

Framework Schedule 3 (Framework Prices)

1. How Framework Prices are used to calculate Call-Off Charges

1.1 The Framework Prices:

1.1.1 will be used as the basis for the charges (and are maximums that the Supplier may charge) under each Call Off Contract; and

1.1.2 cannot be increased except as in accordance with this Schedule.

1.2 The Charges:

1.2.1 shall be calculated in accordance with the terms of the Call Off Contract and in particular in accordance with the terms of the Order Form;

1.2.2 **[Delete]** if not applicable: cannot be increased except as specifically permitted by the Call Off Contract and in particular shall only be subject to Indexation where specifically stated in the Order Form; and]

1.2.3 **[Delete]** if not applicable: shall not be impacted by any change to the Framework Prices.]

1.3 **[Delete if not applicable]:** Any variation to the Charges payable under a Call Off Contract must be agreed between the Supplier and the Buyer and implemented using the same procedure for altering Framework Prices in accordance with the provisions of this Framework Schedule 3]

2. How Framework Prices are calculated

2.1 The pricing mechanisms and prices set out in Annex 1 shall be available for use in calculation of Framework Prices in Call Off Contracts.

3. Are costs and expenses are included in the Framework Prices

3.1 **[Delete]** if Paragraph 4 is not used: Except as expressly set out in Paragraph 4 below, or otherwise stated in a Call Off Order Form] the Framework Prices shall include all costs and expenses relating to the provision of Deliverables. No further amounts shall be payable in respect of matters such as:

3.1.1 incidental expenses such as travel, subsistence and lodging, document or report reproduction, shipping, desktop or office equipment costs, network or data interchange costs or other telecommunications charges; or

3.1.2 costs incurred prior to the commencement of any Call Off Contract.

4. When the Supplier can ask to change the Framework Prices

4.1 The Framework Prices will be fixed for the first **[Insert: number]** years following the Framework Contract Commencement Date (the date of

expiry of such period is a "**Review Date**"). After this Framework Prices can only be adjusted on each following yearly anniversary (the date of each such anniversary is also a "**Review Date**").

4.2 The Supplier shall give CCS at least three (3) Months' notice in writing prior to a Review Date where it wants to request an increase. If the Supplier does not give notice in time then it will only be able to request an increase prior to the next Review Date.

4.3 Any notice requesting an increase shall include:

4.3.1 a list of the Framework Prices to be reviewed;

4.3.2 for each Framework Price under review, written evidence of the justification for the requested increase including:

(a) [a breakdown of the profit and cost components that comprise the relevant Framework Price;]

[Guidance Note: Consider requesting a breakdown of the cost and profit elements for each line item (or similar groups of line items) in the Framework Prices as part of the initial procurement. This provides a benchmark against which future price reviews can be checked]

(b) [details of the movement in the different identified cost components of the relevant Framework Price;]

(c) [reasons for the movement in the different identified cost components of the relevant Framework Price;]

(d) [evidence that the Supplier has attempted to mitigate against the increase in the relevant cost components; and]

(e) [evidence that the Supplier's profit component of the relevant Framework Price is no greater than that applying to Framework Prices using the same pricing mechanism as at the Contract Commencement Date.]

[Guidance Note: Add anything else CCS expects to see from Suppliers. This assumes the Supplier will not be entitled to an increase in the profit element. It may be argued by suppliers that general inflationary pressure devalues the profit element and it too should be increased by a measure such as the Consumer Price Index (CPI).]

4.4 CCS shall consider each request for a price increase. CCS may grant Approval to an increase at its sole discretion.

4.5 Where CCS approves an increase then it will be implemented from the first (1st) Working Day following the relevant Review Date or such later date as CCS may determine at its sole discretion and Annex 1 shall be updated accordingly.

5. Other events that allow the Supplier to change the Framework Prices

5.1 The Framework Prices can also be varied (and Annex 1 will be updated accordingly) due to:

- 5.1.1 a Specific Change in Law in accordance with Clause 24;
- 5.1.2 a review in accordance with insurance requirements in Clause 13;
- 5.1.3 **[Delete]** if there is no Benchmarking Schedule:: a benchmarking review in accordance with Call Off Schedule 16 (Benchmarking)]
- 5.1.4 a request from the Supplier, which it can make at any time, to decrease the Framework Prices; and
- 5.1.5 **[Delete]** Clause if Paragraph 7 is not used]
indexation, where Annex 1 states that a particular Framework Price or any component is “subject to Indexation” in which event Paragraph 7 below shall apply.]

6. [Delete paragraph if not applicable: When the Framework Prices are linked to inflation]

- 6.1 Where **[Insert if other items are subject to variation: any amounts]****[the Framework Charges]** are stated to be "subject to Indexation" they shall be adjusted in line with changes in the Consumer Price Index ("CPI"). All other costs, expenses, fees and charges shall not be adjusted to take account of any inflation, change to exchange rate, change to interest rate or any other factor or element which might otherwise increase the cost to the Supplier.
- 6.2 Framework Prices shall not be indexed during the first **[Insert: number]** years following the Framework Contract Commencement Date.
- 6.3 Where Annex 1 states a Framework Price is subject to Indexation then it will be indexed on the date which is **[Insert: number]** years after the Framework Commencement Date to reflect the percentage change in the CPI since the Framework Commencement Date. They shall be indexed on each following yearly anniversary to reflect the percentage change in the CPI since the previous change.
- 6.4 Where the CPI Index:
 - 6.4.1 used to carry out an indexation calculation is updated (for example due to it being provisional) then the indexation calculation shall also be updated unless CPS and the Supplier agree otherwise;
 - 6.4.2 is no longer published, CCS and the Supplier shall agree a fair and reasonable replacement that will have substantially the same effect.]

7. [Delete Paragraph if not applicable: When you will be reimbursed for travel and subsistence]

- 7.1 [Expenses shall only be recoverable where:
 - 7.1.1 the Time and Materials pricing mechanism is used; and
 - 7.1.2 the Order Form states that recovery is permitted; and

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7.1.3 they are Reimbursable Expenses and are supported by Supporting Documentation.

7.2 The Buyer shall provide a copy of their current expenses policy to the Supplier upon request.]

Annex 1: Rates and Prices

Table 1: Time and Materials

The Supplier (and its Sub-Contractor) shall not be entitled to include any uplift for risks or contingencies within its day rates

The rates below shall [not] be subject to variation by way of Indexation

Staff Grade	Day Rate (£)

Table 2: Fixed Prices

The rates below shall [not] be subject to variation by way of Indexation

Framework Price	Fixed Framework Price (£)
[e.g. M3]	
[e.g. SC3]	

Table 3: Volume Based Prices

The rates below shall [not] be subject to variation by way of Indexation

Framework Price Number	Unit	Number of units per Service Period	Charge per unit (£)
[e.g. SC1]		[] - []	[]
		[] - []	[]
[e.g. SC2]		[] - []	[]
		[] - []	[]

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