

The Standard Terms 2010
(as amended)

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1. **Interpretation**

1.1 In this Contract the following expressions have the following meanings:

"*Act*" means the Legal Aid, Sentencing and Punishment of Offenders Act 2012;

"*Agent*" means an individual or organisation (other than Counsel) engaged by you to undertake Contract Work in accordance with the provisions of the Specification;

"*Approved Third Party*" means an individual or organisation engaged by you to undertake non-legal work ancillary to Contract Work, including experts and translators but excluding Agents and Counsel;

"*Assessment*" means an assessment by us or by a competent court or tribunal, of the amount which (subject to the provisions of this Contract) is due in respect of a Claim (on an appeal or otherwise) and "*Assess*" has the associated meaning;

"*Audit*" means:

- (a) an Official Investigation; and/or
- (b) an investigation by us in connection with the performance of your obligations and/or to check your compliance with your obligations under this Contract;

"*Auditor General*" means an officer of the House of Commons who exercises its functions in accordance with the Budget Responsibility and National Audit Act 2011;

"*Authorisation*" means any authorisation given for the purposes of section 5 of the Act or regulations made under that section;

"*Bank Covenants*" means the agreed performance guidelines set for your Bank Facilities (if any);

"*Bank Facilities*" means any available overdraft limits or credit facility and their associated terms;

"*Bribery Legislation*" means the Bribery Act 2010 and any subordinate legislation made under it from time to time together with any guidance or codes of practice issued by the government concerning the legislation;

"*Business Continuity Plan*" means your written plan setting out the processes and arrangements which you will follow to ensure continuity of your business processes and operations following any failure or disruption of any element of the provision of Contract Work and the recovery of the provision of Contract Work in the event of an Unplanned Interruption;

"*Business Day*" means any day except Saturday, Sunday and any bank or public holiday in England and Wales;

"*Business Hours*" means 9am to 5.30pm each Business Day;

"*Category of Law*" means as specified in the Specification;

"CDS" means the LSC Criminal Defence Service that was established under the Access to Justice Act 1999;

"CEDR" means the Centre for Effective Dispute Resolution;

"Certificate" means as described in Legal Aid Legislation;

"Change of Control" means a change of control that shall occur in respect of a person where:

- (a) Control of that person is obtained (whether directly or as a result of obtaining Control of one or more other persons) by any person who did not at the Contract Start Date hold Control (whether directly or as a result of having Control of one or more other persons) of that person; or
- (b) a person who has Control (whether directly or as a result of having Control of one or more other persons) of that person at any time during the Contract Period ceases to have Control (whether directly or as a result of having Control of one or more other persons) of that person,

save that any such event shall not constitute a Change of Control in respect of a person where its Ultimate Parent Company (if any) before the relevant event remains its Ultimate Parent Company after that event;

"Child" has the meaning given to the term in the Procedure Regulations;

"CLAC" means a Community Legal Advice Centre commissioned by the LSC either on its own or jointly with another body;

"Claim" means a claim for payment for Contract Work submitted on the Contract Report Form we specify for that purpose;

"CLAN" means a Community Legal Advice Network commissioned by the LSC either on its own or jointly with another body;

"Class of Work" means those classes of work as specified in the Specification and "Class" and "Classes" have the corresponding meanings;

"Clause" means a clause in these Standard Terms (unless specified otherwise);

"Client" means an individual whom the Director (or a person authorised by the Director) or the court has determined qualifies for Contract Work and for whom you are performing or have performed Contract Work;

"CLS" means the LSC Community Legal Service that was established under the Access to Justice Act 1999;

"Comptroller" means an officer of the House of Commons who exercises its functions in accordance with the Budget Responsibility and National Audit Act 2011;

"Consortium" means a consortium specified in your Schedule;

"Consortium Member" means, in respect of a Consortium, any other Provider specified as a member of such Consortium in your Schedule;

"*Consultation Response*" means our published policy response to a public consultation or consultation with the Consultative Bodies;

"*Consultative Bodies*" means The Law Society, the Legal Aid Practitioners Group, and The Bar Council. For civil Contract Work, Consultative Bodies also includes the Advice Services Alliance;

"*Contract*" means the agreement between you and us which consists of the Contract Documents;

"*Contract Documents*" means as specified in Clause 12.1;

"*Contract for Signature*" means the document of that name issued by us and signed by you and us;

"*Contract Liaison Manager*" means the member of your personnel nominated by you from time to time in accordance with Clause 2 to liaise with us on day to day matters concerning this Contract being, as at the Contract Start Date, as set out in your Contract for Signature;

"*Contract Manager*" means a person nominated by us from time to time in accordance with Clause 2 to liaise with you about this Contract;

"*Contract Period*" means as specified in the Contract for Signature;

"*Contract Report*" means a report providing information required by us on any aspect of your performance under this Contract, on the Matters and cases commenced under it (including the Contract Work performed and the current position on each such Matter or case and the names and addresses of Clients) and on Claims made and payments received;

"*Contract Report Form*" means such form as we may specify (in any format we specify, including electronic format) for making claims or for providing information about you and/or this Contract including, Contract Work, your performance under and compliance with this Contract or your legal status and constitution;

"*Contract Review Body*" and "*CRB*" means the body appointed in accordance with Clause 27.14 to determine formal reviews pursuant to Clause 27;

"*Contract Start Date*" means the date specified in your Contract for Signature as the date this Contract starts;

"*Contract Work*" means the work that you may perform for Clients in the Category or Categories of Law and/or Class(es) of Work specified in your Schedule(s) and the Specification under, or by virtue of, this Contract;

"*Control*" means in relation to a person, the power (whether by means of holding shares, possessing voting power, entitlement to profits or exercising contractual powers in or over that or any other person) to ensure that its affairs are conducted in accordance with the wishes of the person holding the power;

"*Costs Assessment Manuals*" means our manuals setting out guidance as to how the courts will assess costs in Legal Aid matters and accordingly how we will Assess Claims, as may be amended by us provided that had the Costs Assessment Manuals been a Contract Document, such amendments would not

have been prohibited by Clause 13.1; "*Costs Assessment Guidance*" has the corresponding meaning;

"*Costs Appeals Committee*" means the committee appointed by us for the purpose of determining appeals against Assessments on Points of Principle of General Importance;

"*Counsel*" means a barrister in independent practice and other such persons as are specified as Counsel under the Specification;

"*Data*" means as specified in the Data Protection Act 1998;

"*Data Controller*" means a person who (either alone or jointly or in common with other persons) determines the purposes for which and the manner in which any Personal Data are, or are to be, processed, save that where Personal Data is processed only for the purposes for which they are required by or under any enactment to be processed, the person on whom the obligation to process the data is imposed by or under the enactment shall be treated as the Data Controller;

"*Data Processor*" means in relation to Personal Data any person (other than an employee of the Data Controller) who processes the Data on behalf of the Data Controller;

"*Data Protection Legislation*" means the Data Protection Act 1998, the EU Data Protection Directive 95/46/EC, the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Privacy and Electronic Communications Directive 2002/58/EC, the Privacy and Electronic Communications (EC Directive) (Amendment) Regulations 2011 and all applicable laws and regulations relating to processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner and any generally accepted code of good practice;

"*Data Security Guidance*" means our published guidance regarding compliance with the Data Security Requirements;

"*Data Security Requirements*" means our data security requirements as may be amended by us provided that had the Data Security Requirements been a Contact Document such amendments would not have been prohibited by Clause 13.1;

"*Data Subject*" means an individual who is the subject of Personal Data;

"*Delegated Functions*" means as specified in the Specification;

"*Direct Losses*" means damages, losses, indebtedness, claims, actions, costs (including the cost of legal or professional services, legal costs being on an indemnity basis), expenses, liabilities, proceedings, demands and charges whether arising under statute, contract or at common law, but excluding Indirect Losses;

"*Director*" means the Director of Legal Aid Casework designated under section 4 of the Act;

"*Duty Solicitor*" means as specified in the Specification;

"DX" means the Document Exchange service operated by DX Network Services Limited, whose registered office is situated at DX House, Ridgeway, Iver, Bucks, SL0 9JQ, and its successors and assignees;

"*Employee Liability Information*" means the information which a transferor is obliged to notify to a transferee pursuant to Regulation 11(2) of TUPE regarding any person employed by him who is assigned to the organised grouping of resources or employees which is the subject of a relevant transfer and also such employees as fall within Regulation 11(4) of TUPE;

"*Environmental Information Regulations*" means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations;

"*Equality and Diversity Guidance*" means our guidelines regarding Providers' compliance with equality and diversity legislation and Clause 5, as may be amended by us provided that had the Equality and Diversity Guidance been a Contract Document such amendments would not have been prohibited by Clause 13.1;

"*Equality and Diversity Policy*" has the meaning ascribed to it in Clause 5.2(b);

"*Excess Claims*" has the meaning ascribed to it in Clause 14.18;

"*FOIA*" means the Freedom of Information Act 2000 and any subordinate legislation made under the Freedom of Information Act 2000 from time to time together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to the same;

"*Formal Dispute*" means as specified in Clause 28.1;

"*Former Client*" means a person for whom you have performed work under the Act, the Access to Justice Act 1999 or the Legal Aid Act 1988;

"*Fundamental Breach*" means:

- (a) those matters specified in this Contract as being a Fundamental Breach; and/or
- (b) any breach of this Contract involving dishonesty on the part of the Provider;

"*Good Industry Practice*" means the degree of skill, care, diligence, prudence, timeliness, efficiency and foresight of a skilled, experienced and professionally managed provider of legal services similar to those provided under this Contract;

"*Head of Contract Management*" means the person of that name nominated by us from time to time who has responsibility for managing Contract Managers;

"*Independent Costs Assessors*" means as referred to in the Specification;

"*Independent Funding Adjudicator*" means an adjudicator appointed by the Lord Chancellor under section 2 of the Act;

"*Independent Peer Review Process*" means the process by which an independent Audit of the standard of your Contract Work is performed by us, or on our

behalf, of that name, in effect at the Contract Start Date, as may be amended by us provided that had the Independent Peer Review Process been a Contract Document such amendments would not have been prohibited by Clause 13.1;

"*Indirect Losses*" means loss of profit, loss of business, loss of business opportunity (in each case whether direct, indirect or consequential) or any other claim for consequential or indirect loss of any nature;

"*Information*" means information recorded in any form (save for the purposes of sections 51 (Information notices) and 75 (Power to amend or repeal enactments prohibiting disclosure of information) of the Freedom of Information Act 2000 where it shall also include unrecorded information);

"*IT System*" means the configuration of computer components comprising all the software owned by, or licensed to you by a third party (and any updates and enhancements to it), all hardware, telecommunications and network equipment used by you, together with any asset which relies in any respect on computer hardware or other information technology (whether embedded or not) which links the different parts of the system together;

"*Key Performance Indicator*" or "*KPI*" means the key performance indicators specified in the Specification;

"*Legal Aid*" means as specified in Part 1 of the Act;

"*Legal Aid Agency*" or "*LAA*" means the Executive Agency of the Ministry of Justice through which the Lord Chancellor acts to administer Legal Aid;

"*LAA Data*" means:

- (a) the Data (including, drawings, diagrams, images or sounds (together with any database made up of any of these which is embodied in any electronic, magnetic, optical or tangible media)) which:
 - (i) are supplied to you by us or on our behalf;
 - (ii) you are required to Process pursuant to this Contract;
or
- (b) any Personal Data for which we are the Data Controller but not including the Shared Data;

"*Legal Aid Legislation*" means the Act and statutory instruments made under that Act which are relevant to this Contract;

"*Legal Services Commission*" or "*LSC*" means the Legal Services Commission established under the Access to Justice Act 1999, which is abolished under the Act;

"*Letters of Clarification*" means any written response which you submit to us in respect of any request for clarification we make or further information we request in connection with your Tender Documents;

"*Lexcel*" means The Law Society's international practice management standard;

"*Licensed Body*" means the body or organisation which holds a licence in force under Part 5 (Alternative Business Structures) of the Legal Services Act 2007;

"*Linked Category of Law*" means a Category of Law as specified in your Contract for Signature and/or Schedule and as being provided by you and delivered as part of a Consortium;

"*Location*" means a location from which you deliver Contract Work and which satisfies any requirements set out in the Specification;

"*Lord Chancellor's Directions*" means any directions given by the Lord Chancellor under section 4 of the Act;

"*Lord Chancellor's Guidance*" means the guidance given by the Lord Chancellor under section 4 of the Act;

"*Manual*" means our manual comprising relevant Legal Aid Legislation, the Standard Terms, the Specification and other materials relevant to the performance of Contract Work and compliance with this Contract published by us from time to time;

"*Market Research Society Code of Conduct*" means the Market Research Society's code of conduct that can be found at www.mrs.org.uk/standards/codeconduct.htm and is designed to support all those engaged in market, social or opinion research in maintaining professional standards;

"*Matter*" means as specified in the Specification;

"*Matter Start*" means the authority to start a Controlled Work case for a Client in accordance with the rules set out in the Specification;

"*Maximum PoA Limit*" means the maximum amount specified by us as payable to you as a Payment on Account;

"*Member (LLP)*" means a member of a limited liability partnership;

"*Not For Profit Organisation*" means a Provider that we recognise as aiming not to make a profit from performing Contract Work;

"*Official Investigation*" means:

- (a) any investigation, of which you are aware, into suspected serious professional misconduct, breaches of the Act (or other legislation), or dishonesty by you or your personnel, being carried out by or authorised by:
 - (i) any organisation (including any Relevant Professional Body) which is responsible for regulating or disciplining you or your personnel;
 - (ii) us (including our investigation team);
- (b) any investigation by the police into suspected criminal offences relevant to your operations; or

- (c) any investigation, on reasonable grounds, authorised by us (including our investigation team) into suspected serious breaches of this Contract;

"Online Account" means your account with us for managing the electronic transmission of information between you and us through the Online Service from time to time in accordance with this Contract;

"Online Service" means our on-line system for managing the electronic transmission of information between us and Providers;

"Parent Undertaking" has the meaning given in Section 1162 of the Companies Act 2006 (as amended);

"Payment on Account" or "PoA" means a payment made by us, on account of amounts due in respect of Contract Work, before we have paid the final Claim for the relevant Matter or case, but excluding any Standard Monthly Payments;

"Peer Review" means the independent Audit of the standard of your Contract Work under the Independent Peer Review Process;

"Personal Data" means Data which relates to a living individual who can be identified from those Data or from those Data and other information which is in the possession of, or is likely to come into the possession of, the Data Controller and includes any expression of opinion about the individual and any indication of the intentions of the Data Controller or any other person in respect of the individual;

"Points of Principle of General Importance" means decisions on appeals against Assessments that are determined by the Costs Appeals Committee to be such;

"Predecessor Body" means an organisation related to you which previously held a contract with us including those organisations specified as such in your Contract for Signature (which shall not constitute an exhaustive list);

"Previous Contract(s)" means a previous LSC contract or contracts held by you or by a Predecessor Body which precedes this Contract;

"Processing" in relation to Personal Data means obtaining, recording or holding the information or Data or carrying out any operation or set of operations on the Personal Data including:

- (a) organisation, adaptation or alteration of the Personal Data;
- (b) retrieval, consultation or use of the Personal Data;
- (c) disclosure of the Personal Data by transmission, dissemination or otherwise making available; or
- (d) alignment, combination, blocking, erasure or destruction of the Personal Data,

and *"Processed"* and *"Process"* shall be construed accordingly;

"Prohibited Act" means:

- (a) to directly or indirectly offer, promise or give any person working for or engaged by us a financial or other advantage to:
 - (i) induce that person to perform improperly a relevant function or activity; or
 - (ii) reward that person for improper performance of a relevant function or activity;
- (b) to directly or indirectly request, agree to receive or accept any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with this Contract;
- (c) committing any offence:
 - (i) under Bribery Legislation;
 - (ii) under legislation creating offences concerning fraudulent acts;
 - (iii) at common law concerning fraudulent acts relating to this Contract or any other contract with us; or
 - (iv) defrauding, attempting to defraud or conspiring to defraud us;

"Promotional Items" means all intellectual property rights belonging to us or licensed to us, including any logos, trade marks (whether registered or unregistered), registered designs, unregistered designs, applications for and rights to apply for any of the foregoing, rights to prevent passing off for unfair competition and copyright in any materials supplied and approved by us in connection with the provision of Contract Work including signs, display materials, information, literature and other promotional items;

"Provider" means a party (except us) to a contract with us in respect of the provision of Legal Aid;

"Quality Standard" means Lexcel or SQM specified in your Contract for Signature or such other quality assurance standard approved by us from time to time;

"Reasonable Costs" means the reasonable actual costs and expenses incurred by us in carrying out any further Audit under this Contract, including, but not limited to, reasonable travel and subsistence costs;

"Records" means as specified in Clause 8.3;

"Relevant Linked Category of Law" means a Category of Law as specified in your Contract for Signature and/or Schedule as being provided by a Consortium Member and delivered as part of a Consortium in a geographic area;

"Relevant Professional Body" means the body or organisation which regulates or exercises control over your professional or service activities or such activities of any of your personnel and/or any other body to whose rules you have elected to be subject to. For the avoidance of doubt this includes any relevant approved regulator for the purpose of the Legal Services Act 2007;

"Relevant Protected Characteristic" means age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation as provided for under section 149(7) of the Equality Act 2010;

"Remainder Work" means Contract Work that you are performing as at the date of termination and/or expiry of this Contract which we authorise you to continue to perform pursuant to Clause 26.10;

"Replacement Provider" means any replacement Provider appointed by us to provide services on or after the expiry or termination of this Contract the same as or similar to Contract Work carried out by you at or prior to expiry or termination;

"Report" means a report (written or oral) about you or your personnel from an organisation that may carry out an Official Investigation;

"Request for Information" means a request or an apparent request for information held by or on behalf of us for the purposes of FOIA or the Environmental Information Regulations;

"Researcher" means a person appointed by us to carry out research into the operation of this Contract;

"Sanction" means any of the individual sanctions (listed 1 to 8 in Clause 24) that we may apply in accordance with Clause 24 or pursuant to any other term of this Contract;

"Schedule" means a Contract Document issued by us as specified in Clause 12 and your Contract for Signature;

"Shared Data" means Personal Data which is Processed in connection with the performance of this Contract by the Provider in respect of which the Provider is a Data Controller either alone or in common with the LAA which will be transferred from the Provider to the LAA or which the LAA is entitled to request in accordance with this Contract including documents held on Contract Work files which are necessary for the conduct of the relevant Matter or case and which we may require in order to assess your compliance with your obligations under this Contract;

"Specification" means the Contract Document designated as such by us as specified in Clause 12;

"SQM" means the specialist quality mark standard specified by us as at the Contract Start Date as amended by us provided that had the SQM been a Contract Document such amendments would not have been prohibited by Clause 13.1;

"Standard Monthly Payment" means the amount (if any) specified in a current Schedule which, subject to the provisions of this Contract, we will pay you on a monthly basis for performing Contract Work;

"*Standard Terms*" means these Standard Terms 2013 comprising Clauses 1 to 30;

"*Supervisor*" means a person appointed by you in accordance with the Specification and who meets the standards (if any) set out in the Specification;

"*Tender Documents*" means any documents, including any Letters of Clarification, that you have submitted to us either in response to an invitation to tender with a view to obtaining this Contract and/or where you are seeking authority from us under this Contract (including authority to carry out specified work or any allocation of Matter Starts);

"*TUPE*" means the Transfer of Undertakings (Protection of Employment) Regulations 2006;

"*U.K.*" means the United Kingdom of Great Britain and Northern Ireland;

"*Ultimate Parent Company*" means a Parent Undertaking (if any) of the relevant person which is not a subsidiary undertaking of any other person (where "subsidiary undertaking" has the meaning given in Section 1162 of the Companies Act 2006 (as amended));

"*Unplanned Interruption*" means any unplanned interruption of your IT System (whether of information processing facilities or systems or otherwise) which significantly impairs your ability to perform Contract Work (in whole or in part) in accordance with the terms of this Contract;

"*VAT*" means value added tax;

"*we*" and "*us*" means the Lord Chancellor acting through the LAA (and "*our*" has the associated meaning); and

"*you*" means the current party to this Contract (as specified in the Contract for Signature) with us (and "*your*" has the associated meaning).

- 1.2 Clause and paragraph headings in this Contract are inserted for convenience only and do not affect its interpretation.
- 1.3 Words denoting the masculine, the feminine or the neuter include the masculine, the feminine and the neuter. Words denoting the singular include the plural and vice versa.
- 1.4 Reference to any Legal Aid Legislation and other legislation is, as the context requires, a reference to any substitute for, or re-enactment of, it and includes any new Legal Aid Legislation arising at any time.
- 1.5 References to "approval" mean approval as provided by this Contract or, if no express provision is made by this Contract, to approval in writing.
- 1.6 References to "authorising" or "authority" mean authorising or authority as provided by this Contract or, if no express provision is made by this Contract, to authorising or authority in writing.
- 1.7 References to "direction" mean direction as provided by this Contract or, if no express provision is made by this Contract, to direction in writing.

- 1.8 References to "notifying", "notification" or "notice" mean notifying, notification or notice as provided by this Contract.
- 1.9 Any obligation relating to sending, or to the completion and submission, of any form designated or specified by us (or to "our form") includes the obligation properly and fully to complete and promptly to submit the form by such means and in such a format as we may reasonably specify (from time to time).
- 1.10 Unless otherwise specified, reference to any Contract Document, or to any document or other provision described as "current", means the Contract Document, document or other provision in its current form from time to time, and not merely as at the date this Contract comes into force.
- 1.11 Reference to any payment rate as "current" means the payment rate in its current rate from time to time and not merely as at the date this Contract comes into force.
- 1.12 Any obligation that requires you to have performance and compliance policies, systems, procedures or controls in place includes the obligation effectively to operate them at your own cost.
- 1.13 Where, in relation to any options available to us under any Clause, those options are joined by the word "and" (as in, we may, "a", "b" and "c") and/or where we use a semi-colon in this Contract, our choice is not restricted to selecting all options or no options but extends to selecting any one or more of them.
- 1.14 The words "other", "include", "includes", "included" and "including" shall apply without limitation.
- 1.15 Any reference to this Contract, or any part of it, ending or terminating means (unless otherwise stated) ending in any manner and not merely by effluxion of time.
- 1.16 Any reference to this Contract, or any part of it, expiring means expiring by effluxion of time (and "expiry" has the associated meaning).
- 1.17 Any reference in this Contract to expiry or termination includes unless otherwise stated expiry or termination of part of this Contract.
- 1.18 Where any regulations relating to the provision of legal services refer to a "franchise contract" that reference includes this Contract (so that this Contract is a franchise contract for the purposes of such regulations).
- 1.19 References to "documents" includes documents on paper and documents, sound and pictures (still and moving) stored in other media (including in electronic format, digitally, on disk and on computer).
- 1.20 References to "company" include, except where the context requires otherwise, a limited liability partnership.
- 1.21 References to "personnel" means employees, self-employed personnel, agency workers, partners (partnership), directors (company) and Members (LLP) other than sub-contractors, Counsel, Agents or Approved Third Parties.
- 1.22 References to "partner" include a person held out as a partner of a partnership.

- 1.23 References to a "director" include a "Member (LLP)", except where the context requires otherwise.
- 1.24 Where we are able to exercise any function or power under this Contract, it may be exercised by any individual or body lawfully authorised to do so by us.
- 1.25 References to "person" include individuals, bodies corporate, partnerships, limited liability partnerships, unincorporated associations and other bodies.
- 1.26 The definitions of "Data Subject", "Personal Data", "Processing", "Process", "Processed", "Data Controller" and "Data Processor" are taken from the Data Protection Act 1998 and the definition of "Information" is taken from the Freedom of Information Act 2000. These definitions are set out in full for ease of reference in this Contract and shall be interpreted in the same way as their equivalent terms within those statutes.

Continuity

- 1.27 Except as provided by the Specification in relation to fees, remuneration and other related matters, if this Contract replaces a Previous Contract, the terms of this Contract apply (and apply to all work in progress and Claims to be Assessed) from the Contract Start Date. In all other respects (unless specifically stated otherwise) this Contract is to be treated as a seamless continuation of the Previous Contract(s). This means (without limitation) that:
- (a) any monies payable under the Previous Contract(s) are payable under this Contract (and any credit or debit balance, on your account with us under the Previous Contract(s), is a credit or debit balance under this Contract);
 - (b) any notices issued (and any Audits and Assessments) under the Previous Contract(s) have effect under this Contract;
 - (c) any appeals or applications for review under the Previous Contract(s) continue under this Contract and any consequent decisions have effect under this Contract; and
 - (d) any provisions which permit you to continue to provide work after the Previous Contract (or part of it) has ended in such Previous Contract do not apply on that contract's ending. For the avoidance of doubt this means that work which would otherwise have been undertaken pursuant to any Previous Contract as "remainder work" should be undertaken as Contract Work pursuant to this Contract.

2. Relationship and communication

Duty to act in good faith and obtaining value for money

- 2.1 In relation to this Contract, you and we will act in good faith.
- 2.2 Without prejudice to more specific provisions of this Contract and to your professional obligations in respect of Clients, you and we agree to work together in mutual trust and co-operation to achieve value for money.

Communicating with each other

- 2.3 You must, subject to Clause 10.4, nominate a Contract Liaison Manager to liaise with us and we will nominate a Contract Manager to liaise with you about this Contract. You must notify us promptly and in any event within five Business Days of any change in your Contract Liaison Manager.
- 2.4 The Contract Liaison Manager and Contract Manager must be competent, and have sufficient authority, to deal with issues that might be expected to arise in connection with performance and payment under and compliance with this Contract.
- 2.5 All communications under or in connection with this Contract (including between our personnel and your personnel) must be conducted in a polite and professional manner.
- 2.6 Both parties agree that good communication between their personnel is key to the effective operation of this Contract and agree to ensure that their personnel understand this and to provide relevant training if they consider it appropriate.
- 2.7 Both parties agree to investigate any complaints of breach of this Clause 2 by any member of their personnel and to take appropriate action (including, where appropriate, notifying the other party of the action taken). Where a complaint is justified, "appropriate action" is within the discretion of the relevant party but might include requiring the person concerned to undergo relevant training (including training on the purpose of this Contract and this Clause 2).
- 2.8 As well as a postal address or DX number and telephone number, you must have operational email addresses (including your designated email address required by Clause 20.5) to which we may send you electronic communications. You must monitor your emails frequently each Business Day. You must, when we require it from time to time, communicate with us electronically (including under Clause 7.18).

Case studies and communications with the media

- 2.9 Where we request you to do so, you will use reasonable endeavours to co-operate with us so that we may produce case studies in relation to the work that you and we do for Clients under this Contract.
- 2.10 Subject to your Client's consent, you must promptly notify our Contract Manager of any Matter or case which is of special interest to the public or the media and we may include any such Matter or case in our published case studies referred to in Clause 2.9.

- 2.11 Subject to your Client's consent, in respect of Matters and cases, you must acknowledge in any communication between you and the media that such Matter or case (where the context requires) is or was Legal Aid work.

Third party rights

- 2.12 Except as stated in Clause 26.20, the parties to this Contract do not intend that any of its terms will be enforceable by any person who is not a party to it under the Contracts (Rights of Third Parties) Act 1999. The parties reserve the right to rescind and/or vary this Contract without the consent of the Replacement Provider.

Independent provider of legal services

- 2.13 You are, and acknowledge that you are, an independent provider of legal services. You are not our employee, agent or partner (in law) and must neither act as such nor so as to give the impression that you are our employee, agent or partner (in law).
- 2.14 We will not incur any contractual liability to any Client, or to any other person or organisation, as a result of anything done (or omitted to be done) by you in connection with this Contract.

3. Working with third parties

Performing Contract Work yourself

3.1 This Contract is personal to you. Subject to Clause 3.2, you must not give, bargain, sell, assign or otherwise dispose of the benefit of any of your rights, or sub-contract, novate or otherwise delegate any of your obligations, under this Contract without our prior written consent. Any breach of this Clause 3.1 shall be a Fundamental Breach.

Sub-contracting, Agents, Counsel and Approved Third Parties

3.2 For the purposes of Clause 3.1, we consent to you:

- (a) sub-contracting your obligations under this Contract to the extent specified in your Contract for Signature;
- (b) appointing Agents to undertake Contract Work in accordance with the Specification;
- (c) appointing Counsel to undertake Contract Work in accordance with the Specification; and
- (d) appointing Approved Third Parties to undertake work in accordance with the Specification.

Your responsibility for third parties

3.3 You will remain responsible to us for the fulfilment of all of your obligations under this Contract irrespective of whether you have entered into a sub-contract or appointed an Agent, Counsel or Approved Third Party in respect of the same. If you appoint:

- (a) sub-contractors or Agents pursuant to this Clause 3 you are responsible for ensuring that:
 - (i) their work is properly supervised;
 - (ii) supervision of them is, in all respects, equal to your supervision of your employees in accordance with the Specification;
- (b) any person pursuant to this Clause 3 you are responsible for ensuring that:
 - (i) all payments are made to them for their work;
 - (ii) their work complies with this Contract; and
 - (iii) the use of such persons does not increase the costs payable by us.

3.4 If an Approved Third Party, Agent, Counsel or a sub-contractor ceases providing services to you, you are responsible for ensuring that you continue to fulfil your obligations under this Contract. You must also promptly notify us of any termination or expiry of any arrangements between you and any of your sub-contractors.

Can we specify criteria for third parties who may be instructed?

- 3.5 We may require that Agents, Approved Third Parties and Counsel appointed by you in relation to Contract Work must possess such experience, qualifications, or be members of such panel, or hold such accreditation as we may specify in the Specification and may from time to time specify Counsel, Agents and Approved Third Parties who may not be appointed.

Can we specify payment rates for third parties?

- 3.6 We may specify from time to time, the maximum payments (by way of hourly rates or otherwise and which may be banded by reference to experience, location, area of expertise or otherwise) that we will reimburse you in respect of work carried out by Approved Third Parties and Counsel whom you appoint. Your obligations in respect of payment rates to be made to Approved Third Parties and Counsel are set out in the Specification and/or Legal Aid Legislation.

Third parties time recording

- 3.7 Subject to Clause 3.8, all agreements you make with Approved Third Parties under which the fees payable by you exceed £250 per Matter or case, Agents, Counsel or sub-contractors in connection with Contract Work, must require them to keep accurate records of the time they spend on the work you have appointed them to do and of the work done.
- 3.8 If an Approved Third Party is already working with a Client at the time of your instruction by the Client, your obligations under Clause 3.7 are only to use your reasonable endeavours to require such Approved Third Party to keep the required records and permit them to be Audited in accordance with Clause 3.9.

Access your sub-contractors must give to us

- 3.9 You must ensure that any agreement you have with any sub-contractor you appoint pursuant to Clause 3 includes a directly enforceable right for us to enter their premises and Audit the Contract Work that they have undertaken to the same extent as we have the right to enter your premises and Audit Contract Work that you have undertaken in accordance with this Contract.

Terminating your arrangements with third parties

- 3.10 Without limiting our rights under Clause 24 and/or 25, we may require you to terminate your arrangements with any Approved Third Party, Agent, Counsel or sub-contractor (and not use such Approved Third Party, Agent, Counsel or sub-contractor to undertake Contract Work or work in relation to Contract Work) if the standard of such work undertaken by or any other acts or omissions of such Approved Third Party, Agent, Counsel or sub-contractor is or are such as to entitle us to terminate this Contract (including pursuant to Clause 24.14).

Consortium Members

- 3.11 If you are part of a Consortium this will be specified in your Schedule. Where you are a member of a Consortium you must:
- (a) comply with any Relevant Professional Body rules which apply to how you and the Consortium Members work together;
 - (b) without limiting Clauses 3.11(a), 7.2 and 7.12:

- (i) ensure that notwithstanding any duties to the other Consortium Members or Consortium arrangements, you act in the best interests of your Clients or potential Clients at all times;
 - (ii) subject to (iv) below, investigate with your Client or potential Client whether they agree to you acting for them given the identity of the other Consortium Members;
 - (iii) ensure that all Clients are notified in writing which Consortium Member is acting for them;
 - (iv) not share information about Clients, Matters or cases with Consortium Members unless the relevant Client has consented to you doing so;
 - (v) prior to referring a Client to any of your Consortium Members, you will take reasonable steps to ensure that such Consortium Member is properly able to act for such Client (including not having any conflict of interest with such Client which would prevent such Consortium Member from so acting); and
 - (vi) only make referrals of Clients to Consortium Members where it is in the best interests of the Client to do so and in compliance with Clause 7.2.
- (c) without limiting Clauses 3.11(a), 7.2 and 7.12:
- (i) only recommend that a potential Client uses a Consortium Member where it is in the best interests of the potential Client to do so, and in compliance with Clause 7.2.

4. Financial disclosure and risk

Audited or certified accounts

- 4.1 You must maintain annual accounts as required by applicable law (including the Companies Act 2006) and in accordance with any Relevant Professional Body rules, which as a minimum must include the following:
- (a) profit and loss accounts;
 - (b) a balance sheet;
 - (c) a cash flow statement for the accounting period;
 - (d) full notes to the accounts which must include a complete statement of all the accounting policies adopted;
 - (e) where relevant, as specified in the Specification, details of the Standard Monthly Payments received by you in the relevant accounting period and details of all Payments on Account received by you in the relevant accounting period in respect of Contract Work for which you have not at the end of such period submitted an invoice to us together with explanatory notes in respect of such accounts;
 - (f) in the case of a Not For Profit Organisation, such other accounts as may have to be submitted to the Charity Commission of England and Wales and/or the Registrar of Companies.
- 4.2 Each annual accounting period must start when the previous one ended. You must have your accounts audited or examined as required by applicable law (including the Companies Act 2006) and in accordance with any Relevant Professional Body rules. You must produce evidence from the auditor or examiner confirming the results of the audit, or examination, and the outcome to us when requested pursuant to Clause 9.1. You must notify us within 14 days if the auditor or examiner either refuses to certify your accounts or qualifies them.

Financial disclosure

- 4.3 You must disclose your annual accounts to us in accordance with any Relevant Professional Body rules when requested pursuant to Clause 9.1.
- 4.4 In addition and without limiting Clause 9.1, if:
- (a) you are under Official Investigation;
 - (b) you have exceeded your Maximum PoA Limit;
 - (c) your accounts are not audited and/or certified by an independent accountant or the independent auditor qualifies your accounts;
 - (d) your financial position is such that we consider that there is a significant risk to your Clients or public funds; or
 - (e) we have any reasonable concerns about your financial position,

you must within 14 days of our request disclose to us such other financial information as we reasonably require about you (including information about your monthly management accounts, Bank Covenants, Bank Facilities and your and your partners and/or directors loan agreements and details of other assets and liabilities) and about Contract Work (and any other work secured by us).

Indemnities and guarantees from Providers

- 4.5 If you are a limited company or an organisation with limited liability or if you are a partnership and any of your partners is an organisation with limited liability, then, unless you are a registered charity, we may at any time while this Contract is in force, require from you, and you must provide to us, guarantees and indemnities by such date and in such form as we may reasonably request from the ultimate owners of your organisation and/or such persons as we might reasonably regard as being controllers and/or senior managers of your organisation and/or where you are a limited company, from any company which is your holding company.

Maintaining financial records

- 4.6 You must maintain records of the information referred to in Clauses 4.1 and 4.3 in accordance with Clause 8.6.

5. Equality and diversity

Our obligations

5.1 We have a duty, in accordance with section 149 of the Equality Act 2010, to have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a Relevant Protected Characteristic and persons who do not share it; and
- (c) foster good relations between persons who share a Relevant Protected Characteristic and persons who do not share it,

and you must use all reasonable endeavours to assist us, and to co-operate with us, to enable us to comply with our duty.

Your obligations

5.2 To help us to comply with our duty under the Equality Act 2010, you must:

- (a) have regard to the Equality and Diversity Guidance;
- (b) have a written equality and diversity policy that, as a minimum, must include:
 - (i) a commitment to the principles of equality and diversity and to observing legislative requirements;
 - (ii) how you will meet the diverse needs of the Clients and local community or communities that you serve;
 - (iii) how you will implement, monitor, evaluate and update the policy;
 - (iv) how you intend to ensure equality in relation to your personnel, Clients, potential Clients and other third parties appointed by you in accordance with Clause 3;
 - (v) identification of a senior person within your organisation with responsibility for the policy and its effective implementation;
 - (vi) how complaints and issues are to be dealt with;
 - (vii) requirements that no members of your personnel unlawfully discriminate in dealings with other members of your personnel, Clients, potential Clients or other third parties appointed by you in accordance with Clause 3,the "Equality and Diversity Policy";
- (c) have and implement an equality and diversity training plan for your personnel;

- (d) have and implement a communications plan to promote your policies and procedures for ensuring that your services are accessible for people with a disability and meet the language needs of the Clients you serve in your locality; and
 - (e) review the policies and plans referred to above in operation at least once during the Contract Period (and more regularly if you or we identify any non-compliance with your Equality and Diversity Policy or plans or any failure of your Equality and Diversity Policy to comply with Clause 5.2(b) or complaints relating to equality and/or diversity are made by Clients, potential Clients or your personnel). You must take prompt and effective corrective action if you identify any such non-compliance or receive any such complaint (including undertaking additional reviews), or if you are failing to meet the objectives contained within such policy and plans and/or if such policies and plans do not comply with this Contract.
- 5.3 Without limiting the generality of any other provision of this Contract, you must not unlawfully discriminate, and must take all reasonable steps to ensure that your personnel do not unlawfully discriminate as provided by the Equality Act 2010.
- 5.4 Without limiting the generality of any other provision of this Contract, you must not have been found by a competent court or tribunal at any time to have unlawfully discriminated against any Client or potential Client.
- 5.5 To help us to comply with our statutory obligations in relation to equalities and diversities, you must at our request use your best endeavours to provide us with equality and diversity information in accordance with the Equality and Diversity Guidance. This includes information about Clients (including on gender, ethnicity, age and disabilities) and your personnel. This helps us to carry out equality impact assessments and make decisions that better take account of any equality and diversity needs of Clients and potential Clients.

6. **Logos and marketing**

Use of Promotional Items and other intellectual property

- 6.1 While this Contract is in force you may describe yourself as a Provider and may use Promotional Items in accordance with our quality mark guidelines published on our website from time to time.
- 6.2 You will not:
- (a) use, market or exploit the Promotional Items for any purpose other than in accordance with the provisions of this Contract;
 - (b) adopt, use or register any word or symbol or combination of words or symbols which is confusingly similar to any trademarks or logos used by us (whether registered or not); or
 - (c) use in connection with this Contract any other trade mark, service mark and/or logo that so nearly resembles one or more of our trade marks (whether registered or not) as to be likely to cause confusion or deception.
- 6.3 The benefit of the use of the Promotional Items and any additional goodwill accrued as a result of your activities under this Contract will vest in and is hereby assigned to us. You agree to execute such documents and do such other things as we may reasonably request, including after this Contract ends, to confirm any such rights to us.
- 6.4 If any use of the Promotional Items does not conform in any respect with the use as approved by us, we may so inform you and you must cease such use immediately.

Restrictions on how you may market your services

- 6.5 Neither you, nor any person representing you, (either directly or indirectly) may market your ability to perform Contract Work by means of:
- (a) unsolicited visits;
 - (b) unsolicited telephone calls;
 - (c) advertising "free" welfare benefits checks; or
 - (d) advertising "free" housing disrepair surveys,
- and any work carried out for any person who contacted you as a result of (a) to (d) above is not Contract Work (and is not payable by us).
- 6.6 Neither you, nor any person representing you, may provide any inducement, including any money or other gifts to a Client or potential Client except items of refreshment for immediate consumption by the Client or potential Client.

Restrictions on the name of your organisation

6.7 You may not name or describe your organisation to any person (whether verbally or in written form) as:

- (a) a CLAC;
- (b) a CLAN;
- (c) the CDS;
- (d) the CLS;
- (e) or any name which in our reasonable view is confusingly similar to those listed in Clause 6.7(a) to (d) above,

without our prior written consent.

Paying referral fees

6.8 You must not make any payment, or provide any other benefit, to any third party (including any Consortium Member and any other Provider) for the referral or introduction (directly or indirectly) of any Client or potential Client to you.

Receiving referral fees

6.9 You must not receive any payment, or any other benefit, from any person or body (including any Consortium Member and any other Provider) for the referral or introduction (directly or indirectly) of any Client or potential Client by you unless the services to be provided pursuant to the referral or introduction are not services for which the Client or potential Client would be eligible under the Legal Aid Legislation.

Payment presumption

6.10 Where you:

- (a) make any payment or provide any other benefit; or
- (b) receive any payment or any other benefit;

in circumstances that suggest a possible breach of Clauses 6.8 or 6.9, the presumption will be that the payment or benefit was made, provided or received in breach of this Contract and the onus will be on you to show that was not the case.

6.11 For the purpose of Clauses 6.8 to 6.10, payment or receipt of payment for Contract Work properly due under the terms of this Contract in compliance with Clause 14.2 to 14.5 inclusive is not a "payment" or "other benefit".

7. Your obligations, looking after Clients, compliance and self-monitoring

Providing Contract Work

7.1 You must comply with the Contract Documents.

Clients' interests and independence

7.2 In performing Contract Work, you must act in the best interests of your Clients and be uninfluenced by any factor other than the Clients' (and potential Clients') best interests.

7.3 If you become aware of any act or omission that would justify a claim against you by a Client, you must promptly advise the Client to obtain independent advice (and keep a copy of your letter on the Client's file).

Indemnity insurance

7.4 You must have and maintain during the Contract Period and for a period of six years following the expiry and/or termination of this Contract, professional indemnity insurance with a reputable insurer which is sufficient to cover your liabilities under this Contract, having due regard to the type of Contract Work you undertake and the associated risks.

7.5 Subject to Clause 7.4, unless you are a registered charity, as a minimum, you must have professional indemnity insurance which provides at least the cover required for you as specified by any Relevant Professional Body from time to time. If you are a registered charity, you must have professional indemnity insurance which provides, as a minimum, cover of at least £1 million in respect of each claim or series of related claims.

Demonstrating compliance to us

7.6 You must demonstrate to our reasonable satisfaction that you are complying with, and have at all times while it has been in force complied with, this Contract. You must demonstrate this when we are Auditing you and at such other times as we may require in accordance with this Contract.

Client service, file management and monitoring your performance

7.7 You must have client service procedures that ensure that Clients are provided with appropriate information (including where relevant, information on costs incurred) in respect of their Matter or case.

7.8 You must effectively monitor your performance under, and compliance with, this Contract. You must take prompt and effective corrective action if your monitoring identifies any failure of or deficiency in performance or compliance, in particular in respect of the following:

- (a) the quality of your advice to, and other legal work for, Clients;
- (b) the quality of your Client service; and
- (c) Clients' perceptions of the service they have received from you,

and as part of this monitoring, you must undertake periodic Client satisfaction surveys.

- 7.9 You must have and comply with a procedure for dealing with Client complaints. Such procedure must enable you to determine such complaints rapidly and fairly and include a process for review of Client complaints and corrective action to prevent any future similar complaints.

Access to the Manual

- 7.10 You must have either a printed copy of the current Manual or on-line access to it through a recognised licensee of ours.

Legislation and rules you must comply with

- 7.11 You must comply with all relevant legislation (including all Legal Aid Legislation) and with all relevant Points of Principle of General Importance. Where you provide Contract Work within Wales, you should ensure it is accessible to, and understandable by, Clients whose language of choice is Welsh, in accordance with the Welsh Language Act 1993 (as amended) and Welsh Language (Wales) Measure 2011. Where you carry out Contract Work, without limiting your foregoing obligations, you must, in complying with Legal Aid Legislation, have regard to the Lord Chancellor's Guidance and must comply with the Lord Chancellor's Directions and the terms of any Authorisations.
- 7.12 You must comply with any Relevant Professional Body rules.

Consents, authorisations and licences you must have

- 7.13 You must obtain and maintain in force throughout the Contract Period all licences, permissions, authorisations and consents required from time to time to perform Contract Work (including those required by any Relevant Professional Body).
- 7.14 You must notify us in writing in accordance with Clause 21.9 if you are unable to comply with your obligations in Clause 7.13. Any material breach by you of Clause 7.13 will be deemed to be a Fundamental Breach. Notwithstanding the foregoing and without limiting our rights in relation thereto, you will take appropriate action to remedy such breach.

Claiming payment from Clients or Former Clients

- 7.15 Except where this Contract or Legal Aid Legislation so provides, you must not claim or seek to claim any payment from any Client or Former Client for any Contract Work or for any work that was performed in your or your Client's or Former Client's reasonable belief that it was Contract Work.

IT System

- 7.16 You must have an IT System which enables you to perform your obligations under this Contract. Your IT System must include the following as a minimum:
- (a) a system to identify all your Contract Work files;
 - (b) a system to enable you to identify Client conflicts;
 - (c) a system for identifying relevant Matters and cases when acting for a Client in a number of Matters and/or cases;

- (d) a system for accessing a list of all Matters and cases that are open and closed (where relevant);
- (e) a system which identifies key dates in respect of any Matter and/or case;
- (f) a time recording system for all Matters and cases;
- (g) a system for identifying an up-to-date record of the value of your work in progress (including disbursements shown separately) on all Matters and cases;
- (h) access to our website;
- (i) access to your Online Account; and
- (j) at least one operational email.

The Online Service

- 7.17 You must have an Online Account. Access to your Online Account is available via our website.
- 7.18 If we require you in accordance with the Contract to provide information in connection with Contract Work to us electronically, including through your Online Account, you must do so and, subject to Clause 7.19, we will not accept such information submitted by any other means of delivery.
- 7.19 Where you are required to provide information to us through your Online Account, to the extent that the Online Service is unavailable you must notify us and you must send to us the information by such method as we may reasonably require including by fax, post or any reasonable electronic method. Provided that you have complied with your obligations in this Clause 7.19, you shall not be deemed to be in breach of your obligation to provide us with the relevant information through your Online Account.

Business Continuity Plan

- 7.20 You must have at all times a Business Continuity Plan which conforms with Good Industry Practice and make it available to us (or our agents) at our request for inspection. You must review and test the Business Continuity Plan at least annually and correct any deficiencies identified during testing or implementation of that plan.
- 7.21 You must use all reasonable endeavours to prevent the loss, disclosure or corruption of any information relating to Contract Work held by you on your IT System. You must make up-to-date daily back-ups of such information which is in electronic format and store such backups on a regular basis offsite. If an Unplanned Interruption occurs, which significantly impacts on your ability to perform Contract Work you will promptly notify us and provide details of the remedial action taken by you. You must ensure that all information relating to Contract Work held on your IT System can be recovered as soon as reasonably practicable following an Unplanned Interruption.

Environment

- 7.22 You shall throughout the Contract Period work with us in improving the effects of Contract Work on the environment.
- 7.23 You shall improve the environmental efficiency of the provision of Contract Work and provide a flexible approach to the management of such work. This may include the use of energy efficient vehicles, the reduction, reuse and recycling of waste generated, using energy for buildings and equipment in an efficient manner and use and reuse of water and other resources in an efficient manner. You will also at all times demonstrate to us a commitment to comply with environmental legislation applicable to your obligations in this Contract.

8. Keeping records and completing and returning forms

Contract Work files

- 8.1 You must maintain a file for each Matter and/or case. Files, including electronic files, must be maintained in an orderly manner, showing all correspondence, attendance notes and disbursements on the relevant Matter or case, what Contract Work was performed, when it was performed and by whom, how it was performed and how long it took.

Recording information

- 8.2 You must record all information required by this Contract promptly and accurately and in accordance with this Contract. Material or repeated failure to do so shall be deemed to be a Fundamental Breach.

Records you must maintain

- 8.3 You must maintain true, accurate and complete records of all activities you undertake in connection with this Contract ("Records"), including:
- (a) records of how you have (in accordance with Clause 7.8) effectively monitored your performance under and compliance with, this Contract, and the corrective action you have taken (if any);
 - (b) records of any Client complaints received and how they have been handled;
 - (c) the results of any Client satisfaction surveys;
 - (d) the results and reports of any internal (by you) and external (by us or a third party) audits, including any Audit (such as audits of your compliance with the Quality Standard by any third party);
 - (e) records of all identified non-compliances of the Contract and the corrective action taken;
 - (f) details of the operation of your Equality and Diversity Policy, procedures and communications and an assessment of its effectiveness;
 - (g) information about your organisation for internal use including office manuals and information relating to your Clients;
 - (h) the annual accounts and information referred to in Clause 4.1, and 4.3;
 - (i) a comprehensive record of findings for each file review you undertake including records and details of corrective action taken to improve performance;
 - (j) the identity of, and work performed by, any Agents, Counsel, Approved Third Parties and sub-contractors you have instructed to carry out Contract Work pursuant to Clause 3;
 - (k) files for each Matter and/or case referred to in Clause 8.1; and
 - (l) up-to-date records (including accurate values) of current work in progress in respect of all Contract Work.

- 8.4 Records maintained pursuant to Clause 8.3 must be sufficient:
- (a) to verify and demonstrate performance of and compliance with your obligations under this Contract;
 - (b) to verify and demonstrate the accuracy of information supplied by you in respect of Contract Work;
 - (c) to enable Assessments to be performed;
 - (d) to verify and demonstrate the accuracy of all information supplied by you under or in connection with Clause 14;
 - (e) to facilitate an Official Investigation; and
 - (f) for such other purposes as we reasonably consider necessary in connection with our statutory duties or functions.

Storing files and Records

- 8.5 You must keep secure all documents provided to you by or on behalf of your Client, a court or any Relevant Professional Body and which relate to Contract Work carried out for a Client. You must have in place appropriate security procedures to ensure that non-authorized persons do not gain access to such information.
- 8.6 You must maintain Records (excluding Contract Work files) for a period of six years from the date the relevant Record is created, save where such Records are required to be maintained for longer as required by applicable law or by any Relevant Professional Body. In these cases you must maintain such records in accordance with such requirements (and if more than one such body specifies a period, it shall be the longest period for the purpose of this Clause 8.6).
- 8.7 Subject to Clause 8.8, you must securely retain all the Contract Work files (including all documents originally placed on the file, and file records) of all Clients for whom you have performed work under this Contract or any prior agreement with us for any Contract Work (or equivalent) covered by this Contract until the later of the date you are required by law and/or your Relevant Professional Body (and if more than one such body specifies a period, it shall be the longest period for the purpose of this Clause 8.7) to retain the same and the end of the period of six years from the date of the last of the following events to occur:
- (a) you have correctly reported closure of the Matter or case to us;
 - (b) a final Claim for your work on the Matter or case has been submitted to us; or
 - (c) all payments in respect of the Matter or case have been made.
- 8.8 You need not retain closed files (or copies of them) if the Matter or case has been transferred elsewhere at the Client's request, including if they have changed Provider. However, you should retain copies if, without them, there is a risk that you will be unable to demonstrate compliance, as required by Clause 7. Where a Client has changed Provider, obtaining an irrevocable undertaking from the new Provider to return the file, should it be required for Audit purposes, will be sufficient.

- 8.9 Without limiting our rights under Clause 9.1, Records may be held by you pursuant to this Clause 8 in any manner (including on microfiche or CD ROM), provided that you are able to comply with your obligations to provide such information to us in accordance with Clauses 8 and 9.

Electronic files

- 8.10 In respect of Contract Work files which you hold electronically, you must ensure that such electronic files contain an accurate and complete record of all matters which would have been included had such file been a paper file, including:
- (a) ensuring that documents are held in pdf format; and
 - (b) in relation to any paper documents which you save in electronic format for storage, having a process in place (and you must comply with such process) for ensuring that electronic copies are accurate copies of the corresponding paper document.

Forms you have to complete

- 8.11 You must complete, and return to us within such period as we may specify, such Contract Report Forms as we may reasonably specify. We will give you at least 28 days notice of the introduction of any new Contract Report Forms and of any amendments to any Contract Report Forms.

Lien over Client files

- 8.12 By virtue of performing Contract Work you do not obtain any lien over any Client files or any other rights in the work or documents relating to them.

Provider intellectual property rights

- 8.13 Subject to Clause 8.12 and unless provided otherwise in this Contract, we shall not receive any right, title or interest in respect of the intellectual property rights owned by you in respect of any document produced by you for your Clients.

9. Provision of information and access to your premises

Information you must provide and within what period

9.1 We may from time to time require you to provide us with Records in connection with the performance of your obligations under this Contract, including during any Audit. You will provide us with the same promptly and in any event within such time period we reasonably specify. If any such Records are held by a third party you must promptly, upon receipt of our request, arrange for such Records to be sent to us.

Audits and Official Investigations

9.2 At any time during the Contract Period we may conduct an Audit and you will, if we request, in order to enable us to conduct an Audit grant to us, our employees, agents or any statutory or regulatory body on not less than 48 hours notice (or immediately upon request where you are subject to any Official Investigation) access to any premises during Business Hours from which you are performing your obligations under this Contract.

9.3 We may also undertake an Audit after the end of the Contract Period where:

- (a) you are performing Remainder Work;
- (b) any Claims are outstanding (including where any Assessment has not been completed) or have not been submitted; or
- (c) to conduct an Official Investigation.

9.4 Once we have notified you that an Official Investigation is to take place, unless you have our prior consent you must not remove any Records from your premises. If we require access to any Records which are not held at your premises you will promptly either arrange for us to have access to such Records at the location where these are held or for such Records to be sent to your premises to which we have access.

Quality Standard Audits

9.5 At our request you must submit to us, by such date as we may reasonably specify, information regarding your Quality Standard. This may include information in respect of the expiry date of your Quality Standard, or the dates of planned or completed audits where your Quality Standard is audited by a third party. You must write to us with the outcome of the third party's audit and provide us with a copy of their report within seven days of your receipt of it. You must ensure that the third party is aware of this provision and consents to it.

Co-operation, assistance and facilities you must provide during an Audit

9.6 You must co-operate with us, our employees, agents or any statutory or regulatory body during any Audit (including when you are subject to an Official Investigation) carried out by us. You must provide all such explanations and answer truthfully, fully and promptly all questions which are put to you by any person carrying out the Audit and which relate to this Contract. You must, as soon as we require it, provide us with such assistance and facilities as we may reasonably require including the following:

- (a) such facilities as any person carrying out the Audit may request to facilitate the Audit to take place including private interviewing facilities;
- (b) making available your personnel and sub-contractors appointed by you in accordance with Clause 3 and their personnel and your representatives for meetings with any person carrying out the Audit as requested;
- (c) making available any Records in connection with the performance of your obligations under this Contract as any person carrying out the Audit may request including providing assistance in accessing such Records in the format we require (including electronic and paper format);
- (d) print Records which are held on computer or on microfilm or otherwise convert them into a readily legible document or any other record which any person carrying out the Audit may request;
- (e) provide to us in a readily legible form copies of Records requested by us (and/or permit any person carrying out the Audit to copy Records using any reasonable means required by such person, at your expense) and we shall be entitled to remove such copies and hold them elsewhere;
- (f) in the case of an Official Investigation only, provide access to any Records held on your computer systems (including images of the hard drive).

Unless we agree otherwise, your Contract Liaison Manager must be available to us during any Audit.

- 9.7 Any material or repeated breach by you of any of Clauses 9.1 to 9.6 will be deemed to be a Fundamental Breach.

Costs of Audit

- 9.8 If Clause 14.18 applies you shall reimburse us with the Reasonable Costs we incur in conducting the relevant further Audit.

Keeping Records about Contract Work separately from information about other work

- 9.9 You must be able to provide Records about Contract Work and your performance under and compliance with this Contract (including Records in respect of time recording and invoicing) separately from other information about any other services you perform. If you have information about other services, you must ensure that this does not prevent you from complying with this Contract, including on the ground of privilege.

Failure to provide required access or Records

- 9.10 If you fail to co-operate, provide access or Records as required by Clauses 7, 8 or 9 we have reasonable grounds to believe that there is a risk to Clients and/or public funds. We may, therefore, without limiting our rights to apply any Sanction in accordance with Clause 24.1, suspend your authority to start new Matters and cases, your entitlement to receive payment from us and/or any slots allocated to you under any relevant rota.

Mystery shopping

- 9.11 At our cost, as part of our Assessment of your performance and compliance, our representatives may telephone, visit or otherwise contact you as if they were a Client and report the outcome to us. You must ensure that your personnel know that we may do this. If we do assess you in this way we will, except so far as it may conflict with any provision of this Contract, follow the Market Research Society Code of Conduct.
- 9.12 When we have evaluated it, we will provide you with the information we obtain from any Assessment under Clause 9.11.

Client satisfaction surveys

- 9.13 You must permit us to carry out surveys of Clients and must provide us with such information as we may require for such purpose.
- 9.14 If you request it, we will provide you with the information we obtain in any of the surveys of Clients (and Former Clients) for whom you have performed Contract Work.

Obtaining a Report

- 9.15 By signing this Contract, you authorise us to obtain a Report if at any time we have good reason to suspect serious professional misconduct, breaches of Legal Aid Legislation with which you are required to comply (if any) or dishonesty by (i) you (whether or not you are under Official Investigation) (ii) any of your personnel who have been, or may be, involved in Contract Work (iii) any of your partners (iv) any of your directors and (v) any third parties appointed by you in accordance with Clause 3. You must use all reasonable endeavours to ensure that individuals at (i) to (v), that may be required to give consent to enable such Reports to be given to us, do so.

10. **Standard of Contract Work**

Standard of Contract Work

10.1 You must at all times perform Contract Work in a timely manner and with all reasonable skill, care and diligence.

10.2 You must at all times hold the Quality Standard.

Your personnel

10.3 You must have in place processes to ensure that personnel that perform Contract Work are allocated work according to the role they are required to fulfil and on the basis of their skills, competence and capacity and any requirements set out in the Specification.

10.4 You must not permit or require any person to provide Contract Work or work in connection with Contract Work who:

- (a) refuses to consent to our obtaining status reports on them, including from any Relevant Professional Body;
- (b) we notify you that we reasonably believe is unsuitable to perform such work and our reasons for this; or
- (c) is excluded from performing such work by an order or direction of a court, tribunal, professional body or regulator with power to do so.

10.5 If we wish to obtain information about you or any of your personnel from any Relevant Professional Body and we require your consent, or the consent of any of your personnel, to do so, you must provide your consent and must use all reasonable endeavours to ensure that those of your personnel, whose consent is required, shall do so.

Independent Peer Review Process

10.6 You agree to the standard of your Contract Work being assessed by the Independent Peer Review Process and promptly to provide such information, Matter files and case files as may be required for that purpose. Both you and we agree to accept the validity of the Independent Peer Review Process and to be bound by the outcome of the Independent Peer Review Process. The Independent Peer Review Process and an explanation of the ratings (1-5) are available on our website and from your Contract Manager.

10.7 In each Category of Law, your Contract Work must receive a rating of either 1, 2 or 3 as determined by the Independent Peer Review Process. If you receive a rating of either 1, 2 or 3, we will not require you to reimburse us for the standard costs that are charged to us by those we instruct to carry out Peer Reviews.

10.8 If your Contract Work in any Category of Law receives a rating of either 4 or 5 as determined by the Independent Peer Review Process at the initial Peer Review, you may make representations in accordance with such process. If your original rating is upheld this is a breach of Contract and, without limiting our rights to apply any Sanction in accordance with Clause 24.1, you will reimburse us for the standard costs that are charged to us by those we instruct to carry out that initial Peer Review.

10.9 If your Contract Work in any Category of Law receives a rating of either 4 or 5 as determined by the Independent Peer Review Process at the second Peer Review, you may make representations in accordance with such process. If your original rating of either 4 or 5 is upheld, this confirms the outcome of the Independent Peer Review Process and is a Fundamental Breach. In these circumstances, and without limiting our rights to apply any Sanction in accordance with Clause 24.1, you will reimburse us for the standard costs that are charged to us by those we instruct to carry out that second Peer Review.

11. **KPIs**

Compliance with the KPIs

- 11.1 You must meet each of the KPIs in accordance with the Specification.
- 11.2 The primary purpose of the KPIs is to assist in monitoring your performance under this Contract and identifying areas of concern.
- 11.3 If you fail to meet a KPI we will:
 - (a) offer you the opportunity to discuss with us the reasons for your failure to meet such KPI;
 - (b) consider whether it is appropriate for us to agree an action plan to remedy such failure and/or ensure that such failure is not repeated. If we agree such an action plan you will thereafter comply with it; and
 - (c) other than in accordance with Clause 24.4 take into account the severity of the failure to meet the KPI, the number of previous failures to meet the KPI in question, any term of the Specification in relation to the relevant KPI and/or how many other KPIs you have previously failed to meet.
- 11.4 We may use your performance against the KPIs as measures that may cause us to raise enquiries with you, conduct an Audit or further monitoring of your performance.
- 11.5 We may use your performance against the KPIs as entry or selection criteria for future contracts.

12. **Contract Documents and precedence**

Contract Documents and precedence

12.1 The Contract Documents, being the documents which form part of this Contract, are listed below. We will provide you with signed copies (which may be an electronic copy) of the Contract for Signature and your Schedules. You hereby acknowledge and agree that you have read and understood the Standard Terms and Specification (each of which are available on our website). Unless one provision is stated expressly to override, or to be subject to, another then, in the event of any conflict between any of the provisions of the Contract Documents, the conflict will be resolved according to the following order of priority:

- (a) the Contract for Signature (including the Annex);
- (b) the Standard Terms;
- (c) the Schedule(s); and
- (d) the Specification.

Contract for Signature

12.2 Your Contract for Signature will set out the Schedule(s) which are applicable to you.

Schedule content

12.3 A Schedule sets out the Contract Work that you are authorised to perform, any bespoke contract terms that apply to your provision of Contract Work, volumes of Contract Work and the Locations from which you are permitted and/or required to perform Contract Work.

Specification content

12.4 The Specification contains rules governing the day to day performance of Contract Work including, but not limited to:

- (a) the Contract Work that you are authorised to perform;
- (b) the rates of payment for Contract Work (as referred to in the Specification and/or as set out in the payment annex which forms part of the Specification) and provisions relating to Assessment, including information on how Assessments are carried out;
- (c) details relating to the day to day performance of Contract Work such as how you must (and must not) perform it and how you must report it (and the cost of it) to us;
- (d) information on how the value of Contract Work may be calculated, on how payment reviews will be carried out and how we reconcile accounts;
- (e) information on how we manage and how you must manage your account with us (as described in Clause 14.1);
- (f) information on how to complete forms;

- (g) details of operational requirements; and
- (h) information on other issues relating to the meaning and operation of (and compliance with) this Contract.

13. Amendments to the Contract Documents

13.1 Nothing in this Clause 13 gives us the right to amend the Contract to the extent that such amendments are sufficiently material to constitute a new award of a contract for the purposes of the Public Contracts Regulations 2006 (as amended). If we wish to make any such amendments to the Contract we will not amend this Contract but may instead terminate it in whole or part under Clause 25. The remaining provisions of this Clause 13 shall be limited by this Clause 13.1.

Amending the Contract to reflect the Lord Chancellor's legislative changes

13.2 We may amend the Contract to reflect the Lord Chancellor's legislative changes as set out at Clause 13.3.

13.3 The Lord Chancellor's legislative changes include:

- (a) any changes the Lord Chancellor may make to Legal Aid Legislation pursuant to:
 - (i) section 2(3) of the Act (regulations making provision about the payment of remuneration by the Lord Chancellor to persons who provide services under arrangements made by the purposes of Part 1 of the Act);
 - (ii) section 9 of the Act (orders modifying Schedule 1 to the Act);
 - (iii) section 11 of the Act (criteria for qualifying for civil legal services);
 - (iv) section 12 of the Act (determinations);
 - (v) any power to make secondary legislation under Part 1 and 4 of the Act; and
- (b) any changes the Lord Chancellor may make to other legislation, including by way of Statutory Instrument as defined in the Statutory Instruments Act 1946 (as amended), which we reasonably believe requires a change to how Contract Work is undertaken and paid for.

Amending the Contract to take account of other legislative changes

13.4 We may also make such amendments to the Contract as we consider necessary in the circumstances:

- (a) to comply with, or take account of, any U.K. legislation or any EU legislation having direct effect;
- (b) as a result of any decision of a U.K. court or tribunal, or a decision of the European Court of Human Rights or of the European Court of Justice or any other institution of the European Union;
- (c) to comply with the requirements of any regulatory body or tax or similar authority.

Amending the Contract to take account of changes in the justice system

- 13.5 We may make such amendments to the Contract as we consider necessary in the circumstances to comply with, or take account of any changes that may be made to any element of the justice system, including changes to the justice system made by the Lord Chancellor whether in legislation or not. Changes to the justice system may without limitation include changes to:
- (a) the immigration system;
 - (b) court, tribunal and police procedures;
 - (c) locations at which Clients are detained or hearings are held;
 - (d) locations of courts and/or police stations; or
 - (e) any other part of the justice system which we reasonably believe requires a change to how Contract Work is undertaken and paid for.

Amendments to the Contract Documents under Clauses 13.2, 13.4 and 13.5

- 13.6 Amendments under Clauses 13.2, 13.4 and 13.5 may include:
- (a) amendments to any of the terms of a Schedule;
 - (b) changes to payment provisions;
 - (c) imposing controls not previously imposed;
 - (d) changes to any description of Contract Work; and
 - (e) amendments to the Specification.

Minor amendments

- 13.7 Without limiting Clauses 13.2, 13.3, 13.4, 13.5, 13.6 and 13.8 we may amend the Contract if we reasonably consider, and the Consultative Bodies agree (such agreement not to be unreasonably withheld or delayed), the relevant amendment to be of a minor nature. We may make such amendments without the agreement of the Consultative Bodies if any Consultative Body unreasonably withholds or delays their agreement.

Amendments to clarify ambiguities or correct errors and omissions

- 13.8 We may amend the Contract with the agreement of the Consultative Bodies (which shall not be unreasonably withheld or delayed) to clarify any provisions which:
- (a) are ambiguous or otherwise unclear; and/or
 - (b) do not give effect to and accurately reflect our policy decisions (as set out in the relevant Consultation Response to that policy proposal).

We may make such amendments without the agreement of the Consultative Bodies if any Consultative Body unreasonably withhold or delay their consent to any such amendments.

Consultation

- 13.9 We may not amend the Contract pursuant to Clause 13.2, 13.4, 13.5, 13.7 and 13.8 without prior consultation in accordance with Clauses 13.10 and 13.11.
- 13.10 If a proposed amendment affects only one Provider, we will consult with that Provider. Otherwise, we will consult with the Consultative Bodies.
- 13.11 If we reasonably consider that there is an urgent need to make the amendment, consultation with the Provider or the Consultative Bodies (as applicable) will last three weeks. Otherwise such consultation will last six weeks.

Complying with amendments

- 13.12 Except as set out in Clause 13.13, you must comply with any amendment made pursuant to this Clause 13 from such date as we may specify. Such date will be not less than four weeks after notice of the amendment is given if we reasonably consider that there is an urgent need for compliance with it and will be not less than six weeks after the notice of amendment is given in any other case. We may give a notice of amendment at any time after the end of the applicable consultation period referred to in Clause 13.11.
- 13.13 Amendments made under Clause 13.7 and 13.8 above come into effect from such date (which may be from the Contract Start Date) as:
- (a) may be agreed with the Consultative Bodies (such agreement not to be unreasonably withheld or delayed); or
 - (b) we may reasonably specify where agreement of any Consultative Body pursuant to Clause 13.7, 13.8 or 13.13(a) is unreasonably withheld or delayed.

Amendments proposed by you

- 13.14 You may request us to make any of the amendments to the Contract set out at Clause 13.15. Subject to Clause 13.16, we will not unreasonably withhold or delay our consent to such amendments, but any consent shall be subject to you complying with any applicable notice requirements set out in the Specification.
- 13.15 The amendments you may request pursuant to Clause 13.14 are:
- (a) the closure or relocation of any Location from which you are permitted under the Contract to deliver Contract Work or any change in the Location from which you propose to deliver Contract Work;
 - (b) the temporary or permanent reduction or cessation of any Contract Work;
 - (c) a change to your Quality Standard;
 - (d) the temporary or permanent reduction or cessation of the provision of Duty Solicitor services; or

(e) a change in membership of the Consortium.

13.16 Without limitation, it shall be reasonable for us to withhold our consent to an amendment requested by you pursuant to Clause 13.14 where we reasonably believe that:

(a) had you submitted your application to be awarded this Contract or the right to undertake the relevant Contract Work on the basis of the proposed amendment:

(i) your application would not have complied with the requirements of the procurement process in response to which such application was submitted; or

(ii) it would have adversely affected our decision to award you this Contract or the relevant Contract Work; or

(b) such amendment would adversely affect the services and/or quality of services available to Clients or potential Clients; or

(c) such amendment would constitute a new award of a contract for the purposes of the Public Contracts Regulations 2006 (as amended).

Application of Clause 13 to other provisions of the Contract

13.17 For the avoidance of doubt, the parties agree that any exercise by us or you of a contractual right or obligation set out in the Contract which may result in any change to the parties' rights and obligations under the Contract or any document referred to in the Contract are not changes for the purposes of Clause 13 (and this Clause 13 does not apply to them) including, but not limited to:

(a) awarding or removing Delegated Functions or any allocations of Matter Starts and issuing a new Schedule to confirm this;

(b) awarding or removing rota, slots and panel membership (as specified in the Specification);

(c) applying a Sanction which affects the amount or type of Contract Work you may undertake;

(d) requiring Agents, Approved Third Parties and/or Counsel appointed by you to possess specified experience, qualification or panel membership under Clause 3.5 or specifying maximum payments in respect of work carried out by Approved Third Parties and Counsel under Clause 3.6;

(e) in relation to civil Contract Work, imposing a Maximum POA Limit,

unless and to the extent that the relevant provision of this Contract setting out such right or obligation expressly applies this Clause 13.

14. Your account with us, Claims, payments and Assessments

Your account with us

- 14.1 We will maintain an account ("your account") of payments we make to you and payments we receive from you (except payments to be credited to Clients' accounts with us) in respect of this Contract and all other contracts you have with us.

Submitting Claims

- 14.2 To be eligible for payment for Contract Work, you must submit a Claim for payment on the relevant Matter or case in accordance with the provisions of this Contract.
- 14.3 Without limiting your obligations in the Specification in respect of Claims, your Claims must be true, accurate and reasonable. Any breach of this Clause 14.3 shall be a material breach.
- 14.4 In making a Claim, you must have regard to the content of the relevant Costs Assessment Manual.
- 14.5 You must submit each Claim to us within the time period specified in the Specification. Otherwise, it can be difficult for us to forecast expenditure. Persistent failure to submit Claims within the time periods specified may lead to the issue of Sanctions (including termination) under Clause 24 and/or termination under Clause 25.

Assessments

- 14.6 We are entitled to assess all your Claims, except where this Contract or legislation provides that Assessment is to be by another body.
- 14.7 We may not amend the Costs Assessment Manual without prior consultation with the Consultative Bodies. Consultation will last no longer than 14 days. We will give at least 28 days notice of any changes made under this Clause 14.7.

Payments

- 14.8 Subject to Clause 14.11 and the Specification, we will pay you either electronically or online (this includes BACS, Faster Payments, CHAPS and other relevant payment services) for the performance of Contract Work in accordance with this Contract. Subject to our right to Assess Claims, when we have paid a Claim that you submitted as a final Claim for a Matter or case, our payment is in full and final settlement of all monies due from us in respect of that Matter or case.
- 14.9 All sums stated in this Contract are exclusive of VAT (unless expressly stated otherwise). If VAT is properly chargeable on any Claim, we will pay VAT on that Claim in addition (unless the relevant amount has been expressly stated to include VAT). If you omit to claim a sum to cover VAT and seek to claim it from us later, we are not obliged to pay it, but will do so where an occasional clerical error has caused the VAT sum to be omitted from a Claim, subject to you notifying us of such omission within two years of the date when such VAT should have been charged. If you fail to notify us within such period then the relevant amount shall be deemed to have been inclusive of VAT.

14.10 If we request it, you must promptly provide us with the details we specify about any VAT arising under this Contract.

Set-off

14.11 We have the right to set-off against any amount payable by us to you under this Contract or otherwise, any amount payable by you to us, under this Contract (including under the Specification) or otherwise. For the avoidance of doubt, when this Contract ends, any obligation to make payment is subject to this right of set-off.

Overpayment or mispayment

14.12 We may issue a notice of Assessment or notice of a debt due to us in connection with Contract Work, which has the effect of making the amount specified in it payable to us, if:

- (a) we have made an "overpayment or mispayment" to you; or
- (b) in respect of a Matter or case, you have breached this Contract and, as a result of the breach, we can demonstrate that we have incurred (or will incur) a financial loss; or
- (c) where you undertake civil Contract Work, you have failed to submit a Claim, as required by this Contract, after having received a Payment on Account from us in respect of the relevant Matter or case.

14.13 An "overpayment or mispayment" under this Clause 14 includes:

- (a) any payment made in error;
- (b) where payment has been made in respect of a Matter or case, the amount of any subsequent reduction on Assessment;
- (c) where payment has been made in respect of a Matter or case, any sum which we are not required to pay (or you are not entitled to be paid) for some or all of the work that you have carried out;
- (d) any payment specified as such in the Specification.

14.14 If you become aware that any of the events set out in Clause 14.13 have occurred you should notify us within seven days of becoming so aware to enable us to adjust your account (or to require repayment) should we wish to do so and shall promptly make any repayment requested by us.

14.15 Where the "overpayment or mispayment" provisions of this Clause 14 apply because of a reduction of a Claim on Assessment then, unless we consider that there is a risk to public funds, we will not seek repayment until any appeal against the (initial) Assessment has concluded.

14.16 Any notice under Clause 14.12 will specify the amount of the overpayment or the financial loss (as the case may be) and how the relevant criterion in Clause 14.12 is met. You shall pay us any amount shown as payable by you to us in a notice issued under Clause 14.12 by no later than 14 days after the date of such notice.

14.17 Unless we consider that there is a risk to public funds and subject to you providing us on request with satisfactory documentary evidence supporting your request, we will consider allowing you to make any repayment of more than £1,000 required under this Clause 14 in a reasonable number of instalments or by making a reasonable adjustment to your Standard Monthly Payments provided that repayment must be over the shortest reasonable period and must usually be completed within 12 months.

Audits

14.18 If an Audit identifies that you have made any Claim(s) in excess of your entitlement as specified in this Contract (including where your Claims result in the circumstances in Clause 14.12(a) arising) (Excess Claims) we may by notice require you to reimburse us with the Reasonable Costs we incur in carrying out any further Audit we undertake to establish whether you have made any other Excess Claims, provided that:

- (a) we will notify you before carrying out any such further Audit and offer you a reasonable opportunity to examine your Contract Work files and co-operate with us by identifying and rectifying any Excess Claims, including making appropriate proposals for repayment to us if your examination identifies any Excess Claims. We will not carry out such further Audit if we accept your proposals;
- (b) you will not be obliged to reimburse us with the Reasonable Costs we incur in carrying out any such further Audit if such further Audit reveals no additional Excess Claims or if, in our reasonable opinion, the number of additional Excess Claims identified by such further Audit is negligible (and in assessing the number of such Excess Claims, we will disregard any Claims which you have made in reasonable reliance on our guidance indicating that such Claims were permissible);
- (c) the decision to require you to reimburse us with our Reasonable Costs under this Clause 14.18 may only be made by the Head of Contract Management after we have offered you a reasonable opportunity to make representations to such person in respect of the relevant Excess Claims; and
- (d) you may request a formal review of the Head of Contract Management's decision under Clause 27.

14.19 We may carry out a further Audit under Clause 14.18 either using our own staff or our agent's staff.

Other rights

14.20 This Clause 14 does not, in any way, limit any rights we may have, including the right to claim payment from any of your former owners, former partners or former directors or any Members (LLP).

15. Confidentiality

Information we must keep confidential

- 15.1 The presumption, under this Contract, is that information about you and which you provide to us under this Contract is not confidential. If you, therefore, wish to assert that specified information about you is confidential and should not be disclosed you must notify us accordingly at the time of your disclosure of the specified information and expressly identify in writing those documents which are to be treated by us as confidential. Subject to Clause 15.5, we will keep strictly confidential all such information to the extent it is of a confidential nature.
- 15.2 Subject to Clause 17, but notwithstanding any other term of this Contract, we will not disclose:
- (a) any confidential information about your Clients or Former Clients except as permitted by the Legal Aid Legislation or required by any other legislation; or
 - (b) any information in respect of the personal finances of your personnel which is disclosed to us pursuant to Clause 4. We will not disclose such information to any person within the LAA who does not need such information for the purpose of Clause 4.

Information you must keep confidential

- 15.3 Subject to Clause 15.5, you must keep strictly confidential all information of a confidential nature concerning the affairs or business of any other Provider (or former Provider) or its Clients or Former Clients that you might obtain from our personnel or representatives whether through inadvertent or wrongful disclosure or otherwise. If you do obtain any such information, you must inform us without delay and must return to us any written information without taking copies of it.
- 15.4 Subject to Clause 15.5, you must keep strictly confidential all information that you may obtain from us which is designated as confidential. Provided you have not (outside the terms of this Contract) agreed otherwise with us you may disclose any information (other than to the extent such information comprises Personal Data) obtained from us which is designated as confidential to any Relevant Professional Body or personnel, provided you secure from them an agreement to treat it as strictly confidential.

Information which is not confidential

- 15.5 For the purposes of this Contract, the obligations of confidentiality in Clauses 15.1, 15.3 and 15.4 shall not apply to the extent:
- (a) information which, before its receipt directly or indirectly from the other party, was in the possession of the receiving party and at its free disposal;
 - (b) information which is subsequently disclosed to the receiving party, without any obligation of confidentiality, by a third party who has not derived it directly or indirectly from the other party, or in any unlawful manner, or in breach of any obligation of confidentiality;

- (c) information which is required by legislation (including the Freedom of Information Act 2000) to be disclosed but only to the extent that it must be so disclosed;
- (d) information which, to the extent that it must be so disclosed, is required to be disclosed by any court, tribunal or other administrative body with such power or which is disclosed by us for the purposes of providing information to Parliament;
- (e) information that we reasonably consider necessary to be disclosed for the purposes of an Official Investigation or determining whether that Official Investigation should take place;
- (f) information which is already in the public domain;
- (g) we consider that the public interest in making any disclosure outweighs the obligation of confidentiality. Where we intend to disclose in the public interest, we will notify you of our intention before doing so unless this is impracticable or would prejudice a lawful investigation (including by the police or by any Relevant Professional Body); and
- (h) information in connection with the award, content and operation of this Contract, including:
 - (i) the terms (including payment terms) of this Contract;
 - (ii) the payments that we have made to you (by Category of Law, Class of Work or otherwise);
 - (iii) the numbers of Matters and cases that you have started and completed (by Category of Law, Class of Work or otherwise);
 - (iv) your performance, including as measured by the Independent Peer Review Process, following the conclusion of any internal appeals process;
 - (v) your status under this Contract; and
 - (vi) contract decisions concerning you (or your personnel), taken by us, and the reasons for such decisions. "Contract decisions" include decisions concerning Sanctions, decisions concerning the amount of payments made to you and the results of Audits, following the conclusion of any internal appeals process,

except where we determine, in our absolute discretion, that any such information is exempt from disclosure in accordance with the provisions of the FOIA.

Information obtained by Researchers

15.6 We will require any Researchers:

- (a) to comply with all legislation concerning the disclosure of information about your Clients or Former Clients; and
- (b) to keep all information of a confidential nature concerning your affairs or business strictly confidential and not to use it for any purpose other

than as required, authorised or permitted by the Legal Aid Legislation or this Contract or in respect of research being carried out on our behalf.

- 15.7 Subject to Clause 15.5, we will be under a duty to ensure that, in any report provided to us by Researchers and intended to be published, no information will be included which will disclose information of a confidential nature about you (or any Client or Former Client of yours) or enable you or any Client or Former Client of yours to be identified (unless the fact that they are a Client or Former Client of yours is already in the public domain).

Information we may publish

- 15.8 Except in respect of any information which we are bound by this Contract to treat as confidential, we are entitled to publish at our discretion such information in relation to this Contract as we may consider appropriate for publication from time to time. This means that without limitation we may publish:

- (a) any information that we are not bound by this Contract to keep confidential;
- (b) your name (and if applicable the names of your partners and directors, or sole principal) if this Contract has terminated where your right to ask for a formal review under Clause 27 has lapsed or where a formal review has been unsuccessful;
- (c) the names of any personnel and any third parties appointed pursuant to Clause 3 whom we have excluded from Contract Work, and why, and you are required to make your personnel and such third parties aware of this provision,

provided that we will not disclose any such information until all appeals in relation to such information are exhausted.

16. Data protection

Yours and our Data Protection Legislation obligations

- 16.1 For the purposes of the Data Protection Legislation it is the understanding of the parties that:
- (a) LAA and you are Data Controllers "in common" or "alone" (but not "jointly") in respect of the Shared Data;
 - (b) you are a Data Processor in respect of Personal Data comprised within the LAA Data;
 - (c) you may be a Data Controller or Data Processor on behalf of Clients and Former Clients in respect of other Personal Data.
- 16.2 You will not delete or remove any proprietary notices contained within or relating to the LAA Data.
- 16.3 In respect of the Shared Data:
- (a) You will be responsible for and will at all times comply with the Data Controller's obligations under the Data Protection Legislation in respect of Processing carried out in connection with the performance of this Contract, including in respect of the confidentiality, integrity and security of that Data and the transfer of that Data to LAA as envisaged under this Contract;
 - (b) LAA will be responsible for compliance with the Data Protection Legislation in respect of that Shared Data which is actually received and Processed by LAA as a Data Controller;
 - (c) it is not expected that either us or you will be responsible under the Data Protection Legislation for a breach of the Data Protection Legislation by the other party.
- 16.4 You will not Process the LAA Data or Shared Data except as necessary for the performance by you of your obligations under this Contract (including the performance of Contract Work) or as otherwise expressly authorised in writing by the LAA.
- 16.5 You will perform your obligations under this Contract in such a way that you do not cause us to breach any of our applicable obligations under the Data Protection Legislation.
- 16.6 You will ensure that you obtain and maintain all consents, licences and registrations required to enable you to provide Personal Data to LAA as envisaged by this Contract, including consents from Clients, Former Clients, and Data Controllers (other than us) and such notifications with the Information Commissioner's office as are required for you to comply with the Data Protection Legislation.
- 16.7 You will not transfer the LAA Data or Shared Data outside of the European Economic Area without our express prior written approval.

- 16.8 You will supply originals or copies of the LAA Data and Shared Data to us in accordance with Clause 9.1. You will not assert proprietary or other rights in law or in equity as a reason for not supplying LAA Data and Shared Data in accordance with this Contract.
- 16.9 Without prejudice to Clause 16.3(a) in respect of the Shared Data and LAA Data Processed by you or on your behalf:
- (a) you will take responsibility for preserving the confidentiality and integrity of LAA Data and Shared Data which is Processed by you and preventing the unauthorised disclosure, corruption or loss of such LAA Data or Shared Data;
 - (b) you will take responsibility for ensuring that up-to-date backups of the LAA Data and Shared Data which is in electronic format are stored offsite;
 - (c) you will comply with the Data Security Requirements;
 - (d) you will have regard to the Data Security Guidance;
 - (e) you will ensure that any system on which you hold any LAA Data and Shared Data, including backup information, is a secure system that complies with your obligations under Clause 16.9(c) and you will provide us with a written description of the technical and organisational methods employed by you for Processing such Data (within the timescales required by us) if so requested by us;
 - (f) you will take reasonable steps to ensure the reliability of any of your personnel and any third parties appointed pursuant to Clause 3 who have access to such data and ensure that such personnel are informed of its confidential nature and your obligations under Clauses 15, 16 and 17 and comply with those obligations; and
 - (g) you will report to the LAA any incident that results in the disclosure of LAA Data and Shared Data to unauthorised recipients.
- 16.10 If the LAA Data or any Shared Data is corrupted, lost or sufficiently degraded as a result of your fault so as to be unusable, we may:
- (a) require you (at your reasonable expense) to restore or procure the restoration of LAA Data or Shared Data to the extent and in accordance with our requirements and you will do so as soon as practicable but not later than seven days from our request; and/or
 - (b) restore or procure the restoration of LAA Data or Shared Data ourselves, and you will repay us any reasonable expenses incurred in doing so to the extent and in accordance with our requirements.
- 16.11 If at any time you suspect or have reason to believe that LAA Data or Shared Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then you will notify us immediately and inform us of the remedial action that you propose to take.

- 16.12 You will notify us (within five Business Days) if you receive:
- (a) a request from a Data Subject to have access to that person's Personal Data within the LAA Data; or
 - (b) a complaint relating to our obligations or yours under the Data Protection Legislation in connection with the LAA Data or Shared Data; or
 - (c) a request (other than an access request under section 7 of the Data Protection Act 1998) relating to our Processing under the Data Protection Legislation in connection with the LAA Data or Shared Data.
- 16.13 You will provide us with full co-operation and assistance in relation to any complaint or request made, in respect of LAA Data or Shared Data including by:
- (a) providing us with full details of the complaint or request if it is received by you;
 - (b) complying with a data subject access request within the relevant timescales set out in the Data Protection Legislation in respect of the Shared Data where you are the Data Controller receiving the request;
 - (c) providing us with any information requested by us.
- 16.14 If it is necessary in the performance of this Contract for the Provider to disclose LAA Data or Shared Data to a sub-contractor, Agent, Counsel or Approved Third Party, you will ensure that such party agrees in writing to comply with equivalent obligations, as appropriate to the nature of the appointment and the Processing involved, in respect of that Personal Data as are set out in this Clause 16.
- 16.15 You will in relation to LAA Data:
- (a) Process such Data only in accordance with written instructions from us (which may be specific instructions or instructions of a general nature as set out in this Contract or as otherwise notified by us to you during the Contract Period);
 - (b) implement such technical and organisational measures as are required to enable you to Process such Data in compliance with obligations equivalent to those imposed on us by the Seventh Principle of the Data Protection Act 1998 and to protect such Data against unauthorised or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure. These measures will be appropriate to the harm which might result from any unauthorised or unlawful Processing, accidental loss, destruction or damage to the Data and having regard to the nature of the Data which is to be protected.
- 16.16 Without prejudice to Clause 4.4 and Clause 19, you indemnify us and keep us indemnified, without delay, against all losses, costs, claims, damages, actions, expenses and other liabilities of whatever nature incurred by us as a result (directly or indirectly) of your failure to comply with Clauses 16.1 to 16.15.

17. FOIA

Obligations under the FOIA

- 17.1 You acknowledge that we are subject to the requirements of FOIA and the Environmental Information Regulations and will assist and co-operate with us to enable us to comply with our Information disclosure obligations.
- 17.2 Pursuant to Clause 17.1, you will (and where we have approved your use of sub-contractors, Agents, Counsel and Approved Third Parties in accordance with Clause 3, will ensure that such parties will):
- (a) transfer to us all Requests for Information that you receive as soon as practicable and in any event within two Business Days of receiving a Request for Information;
 - (b) provide us with a copy of all Information in your possession, or power (which relates to a Request for Information transferred to us in accordance with Clause 17.2(a) and which you hold on our behalf for the purposes of FOIA) in the form that we require within five Business Days (or such other period as we may specify) of the request; and
 - (c) provide all necessary assistance as reasonably requested by us to enable us to respond to the Request for Information within the time for compliance set out in section 10 of the FOIA or Regulation 5 of the Environmental Information Regulations.
- 17.3 We will be responsible for determining in our absolute discretion and notwithstanding any other provision in this Contract or any other agreement whether any Information is commercially sensitive or otherwise exempt from disclosure in accordance with the provisions of FOIA or the Environmental Information Regulations.
- 17.4 In no event will you respond directly to a Request for Information unless expressly authorised to do so by us.
- 17.5 You acknowledge that (notwithstanding the provisions of this Clause) we may, acting in accordance with the code of practice on the discharge of the functions of public authorities issued under section 45 of the Freedom of Information Act 2000 ("the Code"), be obliged under the FOIA, or the Environmental Information Regulations to disclose information concerning you or the Contract Work:
- (a) in certain circumstances without consulting you; or
 - (b) following consultation with you;
 - (c) provided always that where this Clause applies we will ordinarily, in accordance with any recommendations of the Code, take reasonable steps, where appropriate, to give you advance notice, or failing that, to draw the disclosure to your attention after any such disclosure.

18. Warranties

Warranties you give

18.1 You warrant that, to the best of your knowledge and belief:

- (a) all information provided to us in seeking to become a Provider or seeking any allocation of, or authority for, Contract Work or any benefit under this Contract, or to demonstrate compliance with this Contract was, when provided and is at the Contract Start Date, true and accurate in all material respects;
- (b) all information in any of your Tender Documents was, when provided and is at the Contract Start Date, or on any other date we award you Contract Work (where relevant) true and accurate in all material respects;
- (c) no information referred to in Clauses 18.1(a) and (b) has been omitted which would make that which has been provided materially misleading or inaccurate;
- (d) no circumstances have since arisen which materially affect the truth and accuracy of information referred to in Clauses 18.1(a) and (b);
- (e) you have the full capacity and authority to enter into this Contract and perform your obligations under this Contract; and
- (f) you are not aware of any financial or other advantage being given to any person working for or engaged by us, or that an agreement has been reached to that effect, in connection with the execution of this Contract, excluding any arrangement of which full details have been disclosed in writing to us before execution of this Contract.

Warranties we give

18.2 We warrant that, to the best of our knowledge and belief:

- (a) all information which we have provided to you in writing specifically to assist you in seeking to become a Provider or to prepare any Tender Documents was, when given, true and accurate in all material respects;
- (b) no information has been omitted which would make that which has been provided misleading or inaccurate;
- (c) no circumstances have since arisen which materially affect the truth and accuracy of such information.

18.3 Both you and we are entitled to rely upon, and are deemed to have relied upon, the information referred to in Clauses 18.1 or 18.2.

19. Indemnity

Indemnity you must give us

- 19.1 You must indemnify us and keep us indemnified, without delay, against all reasonable losses, costs, injuries, claims, damages, demands, proceedings, actions, expenses and other liabilities of whatever nature incurred by us as a result of:
- (a) any injury (fatal or otherwise) sustained by (or any loss of or damage to the property of any of) our personnel or representatives arising in the course of our exercising any of our rights or performing any of our obligations under this Contract, where such injury, loss or damage arises as a consequence of any act, omission or default committed by you or by any of your personnel or third parties appointed pursuant to Clause 3 (save to the extent that such injury or damage arose or was incurred as a result of the wilful default or negligence of our personnel or representatives);
 - (b) any claim made by or on behalf of a third party arising out of any act, omission or default committed by you or on your behalf (save for any such act or default which may have been committed by us and any wrongful termination or breach of this Contract by us) in connection with:
 - (i) their employment, loss of employment or non-employment; or
 - (ii) your provision of, or failure to provide, Contract Work or other legal services or other information to any person or organisation; or
 - (iii) your failure to comply with any legislation.

Expenses not covered by the indemnity

- 19.2 For the avoidance of doubt, but without prejudice to our rights to reclaim Reasonable Costs under Clause 14.18, we are not entitled to an indemnity in respect of administrative costs incurred in following procedures prescribed by this Contract.
- 19.3 If any third party makes a claim against or notifies an intention to make a claim against us or if other circumstances arise which we may reasonably consider as being likely to give rise to a liability under the indemnity in Clause 19.1, we will:
- (a) as soon as reasonably practicable give written notice of that matter or those circumstances to you, specifying in reasonable detail the nature of the relevant claim;
 - (b) (if so requested by you and at your expense and if we are properly able to do so) give you copies of any relevant information within our power or control; and
 - (c) take reasonable account of any suggestions made by you in relation to the relevant claim.

20. Giving notices

Giving notices

- 20.1 Subject to Clause 20.9, any notice required or authorised by this Contract to be given by either party to the other must be in writing and be:
- (a) delivered personally to the designated postal address referred to in Clause 20.5; or
 - (b) sent by fax to the designated fax number referred to in Clause 20.5; or
 - (c) sent by e-mail to the designated e-mail address referred to in Clause 20.5; or
 - (d) sent by DX, by pre-paid first-class post, recorded delivery or registered post in each case to the designated addresses referred to in Clause 20.5.
- 20.2 Subject to Clauses 20.3 and 20.9, any notice given in accordance with this Contract is deemed to have been received:
- (a) if delivered personally, at the time of delivery;
 - (b) in the case of fax or e-mail, at the time of transmission;
 - (c) in the case of DX, pre-paid first-class post, recorded delivery or registered post, 48 hours from the date of posting,
- provided that such notice is given in accordance with Clause 20.1 and if deemed receipt under this Clause would otherwise occur after 5pm on a Business Day or at any time on a day that is not a Business Day, deemed receipt will instead be at 9am on the next Business Day.
- 20.3 Subject to Clause 20.9, any notice given in accordance with this Contract in respect of the application of a Sanction is deemed to have been received in the case of fax or e-mail, at the time of transmission provided that a confirmatory copy is sent by DX, by pre-paid first-class post or by personal delivery before the end of the next Business Day, provided that such notice is given in accordance with Clause 20.1 and if deemed receipt under this Clause would otherwise occur after 5pm on a Business Day or at any time on a day that is not a Business Day, deemed receipt will instead be at 9am on the next Business Day.
- 20.4 To prove that any notice has been given it is sufficient to show that such notice is given in accordance with Clause 20.1 and:
- (a) for personal delivery, for the person who delivered it, to confirm in writing when and where they did so;
 - (b) if sent by fax, to show that it was transmitted to the other party's designated fax number;
 - (c) if sent by email, to show that it was sent to the other party's designated email address;
 - (d) if sent by DX, for a person with knowledge to confirm in writing when and how it was done and that it bore the correct name and designated DX number; or

- (e) if sent by prepaid first-class post, recorded delivery or registered post, for a person with knowledge to confirm in writing when and how it was done and that it was correctly addressed to the designated postal address.

20.5 For the purposes of this Clause 20:

- (a) your designated fax number, designated email address, designated DX number and designated postal address are as specified in your Contract for Signature; and
- (b) our designated fax number, designated email address, designated DX number and designated postal address are as specified in your Contract for Signature.

Form of notices

20.6 We may at any time specify the form and content of notices to be given by either party to the other.

Notice given in the wrong form or given wrongly

20.7 Any notice (or purported notice) given by either party to the other which is not in (or given in) the medium, form or manner required by this Contract is invalid unless the party receiving it elects, in writing, to treat it as valid.

Notices and time periods

20.8 If a notice specifies that it takes effect on a date before any required notice period has expired, the notice remains valid but does not come into effect until the expiry of the required notice period.

Notices of Contract amendment

20.9 Subject always to Clause 13, except for any bespoke amendments (that do not affect any Provider other than you), if we amend any Contract Documents we will give you notice of the fact of the amendment in accordance with Clause 20.1 and we may place the amendment on our website.

Service of legal proceedings

20.10 You may only serve us with proceedings in accordance with Clause 28.10.

21. Things you must tell us about

Material constitutional changes

- 21.1 You must notify us as soon as reasonably practicable if you become a Licensed Body and/or become aware of any anticipated material constitutional change, which will or might affect you. At a minimum, you must notify us on, or within 14 days of, any material constitutional change that affects or might affect you. Without limitation, examples of material constitutional change are:
- (a) where you are an unincorporated Not For Profit Organisation, any change (including any change of chairman or treasurer or any change of 75% or more of the membership since this Contract came into force) in the composition of your management committee;
 - (b) if you are a sole principal (sole trader), any creation of a partnership;
 - (c) any change in the identity of more than one third in number of (i) the persons comprising your partnership, or (ii) the individual Members (LLP) of your limited liability partnership, or (iii) the individual directors of your company;
 - (d) any change in your legal status; or
 - (e) any sale, merger, acquisition, or transfer of, or by, you.

Constitutional statements

- 21.2 Without prejudice to the generality of your obligations under Clause 21.1, whenever reasonably required by us, you must complete, sign and submit to us, by such date as we may specify, a "constitutional statement form". This may require details of any material constitutional changes specified as examples in Clause 21.1 that have occurred (with the dates they occurred) and of any novation pursuant to Clause 22 and such other, similar information as we may require.

Partnerships

- 21.3 If you are a partnership (other than an LLP) you must also notify us:
- (a) immediately in the event of the service of a notice dissolving or purporting to dissolve the partnership;
 - (b) immediately if an application is made to the court or an arbitrator for the dissolution of the partnership under the Partnership Act 1890;
 - (c) immediately on any dissolution of the partnership which requires or results in a winding up of its affairs;
 - (d) immediately if circumstances arise which enable the court to make a winding up order in respect of the partnership under the Insolvency Act 1986 (as applied by the Insolvent Partnerships Order 1994);
 - (e) immediately on the appointment of a receiver, manager or administrator in respect of the partnership.

LLP or a company

21.4 If you are a limited liability partnership or a company, you must also notify us:

- (a) before or within fourteen days of (where you are a company) any change in your shareholders which has, or may have, a material direct or indirect bearing on the performance of Contract Work;
- (b) immediately if you propose or determine or pass a resolution or the court makes an order, that you or your Parent Undertaking be wound up;
- (c) immediately if a receiver, manager or administrator is appointed for you or your Parent Undertaking on behalf of a creditor;
- (d) immediately if circumstances arise which might entitle a creditor or a court to appoint a receiver, manager or administrator for you or your Parent Undertaking;
- (e) immediately if circumstances arise which enable the court to make a winding up order in respect of you or your Parent Undertaking;
- (f) immediately if you or your Parent Undertaking are unable to pay your debts within the meaning of Section 123 of the Insolvency Act 1986 or any similar event occurs under the law of any other jurisdiction;
- (g) immediately if a Change of Control occurs in relation to you or your Parent Undertaking.

Notification of interventions

21.5 You must notify us immediately if there is an intervention by any Relevant Professional Body (or by any other organisation that may lawfully do so) that has the effect of preventing you from carrying out Contract Work.

21.6 You must notify us immediately if there is an intervention by any Relevant Professional Body (or by any other organisation that may lawfully do so) into the practice of your personnel.

Notification of voluntary arrangements, insolvencies

21.7 You must notify us immediately if:

- (a) any proceedings for the recovery of debt are commenced against you and you do not intend to enter a defence to and/or pay the full amount claimed;
- (b) you become aware that you have been registered on the General Council of the Bar's "Withdrawal of Credit Scheme";
- (c) you intend to make any composition with your creditors, or to seek a voluntary arrangement under insolvency, or other, legislation, or if any of your partners, Members (LLP) or directors intends to do so (or, if you were unaware of their intention, have done so);
- (d) any insolvency proceedings concerning you or any of your partners, Members (LLP) or directors are commenced;

- (e) a receiver or liquidator is appointed in respect of your business; or
- (f) you become aware that any of the events in (a) to (e) above is imminent.

Changes in your capacity to perform Contract Work

- 21.8 Without limiting your obligations under this Contract, you must notify us within 21 days of any significant changes in your personnel deployed in Contract Work and of any other changes affecting you such as might reasonably be expected significantly to affect your ability to perform Contract Work.
- 21.9 You must notify us within 21 days if you are unable to, or you anticipate that you will be unable to comply with your obligations in Clause 7.13.

Proposing changes which may impact on your obligations under this Contract

- 21.10 Without prejudice to your obligations under this Contract and Clauses 13.14 to 13.16, you must notify us of any change you propose to make which may impact your obligations under this Contract, including the following (which is not an exhaustive list):
- (a) any change to any information you have provided to us (including information which you provided in seeking to become a Provider or to secure an authorisation to perform Contract Work) that we have notified you is material or which you consider is material;
 - (b) any change to the manner in which you perform Contract Work (including material alterations to your management systems);
 - (c) the closure or planned closure of any Location;
 - (d) any decision on your part to reduce or cease to carry out any Contract Work set out in any Schedule (temporarily or permanently);
 - (e) any change in the identity of any of your Supervisors;
 - (f) any move or planned move from an existing Location to any new location from which Contract Work will be provided;
 - (g) any decision to stop (temporarily or permanently) providing Duty Solicitor services;
 - (h) any change in your management or the management of any Location;
 - (i) any change of Consortium Members; or
 - (j) any change which would result in you being unable to comply with Clause 7.13.

Professional disciplinary proceedings

- 21.11 You must notify us immediately if you become aware of (and provide details) of any professional disciplinary proceedings brought by any Relevant Professional Body concerning any of your personnel and must notify us of the outcome of them.

Prosecutions and convictions

21.12 You must notify us as soon as reasonably practicable if you, or any of your personnel or any third party appointed pursuant to Clause 3, partners, Members (LLP), trustees or directors is charged with an offence punishable by imprisonment and if you, or they, are convicted of such an offence.

Events which entitle us to terminate or to apply a Sanction

21.13 You must notify us immediately (and provide details) if you become aware of any event which would entitle us to terminate this Contract and/or to apply a Sanction.

Information provided to us

21.14 You must notify us if there are any circumstances which have arisen following the Contract Start Date which materially affect the truth and accuracy of information referred to in Clauses 18.1(a) and (b).

Remainder Work

21.15 You must notify us if you are unable to perform Remainder Work in accordance with the Contract.

Change of any Relevant Professional Body

21.16 You must notify us if you change any Relevant Professional Body.

22. **Novations**

Sole principals and partnerships - novations

- 22.1 Subject to Clause 22.3, if you are a partnership and you take any person into partnership (or any person ceases to be a partner of yours) this Contract is novated, on the date of that event, in favour of the partnership (or principal) as constituted on that date, on the terms set out in Clause 22.4. This Clause 22.1 constitutes your and our express consent to such novation. Any such novation is confirmed by any subsequent submission by you of a Contract Report Form and any subsequent payment by us under this Contract.
- 22.2 Subject to Clause 22.3, if a competent court or tribunal does not accept Clause 22.1 as novating this Contract, it will be novated pursuant to this Clause 22.2. The novation will be on the terms set out in Clause 22.4 and will be, and will take effect, in favour of the partnership (or principal) as constituted on the earliest of the following dates accepted by such competent court or tribunal:
- (a) the date we receive a subsequent Contract Report Form from you;
 - (b) the date we make a subsequent payment to you under this Contract;
or
 - (c) the date of a properly completed, "constitutional statement form" received by us from you.

Constitutional changes in Clause 21.1(b), (c)(i), (d) or (e)

- 22.3 If any of the events specified in Clause 21.1(b), (c)(i), (d) or (e) has occurred, this Contract will not be novated under Clauses 22.1 or 22.2 and is incapable of being novated without our signed, express consent.

Sole principals and partnerships - terms of any novation

- 22.4 Any novation under Clauses 22.1 or 22.2 is on the following terms (with "old firm" meaning "you" immediately before the novation and "new firm" meaning "you" immediately after the novation):
- (a) the new firm, by virtue of the novation, undertakes to comply with this Contract in substitution for the old firm and undertakes to be bound by it in every way as if it had been an original party to it;
 - (b) any partners (or principal) of the old firm are released from liabilities arising under this Contract after the novation, except those arising from the period when the old firm was a party to this Contract and, if they remain in the new firm as principal or a partner, except so far as they may arise as a principal or partner of the new firm;
 - (c) nothing in this Contract will affect or prejudice any claim or demand that we may have against the old firm or the old firm may have against us relating to matters arising before the novation;
 - (d) all payments due from us under this Contract after the novation will be paid to the new firm;
 - (e) the new firm is liable for any debt or obligation which arose under this Contract before the novation and the old firm remains liable for any

debt or obligation provided that we may not recover the same debt from both the old firm and the new firm;

- (f) without prejudice to the generality of Clauses 22.4(c) and 22.4(e), the new firm will be liable for all monies due to us (whether that liability will have accrued before or after the novation) under the account set up by us in respect of this Contract and, for the avoidance of doubt, the new firm, by virtue of the novation, acknowledges that:
 - (i) your account will be treated and run as a single running account as if the old firm and the new firm had been a single firm; and
 - (ii) we may exercise any right to set off against the new firm under the provisions of Clause 14.11 in respect of any sums due under Clause 22.4(e) or this Clause 22.4(f);
- (g) in applying any provision of this Contract after the novation, any acts and omissions of the old firm will, for all purposes, be deemed to be acts or omissions of the new firm;
- (h) any notice, direction, Assessment, decision, Audit, status or finding relating to the old firm has effect, after the novation, as if it had been in relation to the new firm;
- (i) any right or power (whether of termination or otherwise) under this Contract which was exercisable by us against the old firm by reference to any matter arising before the novation will be exercisable against the new firm after the novation;
- (j) where, by virtue of any provision of this Clause 22, the old firm and the new firm are liable in respect of the same debt or obligation, the members of the old firm and the members of the new firm are jointly and severally liable for that debt or obligation.

22.5 Notwithstanding the novation of this Contract pursuant to Clause 22.1 or 22.2, we may at any time require the partners for the time being comprising the partnership (or the principal) to enter into a formal novation agreement with us on such terms as we may reasonably require.

22.6 If any of the events specified in Clause 21.1, (b), (c)(i), (d) or (e) has occurred, we may agree to enter into a signed, express novation agreement with the new organisation on such terms as we may reasonably specify and within such period as we may specify. For the avoidance of doubt:

- (a) we have no obligation to enter into such a novation agreement; and
- (b) if no novation agreement is in force within such period as we have specified, this Contract will have ended on the date of the constitutional change.

22.7 We will not agree to enter into a novation agreement under Clause 22.6 if we have issued a notice terminating this Contract (whether or not the notice has yet come into effect) or if we consider that either we, Clients, public funds, or the market for legal services would be adversely affected, or if the efficacy of this Contract, any of its provisions or its purpose would be compromised.

23. **Bribery, collusion, false tenders, fraud and unethical behaviour**

No bribery or collusion

- 23.1 You and your personnel (including any third parties you appoint in accordance with Clause 3) must do the following:
- (a) comply with Bribery Legislation;
 - (b) not commit a Prohibited Act;
 - (c) not try to bribe any of our personnel, or any person who may perform services for, or who is associated (in any way) with, us.
- 23.2 When tendering, or applying for, a contract with us, or for authority to perform Contract Work or for any allocation of Matter Starts or other work, (or for the purpose of, or with the intention of, doing so) you must not collude with any other person or (for the avoidance of doubt) attempt to bribe them.
- 23.3 You must not attempt to bribe or bribe any prospective Client or Client or any person who is associated (in any way) with such prospective Client or Client.
- 23.4 You must report to us any suspicion of any breach or alleged breach of any Bribery Legislation relating to this Contract, and co-operate with us and/or any regulator and/or prosecutor in any investigation relating to the same. Any material breach by you of this Clause 23.4 will be deemed to be a Fundamental Breach.
- 23.5 You must take all reasonable steps, in accordance with Bribery Legislation, to prevent you or your personnel (including any third parties you appoint in accordance with Clause 3) from committing a Prohibited Act (including without limitation, complying with and enforcing any anti-bribery policies and procedures you have in place as appropriate).

No false tenders

- 23.6 When tendering, or applying for, a contract with us, or for authority to perform Contract Work, you must not bid any price that is unrealistically low. A price is unrealistically low if you intend to secure the contract or authority or allocation by virtue (in whole or in part) of the low price and intend, or hope, to recover some or all of the unrealistic element of it by a subsequent renegotiation of the price.

Fraud and unethical behaviour

- 23.7 You must be alive to the possibility of fraud and unethical behaviour by your personnel and by any third parties you appoint in accordance with Clause 3, must not tolerate it, and must have procedures to identify, address and counter it.

Breach of this Clause

- 23.8 Any breach of Clauses 23.1, 23.2, 23.3, 23.6 and 23.7 by you or by anyone employed, or otherwise appointed by you pursuant to Clause 3 (whether with or without your knowledge) is a Fundamental Breach.

24. Sanctions

Applying Sanctions

24.1 We may apply any Sanction:

- (a) if you have materially breached this Contract or any other agreement between you and us from time to time;
- (b) if you have persistently breached this Contract or any other agreement between you and us from time to time (irrespective of the date on which we become aware of such breach). For the purpose of this Clause 24.1(b) persistent breach means:
 - (i) 3 breaches of the same term in any 24 month period; or
 - (ii) 6 breaches of this Contract in any 24 month period,and we shall not be required to provide you with written notice of each breach.
- (c) if we are entitled to suspend or terminate this Contract or any other agreement between you and us from time to time; or
- (d) where any other term of this Contract states that we may apply a Sanction.

24.2 If you fail to comply with any of your obligations under this Contract we may, without limiting our rights in respect of such failure (including under this Clause 24 and Clause 25), notify you of such failure and set out in such notice the action that we require you to take to ensure that such failure is remedied and/or not repeated provided that such action shall be proportionate to the relevant failure. You will comply with the requirements of any notice we issue pursuant to this Clause 24.2. If you fail to comply with the requirements of any such notice, such failure shall be deemed to be a breach of a term for the purpose of Clauses 24.1(b)(i) and 24.1(b)(ii).

24.3 In addition:

- (a) we may apply any one or more of Sanctions 3, 4 and/or 7 if you are under Official Investigation;
- (b) we may apply Sanctions 3 and/or 4 if your financial situation is such that we reasonably consider there is a significant risk to Clients or to public funds;
- (c) we may apply Sanctions 5 and/or 7 if any individual who is engaged in Contract Work on your behalf and who is required to have a valid practising certificate under any Relevant Professional Body rules, ceases to have one;
- (d) we may apply the Sanction 5 in the circumstances set out in Clause 24.9;
- (e) we may apply the Sanction 6 in the circumstances set out in Clause 24.12.

24.4 The application of any Sanction is without prejudice to any other rights that we may have, but we will only apply a Sanction to the extent that it is proportionate to the circumstances or (in the case of persistent breaches), to the extent that it is reasonable for us to apply it, having regard to any wider concern that we may have as to your capability as a result of the number and/or range of those breaches.

Sanctions

Sanction No. 1 - suspend types of Contract Work and Delegated Functions

24.5 We may by written notice suspend your provision of Contract Work and/or Delegated Functions (in whole or in part) for the period specified in such notice and/or impose restrictions on the Contract Work that you may perform.

Sanction No. 2 - refuse to pay for specified Contract Work

24.6 We may by written notice specify that you are not entitled to payment for, and we will not pay you for, some or all of the Contract Work specified in the written notice for the period specified in such notice.

Sanction No. 3 - suspend payments

24.7 We may by written notice suspend some or all payments due from us to you under this Contract for the period specified in such notice.

Sanction No. 4 - suspend you from taking on any new Matters or cases

24.8 We may by written notice prohibit you from starting, or place limitations upon your ability to start any new Matters or cases under this Contract for the period specified in such notice.

Sanction No. 5 - exclude individuals from being Supervisors or performing Contract Work

24.9 If any person who is performing or has performed Contract Work is, or has been:

- (a) a cause of, or a subject of, an Official Investigation or Report; or
- (b) a cause of a Sanction; or
- (c) charged with, or convicted of, an imprisonable offence,

we may, if we reasonably consider that such a step is necessary to protect Clients' interests, to protect public funds or to protect us from material harm, prohibit the person concerned, for such period as we may reasonably specify, from:

- (i) being a Supervisor; and/or
- (ii) where the context requires, performing Contract Work or work in connection with Contract Work,

so that he or she can no longer supervise and/or perform any Contract Work or work in connection with Contract Work for you or any other Provider.

24.10 Clause 24.9 applies even if the relevant circumstances occurred before the person concerned became a member of your personnel.

24.11 We will maintain a list (accessible by you) of individuals whom we have prohibited from being Supervisors of Contract Work or from performing Contract Work or work in connection with Contract Work.

Sanction No. 6 - suspend or remove your rota allocation (if any)

24.12 If you persistently fail to comply with the requirements under this Contract relating to your rota, slots and/or panel membership (as specified in the Specification), we may by written notice suspend or remove your right to undertake Contract Work for the period specified in such notice. We may suspend or remove some or all of the slots allocated to you on the relevant rota, and may do this in relation to one or more of the rotas on which you are allocated slots.

Sanction No. 7 - suspend you from holding yourself out as a Provider

24.13 We may serve a written notice on you suspending (with effect from such date as we may specify) your entitlement under this Contract to use LAA Promotional Items and to hold yourself out, or to promote yourself, as a Provider, for the period specified in such notice.

Sanction No. 8 - termination

24.14 We may serve a written notice on you terminating this Contract on such date as we specify in such notice.

25. **How this Contract can be ended**

Termination of the whole Contract by you

- 25.1 You may, at any time, serve not less than three months' notice on us terminating this Contract in whole but not in part. For the avoidance of doubt, you are not entitled to terminate this Contract in part, however, your rights to propose amendments to this Contract are set out in Clauses 13.14 to 13.15.
- 25.2 If we amend the Contract pursuant to Clauses 13.2 to 13.8 you may any time before such amendment comes into effect serve notice on us terminating this Contract and any such termination will take effect on the day before the day on which the relevant amendment would otherwise come into effect.

Termination of the Contract by us

No fault termination

- 25.3 We may at any time serve not less than six months' written notice on you terminating this Contract (on the date specified in the notice).

Termination for breach

- 25.4 For the avoidance of doubt and without limiting this Clause 25, our right to terminate this Contract in respect of your material or persistent breach is set out in Clause 24. In addition, we may serve a notice on you terminating this Contract on the date specified in the notice in any of the following circumstances:
- (a) you have committed a Fundamental Breach;
 - (b) you have failed to meet a condition specified by us before the Contract Start Date and on which we granted this Contract;
 - (c) we receive a Report and reasonably consider that termination is required to protect Clients or us from possible serious harm or to protect public funds or Clients' interests;
 - (d) we receive a Report that identifies that there has been such a serious breach of Contract or of legislation or such serious professional misconduct or dishonesty that, in all the circumstances, termination is justified;
 - (e) your financial situation is such that we reasonably consider that we or Clients are at significant risk of financial loss or other material prejudice;
 - (f) you have failed to provide information or access to premises in accordance with Clauses 4, 8 and 9 and have not remedied such breach within seven days of a notice from us referring to this Clause and requiring you to do so;
 - (g) you no longer hold the Quality Standard;
 - (h) we entered into this Contract on the basis that you were receiving core funding from another organisation and that funding ceases or is materially reduced (unless it is replaced to our satisfaction within such period as we may specify);

- (i) if your right to perform Contract Work in a Linked Category of Law in any geographic area expires or is terminated for any reason (provided that this Clause 25.4(i) shall only entitle us to terminate this Contract in relation to some or all Linked Categories of Law in such geographic area); and
- (j) if any Consortium Member's right to perform Contract Work in a Relevant Linked Category of Law in any geographic area expires or is terminated for any reason (provided that this Clause 25.4(j) shall only entitle us to terminate this Contract insofar as it relates to some or all Linked Categories of Law in such geographic area).

25.5 If, after the date you and we have signed this Contract, but before the first Schedule commences we are entitled to terminate this Contract we may serve notice on you terminating the Contract and this Contract terminates immediately on the date specified in the notice. If, before the Contract Start Date, we are entitled to terminate the Contract we may serve notice on you terminating the Contract in which case the Contract will immediately lapse and will not come into force on the Contract Start Date.

25.6 This Contract is suspended immediately with effect from the date that any Relevant Professional Body (or any other organisation that may lawfully do so) makes an intervention, order or direction that has the effect of preventing you from lawfully performing Contract Work. You must notify us immediately of any such intervention, order or direction and we may, as a result of such circumstance, terminate this Contract on written notice to you on the date we specify in such notice.

Termination of the Contract by either of by us

- 25.7 Any material breach of Clause 18.1 or 18.2 by one party to this Contract entitles the other party:
- (a) where the information related either to becoming a Provider or to demonstrating compliance with this Contract was inaccurate in your Tender Documents, to issue a notice terminating this Contract; and
 - (b) where the information related to the authorisation or allocation of Contract Work, to issue a notice terminating the right or obligation to perform that Contract Work.

Termination or suspension of part of this Contract by us

25.8 Whenever we are entitled to terminate this Contract (including pursuant to Clause 24.14) we may terminate any part of it or suspend it or any part of it (including without limitation, specified powers, rights and authorities to perform Contract Work under it (including your right to perform Contract Work in a specified Category of Law or Class of Work in a specified geographical area)), provided that we may not terminate the Contract in part to the extent that that part of the Contract remaining after such termination would constitute a new award of a contract for the purposes of the Public Contracts Regulations 2006 (as amended). For the avoidance of doubt, this does not prevent us terminating all of the Contract Work covered by the relevant invitation to tender. We will set out the effects of any suspension (which will be less serious than termination) in the notice to you.

26. Consequences of termination

Clients and Contract Work files

26.1 When you become aware that your right to perform any Contract Work will end, you must immediately notify all Clients who will be affected by termination, take all reasonable steps to protect them and their rights, and provide them with information about other Providers able to continue their Matter or case (and offer to make appointments with them) and with such other information as we may specify.

When this Contract ends

26.2 Subject to Clause 26.10, when this Contract ends:

- (a) all rights, authorisations, approvals, powers, licences and any status under it (of you and of all your personnel), including Promotional Items end immediately;
- (b) you must immediately stop all Contract Work;
- (c) you must immediately stop holding yourself out as able to perform Contract Work;
- (d) you must immediately stop holding yourself out as a Provider.

26.3 Subject to Clause 26.10, when any authority to perform Contract Work in any Category of Law or Class of Work, or from any Location ends, you must immediately stop all Contract Work in the relevant Category of Law, Class of Work, or from the relevant Location and must immediately stop holding yourself out as able to perform it.

26.4 Subject to Clauses 26.8, 26.9 and 26.10, when this Contract ends, our obligation to make payments to you under it ceases.

Contract overpayments

26.5 When this Contract ends all "overpayments and mispayments" (as described in Clause 14) become repayable to us and we may assert our rights in Clause 14.11.

26.6 When any authority to perform Contract Work in any Category of Law, Class of Work, or from any Location ends, all "overpayments and mispayments" (as described in Clause 14) in respect of that Category of Law, Class of Work, or Location become repayable to us and we may assert our rights in Clause 14.11.

Work in progress

26.7 When this Contract ends or your right to perform Contract Work in any Category of Law, Class of Work, or from any Location, ends you must immediately send us such Contract Report as we may require and Claims for all Matters and cases that are not transferring to another Provider.

Existing rights at date of termination

- 26.8 Subject to the provisions of this Contract, the suspension or ending of this Contract is without prejudice to any of your or our accrued rights (including our rights to Assess your Claims and to recover any overpayments to you and your rights to recover in respect of any underpayments by us). This includes Clauses 26.12 to 26.19.
- 26.9 Subject to Clause 26.12 any provision of this Contract which relates to, or governs your or our acts after it (or any part of it) ends, remains in full force and effect and is enforceable even though it has ended.

Remainder Work

- 26.10 Unless this Contract has been terminated for breach by either of us and subject to the conditions in Clause 26.11, we will authorise you to perform Remainder Work. Any such authorisation is subject to your compliance with any requirements and obligations set out below and our right to impose restrictions, requirements and conditions on your performance of Remainder Work at any time, and not merely when authorisation is given. Restrictions, requirements and conditions may be on a case-by-case basis, on a time basis, on a step in proceedings basis or on any other basis that we consider appropriate.
- 26.11 Our authorisation of Remainder Work is conditional on the following:
- (a) you must notify your existing Clients that at the date this Contract would have terminated but for Clauses 26.10 to 26.12 they have the option to transfer their Matter or case to another Provider; and
 - (b) you must confirm to us that the Remainder Work is not likely to continue for longer than two years from the date this Contract would have terminated, but for Clauses 26.10 to 26.12.

Wherever we permit you to provide Remainder Work, that decision will be reviewed as reasonably required to ensure that the above requirements are still being met.

- 26.12 If we authorise you to perform Remainder Work the terms of this Contract will, in respect of such Remainder Work, continue in full force and effect (subject to the terms of any replacement contract that we enter into with you).

TUPE

- 26.13 We have entered into this Contract in the belief that TUPE will not apply on the expiry or termination of this Contract or part of it and that you will retain responsibility for all of your personnel on expiry or termination as we do not believe that there will be an identifiable transfer of your business to any other Provider on such expiry or termination. If at any time, however, we consider that TUPE may apply on any such expiry or termination we reserve the right to make such amendments to this Contract as specified in Clause 13, subject to our compliance with the consultation obligations and timetable in Clause 13.
- 26.14 Notwithstanding Clause 26.13, if we reasonably believe that TUPE does apply on the expiry or termination of this Contract or part of it, at any point within the period of 12 months immediately preceding such expiry or termination or following the service of a notice under Clause 24.14 or 25 you must on receiving a request from us or any Replacement Provider, supply us and any Replacement

Provider with a list which contains, in respect of any person engaged or employed by you in the provision of Contract Work (the "Employees"), full and accurate details regarding the identity, number, age, sex, length of service, job title, grade and terms and conditions of employment of and other matters affecting each of those Employees. You must:

- (a) provide such information promptly and at no cost to us or any Replacement Provider; and
 - (b) notify us and any Replacement Provider forthwith in writing of any material changes to such information promptly as and when such changes arise;
 - (c) not make any material increase or decrease in the number of Employees;
 - (d) not make any increase in the remuneration or other change in the terms and conditions of the Employees other than in the ordinary course of business and with our or any Replacement Provider's prior written consent; and
 - (e) not transfer any of the Employees to another part of your business or move other employees from elsewhere in your business who have not previously been employed or engaged in providing Contract Work to provide Contract Work save with our or any Replacement Provider's prior written consent.
- 26.15 Without prejudice to Clause 26.14, you must procure and must provide Employee Liability Information to us or any Replacement Provider at our or the Replacement Provider's reasonable request and must warrant at the time of providing such Employee Liability Information, that such information is accurate and that it will be updated to take account of any changes to such information as is required by TUPE.
- 26.16 You will indemnify and will keep any Replacement Provider indemnified in full in relation to any and all Direct Losses arising from any claim by any party as a result of you failing to provide or promptly to provide us or the Replacement Provider where reasonably requested with any information described in Clause 26.14 and/or Employee Liability Information or to provide full information described in Clause 26.14 and/or Employee Liability Information or as a result of any material inaccuracy in or omission from such information and/or Employee Liability Information.
- 26.17 You will indemnify and keep indemnified any Replacement Provider in full in relation to any and all Direct Losses caused to the Replacement Provider as a result of increased costs of employing the Employees arising as a result of any breach by you of Clause 26.14.
- 26.18 You will be liable for any claims made by or in respect of any of the Employees relating to or arising during the employment of the Employee or Employees concerned up to the date of expiry or termination (where applicable) of this Contract including, any claims for breach of contract, dismissal, discrimination or relating to any personal injury and you will indemnify and will keep any Replacement Provider indemnified in full in relation to any and all Direct Losses arising from any such claim.

- 26.19 Where any liability in relation to any Employees referred to in Clause 26.18 arises partly as a result of any act or omission occurring on or before the expiry or termination (where applicable) of this Contract and partly as a result of any act or omission occurring after such expiry or termination of this Contract, your indemnity to the Replacement Provider in Clause 26.18 will relate only to such part of the Direct Losses sustained by the Replacement Provider in consequence of the liability as is reasonably attributable to any act or omission occurring before the relevant date of expiry or termination of this Contract.
- 26.20 A Replacement Provider will be entitled to enforce Clauses 26.16 to 26.19 pursuant to the Contracts (Rights of Third Parties) Act 1999. In addition you will, on request, enter into an indemnity on the terms set out in Clauses 26.16 to 26.19 directly with a Replacement Provider.

Applying for a new contract

26.21 If:

- (a) we terminate this Contract for your breach; or
- (b) you terminate this Contract under Clause 25.1 at any time when we are carrying out an Audit and the outcome of such Audit would have given us a right to terminate this Contract for your breach,

neither you nor any of your partners, shareholders, directors, Members (LLP), trustees, executive officers or personnel who, we determine, were responsible (in whole or in part) for the circumstances leading to the termination, outcome, or prevention pursuant to Clause 26.21(a) and (b) above (whichever is relevant), may apply to us for a contract under the Act (for such period as we may reasonably prescribe - at the time of termination or later). In most cases, the prescribed period will be at least two years (although we may prescribe a shorter period if the circumstances applicable to you or the relevant person are exceptional and justify a reduced period). This prohibition continues to have effect after this Contract has ended.

27. **Reconsidering decisions and the review procedure**

Informal reconsideration

- 27.1 If you disagree with any action we have taken or not taken, or a decision we have made, under this Contract you must, through your Contract Liaison Manager, provide details of the matter in writing to our Contract Manager to request an informal reconsideration of the action, inaction or decision. Any such request must be made within 21 days of the action or inaction or the date we notify you of the decision.
- 27.2 If you disagree with any decision we make following our informal reconsideration pursuant to Clause 27.1, or if we have not reconsidered the matter and advised you of the outcome within 28 days of your request under Clause 27.1:
- (a) if you wish to pursue the dispute and are permitted to do so under Clause 27.4, you must, subject to the remainder of this Clause 27.2, request a formal review; or
 - (b) if you cannot request a formal review under Clause 27.4, Clause 28 will apply, provided that the matter is not one contemplated under Clause 27.5 or 27.7.

Formal review procedure

- 27.3 The formal review procedure is to enable you to require us to carry out a formal reconsideration of matters within the scope of Clause 27.4.

Invoking the formal review procedure

- 27.4 The formal review procedure only applies where:
- (a) we have issued a notice under Clauses 14.18, 24.1 to 24.12, 24.14 or, only if we expressly agree, under Clause 24.13; or
 - (b) we have issued a notice under Clauses 25.4, or 25.8; or
 - (c) you disagree with our decision either (i) following the expiry of a Schedule not to issue a further Schedule, or (ii) on the duration of a Schedule; or
 - (d) you disagree with the Standard Monthly Payment or allocation or authorisation of work under a Schedule; or
 - (e) subject to Clauses 27.5 to 27.7 and the remainder of this Clause 27.4(e), you consider that we have breached this Contract (in which case, you must specify which provision of this Contract you consider that we have breached and set out the reasons why you consider that we have breached it). You may only request a review of the issue to you of a notice of breach of contract if and when we subsequently terminate or suspend this Contract (or apply another Sanction) pursuant to the notice.

Disputes outside the formal review procedure

- 27.5 The following are wholly outside the formal review procedure set out in this Clause 27 and the provisions of Clause 28. Should any dispute arise in relation to these matters, the review procedure referred to in the Specification must be followed:
- (a) decisions on individual Client Matters or cases;
 - (b) decisions on Assessments and/or any claim or dispute which relates to the recovery by you or us of payments due to you or us under this Contract.
- 27.6 The following are wholly outside the formal review procedure set out in this Clause 27 but are subject to the provisions of Clause 28:
- (a) where we have suspended the effect of a decision or notice, any subsequent decision by us to remove all, or part, of the suspension (and to give effect to all, or part, of the decision or notice); and
 - (b) a claim by you that we are in breach of Clause 2.2, if that claim is based on or relates to any decision within Clauses 27.5 or 27.6(a).
- 27.7 Any action, inaction and decisions made in relation to Contract Work by independent committees and other independent third parties exercising functions in connection with Contract Work including the Independent Funding Adjudicators, Independent Costs Assessors, Independent Peer Review Process and Costs Appeals Committee are not made by us and are as a result, not subject to Clauses 27 and 28.
- 27.8 If you do not pursue your rights under and in accordance with Clauses 27 and 28 within the periods of time specified (or such longer periods of time as we may agree) you are thereby deemed to accept the position and lose your right to dispute it.

Commencing the formal review procedure

- 27.9 To invoke the formal review procedure, you must write to the Chief Executive at Legal Aid Agency, 102 Petty France, London, SW1H 9AJ (or such other address as we may notify to you).
- 27.10 All requests for review must be endorsed "Request for Formal Review" and must set out a full and detailed description of the matter and the reasons for your challenge and must be accompanied by all documents upon which you intend to rely.
- 27.11 All requests for review must be made:
- (a) within 14 days of the date of our decision on the informal reconsideration under Clause 27.1; or
 - (b) if we have not advised you of the outcome of our informal reconsideration within 28 days of the date of your request, within 14 days of the expiry of that 28 day period.

If you, acting reasonably, regard the matter as urgent, you must state this in your request for review.

- 27.12 The Chief Executive will review your request, decide whether any additional information or documentation is required and seek to obtain that documentation (whether from you or from us). Thereafter he or she will determine whether to conduct the review himself or herself or refer it to the Contract Review Body ("CRB"), save that any request relating to a decision to require reimbursement of Reasonable Costs in respect of a further Audit under Clause 14.18 or to terminate this Contract must be referred to the CRB. Subject to the foregoing, the decision of the Chief Executive in respect of whether a matter should be referred to the CRB will be final.
- 27.13 If the Chief Executive conducts a review, he or she will determine the procedure and will decide whether to invite, or require, any further information before making a determination.

The Contract Review Body

- 27.14 The CRB comprises:
- (a) two members nominated by us (one of which must act as the chair of the CRB); and
 - (b) a member nominated by the Consultative Bodies on our request (unless we have requested them to nominate a member within a specified period but either (i) within that period no nomination has been made or (ii) the nominee is unable to attend).

At our option, the CRB may also include a member from another Provider.

- 27.15 If the formal review is to be referred to the CRB, then the secretary to the CRB will prepare a report and bundle for the CRB. This will be sent to you not less than 14 days before the CRB hearing.
- 27.16 You may respond to this report but your written response (including any skeleton argument if you are to be represented by counsel) must be received by us not less than 7 days before the CRB hearing.
- 27.17 If your application relates to a decision to terminate this Contract, then you have a right to attend or be represented at the CRB hearing. If your application relates to any other matter, then you must apply to the Chief Executive in writing not less than 7 days before the CRB hearing, for permission to attend or be represented at the CRB hearing. The decision of the Chief Executive is final on this issue.
- 27.18 If you attend or are represented at the CRB hearing, then we also have a right to attend or be represented. Oral representations will, except in exceptional circumstances, be limited to 30 minutes for each party.
- 27.19 Save as provided above, the CRB determines its own procedure. Where the members of the CRB are unable to agree on any matter, each member has one vote. In the event of an equality of votes, the chair of the CRB has the casting vote.

Determining the formal review

- 27.20 The Chief Executive or the CRB (as appropriate) will determine the formal review within a reasonable period after the request for review has been received, unless you have notified us, in accordance with Clause 27.11, that you, acting reasonably, regard the matter as urgent in which case we must use reasonable endeavours to determine the matter within 28 days of receiving your request.
- 27.21 Where there is no determination by the Chief Executive or the CRB (as appropriate) within 28 days of the date of receipt of a request from you which states that the matter is urgent in accordance with Clause 27.11, and you have complied with your obligations under Clauses 27.9 to 27.11, you may deem this formal review procedure as having expired and your rights under it as exhausted. In respect of all other requests for review however, you must await a response from the Chief Executive or the CRB (as appropriate) before considering the formal review procedure as having expired and your rights under it as exhausted for the purposes of Clause 28.
- 27.22 The Chief Executive or the CRB's determination (as appropriate) may allow the formal review, dismiss the formal review, make a different decision, give directions to your Contract Manager or recommend that a fresh decision is made within a specified period. For the avoidance of doubt the Chief Executive and the CRB's determinations are our decisions.
- 27.23 In accordance with the timings above, the Chief Executive or the CRB (as appropriate) will send you and your Contract Manager written reasons for their determination.

28. **Dispute resolution**

28.1 This Clause 28 only applies if there is a "Formal Dispute". A Formal Dispute occurs where:

- (a) you have exhausted your rights to a formal review in accordance with and as set out at Clause 27; or
- (b) your claim or dispute does not relate to a matter set out in Clause 27.4, 27.5 or 27.7 and you have requested an informal reconsideration in accordance with Clause 27.1 and you:
 - (i) disagree with the outcome; or
 - (ii) have not been advised of the outcome within the 28 day period set out at Clause 27.2.

Any Formal Dispute will be dealt with in accordance with this Clause 28.

Mediation

28.2 Either of us may request that a Formal Dispute be referred to mediation by giving notice in writing (a 'mediation notice') to the other requesting mediation. Any notice of mediation to be given to us must be sent to the Chief Executive at Legal Aid Agency, 102 Petty France, London, SW1H 9AJ (or such other address as we may notify to you). The notice must be given within the following period:

- (a) where the matter falls within Clause 27.4, within 14 days of your rights to a formal review being deemed exhausted under Clause 27.21; or
- (b) where the matter does not fall within Clause 27.4:
 - (i) within 14 days of the date of our informal reconsideration; or
 - (ii) where you have not been advised of the outcome of your request for informal reconsideration within the 28 day period set out at clause 27.2, within 14 of the expiry of such 28 day period.

28.3 The party receiving the mediation notice must respond in writing within 14 days of the date of the mediation notice.

28.4 Unless otherwise agreed between you and us, any mediation will be conducted in accordance with the CEDR Model Mediation Procedure, and the mediator will be nominated by CEDR.

28.5 If the party receiving the mediation notice agrees to mediation, the party who requested the mediation shall notify CEDR and take the necessary steps to arrange the mediation (or to ask CEDR to assist to secure the involvement of the other party).

28.6 Any mediation will take place not later than 28 days after the date the parties agree to mediation.

Disputes subject to court proceedings

- 28.7 You or we may refer a Formal Dispute to be decided by the courts of England and Wales in accordance with Clause 29 by issuing and serving on the other a claim form and particulars of claim within the following periods:
- (a) if you and/or we do not agree to mediation:
 - (i) where the matter falls within Clause 27.4, within one year of your rights to a formal review being deemed exhausted under Clause 27.21; or
 - (ii) where the matter does not fall within Clause 27.4, (1) within one year of the date of our informal reconsideration, provided that you have been advised of the outcome of our informal reconsideration within the 28 day period set out at Clause 27.2; or (2) where you have not been advised of the outcome of your request for informal reconsideration within the 28 day period set out at Clause 27.2, within one year of the expiry of such 28 day period;
 - (b) if you and we agree to mediation but no settlement is reached, within one year from the date of the mediation notice, or such longer period as you and we may agree.
- 28.8 We each agree that a failure by one of us to issue and serve a claim form and particulars of claim within the period specified by Clause 28.7 means that that party will be deemed to have waived its rights to bring any legal proceedings and/or to pursue a remedy in respect of that dispute.
- 28.9 We each agree that any proceedings will be issued out of the Central London County Court or the Royal Courts of Justice (each a "Relevant Court"), as applicable, and thereafter you and we agree not to apply to transfer the proceedings to any other court that is not a Relevant Court. In the event that proceedings are issued out of any court that is not a Relevant Court, the issuing party must immediately apply, at its own cost, for the proceedings to be transferred to a Relevant Court and you and we agree to consent to the transfer of proceedings to a Relevant Court.

Address for service

- 28.10 Any documents to be served on us should be marked for the attention of the Chief Executive and served by one of the following methods:
- (a) delivered personally to the postal address specified in Clause 28.11; or
 - (b) sent by fax to the fax number specified in Clause 28.11; or
 - (c) sent by DX to the address specified in Clause 28.11; or
 - (d) sent by pre-paid first-class post, recorded delivery or registered post in each case to the address specified in Clause 28.11.

28.11 The addresses and contact details referred to in Clause 28.10 are: The Chief Executive, Legal Aid Agency, 102 Petty France, London, SW1H 9AJ (or such other address as we may notify to you). DX: 152380 Westminster 8 Fax: 0203 545 8686.

29. **Governing law and jurisdiction**

- 29.1 The formation, existence, construction, performance, validity and all aspects whatsoever of this Contract and any non contractual obligations arising out of or in connection with it, are governed by the law of England.
- 29.2 Subject to Clauses 27 and 28, the courts of England and Wales will have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Contract. The parties irrevocably agree to submit to that jurisdiction.

30. **General**

Entire agreement

- 30.1 This Contract (together with the appropriate sections of any documents that are referred to in it (as they may be amended where applicable)) represents the entire agreement and understanding between the parties in connection with its subject matter. This Contract supersedes any previous agreement between the parties relating to its subject matter. It supersedes all prior negotiations, representations and undertakings, whether written or oral. Nothing in this Clause excludes any liability for fraud or fraudulent misrepresentation.
- 30.2 You acknowledge that this Contract has not been entered into wholly or partly in reliance on, nor have you been given any warranty, statement, promise or representation made by, or on, our behalf (other than as expressly set out in this Contract). To the extent that any such warranties, statements, promises or representations have been given you unconditionally and irrevocably waive any claims, rights or remedies which you might otherwise have had in relation to them.

If we waive, delay or omit to exercise rights

- 30.3 No failure by us to exercise any power (or to insist upon strict compliance by you with any obligation or condition) shall constitute a waiver of any of our rights under this Contract.
- 30.4 No waiver by us of any particular default by you shall affect or impair our rights in respect of any other default (of any kind) by you.
- 30.5 No delay or omission by us to exercise any rights arising from any particular default by you shall affect or impair our rights in respect of such default or any other default (of any kind) by you.

If you or we are prevented from complying with this Contract

- 30.6 Neither of the parties to this Contract is responsible to the other for any delay in performance, or for any non-performance, of its obligations and duties under this Contract due to any cause beyond its reasonable control. Causes beyond reasonable control are confined to:
- (a) severe physical damage caused by storm, fire or flood; and
 - (b) criminal acts; and
 - (c) epidemic,
- except any fire, flood or criminal act caused or committed by any member of the affected party's personnel.
- 30.7 If any cause within Clause 30.6 occurs the affected party must immediately:
- (a) inform the other party in writing of such cause and of what obligation or duty it has delayed or prevented being performed; and
 - (b) take all action within its power to comply with the terms of this Contract as fully and promptly as possible;

and, unless the affected party takes such steps, this Clause must not have the effect of absolving it from its obligations under this Contract.

- 30.8 If the circumstances described in Clause 30.7 arise, but do not appear to be of a temporary nature, either party may give the other notice of termination of this Contract within such period as is reasonable in the circumstances (which shall be no shorter than one month).
- 30.9 Any notice under Clause 30.8 shall not take effect if the party that was prevented from complying with this Contract (or complying with it in a timely manner) is able, to the other party's satisfaction, to comply with its obligations and duties under this Contract within the period of notice specified in accordance with Clause 30.8.

If any part of this Contract is held to be invalid

- 30.10 Subject to Clauses 30.11 and 30.12, if any term of this Contract is held by any competent authority to be invalid, illegal or unenforceable in whole or in part, or if the inclusion of any term is held by any such authority to be in breach of those rules relating to the procurement of contracts by the public sector, the other terms of this Contract and the remainder of the affected term so far as practicable shall continue to be valid and enforceable.
- 30.11 If, in our reasonable opinion, the effect of a decision of a court, tribunal or other competent authority (i) adversely affects the efficacy of this Contract or (ii) is that a term of this Contract (or the same or very similar term in another of our contracts) is invalid, illegal or unenforceable in whole or in part with the effect that the purpose of this Contract is undermined or our position is materially prejudiced, we are entitled:
- (a) with the agreement of the Consultative Bodies, or without it if it is unreasonably withheld, (i) to amend this Contract so as to restore its efficacy and (ii) to substitute for such term (or part of a term) such further term (or part of a term) the meaning of which has been advised by leading counsel instructed by us (and the Consultative Bodies if they agree to joint instruction) to be as close as permissible to that of the invalid, illegal or unenforceable term (or part of a term); or
 - (b) to give you notice terminating this Contract, or terminating specified powers, rights and authorities to perform Contract Work under it (including your right to perform Contract Work as specified in a Schedule) on the expiry of reasonable notice which shall not be less than three months.
- 30.12 If, in your reasonable opinion, the effect of Clause 30.11 (following a decision of a competent authority) is such that your position is prejudiced, you may:
- (a) ask us to agree a suitable amendment to this Contract; or
 - (b) give us notice terminating this Contract either immediately or on the expiry of such other period of notice as you may specify.

Providing information under the National Audit Act 1983 (as amended)

30.13 For the purpose of examination of our accounts, or any examination under section 6(1) of the National Audit Act 1983 (as amended) as to the economy, efficiency and effectiveness with which we have used our resources, the Comptroller and Auditor General may examine such information as he or she may reasonably require which are owned, held or otherwise within your control and may require you to provide such information and oral or written explanations as he or she may reasonably require for those purposes. You must promptly give all reasonable assistance to the Comptroller and Auditor General for those purposes.

Providing information under legislation

30.14 Without limiting the provisions of Clauses 15, 16 and 17, we may be required by other legislation to provide information that you hold. If we ask you to give us such information, you must do so without delay.

If we commission research on this Contract

30.15 You must co-operate with any Researchers and provide such information to them as they may reasonably require. Such co-operation includes permitting the Researchers, on reasonable notice, to have access to your premises during normal office hours and to review, on the premises, the files of Clients and Former Clients. It also includes, occasionally, discussing with the Researchers issues relating to the operation of this Contract.

30.16 At any time, we may commission research on the operation of our contracts. If we do so, the product of such research, and all rights in it, are our property. If you request them and they exist, we will make available to you (subject to our rights) any research findings that may have been derived from your operations.

Your obligation to check Certificates and authorities issued by us in connection with Contract Work

30.17 Where applicable it is your responsibility to check any Certificates and authorities that are issued to you in connection with Contract Work. If after checking a Certificate or authority you have any concerns, you may raise them with the issuing body. No matter what sum is assessed by a court as costs incurred under a Certificate, we have no obligation to pay you for any work that is outside the scope of a Certificate, or which is in excess of that covered by a limitation or condition on a Certificate, and if any such payment is made to you an equal sum is repayable by you to us.