks and contingencies and will not be liable to change or adjustment; and
- (f) any other relevant information.

## **8 Benchmarking Process**

8.1 Where it is agreed or determined in accordance with paragraphs 1.5 and 1.6 that this paragraph 8 applies, the Service Provider shall benchmark all installation, management, electricity and lifecycle costs (including professional fees, contingencies, overheads and profit margins) using benchmarks available from a reputable independent source that are generally recognised in the industry.

8.2 The Service Provider shall submit with the Service Provider Stage 2 Response a detailed Benchmarking Report which shall set out details of how the benchmarking exercise was carried out and providing evidence that the installation costs, operating costs and financing costs included in the Agreed Change in Project Costs are supported by actual input from the Comparable Market. In particular, the Benchmarking Report shall include full supporting evidence of the assumptions, source of market price and information and conclusions reached including:

- (a) the methodology and all assumptions by which the Estimated Change in Project Costs was determined;
- (b) assumptions made in respect of the Comparable Market;



- (c) full details of sources of the information used including evidence as to reputation and independence of such sources;
- (d) such other details as the Parties may agree.

## **9 Independent Technical Adviser**

### *Joint Appointment of Independent Technical Adviser*

- 9.1 Where it is agreed or determined in accordance with paragraphs 1.5 and 1.6 that this paragraph 9 applies, upon issue of an Authority Change Notice or the Parties agreeing that an Authority Change Notice will shortly be issued in respect of a High Value Change, the Authority and the Service Provider shall jointly appoint an Independent Technical Adviser to assist in the processing of the High Value Change. The terms of reference for the Independent Technical Adviser shall include:
- (a) developing a Reference Price; and
  - (b) commenting on the Estimated Change in Project Costs and the Agreed Change in Project Costs.
- 9.2 Upon appointment of the Independent Technical Adviser (or if later, upon service of the Authority Change Notice pursuant to paragraph 1.2), the Authority and the Service Provider shall instruct the Independent Technical Adviser to develop a Reference Price.
- 9.3 The Independent Technical Adviser shall develop a Reference Price in consultation with the Service Provider and the Authority. The Reference Price shall include (as applicable) all finance, design development, installation, electricity, lifecycle, maintenance and operating costs and savings (taking into account the principles set out in clause 53.3.3 (*Principles of Adjustment*)) (including professional fees and charges, overheads, profits and contingencies and explicitly including the pricing for any performance risks associated with implementing the change based on the outline risk allocation matrix included in the Authority Change Notice). The Parties agree that the Reference Price shall include the pricing of performance risk and that no separate Service Provider mark-up should be included in the Estimated Change in Project Costs or the Agreed Change in Project Costs.
- 9.4 The Independent Technical Adviser shall provide to the Service Provider and the Authority the Reference Price. The Service Provider shall use the Reference Price to produce the Estimated Change in Project Costs and, subsequently, the Agreed Change in Project Costs. The Independent Technical Adviser shall comment on the Estimated Change in Project Costs and the Agreed Change in Project Costs within the time periods to be agreed by the Service

Provider and the Authority and specified in the appointment of the Independent Technical Adviser.

**10 Estimated Change in Project Costs and Agreed Change in Project Costs.**

The Parties agree and acknowledge that all methods of determining the Estimated Change in Project Costs and the Agreed Change in Project Costs (whether by the Service Provider pursuant to paragraph 2.1, the Service Provider pursuant to paragraph 8, by the Independent Technical Adviser pursuant to paragraph 9 or the Service Provider pursuant to paragraph 7 shall take into account the principles set out in clause 53.3.3 (*Principles of Adjustment*) and that all Parties shall act reasonably and in good faith in so doing. Either Party may refer the calculation of the Estimated Change in Project Costs and Agreed Change in Project Costs to Dispute Resolution if it considers that the principles of clause 53.3 (*Principles of Adjustment*) have not been followed or have not been correctly interpreted.

**11 Funding**

The provisions of paragraph 4 (*Funding*) of Part 1 of this schedule 18 (*Change Protocol*) shall apply.

**12 Due Diligence**

The provisions of paragraph 5 (*Due Diligence*) of Part 1 of this schedule 18 (*Change Protocol*) shall apply.

**13 Implementation**

The provisions of paragraph 6 (*Implementation*) of Part 1 schedule shall apply.

**14 Payment**

The provisions of paragraph 7 (*Payment*) of Part 1 of this schedule 18 (*Change Protocol*) shall apply.

## Part 5 - Service Provider Change

- 1 If the Service Provider wishes to introduce a Service Provider Change, it shall serve a Service Provider Change Notice on the Authority.
- 2 The Service Provider Change Notice shall:
  - (a) set out the proposed Service Provider Change in sufficient detail to enable the Authority to evaluate it in full;
  - (b) specify whether the Service Provider Change is:
    - (i) a Medium Value Change;
    - (ii) a High Value Change; and/or
    - (iii) is required as a result of a Change of Law;
  - (c) specify the Service Provider's reasons for proposing the Service Provider Change;
  - (d) indicate any implications of the Service Provider Change;
  - (e) indicate what savings, if any, will be generated by the Service Provider Change:
    - (i) whether a revision of the Annual Unitary Charge is proposed (and, if so, give details of such proposed revision); or
    - (ii) whether such savings will be paid by a lump sum;
  - (f) if the Service Provider Change is required as a result of a Qualifying Change of Law, what sums, if any, will be payable by the Authority;
  - (g) indicate if there are any critical dates by which a decision by the Authority is required; and
  - (h) request the Authority to consult with the Service Provider with a view to deciding whether to agree to the Service Provider Change and, if so, what consequential changes the Authority requires as a result.
- 3 The Authority shall evaluate the Service Provider Change Notice in good faith, taking into account all relevant issues, including whether:
  - (a) a revision of the Annual Unitary Charge will occur;

- (b) the Service Provider Change may affect the quality of the Services or the likelihood of successful completion of the Core Investment Period Programme and/or delivery of the Services;
  - (c) the Service Provider Change may interfere with the relationship of the Authority with third parties;
  - (d) the financial strength of the Service Provider is sufficient to perform the Services after implementation of the Service Provider Change;
  - (e) the value and/or life expectancy of any of the Project Network Parts and/or Assets is reduced; or
  - (f) the Service Provider Change materially affects the risks or costs to which the Authority is exposed.
- 4 If the Service Provider Change causes, or will cause, the Service Provider's costs or those of a sub-contractor to decrease, there shall, subject to paragraph 5, be a decrease in the Annual Unitary Charge such that any cost savings (following deduction of costs reasonably incurred by the Service Provider in implementing such Service Provider Change) shall be shared on the basis of fifty per cent (50%) of the saving being retained by the Service Provider and fifty per cent (50%) of the saving being paid to the Authority.
- 5 Where a Service Provider Change would result in a reduction of the consumption of Unmetered Electricity, there shall not be any adjustment to the forecast amount of kWh of Unmetered Electricity set out in schedule 9 (*Forecast Unmetered Electricity Consumption*).
- 6 As soon as practicable after receiving the Service Provider Change Notice, the Parties shall meet and discuss the matters referred to in it. During discussions the Authority may propose modifications to, or accept or reject, the Service Provider Change Notice.
- 7 If the Authority accepts the Service Provider Change Notice (with or without modification) the Parties shall consult and agree the remaining details as soon as practicable and upon agreement the Authority shall issue a Confirmation Notice which shall set out the agreed Service Provider Change and:
- (a) the Parties shall enter into any documents to amend this Contract or any relevant Project Document which are necessary to give effect to the Service Provider Change;
  - (b) if applicable, the Annual Unitary Charge shall be revised in accordance with clause 53 (*Financial Adjustments*) of the Contract;

(c) if applicable, the Service Provider shall pay to the Authority a sum equal to the amount calculated in accordance with clause 32 (*Best Value and Continuing Value for Money*) of the Contract or paragraph 4 within twenty (20) Business Days of receipt of an invoice for such amount; and

(d) the Service Provider Change shall be implemented within the period specified by the Authority in its notice of acceptance.

8 If the Authority rejects the Service Provider Change Notice, it shall not be obliged to give its reasons for such a rejection.

9 Unless the Authority's Confirmation expressly agrees to an increase in the Annual Unitary Charge, there shall be no increase in the Annual Unitary Charge as a result of a Service Provider Change and, subject to clause 40 (*Change of Law*), any funding shall be provided by the Service Provider.

10 The Authority shall not reject a Service Provider Change which is required in order to conform to a Change of Law. The costs of introducing a Service Provider Change resulting from a Qualifying Change of Law (including any resulting revision of the Annual Unitary Charge) shall be dealt with in accordance with clause 40 (*Change of Law*) and to the extent not dealt with therein, all costs shall be borne by the Service Provider.

## Appendix 1 - Catalogue of Low Value Changes

Item coverage for the values set out below complies with the principles set out in Volume 4: Section 1: Method of Measurement for Highway Works of the Manual of Contract Documents for Highway Works

Item No	Item Description	Quantity	Unit	Rate
<b>Traffic Safety &amp; Management</b>				
100/001	Establish & Remove nearside lane closure on dual carriageway for a basic length of 500m plus lead-in tapers during the day.		item	██████
100/002	Establish & Remove nearside lane closure on dual carriageway for a basic length of 500m plus lead-in tapers during the day work during weekend.		item	██████
100/003	Establish & Remove nearside lane closure on dual carriageway for a basic length of 500m plus lead-in tapers during the night.		item	██████
100/004	Daily maintenance of Footway diversion, where diversion can remain overnight.		m/24hr day	██████
100/005	Daily maintenance of Footway diversion, where diversion must be removed each night.		m/24hr day	██████
100/006	Daily maintenance of lane closure for dual carriageway road with speed limit of 40mph or above, where lane can remain closed overnight.		24hr day	██████
100/007	Daily maintenance of lane closure for dual carriageway road with speed limit of 40mph or above, where lane closure must be removed each night.		24hr day	██████
100/008	Daily maintenance of lane closure for dual carriageway road with a speed limit of 40mph or below, where lane can remain closed overnight.		24hr day	██████
100/009	Daily maintenance of lane closure for dual carriageway road with speed limit of 40 mph or below, where lane closure must be removed each night.		24hr day	██████
100/010	Daily maintenance of lane closure for single carriageway road with speed limit of 40mph or above, where lane can remain closed overnight.		24hr day	██████
100/011	Daily maintenance of lane closure for single carriageway road with speed limit of 40mph or above, where lane closure must be removed each night.		24hr day	██████
100/012	Daily maintenance of lane closure for single carriageway road with speed limit of 40mph or below, where lane can remain closed overnight.		24hr day	██████

Item No	Item Description	Quantity	Unit	Rate
100/013	Daily maintenance of lane closure for single carriageway road with speed limit of 40mph or below, where lane closure must be removed each night.		24hr day	
100/014	Maintenance of 'No Parking' cones.		no/24hr day	
100/015	Maintenance of barrier and cones for Road Closure.		item/closure	
100/016	Maintenance of cone lamps.		no/24hr day	
100/017	Maintenance of four - way portable temporary traffic signals.		24hr day	
100/018	Maintenance of Pedestrian Barrier.		m/24hr day	
100/019	Maintenance of three - way portable temporary traffic signals.		24hr day	
100/020	Maintenance of Traffic Barrier.		m/24hr day	
100/021	Maintenance of Traffic Cones (450mm high).		no/24hr day	
100/022	Maintenance of Traffic Cones (600mm high).		no/24hr day	
100/023	Maintenance of Traffic Cones (750mm high)		no/24hr day	
100/024	Maintenance of two - way portable temporary traffic signals.		24hr day	
100/025	Provision and removal of 'No Parking' cones.		no	
100/026	Provision and removal of barrier and cones for Road Closure.		item/closure	
100/027	Provision and removal of cone lamps.		no	
100/028	Provision and removal of Pedestrian Barrier.		m	
100/029	Provision and removal of portable temporary signals, when agreed by the Authority for four - way traffic signals.		24hr day	
100/030	Provision and removal of portable temporary signals, when agreed by the Authority for three - way traffic signals.		24hr day	
100/031	Provision and removal of portable temporary signals, when agreed by the Authority for two - way traffic signals.		24hr day	
100/032	Provision and removal of Traffic Barrier.		m	
100/033	Provision and removal of Traffic Cones to Diagram No 7101.1 (450mm high).		no	
100/034	Provision and removal of Traffic Cones to Diagram No 7101.1 (600mm high).		no	
100/035	Provision and removal of Traffic Cones to Diagram No 7101.1 (750mm high).		no	
100/036	Provision of Footway diversion.		m	
100/037	Provision of lane closure for dual carriageway road with speed limit of 40mph or above.		item	

Item No	Item Description	Quantity	Unit	Rate
100/038	Provision of lane closure for dual carriageway road with speed limit of 40mph or below.		item	
100/039	Provision of lane closure for single carriageway road with speed limit of 40mph or above.		item	
100/040	Provision of lane closure for single carriageway road with speed limit of 40mph or below.		item	
100/041	Provision, removal and maintenance of manually operated Stop / Go boards, when agreed by the Authority, to conform to Diagram No's 7023 / 7024.		no/board/8hr	
100/042	Removal of Footway diversion.		item	
100/043	Removal of lane closure for dual carriageway road with speed limit of 40mph or above.		item	
100/044	Removal of lane closure for dual carriageway road with speed limit of 40mph or below.		item	
100/045	Removal of lane closure for single carriageway road with speed limit of 40mph or above.		item	
100/046	Removal of lane closure for single carriageway road with speed limit of 40mph or below.		item	
<b>Equipment</b>				
100/047	10t Tipper Lorry.		hr	
100/048	12" Disc Cutter.		hr	
100/049	12 metre Silenced Tower Light.		hr	
100/050	18 metre Silenced Tower Light		hr	
100/051	18t Lorry with HIAB		hr	
100/052	2" Petrol Pump		hr	
100/053	2.7t 6 man Crew Bus		hr	
100/054	2 - way traffic lights		hr	
100/055	3 kva Generator		hr	
100/056	3" Diesel Pump		hr	
100/057	35cwt Pick Up Day		hr	
100/058	3t Lorry (7.5 GVW)		hr	
100/059	4" Diesel Pump		hr	
100/060	6" Diesel Pump		hr	
100/061	6m3 Dedicated Gritter		hr	
100/062	6m3 Demountable Gritter		hr	
100/063	8" Diesel Pump		hr	
100/064	9 metre Silenced Tower Light		hr	
100/065	Chain Saw		hr	
100/066	Chipper		hr	
100/067	Electrician's Van		hr	



Item No	Item Description	Quantity	Unit	Rate
100/068	Flat Trailer		hr	
100/069	Gully Emptier		hr	
100/070	Heras Fencing (per m)		hr	
100/071	Hydraulic Breaker Pack		hr	
100/072	Incident Response Vehicle		hr	
100/073	Loading Shovel		hr	
100/074	Maintenance Flatbed (up to 10t)		hr	
100/075	Pneumatic tools		hr	
100/076	Strimmer		hr	
100/077	TM Lorry & Integral Cushion		hr	
100/078	Tower Wagon		hr	
100/079	Tractair (JCB Airmaster)		hr	
100/080	Two Tool Compressor		hr	
100/081	Vacuum Brush		hr	
	<b>Labour</b>			
100/082	Labour Tradesman - Bricklayer		hr	
100/083	Labour Tradesman - Carpenter		hr	
100/084	Labour Tradesman - Electrician		hr	
100/085	Agent		hr	
100/086	Civil Emergency Co-ordinator		hr	
100/087	General Operative/Driver		hr	
100/088	Labour Highway Operative/Driver		hr	
100/089	Street Lighting Operative/Driver		hr	
100/090	Supervisor		hr	
	<b>Special Events</b>			
100/091	Provide Impact Protection Vehicle (IPV) for use on high speed roads, with two traffic management operatives.		8 hr day	
100/092	Provision of a Banksman		8hr day	
100/093	Provide one traffic management operative, together with vehicle and adequate signs and cones conforming to Chapter 8 of the Traffic Signs Manual.		8hr day	
100/094	Provide three traffic management operatives, together with vehicle and adequate signs and cones conforming to Chapter 8 of the Traffic Signs Manual.		8hr day	
100/095	Provide two traffic management operatives, together with vehicle and adequate signs and cones conforming to Chapter 8 of the Traffic Signs Manual.		8hr day	

Item No	Item Description	Quantity	Unit	Rate
100/096	Provision of a Quad bike (or similar) with suitable warning light systems and communication equipment, together with trained operative for 'convoy' shuttle working operations.		8hr day	
<b>Site Clearance</b>				
200/001	Remove tree 1000 - 1500mm girth.		no	
200/002	Remove stump 500 - 1000mm diameter.		no	
200/003	Remove stump 1000 - 1500mm diameter.		no	
200/004	Remove hedge not exceeding 2.5m high.		m	
200/005	Remove tree 500 - 1000mm girth.		no	
<b>Drain Cleaning</b>				
500/001	Conduct CCTV pipeline survey and report.		hr	
500/002	Rough terrain vehicle.		hr	
500/003	High pressure jetting unit complete with 2 operatives.		hr	
<b>Earthworks</b>				
600/001	Clearing of existing ditch.		m	
600/002	Trial pit 0 to 3 metres in depth. Plan area 1m2.		m3	
<b>Pavements</b>				
700/001	Bitumen emulsion tack coat (0.35 - 0.45 l/m2).		m2	
700/002	Close graded macadam surface course, 0/10mm size.		t	
700/003	Close graded macadam surface course, 0/14mm size.		t	
700/004	Dense macadam base layer (roadbase), 0/32mm size.		t	
700/005	Dense macadam binder course, 0/20mm size.		t	
700/006	Dense macadam regulating course.		t	
700/007	Dense macadam surface course, 0/6mm size.		t	
700/008	Extra over Surface course items for red colour finish.		t	
700/009	Extra over Surface course items for green colour finish.		t	
700/010	Granular Type 1 unbound material.		t	
700/011	High Friction surfacing, BBA/HAPAS Type 1		m2	
700/012	Hot Rolled asphalt base (roadbase), 0/32mm size aggregate.		t	
700/013	Hot Rolled asphalt binder course, 0/14mm size aggregate.		t	
700/014	Hot Rolled asphalt binder course, 0/20mm size aggregate.		t	
700/015	Hot Rolled asphalt regulating course.		t	

Item No	Item Description	Quantity	Unit	Rate
700/016	Cold Milling pavement not exceeding 40mm in depth.		m2	
700/017	Adjustment to item 700/016 per 10mm variation in depth above 40mm.		m2	
<b>Footway Crossings</b>				
1100/001	Remove and replace tree.		item	
1100/002	Relocate Lighting Column, including attachments.		item	
1100/003	Relocate Street Name Plate.		item	
1100/004	Relocate Traffic Sign separate from Lighting Column (non - illuminated).		item	
1100/005	Relocate Traffic Sign separate from Lighting Column (illuminated)		item	
1100/006	Relocate Bollards.		item	
1100/007	Relocate Seats.		item	
1100/008	Relocate Grit Bin.		item	
<b>Traffic Signs and Road Markings</b>				
1200/001	Glasdon Jubilee Bollard complete with socket.		no	
1200/002	76mm diameter steel post: 0.00 - 2.00m long.		no	
1200/003	Glasdon Jubilee Bollard.		no	
1200/004	Sign Diagram No 515 (1200x400).		no	
1200/005	Sign Diagram No 515 (1800x600).		no	
1200/006	Triangular Sign.		no	
1200/007	Triangular Sign (750)		no	
1200/008	Wilmslow concrete bollard or similar.		no	
1200/009	Extra Over item for pole-mounted information sign to Standard Detail Drawing TCS/HW/1.06D.		no	
1200/010	Maintenance of Standard Road Sign (900mm x 600mm) TESPAs banded to existing column or pole.		24hr day	
1200/011	Maintenance of Standard Road Sign in frame.		24hr day	
1200/012	Provide and remove Information Board to Standard Detail Drawings TCS/HW/1.06D mounted on A - frame and displayed on each scheme.		no	
1200/013	Provision and removal of non-standard Road Sign in frame.		no	
1200/014	Provision and removal of Standard Road Sign (900mm x 600mm) TESPAs banded to existing column or pole.		no	
1200/015	Provision, installation and removal of Standard Road Sign (900mm x 600mm) in frame.		no	

Item No	Item Description	Quantity	Unit	Rate
	<b>Festive Decorations</b>			
1400/001	Disconnect and remove to tip existing faulty transformer. Remove from store and install new transformer. Reconnect Test and commission.	1	no	██████
1400/002	Disconnect from supply and make safe. Take down and remove to store the 8.0m x 1.0m Happy New Year sign from The Council House.	1	no	██████
1400/003	Disconnect from supply and make safe. Take up or down and remove to store existing LED / festoon cable from natural trees. Remove from store, test, repair, re-lamp and re-erect after tree pruning. Connect to supply. Test and Commission.	5	no	██████
1400/004	Disconnect from supply and make safe. Remove to store 3.5m x 1.5m decoration as Item No 36.	5	no	██████
1400/005	Disconnect from supply and make safe. Take down 2.0m x 1.0m Motifs and remove to store as Item No 21.	2	no	██████
1400/006	Disconnect from supply and make safe. Take down 3D framed decorations 12.0m x 3.0m in 9 sections and remove to store as Item No 23.	20	no	██████
1400/007	Disconnect from supply and make safe. Take down and remove to store the 3D - 2.0m x 2.0m (approx) feature decoration in one or more sections from catenary wire as Item No 8.	30	no	██████
1400/008	Disconnect from supply and make safe. Take down framed decorations up to 8.0m x 2.0m and remove to store as Item No 25	20	no	██████
1400/009	Disconnect from supply and make safe. Take up or down and remove to store 4.0m x 2.0m (approx) feature decoration from catenary wire as Item No 10.	30	no	██████
1400/010	Disconnect from supply and make safe. Take up or down and remove to store 8.0m x 1.0m Merry Christmas sign from Council House balcony and replace with Happy New Year sign (between Christmas and the New Year) as Item No 18.	1	no	██████
1400/011	Disconnect from supply and make safe. Take up or down and remove to store festoon cable, controller, and Transformers from real Christmas Trees as Item No 6.	5	no	██████
1400/012	Disconnect from supply and make safe. Take up or down and remove to store festoon lighting cable from catenary wire as Item No 4.	2000	m	██████
1400/013	Disconnect from supply, make safe and remove to store spiral festoon lighting cable or LED rope light as Items 31 & 33.	200	m	██████

Item No	Item Description	Quantity	Unit	Rate
1400/014	Disconnect from supply, make safe and return to store motif up to 2.5m x 1.5m from 10m lamp column as Item No 34.	100	no	██████
1400/015	Disconnect from supply, make safe, remove post, disassemble modular decoration and remove to store (replace post opening cover) as Item No 27.	10	no	██████
1400/016	Drill 20mm hole in steel lighting column and insert nylon compression gland for supply wiring to Christmas decoration.	20	no	██████
1400/017	Erect an 8.0m x 1.0m Merry Christmas sign onto previously measured 6mm catenary wire across balcony of Council House. Connect to supply. Test and commission.	1	no	██████
1400/018	Loosen conduit cleat screws one and a half turns.	1000	no	██████
1400/019	Make safe, Remove existing lamps from festoon on Council House window ledge re-lamp, re-connect to supply. Test and commission.	300	no	██████
1400/020	Provide maintenance for the duration of the festive lights emergency response times 2 hours, ordinary maintenance 2 days from notification.		week	██████
1400/021	Remove all existing cable ties supporting LEDs, PEA lights and festoon cable in trees and replace with new allowing for growth.	2000	m	██████
1400/022	Remove from store and assemble modular decoration, install post in supply pit, mount decoration on post, connect to power supply. Test and Commission.( leave post opening cover in pit)	10	no	██████
1400/023	Remove from store and erect 12.0m x 3.0m 3D framed decorations in 9 sections, hang from catenary wire over carriageway, centralise, connect together with nuts and bolts, connect to supply. Test and commission.	20	no	██████
1400/024	Remove from store and erect 2.0m x 1.0m motifs on Council House balcony. Connect to supply. Test and commission.	2	no	██████
1400/025	Remove from store and erect 4mm or 6mm catenary wire for festive decorations support.	2000	m	██████
1400/026	Remove from store and erect 6 sets of low voltage LEDs or PEA Lights with transformers in natural tree. Connect to supply. Test and Commission. Typically Victoria Square.	20	no	██████
1400/027	Remove from store and erect a 3D Christmas Decoration up to approx 2.0m x 2.0m in one or more sections of catenary wire between other separately measured decorations. Connect to supply. Test and Commission.	30	no	██████

Item No	Item Description	Quantity	Unit	Rate
1400/028	Remove from store and erect festoon lighting cable and lamps on separately measured catenary wire. Connect to nearest supply. Test and Commission.	2000	m	██████
1400/029	Remove from store and erect motif up to 2.5m x 1.5m on to 10m lamp column, install MCB, enclosure and time clock. Connect to supply. Test and Commission.	100	no	██████
1400/030	Remove from store erect onto a separately measured catenary wire, a cross street decoration up to approx 4.0m x 2.0m. Connect to supply. Test and Commission. Typically in High Street, Corporation Street and New Street.	30	no	██████
1400/031	Remove from store and erect onto an existing lighting column a 3.5m x 1.5m decoration. Install new MCB and new Time Clock. Test and Commission.	5	no	██████
1400/032	Remove from store and erect up to 8.0m x 2.0m framed decorations, hang from catenary wire, centralise, connect together with nuts and bolts. Connect to supply. Test and Commission.	20	no	██████
1400/033	Remove from store and install festoon cable and lamps in vertical runs to form a symmetrical pattern on 5 No 50' real Christmas Trees. Decorations to be connected to controller and 110v or 24v transformers as required at each tree. Test and Commission.	5	no	██████
1400/034	Remove from store and replace 110v clear rope light on the railings in Centenary Square. Connect to supply. Test and Commission.	150	m	██████
1400/035	Remove from store and spiral wind from the top of a 10m column garlanded festoon to 3m above the ground, install MCB, Enclosure, Time Clock, install lamps in festoon. Connect to supply. Test and Commission.	100	m	██████
1400/036	Remove from store and spiral wind from the top of a 10m column LED rope light to 3m above the ground, and secure install MCB, Enclosure and Time Clock. Test and Commission.	100	m	██████
1400/037	Replace faulty 5w tungsten halogen low voltage 12v lamps in natural trees after visual inspection of outages.	500	m	██████
1400/038	Replace faulty low voltage LEDs / PEA lamps in trees at Victoria Square after visual inspection of outages.	500	m	██████
1400/039	Take up or down and remove to store 4mm or 6mm catenary wire. Item No 2.	2000	m	██████
1400/040	Visually inspect hooks or eye-bolts and immediate area.	200	m	██████

Item No	Item Description	Quantity	Unit	Rate
<b>Landscape and Ecology</b>				
3000/001	Branch pruning on Rural and Urban Roads.		hr	██████
3000/002	Supply and plant Feathered light standard tree 1.50 to 2.10m high exceeding 3.00m from the road or footpath edge including preparation of pit and backfilling.		no	██████
3000/003	Supply and plant Feathered light standard tree 1.50 to 2.10m high not exceeding 3.00m from road or footpath edge including preparation of pit and backfilling.		no	██████
3000/004	Supply and plant Standard tree 10 to 14cm girth at 1.00m above ground level exceeding 3.00m from road or footpath edge including preparation of pit and backfilling.		no	██████
3000/005	Supply and plant Standard tree 10 to 14cm girth at 1.00m above ground level not exceeding 3.00m from road or footpath edge including preparation of pit and backfilling.		no	██████
3000/006	Supply and plant Standard tree 14 to 16cm girth at 1.00m above ground level exceeding 3.00m from road or footpath edge including preparation of pit and backfilling.		no	██████
3000/007	Supply and plant Standard tree 14 to 16cm girth at 1.00m above ground level exceeding 3.00m from road or footpath edge including preparation of pit and backfilling.		no	██████
3000/008	Supply and plant Standard tree 16 to 18cm girth at 1.00m above ground level exceeding 3.00m from road or footpath edge including preparation of pit and backfilling.		no	██████
3000/009	Supply and plant Standard tree 16 to 18cm girth at 1.00m above ground level not exceeding 3.00m from road or footpath edge including preparation of pit and backfilling.		no	██████

**Appendix 2 – Pricing Information**

**Part 1 - Subcontract Fees and Profit Margins**

Not Used



## Appendix 2 - Pricing Information

### Part 2 - Not Used

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## Appendix 2 - Pricing Information

### Part 3 - Project Management Fee

Rates are to be adjusted on 1st April 2011 and thereafter annually on the 1st April every year and indexed at RPIX.

STAFF GRADE	DAILY RATE (£)
PROJECT DIRECTOR	[REDACTED]
PROJECT MANAGER	[REDACTED]
DEPUTY PROJECT MANAGER	[REDACTED]
SUPERVISOR	[REDACTED]

**Appendix 3 - Catalogue Order Form**

<b>Contract Name</b>			
<b>Contract Reference Number</b>			
<b>Change Request Number</b>			
<b>Corresponding to Low Value Change Number</b>			
Request delivered to <i>(individuals Name)</i>			
Acting for Service Provider <i>(Service Provider Name)</i>			
<b>Change Request Name – if applicable</b> <i>(short name for ease of reference)</i>			
<b>Description of Low Value Change</b>			
<b>* Cost for this Low Value Change</b>		£	
<b>* Time for this Low Value Change</b>			<b>Days</b>
<b>* Number of Low Value Changes in Payment Year</b>			
<b>* Aggregate Cost of Low Value Changes</b>		£	
<b>Issued on behalf of Service Provider by</b> <i>(signature)</i>			Issue Date...../...../201
<b>Name &amp; Position of above</b>			
This Change Request Form instructs the provision of the change set out in the schedule in accordance with the Contract and the Change Protocol on completion of authorisation box below.			
<b>Authorised by</b> <i>(signature)</i>			Authorised Date...../...../201

Name & Position of above		
Service Provider to implement unless Authority objects in writing to elements marked * within 5 business days of Issue Date shown.	<b>Implementation Dates</b> <b>Latest start</b> ...../...../201  <b>Latest completion</b> ...../...../201	
*to be completed by Service Provider		

**Appendix 4 - Confirmation Notice**

<b>Contract Name</b>		
<b>Reference Number</b>		
<b>Confirmation Notice Number</b>		
For implementing <b>Authority Change Notice</b>		
Issued to <i>(Individuals Name)</i>		
Acting for Service Provider <i>(Service Providers Name)</i>		
<b>Name of Confirmation Notice</b> <i>(short name for ease of reference)</i>		
<b>Authority Change Notice</b> <i>(Short name for ease of reference)</i>		
<b>Detail of Authority Change Notice and any subsequent revisions</b>		
This Confirmation Notice Form instructs the provision of the Medium Value Change set out in the Appendix in accordance with the Contract and the Change Protocol		
<b>Details of Service Provider Response Number to above Authority Change Notice</b>		
Date of agreement to Service Provider Response	Date / /201	
<b>Issued by</b> <i>(Signature)</i>		Date / /201
Name & Position of above		
The above date is deemed to be the date of issue		
<b>Received by</b> <i>(Signature)</i>		Date / /201
Name & Position of above		

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