



DEPARTMENT FOR TRANSPORT

GENERAL CONDITIONS OF CONTRACT FOR THE SUPPLY OF GOODS AND ASSOCIATED SERVICES

Contents

1	Definitions And Interpretations
2	Duration Of The Contract
3	Qualities Etc.
4	Alteration Of Requirement
5	Duty Of Care
6	Contractor's Performance
7	Meetings And Reports
8	Inspection
9	Acceptance Marks
10	Packaging
11	Delivery
12	Rejection
13	Acceptance
14	Invoices And Payment
15	Value Added Tax
16	Warranty
17	Corrupt Gifts And Payments Of Commission
18	Official Secrets Acts
19	Disclosure Of Information
20	Discrimination
21	Merger, Take-Over Or Change Of Control
22	Unsatisfactory Performance
23	Termination Of The Contract
24	Break
25	Consequences Of Termination And Break
26	Conflict Of Interest
27	Assignment, Sub-Contractors And Suppliers
28	Insurance
29	Liability For Loss Or Damage
30	Dispute Resolution
31	Law
32	Recovery Of Sums Due
33	Data Protection
34	Data Protection - Personal Data
35	Insolvency Of The Contractor
36	Intellectual Property, Royalties And Licence Fees
37	Drawings, Specifications, Software, Designs And Other Data
38	Production And Retention Of Documentation
39	Service Of Notices
40	Transfer Of Responsibility
41	Occupation Of Government Premises
42	Environmental Requirements
43	Severability
44	Waiver
45	Rights Of Third Parties

1 DEFINITIONS AND INTERPRETATIONS

1.1 In this Contract, unless the context requires otherwise, the following words and phrases shall have the following meanings:-

- a “Article(s)” means all goods and, where the context requires, any associated services or Work described in the Specification which the Contractor is required to supply under the Contract.
- b “Award Date” means the date of the award of this Contract by the Department to the Contractor as specified in the Department’s Award Letter.
- c “Change of Control” means an event where any single person, or group of persons acting in concert, acquires control of the Contractor or any direct or indirect interest in the relevant share capital of the Contractor, as a result of which that person or group of persons has a direct or indirect interest in more than 25% of the relevant share capital of the Contractor. For the purposes of the operation of Condition 21 of this Contract, where the Contractor is a limited company he shall be treated as though he were a public company.
- d “Change of Ownership” means:
 - i any material change to the direct or indirect legal or beneficial ownership of any shareholding in the Contractor. A change in the ownership is material if it relates directly or indirectly to a change of 3% or more of the issued share capital of the Contractor, or
 - ii any material change in the composition of the Contractor’s partnership. A change in the composition of the partnership is material if it directly or indirectly affects the performance of this Contract by the Contractor.
- e “Conditions” means the General Conditions of Contract for Supply of Goods, the Supplementary Conditions of Contract for Supply of Goods and the Intellectual Property Conditions.
- f “Contract” means the agreement concluded between the Department and the Contractor, contained in the documents listed in the Department’s Award Letter, the Conditions, the Specification, the Department’s Award Letter and any Programme. In case of inconsistency between the Conditions and other documents forming part of this Contract, the Conditions shall prevail unless otherwise agreed in writing. In case of inconsistency between the Contractor’s offer and the Specification, the Contractor’s offer shall prevail unless otherwise agreed in writing.
- g “Contract Price” means the price or prices (exclusive of Value Added Tax) payable to the Contractor by the Department under this Contract for the full and proper performance by the Contractor of this Contract, determined in accordance with the provisions of this Contract.
- h “Contractor” means the person (including any successors) appointed by the Department to supply the Articles.

- i “Contractor’s Representative” means such competent person as the Contractor shall from time to time appoint to be his representative in relation to the performance of this Contract, who will receive and act on any directions given by the Contract Manager and whose appointment and contact details shall be notified in writing by the Contractor to the Department.
- j “Contract Manager” means such official of the Department, or other person, as the Department shall from time to time appoint to act on its behalf for the purpose of managing this Contract, whose appointment and contact details shall be notified in writing by the Department to the Contractor.
- k “data”, “data controller”, “personal data” and “processing” shall have the meanings set out in section 1 of the Data Protection Act 1998.
- l “Department” or “Authority” means the Secretary of State for Transport, persons authorised to act on his behalf, the Department for Transport, and Executive Agencies of the Department.
- m “Department’s Award Letter” means the letter or document confirming award of this Contract to the Contractor by the Department.
- n. “Department’s Property” means anything issued or otherwise provided in connection with the Contract by or on behalf of the Department.
- o “Discrimination Acts” means the Race Relations Act 1976, Sex Discrimination Act 1975 and the Disability Discrimination Act 1995.
- p “Expiry Date” means the date on which such contract period as has been specified comes to an end.
- q “Key Personnel” means any person who, in the Department’s opinion, is fundamental to the performance of this Contract.
- p “month” means calendar month, unless otherwise stated.
- q any reference to a “person” shall, as the context may require, include any individual, firm, company, corporation, Government Department, Agency or any association or partnership (whether or not having a separate legal personality).
- r “Premises” shall have the meaning set out in Condition 41.
- s “relevant share capital” shall have the meaning set out in section 198(2) of the Companies Act 1985.
- t “Specification” means the description of the Articles which the Contractor is required to supply under the Contract.
- u “Sub-contractor” shall, as the context may require, include any adviser, consultant or agent engaged by the Contractor to assist in the supply of articles.

v "Work" means anything which the Contractor is required to provide under the contract as described in the Specification

1.2 Unless the context requires otherwise, the singular shall include the plural and vice versa, and words expressed in any gender shall include any other gender;

1.3 The headings are inserted for convenience only and shall not affect the interpretation of the Contract.

1.4 Save where express provision is made to the contrary, any reference to a statute, statutory provision or subordinate legislation shall be construed as a reference to that legislation, as amended and in force from time to time, including any re-enactment, consolidation or replacement (with or without modification). In the case of a statute or statutory provision, the reference shall also be construed as a reference to all subordinate legislation made under such statute or statutory provision.

2 DURATION OF THE CONTRACT

Subject to the Department's rights of termination under these conditions, the Contract shall be in force from the Award Date until either the satisfactory supply of the Articles or for such other period as may be specified within the Contract.

3 QUALITIES ETC.

The Articles shall be of the qualities, standards and sorts described in the Specification and equal in all respects to the samples, patterns, specifications, plans, drawings or any other documents, individually or collectively, which form part of the Contract.

4 ALTERATION OF REQUIREMENT

Each of the parties may by notice to the other request an alteration to the requirements of this Contract, as detailed in the Specification, should this at any time become necessary or desirable. In the event of any such alteration being agreed by both parties, payment under this Contract shall be subject to fair and reasonable adjustment to be agreed between the Department and the Contractor and recorded in writing. The parties shall continue to act in accordance with this Contract until any such alteration and adjustment has been agreed in writing.

5 DUTY OF CARE

The Contractor shall perform the Contract with the standard of skill, care and diligence which a competent and suitably qualified person performing such services could reasonably be expected to exercise and in accordance with all relevant statutory requirements.

6 CONTRACTOR'S PERFORMANCE

6.1 The Contractor shall properly manage and monitor performance of the Contract and immediately inform the Contract Manager if any aspect of the Contract is not being or is unable to be performed.

- 6.2 If any part of the Articles provided is found to be inadequate or not in accordance with this Contract, other than as a result of default or negligence on the part of the Department, the Contractor shall at his own expense replace or make good to the satisfaction of the Department and, if required, re-schedule and perform that part of the work within such reasonable time as may be notified by the Department.
- 6.3 The Contractor shall provide all the necessary facilities, materials and any other equipment, and personnel of appropriate qualifications and experience to undertake the Contract.
- 6.4 The Contractor shall;
- a give the Department, if so requested, the name, role and details of relevant work experience of all persons who are or may be at any time employed on this Contract;
 - b comply, and shall procure that his employees and Sub-contractors comply, with any rules, regulations and any safety and security instructions notified by the Department to the Contractor in writing, including completion of any additional security clearance procedures required by the Department, and return of any passes required.
- 6.5 The Contractor shall take all reasonable steps to avoid changes to the Key Personnel. The Contractor shall give at least one month's notice to the Contract Manager of any proposal to remove or replace Key Personnel and the Department must agree any replacement in writing, save that the Contractor shall be required to give such notice as is reasonable in the circumstances in the event that Key Personnel are changed as a result of illness, resignation or unusual personal circumstances.
- 6.6 Unless otherwise agreed by the Department, neither the Contractor nor any of his employees or Sub-contractors shall carry out any business or trading activity within or on the Premises and no advertisement, sign or notice of any description shall be exhibited without prior written approval from the Department.
- 6.7 The Contractor shall exercise due care and propriety when dealing with third parties in connection with this Contract and ensure that no commitments that might impose any obligations on the Department are entered into (unless expressly required under this Contract) without the Department's prior written consent.
- 6.8 Nothing in this Contract shall be construed as creating a partnership, a contract of employment or a relationship of principal and agent between the Department and the Contractor.

7 MEETINGS AND REPORTS

- 7.1 The Contractor shall upon receipt of reasonable notice and during normal office hours attend all meetings arranged by the Department for the discussion of matters connected with the performance of the Contract.

- 7.2 Without prejudice to any other requirement in this Contract, the Contractor shall provide such reports on the performance of the Contract as the Contract Manager may reasonably require.

8 INSPECTION

During the course of the Contract the Department shall have the power to inspect and examine any of the Articles at any reasonable time. The Contractor shall provide free of charge all such facilities as the Department may reasonably require for such inspection and examination. For the avoidance of doubt this Condition applies to the completed Articles and to Articles in the course of production.

9 ACCEPTANCE MARKS

If so required by the Contract, the Contractor shall at his own expense mark or permit the Department to mark all approved materials, Articles or parts thereof with the recognised Government or Departmental marks. In the case of materials, Articles or parts thereof which cannot be so marked, the same shall, if required by the Department, be packed in suitable packages or cases, each of which shall be sealed and shall have the Government mark placed on the seals.

10 PACKAGING

- 10.1 All Articles delivered under this Contract are to be securely packed before despatch and each package must be distinctly marked with the description and quantity of contents, the Contractor's name and a distinctive number or mark for identification purposes.
- 10.2 Unless otherwise provided by the Contract, the cost of packaging is deemed to be included in the Contract Price and the packaging shall be non-returnable.
- 10.3 The Contractor shall make maximum use of recycled materials in the manufacture of crates, pallets, cartons, cushioning and other forms of packaging. Packaging must be capable of recovery for reuse or recycling.

11 DELIVERY

The Contractor shall deliver the Articles to the Department as specified in the Contract or in orders raised under the Contract.

12 REJECTION

- 12.1 Without prejudice to any of its other rights under the Contract, the Department may reject any Article which does not conform with the Contract.
- 12.2 When under this Condition any Article is rejected by the Department, the Contractor shall, subject to the provisions of condition 12.5, at his own expense remove from the Department each and every rejected Article and shall do so within such period as is provided by the Contract, or if the Contract makes no such provision, within 8 working days from receipt of the notification of rejection.

- 12.3 If the Contractor fails to remove any Article in accordance with condition 12.2, the Department may return any rejected Article to the Contractor at the Contractor's expense and at the Contractor's risk.
- 12.4 When under this Condition the Department rejects any Article, the Contractor shall, if required by the Department, deliver in its place and at his own expense, an Article which conforms with the requirements of the Contract and shall do so within the period for delivery stipulated in the Contract or within such further reasonable period as the Department may allow.
- 12.5 If the Contractor considers himself aggrieved by a rejection under this Condition, he may give the Department notice of objection. To be effective such notice shall be given within 8 working days from receipt of notification of rejection and before removing any rejected Article from the Department. The objection shall constitute a dispute between the parties which if not otherwise resolved between the parties within a reasonable time shall be dealt with in accordance with Condition 30 (Dispute Resolution). If the Contractor gives notice of objection the Articles shall not be removed until the Department directs.
- 12.6 If any Article whether completed or in the course of production is rejected on inspection by the Department, the same shall, if the Department so requires, be marked in such a manner satisfactory to the Department, as to ensure its subsequent identification as a rejected Article.

13 ACCEPTANCE

Acceptance of an Article shall take place when the Department confirms acceptance of the Article in accordance with the procedure specified in the Contract, or if none is so specified then the Department shall be deemed to have accepted an Article without prejudice to any other remedies, when and as soon as any of the following events has occurred;

- a the Department has taken the Article into use.
- b the Department has not exercised its right of rejection of the Article under Condition 12 within any period specified for that purpose in the Contract.
- c there being no period for exercising the right of rejection specified in the Contract, a reasonable time has elapsed since the Article was delivered to the Department.

14 INVOICES AND PAYMENT

- 14.1 The Contractor shall submit an invoice to the Department as specified in this Contract or within 28 days of the completion of the Contract. All invoices shall quote the contract number and, where appropriate, the purchase order number.
- 14.2 The Contractor shall submit with the invoice such records as the Department may reasonably require which would enable the Department to verify the information and the amounts referred to in that invoice.

- 14.3 The Contractor shall provide to the Department the name and address of his bank, the account name and number, the bank sort code and any other details requested by the Department.
- 14.4 The Department shall pay the Contractor in respect of the satisfactory supply of the Articles in accordance with the Contract. Payment by the Department shall not imply acceptance under condition 13.
- 14.5 Except where otherwise provided in the Contract, the amount payable to the Contractor for the supply of the Articles shall be inclusive of all costs of staff, facilities, equipment, materials, carriage and all other expenses whatsoever incurred by the Contractor in discharging his obligations under the Contract.
- 14.6 The Department is committed to prompt payment and shall pay the Contractor within 30 days of the receipt of a valid invoice, provided that that the Articles to which the invoice relates have been supplied fully in accordance with the Contract.

15 VALUE ADDED TAX

The Department shall pay to the Contractor the amount of any VAT chargeable in respect of the performance of the Contract.

16 WARRANTY

The Contractor shall make good to the satisfaction of the Department with all due diligence and at his own expense any defects arising from the defective design, materials or workmanship or from any act or omission of the Contractor that may develop in the Articles under proper use for a period of 12 months. The period shall commence either from the date the Articles were taken into use or, if held in storage by the Department, the date of issue from storage subject to a maximum storage period of 12 months.

17 CORRUPT GIFTS AND PAYMENTS OF COMMISSION

- 17.1 The Contractor shall not receive or agree to receive from any person, or offer or agree to give to any person, or procure for any person any gift or consideration of any kind as an inducement or reward for doing or not doing anything, or for showing favour or disfavour to any person in relation to the Contract or any other contract with the Crown.
- 17.2 The Contractor shall not conspire with any person to do any of the acts mentioned in Condition 17.1.

17.3 Any;

- a breach by the Contractor of this Condition; or
- b commission of any offence by the Contractor under the Prevention of Corruption Acts 1889 to 1916 in relation to this or any other contract for Her Majesty's Service;

shall entitle the Department to terminate the Contract and recover from the Contractor the amount of any loss resulting from such termination and recover from the Contractor the amount of value of any such gift, consideration or commission.

17.4 The decision of the Department in relation to this Condition shall be final and conclusive.

18 OFFICIAL SECRETS ACTS

The Contractor shall take all reasonable steps to ensure that all his employees and any Sub-contractor employed by him in connection with this Contract are aware of the Official Secrets Acts 1911 to 1989, and understand that these Acts apply to them during and after the Supply of the Articles under or in connection with the Contract.

19 DISCLOSURE OF INFORMATION

19.1 The Contractor acknowledges that the Department may receive requests for information relating to this Contract ("disclosure requests") pursuant to the Freedom of Information Act 2000 ("the FOI Act"), the Environmental Information Regulations 2004 ("the EIRs") or otherwise.

19.2 The Contractor further acknowledges that the Department may be obliged (subject to the application of any relevant exemption(s) and, where applicable, the public interest test) to disclose information pursuant to such a request. Where the Department consults the Contractor in accordance with section VII (consultation with third parties) of the Code of Practice¹ issued under section 45 of the FOI Act (or, as the case may be, any Code of Practice issued under powers contained in the EIRs), the Contractor hereby agrees to respond to any such consultation promptly and within any deadline set by the Department and acknowledges that it is for the Department to determine whether or not such information should be disclosed.

¹ On the discharge of public authorities' functions under Part I of the Freedom of Information Act 2000

19.3 Subject to Conditions 19.4 and 19.5 below, the Contractor shall not disclose to any third party, publish, disseminate, or use other than for the purposes of this Contract:

- a any information relating to this Contract; or
- b any other information that has come into his possession during or as a result of his performance of this Contract relating to the business, affairs, properties, assets, operations, practices, policies, developments, trade secrets or know-how, of the Department, its personnel, customers and suppliers

without the prior written consent of the Department, which shall not be unreasonably withheld.

19.4 Condition 19.3 above shall not apply to any information which:

- a is or becomes public knowledge (otherwise than by breach of this Contract);
- b is in the possession of the Contractor, without restriction as to its disclosure, before he receives it from the Department; or
- c is received by the Contractor from a third party who lawfully acquired it and who is under no obligation restricting its disclosure.

19.5 Condition 19.3 above shall not prevent the Contractor from disclosing, without the Department's consent, any information:

- a which is required to be disclosed by law or by any professional or regulatory obligation, provided that prior to disclosure the Contractor consults the Department and takes full account of the Department's views about whether (and, if so, the extent to which) the information should be disclosed;
- b to such persons and to such extent as may be necessary for the performance of this Contract;
- c for the purpose of complying with his obligations under Condition 38 of this Contract.

19.6 The Contractor shall take all reasonable steps to ensure the observance of the provisions of Conditions 19.3 to 19.5 inclusive above by all his employees, office holders, workers and Sub-contractors.

20 DISCRIMINATION

20.1 The Contractor shall not discriminate directly or indirectly or by way of victimisation or harassment against any person:

- a on grounds of colour, race, nationality, or ethnic or national origin contrary to the Race Relations Act 1976; or
- b on grounds of sex contrary to the Sex Discrimination Act 1975; or
- c on grounds of disability contrary to the Disability Discrimination Act 1995.

- 20.2 Where any employee or Sub-contractor employed by the Contractor is required to carry out any activity on the Premises or alongside the Department's employees on any other premises the Contractor shall ensure that the each such employee and Sub-contractor complies with the Department's employment policies and codes of practice relating to discrimination and equal opportunities.
- 20.3 The Contractor shall notify the Contract Manager and the Department in writing as soon as he becomes aware of any investigation or proceedings brought against the Contractor under the Discrimination Acts in connection with the Contractor's performance of this Contract. Where there is such an investigation or proceedings the Contractor shall free of charge:
- a provide any information requested by the investigating body, court or tribunal in the timescale allotted;
 - b attend, and permit a representative from the Department to attend, any associated meetings;
 - c promptly allow access to any documents and information relevant to the investigation or proceedings;
 - d co-operate fully and promptly with the investigatory body, court or tribunal.
- 20.4 The Contractor shall indemnify the Department against all costs, charges, expenses (including legal and administrative expenses) and payments made by the Department arising out of or in connection with any such investigation or proceedings.
- 20.5 The Contractor shall impose obligations on its Sub-contractors in terms substantially similar to those set out in Conditions 20.1 to 20.4.

21 MERGER, TAKE-OVER OR CHANGE OF CONTROL

- 21.1 The Contractor shall obtain the Department's written consent (which shall not be unreasonably withheld, but may be given subject to conditions) prior to any Change of Control of the Contractor, provided that where a Change of Control arises from any change in the beneficial or legal ownership of shares that are listed on the stock exchange, such approval shall be obtained promptly as soon as the Contractor becomes aware of the same. If such consent is not obtained when required by this Condition 21.1, the Department has the right to terminate this Contract at its election as set out in Condition 23 (Termination Of The Contract).
- 21.2 The Contractor shall inform the Department immediately of any Change of Ownership of the Contractor.
- 21.3 The Contractor shall inform the Department of any change, or proposed change in the name of or status of the Contractor.

22 UNSATISFACTORY PERFORMANCE

- 22.1 Where in the opinion of the Department the Contractor has failed to perform the whole or any part of the Supply of Articles in accordance with this Contract the Department may;
- a give the Contractor a notice specifying the way in which his performance falls short of the requirements of this Contract, or is otherwise unsatisfactory, or
 - b withhold or reduce payments to the Contractor, in such amount as the Department deems appropriate.
- 22.2 Any notice served by the Department pursuant to Condition 22.1 may require from the Contractor that he re-schedules and performs the Contract to the Department's satisfaction within such period as shall be specified by the Department in the notice and at his own expense, including where necessary, the correction or re-execution of any Work already carried out.
- 22.3 Any notice served by the Department pursuant to Conditions 22.1 and 22.2 shall be without prejudice to the Department's rights under these Conditions.

23 TERMINATION OF THIS CONTRACT

Without prejudice to any other power of termination, the Department may by notice in writing terminate this Contract with immediate effect for any of the following reasons;

- a breach by the Contractor of any of Conditions 17 (Corrupt Gifts And Payments Of Commission), 18 (Official Secrets Acts), 19 (Disclosure of Information) of this Contract, or any other material breach of contract;
- b failure by the Contractor to comply with a notice given under Condition 22 (Unsatisfactory Performance);
- c the Contractor ceases or proposes to cease to carry on his business;
- d a Change of Control occurs without the prior approval of the Department.

24 BREAK

The Department shall in addition to its powers under any other of these Conditions have power to terminate this Contract at any time by giving to the Contractor one month's written notice.

25 CONSEQUENCES OF TERMINATION OR BREAK

- 25.1 Upon the expiry of any notice period, or immediately upon termination without notice, this Contract shall be terminated without prejudice to any right of action or remedy which shall have accrued or shall thereupon accrue to the parties. Termination shall not affect the continued operation of Conditions 17, 18, 19, 28, 29, 33, 34, 38, and 40.

25.2 Where this Contract is terminated under Condition 23 (Termination Of The Contract) or 35 (Insolvency Of The Contractor), the following provisions shall apply;

- a Pending final ascertainment of such sums as are payable under this Contract any sum due or accruing from the Department to the Contractor may be withheld or reduced by such amount as the Department in either case considers reasonable and appropriate;
- b The Department may make all arrangements which are in its view necessary to procure the orderly completion of the Works, including the letting of another contract or contracts. In the event that a different organisation is required to take over the Works the Contractor shall co-operate in the transfer and with any arrangements notified to him by the Department. The transfer shall be arranged between the Department and the Contractor so as to reduce to a minimum any interruption to the Contract;
- c Where the total costs reasonably and properly incurred by the Department by reason of any arrangements made under Condition 25.2(b) exceed the amount that would have been payable to the Contractor for the completion of the Works, the excess shall be recoverable from the Contractor and the Department reserves the right to recover such excess by way of set-off as provided for under Condition 32 (Recovery Of Sums Due).

25.3 Without prejudice to Condition 25.1, where this Contract is terminated under Condition 24 (Break), the Department shall pay to the Contractor all reasonable costs necessarily and properly incurred by him in relation to the orderly cessation of the Contract, including any commitments, liabilities or expenditure which have been reasonably and properly incurred, and would otherwise represent an unavoidable loss by the Contractor by reason of the termination of this Contract. For the avoidance of doubt the Department shall not indemnify the Contractor against loss of profit or consequential losses. The Department shall in no case be liable to pay under the provisions of this Condition any sum which, when taken together with any sums paid or due or becoming due to the Contractor under this Contract, exceeds the total Contract Price.

25.4 Where this Contract is terminated pursuant to Condition 24 (Break), during the notice period the Department may direct the Contractor to perform all or any of the Works, or any part or component thereof in accordance with this Contract, and the Department shall pay the Contractor the agreed Contract Price or, where no price has been agreed or is applicable to an element of work, a fair and reasonable price.

26 CONFLICT OF INTEREST

It shall be the Contractor's responsibility to ensure that no conflict of interest arises in connection with the Services to be carried out under this Contract. The Department should be consulted if there is any uncertainty about whether any such conflict of interest may exist or arise and its decision on the matter shall be final.

27 ASSIGNMENT, SUB-CONTRACTORS AND SUPPLIERS

- 27.1 The Contractor shall not sub-contract or transfer, assign, charge, or otherwise dispose of this Contract or any part of it without the prior written consent of the Department.
- 27.2 The Contractor shall ensure that any Sub-contractor complies with the Conditions of this Contract, so far as they are applicable. Any sub-contract shall not relieve the Contractor of his obligations under this Contract.
- 27.3 Where the Contractor enters into a contract with a supplier or Sub-contractor for the purpose of performing this Contract or any part of it, he shall cause a term to be included in such contract which requires payment to be made by the Contractor to the supplier or Sub-contractor within a specified period not exceeding 30 days from receipt of an invoice properly issued in accordance with that contract.

28 INSURANCE

- 28.1 The Contractor shall effect and maintain an adequate level of insurance cover in respect of all risks that may be incurred by him in the performance of this Contract.
- 28.2 The Contractor shall hold employer's liability insurance in respect of his employees and of any Sub-contractors used by him in the performance of this Contract.
- 28.3 Where the Contractor sub-contracts part of this Contract, he shall procure that any Sub-contractor effects and maintains insurance to cover its liabilities under that sub-contract.
- 28.5 When requested by the Department the Contractor shall produce documentary evidence showing that the insurance required by Conditions 28.1, 28.2 and 28.3 has been effected and is being maintained.
- 28.6 If, for whatever reason, the Contractor fails to effect and maintain the insurance required by this Condition the Department may make alternative arrangements necessary to protect its interests and recover the costs thereof from the Contractor.
- 28.7 The terms of any insurance or the amount of cover shall not relieve the Contractor of any liabilities under this Contract.
- 28.8 The Contractor shall impose obligations on its Sub-contractors in terms substantially similar to those set out in Conditions 28.1 to 28.7, but this shall not relieve the Contractor of any of his obligations and liabilities under this Contract.

29 LIABILITY FOR LOSS OR DAMAGE

- 29.1 The Contractor shall indemnify the Department, its servants and agents against all actions, claims, demands, costs, expenses, charges, payments and liabilities incurred by or made against the Department, its servants or agents, in respect of any loss or damage which arises out of or in connection with this Contract which is caused directly or indirectly by any act or omission of the Contractor.

29.2 In this Condition loss or damage includes, without limitation:

- a loss or damage to property;
- b personal injury and death;
- c loss of use; and
- d any other loss.

29.3 Without prejudice to any other exclusion or limitation of liability in this Contract, the liability of the Contractor for any claim or claims under this Contract shall be limited to such sums as it would be just and equitable for the Contractor to pay having regard to the extent of his responsibility for the loss or damage giving rise to such claim or claims (“the loss and damage”) and on the assumptions that:

- a all other contractors, sub-contractors or advisers engaged in connection with the performance of the Services have provided contractual undertakings on terms no less onerous than those set out in these Conditions to the Department in respect of the carrying out of their obligations; and
- b there are no exclusions or limitations of liability nor joint insurance or co-insurance provisions between the Department and any other party referred to in this Condition and any such other party who is responsible to any extent for the loss and damage is contractually liable to the Department for the loss and damage; and
- c all such other contractors, sub-contractors or advisers have paid to the Department such sum as it would be just and equitable for them to pay having regard to the extent of their responsibility for the loss and damage.

30 DISPUTE RESOLUTION

30.1 Where any dispute, difference or question (“Dispute”) between the Department and the Contractor arising out of or in connection with this Contract cannot be resolved by the Contract Manager and Contractor’s Representative, either may refer the Dispute to a senior representative of the Department (a member of the Senior Civil Service) and of the Contractor (a director or other senior office holder) (“the Senior Representatives”).

30.2 Without prejudice to Condition 30.5, if any Dispute is not resolved within 14 days of the referral to the Senior Representatives then the parties will attempt to settle it by mediation in accordance with the Centre for Effective Dispute Resolution (“CEDR”) model conditions. To initiate the mediation a party must give a notice in writing (“the Mediation Notice”) to the other party requesting a mediation in accordance with this Condition. The referring party must send a copy of the Mediation Notice to CEDR.

- 30.3 Any mediation is to take place not later than 28 days after service of the Mediation Notice. If there is any issue on the conduct of the mediation which the parties cannot agree within 14 days of the Mediation Notice then CEDR will, at the request of either party, decide the issue. If the Dispute is not resolved within 42 days of service of the Mediation Notice then the parties may litigate the Dispute in accordance with Condition 31.
- 30.4 Except where required to preserve the legal rights of the Department or the Contractor, or to obtain interim relief, or where the Dispute concerns a matter upon which the Department's decision is final, neither the Department nor the Contractor shall commence Court proceedings unless the Dispute remains unresolved after having been referred to the Senior Representatives, to mediation or to any other alternative means of resolving the Dispute chosen by the parties pursuant to Condition 30.5.
- 30.5 After a failure of the Senior Representatives to resolve the Dispute the parties may by agreement in writing elect to pursue any means of alternative dispute resolution.

31 LAW

This Contract shall be governed by and interpreted in accordance with English law and, subject to Condition 30, any dispute arising out of or in connection with it shall be subject to the exclusive jurisdiction of the Courts of England and Wales.

32 RECOVERY OF SUMS DUE

Whenever under this Contract any sums of money shall be recoverable from or payable by the Contractor to the Department, that amount may be deducted from any sum then due, or which at any later time may become due, to the Contractor under this Contract or under any other contract with the Department or with any other Department, Agency or Office of Her Majesty's Government.

33 DATA PROTECTION

- 33.1 Where the Data Protection Act 1998 applies to any aspect of the Works to be performed under this Contract, the Contractor shall take such measures as are necessary to comply with its terms.
- 33.2 Without prejudice to Condition 33.1, the Contractor shall:
- a only accept instructions in respect of data processing from the Department;
 - b adopt all technical and organisational measures necessary to protect all personal data processed by him on behalf of the Department against unauthorised or unlawful processing, and accidental loss, damage or destruction; and
 - c ensure that all employees and Sub-contractors involved in data processing are suitable for the task.

34 DATA PROTECTION - PERSONAL DATA

- 34.1 The data controller in respect of such personal data as is held or acquired by the Department in relation to this Contract is the Secretary of State for Transport.
- 34.2 The data controller's nominated representative for the purposes of the Data Protection Act 1998 is the Department's Data Protection Officer.
- 34.3 The Department shall use such personal data only for purposes relating directly to:
- a the management and performance of this Contract by the Contractor; and
 - b the provision by the Department of references within the Department and to other Government Departments.
- 34.4 The Contractor hereby agrees and shall procure from any relevant individual agreement to the publication by the Department in any format of the following personal data: name and contact details. The Contractor shall provide a copy of any relevant individual's consent to the Department on request.
- 34.5 If, having regard to the circumstances in which the Department processes such personal data, the Department requires the Contractor or any relevant individual to provide additional information to enable the Department to process that personal data fairly it shall notify the Contractor in writing and the Contractor shall provide or procure the additional information within 7 days of receipt of the request.

35 INSOLVENCY OF THE CONTRACTOR

- 35.1 If the Contractor:
- a being an individual (or if the Contractor is a partnership any individual being a partner of such partnership) has a bankruptcy order made against him; applies to court for an interim order or makes an arrangement or composition with his creditors; is subject to any distress, execution or other similar process in relation to his assets; takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors; takes any step or any step is taken towards any of the matters referred to in this Condition 35.1(a): or
 - b being a company, a limited liability partnership or a partnership has an order made or a resolution passed for the winding up of the Contractor or circumstances arise which entitle a court of competent jurisdiction to make a winding-up order; is subject to an order made by a court of competent jurisdiction or a resolution passed for the administration of the Contractor or documents are filed with the court for the appointment of an administrator or notice of intention to appoint an administrator is given by the Contractor or its directors or by a qualifying floating charge holder (as defined by Paragraph 14 of Schedule B1 to the Insolvency Act 1986); has a receiver, administrative receiver or manager appointed (or any step is taken to make such appointment) in respect of the whole or any part of the assets and undertaking of the Contractor; is subject to any distress, execution or other similar process in relation to any of its assets; makes any arrangement or composition with its creditors;

- c takes or is subject to any similar or analogous action to any of the matters referred to in Conditions 35.1(a) and (b) above in any other jurisdiction;

then without prejudice to any other rights available to it, the Department may give notice in writing at any time to the Contractor terminating this Contract with immediate effect.

- 35.2 The Contractor shall give notice in writing to the Department of the occurrence of any of the events referred to in Conditions 35.1 (a) to (c) above immediately on becoming aware of the same.

36 INTELLECTUAL PROPERTY, ROYALTIES AND LICENCE FEES

- 36.1 In the absence of any specific provision for the allocation of intellectual property rights between the parties elsewhere in this Contract and subject to the prior rights (if any) of the Contractor, the Crown or any third parties, such intellectual property rights as are derived from or arise as a result of the performance of the Services by the Contractor shall vest in the Crown. The Contractor shall not use, supply, reproduce, publish, modify, adapt, enhance or otherwise deal with any materials in which such intellectual property rights exist without the Department's prior written approval.

- 36.2 In this Condition the term 'intellectual property rights' means all intellectual and industrial property rights of any nature whatsoever, including all of the following: patents, copyrights, database rights, design rights; all rights in or arising out of discoveries, inventions, improvements, know-how, confidential information, trade marks, designs and works; the right to apply for any form of protection for any of these, applications for and registrations of any of these and all resulting registrations. In each case it includes these rights and interests in every part of the world for their full terms, including any renewals and extensions, and the right to receive any income from them and any compensation in respect of their infringement.

- 36.3 The Contractor shall ensure that all royalties, licence fees and similar expenses in respect of all intellectual property or intellectual property rights used in connection with this Contract have been paid and are included in the Contract Price.

37 DRAWINGS, SPECIFICATIONS, SOFTWARE, DESIGNS AND OTHER DATA

- 37.1 The final 'deliverable' version of any data, including written reports, calculations, software, designs, drawings, specifications, maps and photographs completed or provided in connection with this Contract (each a "Deliverable") shall be delivered up to the Department on completion (or, if sooner, termination) of the Works, subject to the retention of proper professional records. The Deliverables shall be supplied by the Contractor in an agreed format.

37.2 If this Contract is terminated by the Department pursuant to the provisions of Conditions 23, 24 or 35 the provisions of Condition 37.1 shall apply to the working version of each Deliverable (a "Working Deliverable") that has not been completed as at the date of termination of this Contract. The Department acknowledges that Working Deliverables may contain information that is incomplete and agrees that should it choose to rely upon any Working Deliverable that reliance shall be at its own risk.

38 PRODUCTION AND RETENTION OF DOCUMENTATION

38.1 The Contractor shall produce such accounts, documents (including working documents) and records related to this Contract as the Department, or the Contract Manager, may request at any time during this Contract. Subject to the provisions of Condition 19, the Department's right to request the production of documents shall not apply to the extent that production of the documents would cause the Contractor to breach confidentiality obligations to his other clients.

38.2 The Contractor shall retain and produce such accounts, documents (including working documents) and records related to this Contract as the Department, or the Contract Manager, may request for a period of 2 years from the Expiry Date or termination of this Contract, or such longer period as may be agreed between the Department and the Contractor in writing at or before the commencement of this Contract.

38.3 The Contractor shall afford such facilities as the Department may reasonably require for its representatives to visit the Contractor's premises and examine the records held under this Condition. The right to these records shall not apply to the extent that an examination would jeopardise the confidentiality of information relating to the Contractor's other clients.

38.4 Subject to the provision of reasonable notice to the Contractor, and for the purpose of;

a examining and certifying Department's accounts; or

b any examination, pursuant to section 6(1) of the National Audit Act 1983, of the economy, efficiency and effectiveness with which the Department has used its resources

the Comptroller and Auditor General shall have a right of access to such relevant documents as are owned, held or otherwise within the control of the Contractor.

38.5 The Contractor shall assist the Comptroller and Auditor General to understand such documents and provide any oral and/or written information and explanation of the documents as may reasonably be requested.

38.6 For the avoidance of doubt, nothing in this Condition constitutes a requirement or agreement for the purposes of section 6(3)(d) of the National Audit Act 1983 for the examination, certification or inspection of the accounts of the Contractor.

39 SERVICE OF NOTICES

Any notice required to be given or served under this Contract shall be in writing and shall be served by:

- a i delivery to the Contractor's Representative, when it shall be deemed served at the time of delivery, or
- ii sending it to the Contractor's Representative by first-class post, when it shall be deemed served on the second working day after posting; or
- b i delivery to the Contract Manager, when it shall be deemed served at the time of delivery, or
- ii sending it to the Contract Manager by first-class post, when it shall be deemed served on the second working day after posting.

40 TRANSFER OF RESPONSIBILITY

40.1 In the event that a different organisation is required to take over the supply of the Articles at the expiry or termination of the Contract, the Contractor shall co-operate in the transfer, under arrangements to be notified to him by the Department.

40.2 The transfer shall be arranged between the Department and the Contractor so as to reduce to a minimum any interruption in the supply of the Articles.

41 OCCUPATION OF GOVERNMENT PREMISES

Any land or premises (including temporary buildings) made available to the Contractor by the Department in connection with this Contract ("the Premises") shall be made available to the Contractor free of charge and shall be used by the Contractor solely for the purposes of performing this Contract. The Contractor shall have the use of the Premises as licensee and shall vacate the same upon completion or determination of this Contract. Any utilities required by the Contractor shall be subject to such charges as are set out elsewhere in this Contract.

42 ENVIRONMENTAL REQUIREMENTS

42.1 The Contractor shall provide the Articles in accordance with the Department's environmental policy and shall use biodegradable substances where they are available, conserve energy, water and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, Volatile Organic Compounds and other substances damaging to health and the environment.

42.2 All written work, including reports, in connection with the Contract shall (unless otherwise specified) be produced on recycled paper containing at least 80% post consumer waste and used on both sides where appropriate.

43 SEVERABILITY

If any provision of this Contract is held invalid, illegal or unenforceable for any reason by any court, such provision shall be severed and the remainder of the provisions of this Contract shall continue in full force and effect. In the event that an invalid, illegal or unenforceable clause is fundamental to the performance of this Contract, the Department and the Contractor shall immediately commence negotiations in good faith to remedy the invalidity.

44 WAIVER

- 44.1 The failure of the Department or the Contractor to exercise any right or remedy shall not constitute a waiver of that right or remedy.
- 44.2 No waiver shall be effective unless it is communicated to either the Department or the Contractor in writing.
- 44.3 A waiver of any right or remedy arising from a breach of contract shall not constitute a waiver of any right or remedy arising from any other breach of the Contract.

45 RIGHTS OF THIRD PARTIES

Nothing in this Contract confers or purports to confer on any third party any right to enforce any term of this Contract.