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Department for Work and Pensions

<b>Contract Change Note</b>	<b>CCN001</b>
Sequential Number	<b>GGC530</b>
Title	<b>Transition Services Charges Re-Profile</b>
Number of pages attached	<b>4 in total</b>

WHEREAS the AUTHORITY entered into the Managed Services Agreement (the "Agreement"), the AUTHORITY and the CONTRACTOR now wish to amend the Agreement as follows:

IT IS AGREED that:

With effect from 31 March 2007, the Agreement shall be amended in accordance with this Contract Change Note. Save as herein amended, all other terms and conditions of the Agreement shall remain in full force and effect.

All capitalised terms in this Change Control Note are, unless the context otherwise admits, as defined in the Agreement.

**1 Introduction**

- 1.1 Paragraphs 2 and 3 below set out certain Changes to schedule 15 (Charges). The objective of these Changes is to bring forward payments for the Transition Services so that all amounts are payable by the AUTHORITY as at 31 March 2007.
- 1.2 These Changes do not affect any of the other payments for Services to be made by the AUTHORITY to the CONTRACTOR under the Agreement and/or any other obligations that exist between the AUTHORITY and the CONTRACTOR under the Agreement.

## 2 Transition Services Charges Re-Profile

2.1 Calculations to support the balancing amount of the Charges payable by the AUTHORITY to the CONTRACTOR in relation to the Transition Services as at 31 March 2007 are set out in the following table:

	<b>Contracted Charges for Transition Services</b>	<b>£3,090,077.14</b>
Less	Financing no longer applicable from 01 April 2007	£240,105.43
	<b>New total for Transition Services</b>	<b>£2,849,971.71</b>
Less already invoiced	Recurring charge TORD – 31 Mar 2007 (5 x £42,797.13)	£213,985.65
	Financing charge TORD – 31 Mar 2007 (5 x 6,072.25)	£30,361.25
	<b>Balance to pay</b>	<b>£2,605,624.81</b>
Paid as:	1) Acceptance of TORD	£500,000.00
	2) Transition Services settlement	£2,105,624.81
		<b>£0</b>

### 3 Contract Change

3.1 Clause 3 (Transition Charges) of schedule 15 (Charges) shall be deleted in its entirety and replaced with the following:

#### **“3. Transition Charges**

3.1 *The fixed price for the Transition project shall be £2,849,971.71. These Charges are for the delivery of the Transition project as outlined in the Transition Plan in Schedule 3 (Transition).*

3.2 *The fixed price for the Transition project shall be paid by the AUTHORITY, subject to achievement of Transfer of Responsibility Date milestone as per Table 2.1 below:*

<b>Item / Deliverable</b>	<b>Price (excluded VAT)</b>	<b>Payment profile</b>
<b>Total Transition Charges consisting of:</b>	<b>£2,849,971.71</b>	
<i>Acceptance of Transfer of Responsibility Date milestone or where Acceptance would have been achieved but for any Default caused solely by the AUTHORITY</i>	<i>£500,000.00</i>	<i>Payable 30 days following the receipt of a Valid Form Invoice</i>
<i>Recurring Monthly Charge from TORD to March 2007 (five monthly payments).</i>	<i>£42,797.13</i>	<i>Each monthly payment of £42,797.13 payable 30 days following the receipt of a Valid Form Invoice</i>
<i>Recurring Monthly Charge for CONTRACTOR Cost of Financing from TORD to March 2007 (five monthly payments).</i>	<i>£6,072.25</i>	<i>Each monthly payment of £6,072.25 payable 30 days following the receipt of a Valid Form Invoice</i>
<i>Final Transition payment payable as at 31 March 2007.</i>	<i>£2,105,624.81</i>	<i>Payable 30 days following the receipt of a Valid Form Invoice</i>

*Table 2.1 – Transition Charges*

3.3 *Responsibility and accountability of the CONTRACTOR, the AUTHORITY and incumbent suppliers and service providers (external dependencies) are clearly defined in the Transition Plan (see Schedule 3 (Transition)).*”

<b>Signed for and on behalf of the CONTRACTOR</b>
By
Name
Title
Date

<b>Signed for and on behalf of the AUTHORITY</b>
By
Name
Title
Date