

Legal Services Commission

Contract for the provision of debt advice in specified prisons in Wales

CONTENTS

Number	Clause Heading	Page
N/A	FOREWORD	2
1	Interpretation	3
2	Relationship	16
3	Communication	18
4	Financial disclosure and risk	19
5	Equality and diversity	20
6	Logos and marketing	22
7	Looking after Clients, compliance and self-monitoring	23
8	Demonstrating compliance and co-operating in audits	25
9	Keeping and providing documents and completing and returning forms	28
10	Approved Personnel and Supervisors, standard of Contract Work and Performance Standards	30
11	The Schedule	32
12	Amendments to Contract Documents	33
13	Claims	35
14	Price and how and when we pay you	37
15	Set off and repayment	38
16	Instruction and payment of third parties	40
17	Referral fees	41
18	Confidentiality and data protection	42
19	Warranties	46
20	Indemnity	47
21	Giving notices	48
22	Things you must tell us about	50
23	Novations	54
24	Prohibited gifts, fraud and unethical behaviour	57
25	General	58
26	Sanctions	62
27	How this Contract can be ended	64
28	Consequences of termination	67
29	Dispute resolution	69
Letter	Annex Heading	
A	Equality and Diversity Annex	71
B	Client Service Annex	74
C	Approved Personnel, Supervisors Annex	76
D	Monitoring Annex	
SCHEDULE 1		

FOREWORD

Background

- A The Commission has a statutory obligation to establish, maintain and develop the Legal Aid Scheme i.e. the Community Legal Service ("CLS") and the Criminal Defence Service ("CDS") under sections 4(1) and 12(1) of the Act.
- B In funding services as part of the CLS or CDS, the Commission has a statutory duty to aim to obtain the best possible value for money under sections 5(7) and 18(3) of the Act.
- C In relation to the CLS, the Commission has statutory duties to secure (within the resources made available and priorities set in accordance with part 1 of the Act) that individuals have access to services that effectively meet their needs under section 4(1) of the Act.
- D In relation to the CDS, the Commission has statutory duties to secure access to such advice, assistance and representation as the interests of justice require under section 12(1) of the Act.
- E The Commission may accredit persons or bodies providing services under the CLS or CDS. Any system of accreditation must include provision for the monitoring of the services provided by accredited persons or bodies and for the withdrawal of accreditation from any such persons providing services of unsatisfactory quality under sections 4(8) and 12(4) of the Act.
- F The Commission may fund services as part of the CLS and CDS by entering into contracts with persons or bodies for the provision of "services" (CLS) and "advice and assistance" and "representation" (CDS) by them under sections 6(3), 13(2) and 14(2) of the Act.
- G The purpose of this Contract is to enable the Commission to comply with its statutory duties and fulfil its statutory functions.
- H Under this Contract, the Legal Services Commission wishes to make available accessible, independent, quality assured and integrated face-to-face debt advice services to clients in certain specified prison establishments in Wales.

1. Interpretation

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

"Access to Justice Legislation" includes the Act, statutory instruments, directions and authorisations of the Lord Chancellor applying to this Contract, Arrangements and the Funding Code;

"Account Manager" means a person nominated by us to liaise with a Provider about this Contract (see Clause 3);

"Act" means the Access to Justice Act 1999;

"Annex" means, unless expressly stated otherwise, an annex to the Contract Document referring to it (and is part of the Contract Document);

"Approved Personnel" means any person engaged by you to undertake Contract Work other than any person who:

- (a) refuses to consent to our obtaining status reports on them e.g. from the Law Society;
- (b) we notify you that we reasonably believe is unsuitable to perform Contract Work; or
- (c) is excluded from performing Contract Work by:
 - (i) a contract Sanction applied by us; or
 - (ii) an order or direction of a court, tribunal, professional body or regulator with power to do so;

"Arrangements" means any arrangements made under the Act by us;

"BACS" means BACS Ltd (formerly known as Bankers' Automated Clearing Services);

"Bid Documents" means any documents that you have submitted to us with a view to obtaining a contract with us or authority from us e.g. authority to carry out specified work;

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

"Case" means Contract Work carried out for a Client;

"CDS" means the Criminal Defence Service;

"CEDR" means the Centre for Dispute Resolution;

"Certificate" has the meaning defined in the Funding Code;

"Change of Control" means, in the case of a company, a change of control (as defined by section 416 of the Income and Corporation Taxes Act 1988 ("*ICTA*")) in you or your Parent Company and, in the case of a limited liability partnership, has a like meaning but as if:

- (a) for all references to "the company" (other than in sub-section 416 (6) of ICTA) there were substituted references to "the limited liability partnership";
- (b) in sub-section 416 (2)(a) of ICTA the words "of the share capital or issued share" were omitted;
- (c) in sub-section 416 (2)(b) of ICTA for the words "such part of the issued share capital of the company" there were substituted "such entitlement to the profits of the limited liability partnership";
- (d) in sub-sections 416 (2)(b) and (c) and 416 (6) of ICTA for the word "participators" there were substituted "Members (LLPs)"; and
- (e) in sub-section 416 (6) of ICTA:
 - (i) for all but the last reference to "company" there were substituted "company or limited liability partnership";
 - (ii) for the reference to "companies" there were substituted "companies or limited liability partnerships (as the case may be)"; and
 - (iii) for the last reference to "company" there were substituted "limited liability partnership";

"*Civil Procedure Rules*" means the Civil Procedure Rules 1998 as amended or replaced from time to time;

"*Claim*" means a claim for payment for Contract Work submitted on the form we have specified for that purpose;

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

"*Client*" means a person imprisoned at any of the Locations (which shall have the meaning specified in Schedule 1) for whom you are performing (or have performed) Contract Work;

"*Commission*" means the Legal Services Commission;

"*Community Legal Service*" (or "*CLS*") has the meaning given in section 4 of the Act;

"*Contract*" means this LSC Unified Contract between you and us which consists of the Contract Documents;

"*Contract Documents*" means the documents specified as such in the Contract for Signature;

"*Contract for Signature*" means the Contract Document issued by us and designated as such;

"*Contract Period*" has the meaning set out 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 e.g. the Contract Work performed and the

position on each and the names and addresses of Clients) and on Claims made and payments received;

"Contract Report Form" means our form for providing information about this Contract e.g. about Contract Work, your performance under and compliance with this Contract or your legal status and constitution, or for claiming payment for Contract Work;

"Contract Schedule" and *"Schedule"* means Schedule 1 to this Contract;

"Contract Standard Terms" means these LSC Contract Standard Terms 2008;

"Contract Start Date" is the date, specified in the Contract for Signature, as the date this Contract starts;

"Contract Work" is all the work that you may perform for Clients under, or by virtue of, this Contract being the Services as set out in Schedule 1;

"Contract Year" means the period of 12 months from 1 April to 31 March inclusive;

"Data Controller" shall have the same meaning as set out in the Data Protection Act 1998;

"Data Processor" shall have the same meaning as set out in the Data Protection Act 1998;

"Data Protection Legislation" 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 Electronic Communications Data Protection Directive 2002/58/EC, the Privacy and Electronic Communications (EC Directive) Regulations 2003 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;

"Data Subject" shall have the same meaning as set out in the Data Protection Act 1998;

"Desktop Audit" means a remote audit by us of documents you have provided to us to determine whether or not you have met the criteria to become a Provisional Provider;

"Direct Loss" means all damage, losses, indebtedness, claims, actions, cash expenses (including the cost of legal or professional services, legal costs being an agent/client, client paying basis), proceedings, demands and charges whether arising under statute, contract or at common law but excluding Indirect Losses;

"Disbursement(s)" means travelling expenses and other out of pocket expenses properly incurred by you (and which, apart from this Contract, would be properly chargeable to a Client) in performing Contract Work;

"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;

"Equality and Diversity Contract Report Form" means our form for requesting equality and diversity information about your clients and personnel;

"FOIA" the Freedom of Information Act 2000 and any subordinate legislation made under this Act 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 such legislation;

"Former Client" means a person for whom you have performed work under the Act or the Legal Aid Act 1988);

"Fundamental Breach" includes the following (which is not an exhaustive list):

- (a) a breach of a provision of this Contract that is so important that breach of it justifies termination;
- (b) more than one breach of this Contract which, together, are so serious that termination is justified;
- (c) one or more breaches, from which we may reasonably infer that performance will continue to be so substandard as to justify termination;
or
- (d) dishonesty;

Any circumstances stated in this Contract to amount to a Fundamental Breach are by way of example only and are not an exhaustive list. Breaches of other provisions may also amount to a Fundamental Breach if they fulfil the requirements of this definition;

"Funding Code" means the code published under section 9 of the Act, including its criteria, procedures and guidance;

"Funding Code Criteria" means the criteria set out in the Funding Code for deciding whether to fund or to continue to fund services;

"Guidance" means such guidance published by us at the Contract Start Date, as amended by us (provided that any changes made by us shall only be of a procedural or technical nature and not material in the light of the Contract as a whole) unless they are being made to reflect an amendment which has been adopted in accordance with Clause 13;

"Indirect Losses" means loss of profit, loss of use, loss of production, loss of business, loss of business opportunity, or any claim for consequential loss or for indirect loss of any nature.

"Environmental Information Regulations" the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issues by the Information Commissioner or relevant Government Department in relation to such regulations;

"Information" has the meaning given under section 84 of the Freedom of Information Act 2000;

"Initial Audit" means an audit by us to determine whether you have met the criteria required to become a Provider;

"Key Personnel" means your Liaison Manager and Supervisors;

"Legal Aid" means CLS and CDS services under the Act;

"Legal Aid Fund" means the monies from which we may pay for services under the CLS and CDS;

"Legal Services Commission" means the Legal Services Commission established under the Act;

"Liaison Manager" means the member of your personnel nominated by you to liaise with us on matters concerning this Contract;

"LSC" means the Legal Services Commission;

"LSC Data" means:

(a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are:

1.1 supplied to you by or on behalf of LSC; or

1.2 which you are required to generate, process, store or transmit pursuant to this Contract; or

(b) any Personal Data for which LSC is the Data Controller;

"LSC Manual" means our published manual including relevant legislation, Contract Documents, the Funding Code and other materials relevant to the performance of Contract Work and compliance with this Contract published by us at the Contract Start Date, as amended by us (provided that any changes made by us shall only be of a procedural or technical nature and not material in the light of the Contract as a whole, unless they are being made to reflect an amendment that has been adopted in accordance with Clause 13). ;

"LSC Promotional Items" means any LSC logos, trade marks (whether registered or unregistered), signs, display materials, information, literature and other promotional items, supplied or approved by us in connection with the provision of Contract Work;

"LSC Single Equality Scheme" means the policy notified to the Provider from time to time, the current version of which is available on our website at www.legalservices.gov.uk;

"LSC Unified Contract" means a unified contract with us in respect of crime Contract Work or civil Contract Work provided that, for the purpose of Schedule 1, LSC Unified Contract means a unified contract with us in respect of civil Contract Work only;

"Matter" means Contract Work for a Client.

"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;

"Notice to Terminate" means a notice to that effect issued under the SQM;

"Order" means Representation Order;

"Office Manual" means the manual required under G4 of the SQM;

"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 (e.g. where a Provider that is a firm of solicitors, the Solicitors Regulation Authority) which is responsible for regulating or disciplining, you or your personnel; or
 - (ii) the Commission's Investigation Section;
- (b) any investigation, of which you are aware, by the police into suspected criminal offences relevant to your operations; or
- (c) any investigation, on reasonable grounds, authorised by the Commission's Investigation Section into suspected serious breaches of this Contract;

"Paragraph" means a paragraph of the Schedule, unless otherwise specified;

"Parent Company" means (where applicable) any company that is your immediate, or ultimate, holding company and any holding company that is in the line of holding companies between you and your ultimate holding company (and in this definition "company" includes a limited liability partnership and "holding company" has the meaning given to it in the Companies Act 1985);

"Performance Standards" means the performance standards set out in paragraph 1.5 of Schedule 1;

"Process" has the meaning given to it under the Data Protection Legislation but, for the purposes of this Contract, it shall include both manual and automatic processing;

"Provider" means a party (except us) to an LSC Unified Contract being the person defined as such in the Contract for Signature;

"Provisional SQM Holder" means an organisation which has applied for (but has not yet been granted) an SQM in relation to Contract Work and which has passed a Preliminary Audit in relation to Contract Work;

"Provisional Provider" means a Provider or Provisional SQM Holder that has yet to pass an Initial Audit;

"Q.A. Standard" means the quality assurance standard approved by us e.g. the Specialist Quality Mark (SQM) that you have agreed to comply with;

"Regional Office" means one of our offices responsible for administering Legal Aid;

"Relevant Professional Body" means the body or organisation which supervises or exercises control over, or co-ordinates, your professional or service activities or such activities of any of your personnel being (a) The Solicitors Regulation Authority, (b) the General Council of the Bar, (c) adviceUK, (d) the Law Centres Federation, (e) Dial U.K, (f) Shelter or (g) Citizens Advice and/or (h) such other body or organisation as we recognise as a Relevant Professional Body;

"Replacement Provider" any replacement Provider appointed by us to provide services the same as or similar to the Services carried out by you at or prior to termination;

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

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

"Request for Information" a request for information or an apparent request under the Code of Practice on Access to Government Information, FOIA or the Environmental Information Regulations;

"Sanction" means (i) any of the sanctions that we may apply under Clause 29 and (ii) suspension or termination by us under Clause 30 because we consider that you have breached this Contract (automatic termination and no fault termination are not Sanctions);

"Schedule" means Schedule 1;

"Solicitor" means a solicitor of the Supreme Court;

"Specialist Quality Mark" and *"SQM"* means the Q.A. Standard published by us at the Contract Start Date, as amended by us (provided that any changes made by us shall only of a procedural or technical nature and not material in the light of the Contract as a whole, unless they are being made to reflect an amendment that has been adopted in accordance with Clause 13).;

"SQM Supervisor" means the supervisor required by the SQM;

"Standard Terms" means these Unified Contract Standard Terms 2008;

"Supervisor" means a member of your personnel approved as such in accordance with the Approved Personnel and Supervisors Annex;

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

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

"VAT" means value added tax;

"we" and *"us"* mean the Legal Services Commission (and *"our"* has the associated meaning); and

"you" means the current party to this Contract 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 Access to Justice Legislation and other legislation is, as the context requires, a reference to any substitute for, or re-enactment of, it and includes any new Access to Justice 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 References to "audit" and "auditing" include any information-seeking activity e.g. enquiry, investigation, verification, check, evaluation, assessment and question.
- 1.10 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 (e.g. electronic, paper, on-line via our website or otherwise) as we may specify.
- 1.11 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.
- 1.12 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.
- 1.13 Any performance and compliance obligations you have e.g. to have policies, systems, procedures or controls includes the obligation effectively to operate them at your own cost.
- 1.14 Any obligation on you to keep records, data or information includes the obligation to keep them up-to-date and accessible by us.
- 1.15 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"), our choice is not restricted to selecting all options or no options but extends to selecting any one or more of them.

- 1.16 Where any provision specifies "for example", or "e.g.", or otherwise gives examples, the examples given do not confine the application of the provision to examples of a similar kind.
- 1.17 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.
- 1.18 Any reference to this Contract, or any part of it, expiring means expiring by effluxion of time (and "expiry" has the associated meaning).
- 1.19 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).
- 1.20 References to "documents" includes documents on paper and documents, sound and pictures (still and moving) stored in other media e.g. in electronic format, digitally, on disk, on computer etc and references to "auditing" include auditing items in such other media.
- 1.21 Any obligation to send materials e.g. documents includes the obligation to pay the cost of doing so.
- 1.22 Any references to part of this Contract terminating mean terminating rights or authorities under it.
- 1.23 References to "company" include, except where the context requires otherwise, a limited liability partnership.
- 1.24 References to "personnel" include e.g. employees, self-employed personnel, agency workers, partners (partnership), directors (company) and Members (LLPs) and, where you are the lead member of a consortium or a Solicitors' Chambers, or are (with our prior written permission) performing Contract Work using sub-contractors, "your personnel" includes the personnel of the other members of the consortium, the Solicitors' Chambers or sub-contractor.
- 1.25 References to "partner" include a person held out as a partner of a partnership.
- 1.26 References to a "director" include a "Member (LLP)", except where the context requires otherwise.
- 1.27 References to amending documents include e.g. adding to them, deleting from them and modifying them.
- 1.28 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.
- 1.29 The formation, existence, construction, performance, validity and all aspects whatsoever of this Contract and of any term of this Contract is governed by the law of England and Wales.

2. Relationship

Value for money and good faith

- 2.1 In funding services as part of the Community Legal Service and Criminal Defence Service we are bound by sections 5(7) and 18(3) of the Act to aim to obtain the best possible value for money. 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 this aim.
- 2.2 In relation to this Contract, you and we will act in good faith and we will act as a responsible public body required to discharge functions under the Act.

Are you our partner (in law) or agent?

- 2.3 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).
- 2.4 We shall 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.

Do you have to perform this Contract yourself?

- 2.5 This Contract is personal to you. You must not give, bargain, sell, assign (or otherwise dispose of) the benefit of any of its rights, or sub-contract (or otherwise delegate) any of your obligations under this Contract without our prior written consent.

Does this Contract create any third party rights?

- 2.6 This Contract does not create any right that is enforceable by any person who is not a party to it under the Contracts (Rights of Third Parties) Act 1999.

3. Communication

How will you and we communicate with each other?

- 3.1 You must nominate a member of your personnel as your Liaison Manager to liaise with us, and we will nominate an Account Manager to liaise with you about this Contract.
- 3.2 All communications under or in connection with this Contract will be conducted in a polite and professional manner.
- 3.3 As well as a postal address or Document Exchange (DX) number and telephone number, you must have an operational email address to which we may send you electronic communications.
- 3.4 You must have access to our website www.legalservices.gov.uk. We may require you to use our website in order to make transactions and Claims etc.
- 3.5 Liaison Managers and Account Managers must be competent, and have sufficient authority, to deal with day-to-day issues that might be expected to arise in connection with performance under, payment under and compliance with, this Contract.
- 3.6 Both parties agree that good communication between their personnel is key to the effective operation of this Contract, agree to ensure that their personnel understand this and to provide relevant training if they consider it appropriate.
- 3.7 Both parties agree to investigate any complaints of breach of this clause 3 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 3).
- 3.8 Where we request you to do so, you will co-operate with us to produce case studies in relation to the work that you and we do for Clients under this Contract.

4. Financial disclosure and risk

Must you have audited, or certified, accounts?

- 4.1 You must maintain annual accounts (which must include profit and loss accounts and a balance sheet (or such other accounts as may have to be submitted to the Charities Commission and/or the Registrar of Companies in the case of a Not For Profit Organisation)). Each annual accounting period must start when the previous one ended. An independent accountant must audit or certify each of your annual accounts within 8 months of their ending unless, before the end of the relevant accounting period, we agree exceptionally that a longer period is justified. You must notify us within 14 days if the independent accountant either refuses to certify your accounts or qualifies them and, at our request, must produce proof from the independent accountant confirming their audit or certification and the outcome.

What if we consider that there is a financial risk?

- 4.2 You must disclose to us the annual accounts and such other financial information we reasonably specify about you and about Contract Work (and any other work funded by us) and provide us with any related documentation that we specify within 28 days of our request, including for the avoidance of doubt your monthly management accounts, if:
- (a) you are under Official Investigation;
 - (b) an independent accountant does not audit or certify your accounts as required by Clause 4.1;
 - (c) an independent accountant either refuses to certify your accounts or qualifies them; or
 - (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.

Can we require indemnities and guarantees from Providers with limited liability?

- 4.3 If you are a limited company or an organisation with limited liability e.g. a limited liability partnership 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 guarantees and indemnities 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.
- 4.4 Without prejudice to Clause 4.3, 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 18.12 to 18.22.

5. Equality and Diversity

Our obligations

5.1 As a public authority we have statutory obligations:

- (a) to promote race equality, disability equality and gender equality in accordance with the Sex Discrimination Act 1975 ("the 1975 Act"), Race Relations Act 1976 ("the 1976 Act") and Disability Discrimination Act 1995 ("the 1995 Act"); and
- (b) not to discriminate in the provision of goods, facilities or services on the basis of race, disability, gender, religion or belief or sexual orientation in accordance with the 1975 Act, the 1976 Act, 1995 Act and the Equality Act 2006;

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

Your obligations

5.2 To help us to comply with our statutory obligations, you must comply with the requirements of the Equality and Diversity Annex (Annex A).

5.3 You must comply with the LSC Single Equality Scheme.

5.4 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 within the meaning and scope of:

- (a) the Equal Pay Act 1970;
- (b) the Sex Discrimination Act 1975;
- (c) the Race Relations Act 1976;
- (d) the Disability Discrimination Act 1995;
- (e) the Employment Rights Act 1996;
- (f) the Human Rights Act 1998;
- (g) the Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000;
- (h) the Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations 2000;
- (i) the Employment Equality (Sexual Orientation) Regulations 2003;
- (j) the Employment Equality (Religion or Belief) Regulations 2003;
- (k) the Work and Families Act 2006;
- (l) the Employment Equality (Age) Regulations 2006; and

- (m) any other relevant legislation in force from time to time relating to discrimination in employment and the provision of goods, facilities or services.
- 5.5 To be sure that we are complying with our statutory obligations to promote race, disability and gender equality and to carry out equalities impact assessments, we need to require you to provide information to us e.g. about Clients and your personnel. This also helps us to make decisions that better take account of any equality and diversity needs of Clients and potential Clients.
- 5.6 You must complete and return to us our Equality and Diversity Contract Report Forms within the period specified in the forms provided that to do so does not breach or prejudice your professional obligations. These may require information about your personnel, showing their level e.g. partner, solicitor, legal executive etc correlated against gender, ethnicity and disability, and you must collect relevant information accordingly.
- 5.7 You must collect information about your Clients e.g. on gender, ethnicity and disabilities e.g. by completing the equal opportunities information section on our funding application forms.
- 5.8 Researchers (normally the Legal Services Research Centre) will contact you annually to ask you to complete an equality and diversity survey. You must cooperate with the Researchers and complete and return to them their survey documents (which are Contract Report Forms) within the period specified by the Researchers.
- 5.9 If you are found by a competent court or tribunal at any time to have unlawfully directly discriminated against any Client or potential client, this shall be deemed a Fundamental Breach.

6. Logos and marketing

May you use our logos and other intellectual property?

6.1 While this Contract is in force, unless you are a Provisional Provider, you may describe yourself as a Provider and may use LSC Promotional Items in accordance with our guidelines published on our website www.legalservices.gov.uk.

Are there restrictions on how you may market your services for Debt Advice in the Locations?

6.2 Without limiting paragraph 2.15 of Schedule 1, 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; or
- (c) advertising "free" welfare benefits checks (through e.g. leaflets, letters, and circulars),

and any work carried out for any person who contacted you following any of (a), (b) or (c) above is not Contract Work (and is not payable by us).

6.3 Neither you, nor any person representing you, may provide any money or other gifts to a Client.

7. Looking after Clients, compliance and self-monitoring

Looking after Clients

7.1 You must have the indemnity insurance and the client service and other procedures specified in the Client Service Annex (Annex B).

Must you have access to the LSC Manual?

7.2 You must have either a printed copy of the current LSC Manual or on-line access to it through a recognised licensee of ours (e.g. The Stationery Office).

Must you have a case management system?

7.3 You must have, and use for all Contract Work, a matter and case management system that interfaces with our systems electronically.

What must you comply with?

7.4 You must comply with all relevant legislation (including all Access to Justice Legislation) and with the Contract Documents.

7.5 You must comply with the conduct and practice rules of the Relevant Professional Body. Where you are in practice as solicitors, these include the Solicitors Practice Rules and the Solicitors Accounts Rules.

7.6 You must comply with the Q.A. Standard specified in your Contract for Signature (except so far as the Schedule specifically relieves you of compliance with some or all of it). If your Q.A. Standard is not the SQM and you cease to meet your Q.A. Standard, we may require you to comply with the SQM.

How must you record and report data and information?

7.7 You must record and report all data and 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.

Must you monitor your own performance?

7.8 You must effectively monitor your performance under, and compliance with, this Contract (see the Annex D – Monitoring Annex). You must take prompt and effective corrective action if your monitoring identifies any failure of, or deficiency in, performance or compliance.

What records must you maintain?

7.9 You are responsible for your performance under and compliance with this Contract. You must maintain a record of your monitoring of performance and compliance (and of any corrective action and the results of it).

Records

7.10 In relation to Contract Work, you must maintain records of:

- (a) how any Client complaints have been handled;
- (b) the results of any Client satisfaction surveys;

- (c) the results and reports of any internal (by you) and external (by us or a third party) audits (such as audits of your compliance with the Q.A. Standard by any third party);
- (d) all identified non-compliances and the corrective action taken; and
- (e) details of the operation of your equality and diversity policies, procedures and communications and a candid assessment of their effectiveness;
- (f) such up to date details regarding your organisation and your clients as we may reasonably require;
- (g) a comprehensive record of findings for each file review undertaken;
- (h) results of your review (which must be undertaken at least annually) of all file reviews records and details of action taken to improve performance where negative trends are identified; and
- (i) how you have (in accordance with Clause 7.8) effectively monitored your performance under and in compliance with, this Contract, and the corrective action you have taken (if any).

8. **Demonstrating compliance and co-operating in audits**

Are you obliged to demonstrate compliance to us?

8.1 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.

8.2 You must maintain:

- (a) your Contract Work files in an orderly manner, showing what Contract Work was performed, when it was performed, how it was performed and how long it took; and
- (b) an up-to-date running record of costs and disbursements incurred for each Matter or Case.

Otherwise you will be unable to demonstrate compliance with this Contract.

Must you be able to provide Contract data and information separately from data and information about other work?

8.3 You must be able to provide data and information about Contract Work and your performance under, and compliance with, this Contract separately from other information and data e.g. about any other services you perform. If you have data or information about other services e.g. privately funded work, you must ensure that this does not prevent you from complying with this Contract e.g. on the ground of privilege.

What access, documents and information must you give us?

8.4 At our request, you must allow us to have prompt access to your premises, equipment (including, if an Official Investigation is underway, computers, discs, and all I.T. equipment) documents, information and data and provide us promptly with documents, information and data:

- (a) to audit whether you are complying with this Contract;
- (b) to audit the accuracy of information about your Contract Work;
- (c) to facilitate an Official Investigation; and
- (d) for such purposes as we consider necessary in connection with our statutory duties or functions.

For the avoidance of doubt, whether or not an Official Investigation is underway, we may require you to provide us with any electronic copies of Clients' files, and records of time spent as are held by you electronically (e.g. copy from your I.T. system on disc).

8.5 Where your compliance with the Q.A. Standard is audited by a third party, you must notify us as soon as you are aware of any audit date so that we may, if we wish, attend the audit to observe and monitor it, 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.

- 8.6 Unless an Official Investigation is being conducted (when, if we request it, you must give immediate access) we will require access to premises only during normal business hours and (unless you agree a shorter period of notice) will give you at least 48 hours notice of when we require such access.
- 8.7 Once we have requested access to your premises then, unless you have our prior consent, you must not remove any information or document relating to your performance under, or compliance with, this Contract (e.g. a Client's file) from those premises, unless its removal is required in a Client's interests. If you remove any information or document you must make a written record of what was removed, and why it was removed, and provide the record to us when we attend at your premises.

What co-operation, assistance and facilities do you have to provide and how quickly?

- 8.8 You must co-operate with us when we are auditing you. When we have required access you must, as soon as we require it, provide us with such assistance and facilities as we may reasonably require e.g. photocopying and private interviewing facilities, and assistance in accessing information and documents. Unless we agree otherwise, your Liaison Manager must be available to us when we are auditing you.
- 8.9 Any material or repeated breach by you of any of Clauses 8.4 to 8.8 shall be deemed to be a Fundamental Breach.

Client satisfaction surveys

- 8.10 You must permit us to carry out surveys of Clients and must provide us with such information as we may require for such purpose.
- 8.11 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.

Are we authorised by you to obtain a Report?

- 8.12 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 Access to Justice Legislation 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 or (iv) any of your directors. You must use all reasonable endeavours to ensure that such of them as may be required to give consent to enable such Reports to be given to us, do so.

9. Keeping and providing documents and completing and returning forms

What documents and information must you provide and how quickly?

9.1 You must provide (and, if we require it, send to us by whatever means we specify e.g. courier or DX) such information and documents as we may reasonably require, within such period as we may reasonably specify. Where you hold information, data or documents in your office, we may require them without delay. Where any is held elsewhere e.g. in storage, we may require you to enable us to collect them (e.g. giving written permission to do so and notifying the organisation responsible for storage) or to have them sent directly to us.

May we remove documents or require you to store them securely?

9.2 We may remove information and documents and/or require you to send us or require the secure, sealed retention of information and documents in such manner and for such a period as we may specify.

How long must you keep closed Contract Work Client files for?

9.3 Subject to Clause 9.4, 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 Contract Work (or equivalent) covered by this Contract until each of the following events has occurred and for a further three years after the latest of them occurred:

- (a) you have correctly reported closure of the Matter or Case to us;
- (b) a final claim for payment for your work on the Matter or Case has been submitted to us;
- (c) all payments in respect of the Matter or Case have been made. Files and records may be retained in any manner (e.g. on microfiche or CD ROM) that enables them to be audited without undue difficulty.

9.4 You must retain copies of closed files even if the Matter or Case has been transferred elsewhere e.g. at the Client's request because they have changed solicitors. Where a Client has changed solicitors, obtaining an undertaking from the new solicitor to return the file, should it be required for audit purposes, will be sufficient.

Failure to provide required access, documents, information etc

9.5 If you fail to co-operate, provide access, documents etc as required by Clauses 7, 8 and 9, there is a risk to Clients and public monies. In such cases we may apply a Sanction.

What forms do you have to complete?

9.6 You must complete, and return to us within such period as we may specify, such Contract Report Forms as we may reasonably specify.

What notice must we give you of changes to Contract Report Forms?

- 9.7 We will give at least 28 days notice of the introduction of any new Contract Report Forms and of any amendments to any Contract Report Forms.

10. **Approved Personnel and Supervisors, standard of Contract Work and Performance Standards**

Who may perform and supervise Contract Work?

- 10.1 Only Approved Personnel may perform Contract Work or be a Supervisor. A Supervisor must appropriately supervise all your Contract Work. The Approved Personnel, Supervisor (and supervision) requirements are set out in the Approved Personnel and Supervisors Annex (Annex C).

What standard must your Contract Work meet?

- 10.2 You must perform all Contract Work in a timely manner and with all reasonable skill, care and diligence. You agree to the standard of your Contract Work being assessed by us and promptly to provide such information, Matter files and Case files as may be required for the purpose.
- 10.3 If you discover an act or omission, that would justify a claim against you by a Client, you must advise the Client to obtain independent advice (and keep a copy of your letter on the Client's file).

Performance Standards

- 10.4 You must meet the Performance Standards.

11. **Schedule**

What is the Schedule?

- 11.1 The Schedule contains a description of the services you must perform and obligations in relation to the provision of those Services. You must comply with the Schedule.

12. Amendments to Contract Documents

When may we amend the Contract Documents?

- 12.1 Unless stated to the contrary elsewhere in this Contract, we may only amend the Contract Documents in accordance with this Clause 12 save where amendments are made to facilitate a pilot scheme in a specified region, amendments made under this Clause 12 will apply to all Providers.

What if any legislation affects this Contract?

- 12.2 We may make such amendments to this Contract as we consider necessary in the circumstances to comply with, or take account of, any U.K. legislation or any EU legislation having direct effect, or 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, or to comply with the requirements of any regulatory body or tax or similar authority.

Such amendments may include without limitation:

- (a) amendments to any of the terms of a Schedule;
- (b) changes to payment provisions;
- (c) imposing controls not previously imposed;
- (d) excluding from this Contract any description of Contract Work; and
- (e) amending procedures in the Schedule.

What amendments may we make to take account of changes in the justice system?

- 12.3 From time to time changes may be made to the justice system which are not initiated or directly controlled by us and which may affect the delivery of Contract Work under this Contract. We may make such amendments to the Contract Documents as we reasonably consider necessary to take account of such changes.

When may we make minor amendments to your Contract Documents?

- 12.4 We may amend any Contract Document from time to time if we reasonably consider the amendment to be minor or of a procedural or technical nature which is not material in the light of the Contract as a whole

What must we ordinarily do before we amend documents?

- 12.5 We may not amend either the Contract for Signature, the Contract Standard Terms or the Schedule under this Clause 12 without prior consultation in accordance with this Clause. For the avoidance of doubt, the provisions of Clauses 12.5 to 12.10 do not apply to any changes made under any other provision of the Contract.
- 12.6 If a proposed amendment affects only one Provider, we will consult with that Provider. Otherwise, we will consult with all persons that are currently supplying

services under an LSC contract for the provision of debt advice in prison establishments in Wales.

- 12.7 If we consider that there is an urgent need to make the amendment, consultation with the service providers referred to in Clause 12.6 may last no longer than 21 days. Otherwise it may last no longer than six weeks.
- 12.8 We wish to use each consultation period as a period during which consultation actually takes place, and will be willing to engage with the service providers referred to in Clause 12.6 during this period to ensure that we are able to take full account of their views. After consultation, we will explain what decisions we have made, and why.

When do amendments take effect and when must you comply with them?

- 12.9 You must comply with any amendment from such date as we may specify for it. Subject to any other provision of this Contract authorising us to make amendments on other notice, such date shall not be less than four weeks after notice of the amendment is given if we consider that there is an urgent need for compliance with it and shall not be less than six weeks after notice of the amendment is given in any other case.

Your right to terminate following an amendment

- 12.10 If you wish to terminate this Contract following an amendment you may do so if you give notice in accordance with Clause 27.2.

13. Claims

Must you submit Claims to be eligible for payments?

- 13.1 To be eligible for payment for Contract Work, you must submit a Claim for payment on that Matter or Case in accordance with the provisions of this Contract and Schedule 1.

How must you formulate your Claims?

- 13.2 Your Claims must be true, accurate and reasonable.
- 13.3 In making a Claim, you must have regard to the content of the LSC Costs Assessment Manuals.

Is it important to submit Claims on time?

- 13.4 It is important that you submit each Claim to us within the time period specified by us in Schedule 1. Otherwise, it can be difficult for us to forecast expenditure. Frequent failure to submit Claims within the time periods specified may lead to the issue of Sanctions under Clause 26 and/or termination under Clause 27.

14. Price and how and when we pay you

What is the price?

14.1 The sums we will pay you for the provision of Contract Work by you are set out in paragraph 3 of Schedule 1.

What payments will we make?

14.2 We will make payments to you in accordance with paragraph 4 of Schedule 1.

Do payments include VAT?

14.3 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.

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

15. **Set off and repayment**

What if you owe us any money?

- 15.1 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 or otherwise. For the avoidance of doubt, when this Contract ends, any obligation to make payment is subject to this right of set-off.

When may a notice or debit note make monies payable by you to us?

- 15.2 We may issue a notice or debit note, 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
- 15.3 An "overpayment or mispayment" under this Clause 15 includes e.g.:
- (a) any payment made in error;
 - (b) 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 payment) for some or all of the work that you have carried out;
- 15.4 If you become aware that any of the events set out in Clauses 15.3 or 15.4 has occurred you should notify us within 14 days of becoming 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.
- 15.5 Any notice (or debit note) under Clause 15.2 will specify the amount of the overpayment, the financial loss and how the relevant criterion in Clause 18.2 is met.
- 15.6 Unless we consider that there is a risk to public funds we will consider allowing you to make any repayment of more than £1,000 required under this Clause 15 in a reasonable number of instalments provided that repayment must be over the shortest reasonable period and must usually be complete within our current financial year.

16. Instruction and payment of third parties

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

- 16.1 We may require that experts, barristers and other third parties whom you instruct must possess such qualifications, or be members of such panel, or hold such accreditation as we may specify in the Schedule and may name experts, barristers or other third parties who may not be instructed.

Can we specify payment rates for third parties?

- 16.2 We may specify, in the Schedule, the maximum payments (by way of hourly rates and otherwise) that you may agree with experts and other third parties whom you instruct.

Referral fees

May you pay referral fees?

16.3 You must not:

- (a) make any payment, or provide any other benefit, to any other Provider of publicly funded legal services for the referral or introduction (directly or indirectly) of any Client or potential Client to you;
- (b) make any payment, or provide any other benefit, to any third party specified by us in writing for the referral or introduction (directly or indirectly) of any Client or potential Client to you.

May you receive referral fees?

16.4 You must not receive any payment, or any other benefit, from any person or body 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 Access to Justice Act Legislation.

Does a payment raise a presumption?

16.5 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 17.1 or 17.2, the presumption shall be that the payment or benefit was made, provided or received in breach of this Contract and the onus shall be on you to show that was not the case.

Is payment for Contract Work a financial benefit?

16.6 For the purpose of this Clause 17, payment for Contract Work is not a "payment" or "other benefit".

17. **Confidentiality, Data Protection, Freedom of Information and Data Security**

Is there any presumption of confidentiality?

17.1 The presumption, under this Contract, is that information about Providers e.g. as described in Clause 18.9 is not confidential. Therefore, if any Provider wishes to assert that specified information is confidential and should not be disclosed such Provider must notify us accordingly at the time of the disclosure of the specified information and expressly identify in writing those documents which are to be treated by us as confidential unless Clause 18.3 applies or we are allowed to disclose it as provided below.

What information do we intend to publish on our website?

17.2 We intend to use our website www.legalservices.gov.uk to publish information about Providers - see Clause 18.10.

What information is not "confidential information"?

17.3 For the purposes of this Contract, none of the following is information of a confidential nature:

- (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 (e.g. the FOIA, Code of Practice on Access to Government Information or the Environmental Information Regulations) 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 an Official Investigation should take place; and
- (f) information which is already in the public domain.

What about Client information?

17.4 We will not disclose any confidential information about your Clients or Former Clients except as permitted by Access to Justice Act Legislation (including, for the avoidance of doubt, section 20 of the Act) or required by other legislation.

What about information obtained by Researchers?

17.5 We shall 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 Act or this Contract or in respect of research being carried out on our behalf.

17.6 We shall be under a duty to ensure that, in any report provided to us by Researchers and intended to be published, no information shall be included which will disclose information of a confidential nature about you (or any Client or Former Client of yours) or enable 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).

What information must you keep confidential?

17.7 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 through inadvertent or wrongful disclosure. 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.

17.8 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, in respect of any information obtained from us which is designated as confidential, you may disclose such information to your Relevant Professional Body or legal advisers, provided you secure from them an agreement to treat it as strictly confidential.

What information must we keep confidential?

17.9 Subject to Clauses 18.10 and 18.11, we must keep strictly confidential all information of a confidential nature concerning your affairs or business, except for information about the award of this Contract (or allocation or authorisation of work under it) to you, your performance under it, or payments under it. We may e.g. disclose information about:

- (a) the award of this Contract (and work allocated and authorised under it) to you;
- (b) the terms (including payment terms) of this Contract;
- (c) the payments that we have made to you (by class or otherwise);
- (d) the numbers of Matters and cases that you have started and completed;
- (e) your performance e.g. as measured by the Performance Standards;
- (f) your status under this Contract; and
- (g) 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.

What information may we publish?

- 17.10 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 we may publish any information that we may disclose e.g. the information in Clause 18.9, the names of any Providers (and the names of their partners and directors, or the name of their sole principal) whose Contracts we have terminated and whose rights to ask for a formal review under Clause 29 have lapsed or whose formal review has been unsuccessful and the names of any personnel whom we have excluded from Contract Work, and why, and you are required to make your personnel aware of this provision.

Disclosure in the public interest

- 17.11 Without prejudice to our other rights to disclose information, we may disclose any confidential information concerning you, your affairs and business if we consider that the public interest in making the 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 e.g. by the police or by the Solicitors Regulation Authority).

What can you do with LSC Data?

- 17.12 You shall not delete or remove any proprietary notices contained within or relating to the LSC Data.
- 17.13 You shall not store, copy, disclose, or use the LSC Data except as necessary for the performance by you of your obligations under this Contract or as otherwise expressly authorised in writing by the Commission.
- 17.14 To the extent that LSC Data is held and/or processed by you, you shall supply that LSC Data to us as requested by us in the format specified by us.
- 17.15 You shall take responsibility for preserving the integrity of LSC Data and preventing the corruption or loss of LSC Data.
- 17.16 You shall secure back-ups of all LSC Data and shall ensure that up-to-date back-ups are stored off-site. You shall ensure that such back-ups are available to us at all times upon request.
- 17.17 You shall ensure that any system on which you hold any LSC Data, including back-up data, is a secure system that complies with generally accepted industry standards.
- 17.18 If the LSC 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 expense) to restore or procure the restoration of LSC Data to the extent and in accordance with our requirements and you shall do so as soon as practicable but not later than seven days from our request; and/or

- (b) restore or procure the restoration of LSC Data ourselves, and you shall repay us any reasonable expenses incurred in doing so to the extent and in accordance with our requirements.

17.19 If at any time you suspect or have reason to believe that LSC Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then you shall notify us immediately and inform us of the remedial action that you propose to take.

How do we each deal with our obligations under the Data Protection Legislation?

17.20 With respect to our respective rights and obligations under this Contract, we each agree that the Commission is the Data Controller and that you are the Data Processor in respect of LSC Data.

17.21 You shall:

- (a) process the Personal Data only in accordance with 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 Term);
- (b) process the Personal Data only to the extent, and in such manner, as is necessary for the performance of our obligations under this contract or as is required by law or any regulatory body;
- (c) implement appropriate technical and organisational measures to protect the Personal Data against unauthorised or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure. These measures shall be appropriate to the harm which might result from any unauthorised or unlawful Processing, accidental loss, destruction or damage to the Personal Data and having regard to the nature of the Personal Data which is to be protected;
- (d) take reasonable steps to ensure the reliability of any of your personnel who have access to the Personal Data;
- (e) ensure that all of your personnel required to access the Personal Data are informed of the confidential nature of the Personal Data and comply with the obligations set out in this Clause 18;
- (f) ensure that none of your personnel publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by us;
- (g) notify us (within five Business Days) if you receive:
 - (i) a request from a Data Subject to have access to that person's Personal Data; or
 - (ii) a complaint or request relating to our obligations under the Data Protection Legislation;
- (h) provide us with full cooperation and assistance in relation to any complaint or request made, including by:
 - (i) providing us with full details of the complaint or request;

- (ii) complying with a data access request within the relevant timescales set out in the Data Protection Legislation and in accordance with our instructions;
 - (iii) providing us with any Personal Data we hold in relation to a Data Subject (within the timescales required by us); and
 - (iv) providing us with any information requested by us;
- (i) permit us or our representative (subject to reasonable and appropriate confidentiality undertakings), to inspect and audit, in accordance with Clause 8, your data Processing activities (and/or those of your agents, and subsidiaries (if any)) and comply with all reasonable requests or directions by us to enable us to verify and/or procure that you are in full compliance with its obligations under this Contract;
 - (j) provide a written description of the technical and organisational methods employed by you for processing Personal Data (within the timescales required by us); and
 - (k) not Process Personal Data outside the European Economic Area without our prior written consent of us and, where we consent to a transfer, to comply with:
 - (i) the obligations of a Data Controller under the Eighth Data Protection Principle set out in Schedule 1 of the Data Protection Act 1998 by providing an adequate level of protection to any Personal Data that is transferred; and
 - (ii) any reasonable instructions notified to you by us.

17.22 You shall comply at all times with the Data Protection Legislation and shall not perform its obligations under this Contract in such a way as to cause us to breach any of its applicable obligations under the Data Protection Legislation.

How do we each deal with our obligations under the FOIA?

17.23 You acknowledge that we are subject to the requirements of the Code of Practice on Government Information, FOIA and the Environmental Information Regulations and shall assist and cooperate with us to enable us to comply with its Information disclosure obligations.

17.24 You shall:

- (a) transfer to us all Requests for Information that it receives 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 in the form that we require within five Business Days (or such other period as the Commission may specify) of the our 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.

- 17.25 We shall be responsible for determining in our absolute discretion and notwithstanding any other provision in this Contract or any other agreement whether Information is exempt from disclosure on the grounds of its disclosure being likely to prejudice the commercial interests of any person or otherwise in accordance with the provisions of the Code of Practice on Government Information, FOIA or the Environmental Information Regulations.
- 17.26 In no event shall you respond directly to a Request for Information unless expressly authorised to do so by us.
- 17.27 You acknowledge that (notwithstanding the provisions of this Clause) we may, 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 and having taken their views into account;
 - (c) provided always that where this Clause applies we shall, in accordance with any recommendations of the Code, take reasonable steps, where appropriate, to give you advanced notice, or failing that, to draw the disclosure to your attention after any such disclosure.
- 17.28 You shall ensure that all Information is retained for disclosure in accordance with Clause 7 and shall permit us to inspect such records as requested from time to time.
- 17.29 Any material or repeated breach by you of any of this Clause 18 shall be deemed a Fundamental Breach.

18. Warranties

What warranties do 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, true and accurate in all material respects;
- (b) all information in any of your Bid Documents was, when provided, true and accurate in all material respects;
- (c) no information 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 such information.

What warranties do 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 Bid 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 19.1 or 19.2.

19. Indemnity

What indemnity must you give us?

- 19.1 You must 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 of:
- (a) any injury (fatal or otherwise) sustained by (or any loss 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 or default committed by you or by any of your personnel (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 authorised representatives);
 - (b) any claim made by or on behalf of a third party arising out of any act 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.

What expenses are not covered by the indemnity?

- 19.2 For the avoidance of doubt, 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 20.1, we shall:
- (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 and your professional advisors copies of any relevant documents or records 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

How can notice be given?

20.1 Subject to Clause 21.8, any notice or other information required or authorised by this Contract to be given by either party to the other must be in writing and be:

- (a) delivered personally; or
- (b) sent by fax; or
- (c) sent by email; or
- (d) sent by document exchange (DX), by pre-paid first-class post, recorded delivery or registered post.

20.2 Subject to Clause 21.8, any notice or other information 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 email, at the time of transmission; or
- (c) in the case of document exchange (DX), pre-paid first-class post, recorded delivery or registered post, 48 hours from the date of posting;

provided that 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 shall instead be at 9am on the next Business Day.

If we give notice of a Sanction or of any amendment to the Contract Documents by email we will send a confirmatory copy by document exchange (DX), by pre-paid first class post or by personal delivery before the end of the next business day.

20.3 To prove that any notice or other information has been given, it is sufficient:

- (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 document exchange (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 document exchange (DX) number;
- (e) if sent by pre-paid 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.

20.4 For the purposes of this Clause 21:

- (a) your designated fax number, designated email address, designated document exchange (DX) number and designated postal address are as specified in the Contract for Signature; and
- (b) unless we have notified you otherwise, our designated fax number, designated document exchange (DX) number and designated postal address are those of your Regional Office, and we will notify you of our designated email address before the date that service to us by email becomes permissible.

What form do notices have to be in?

20.5 We may at any time(s) specify the form and content of notices, or other information, required or authorised by this Contract to be given by either party to the other, in an Annex to these Contract Standard Terms.

What if a notice is given in the wrong form or given wrongly?

20.6 Any notice or other information (or purported notice or other information) required or authorised by this Contract to be 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.

What if notice is given early?

20.7 If a notice or other information under this Contract specifies that it takes effect on a date before any required notice period has expired, the notice or information remains valid but does not come into effect until the expiry of the required notice period.

What about notices of Contract amendment?

20.8 Except for any bespoke amendments (that affect only you), if we amend any Contract Documents we may give notice of the amendment by placing it on our website www.legalservices.gov.uk and sending you notice of the fact of the amendment in accordance with Clause 21.1.

21. Things you must tell us about

Do you have to tell us of material constitutional changes?

- 21.1 You must notify us as soon as possible before any anticipated material constitutional change, of which you are aware, 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. Examples of material constitutional change are:
- (a) any decision on your part to cease to carry out Contract Work, or at all;
 - (b) any change in the identity of any of your Key Personnel;
 - (c) where you are an unincorporated Not For Profit Organisation, any material change (including any change of chairman or treasurer or any change of 75% or more of your membership since this Contract came into force) in the composition of your management committee;
 - (d) if you are a sole principal (sole trader), any creation of a partnership;
 - (e) any change (by more than one third in number) in the identity of (i) the persons comprising your partnership, or (ii) the individual Members (LLPs) of your limited liability partnership, or (iii) the individual directors of your company, in the previous 12 months;
 - (f) any change in your legal status e.g. to a limited liability partnership or company (incorporated practice) from a partnership; or
 - (g) any sale, merger, acquisition, or transfer of, or by, you.

Constitutional statements

- 21.2 Without prejudice to the generality of your obligations under Clause 22.1, whenever 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 22.1 that have occurred (with the dates they occurred) and of any novation pursuant to Clause 23 and such other, similar information as we may require.

Partnerships - what else do you have to tell us about?

- 21.3 If you are a partnership you must also notify us:
- (a) before or within fourteen (14) days of any change in the composition of the partnership which has, or may have, a material bearing (whether direct or indirect) on the performance of Contract Work;
 - (h) immediately in the event of the service of a notice dissolving or purporting to dissolve the partnership;
 - (i) immediately if an application is made to the court or an arbitrator for the dissolution of the partnership under the Partnership Act 1890;
 - (j) immediately on any dissolution of the partnership which requires or results in a winding up of its affairs;

- (k) 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);
- (l) immediately on the appointment of a receiver, manager or administrator in respect of the partnership.

If you are a LLP or a company, what else do you have to tell us about?

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

- (a) before or within fourteen (14) days of any change in your Members (LLPs), directors or shareholders which has, or may have, a material direct or indirect bearing on the performance of Contract Work;
- (b) immediately if you pass a resolution or the court makes an order, that you or your Parent Company be wound up;
- (c) immediately if a receiver, manager or administrator is appointed for you or your Parent Company 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 Company;
- (e) immediately if circumstances arise which enable the court to make a winding up order in respect of you or your Parent Company;
- (f) immediately if you or your Parent Company 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 there is a Change of Control.

Notification of interventions

21.5 You must notify us immediately if there is an intervention by your 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 the Solicitors Regulation Authority into the practice of any solicitor whom you employ or who is a partner, Member (LLPs) or director of yours.

Notification of voluntary arrangements insolvencies etc

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

Do you have to tell us of any change in your capacity to perform Contract Work?

21.8 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.

What material changes do you have to tell us about?

21.9 You must notify us of any material alteration:

- (a) 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; and
- (b) to the manner in which you perform Contract Work (including material alterations to your management systems).

For the purposes of this Clause 22, material alterations include any decision (temporarily or permanently) to stop providing, or reduce your provision of, Contract Work or any fundamental change in your management.

Do you have to tell us about disciplinary and other proceedings?

21.10 Immediately you become aware of them, you must notify us (and provide details) of any professional disciplinary proceedings concerning any of your personnel and must notify us of the outcome of them.

Do you have to tell us about prosecutions and convictions?

21.11 You must notify us as soon as reasonably practicable if you, or any of your personnel, partners, Members (LLPs), trustees or directors is charged with an offence punishable by imprisonment and if you, or they, are convicted of such an offence.

Do you have to tell us about events which entitle us to apply a Sanction?

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

What if you are not sure whether to tell us about something?

21.13 If you have any reasonable doubt as to whether a particular event is covered by this Clause 22, you must notify us of the event in question before or within 14 days of its happening.

22. Novations

Sole principals and partnerships - novations

- 22.1 Subject to Clause 23.3, 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 23.4. This Clause 23.1 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 23.3, if a competent court or tribunal does not accept Clause 23.1 as novating this Contract, it shall be novated pursuant to this Clause 23.2. The novation shall be on the terms set out in Clause 23.2 and shall be, and shall 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.

What if constitutional changes in Clause 22.1 (e) (f) or (g) have occurred?

- 22.3 If any of the events specified in Clause 22.1 (e), (f) or (g) has occurred, this Contract shall not be novated under Clauses 23.1 or 23.2 and is incapable of being novated without our signed, express consent.

Sole principals and partnerships - what are the terms of any novation?

- 22.4 Any novation under Clauses 23.1 or 23.2 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 shall 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, shall 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 23.4(c) and 23.4(e), the new firm shall be liable for all monies due to us (whether that liability

shall 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 shall 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 15.1 in respect of any sums due under Clause 23.4(e) or this Clause 23.4(f)
- (g) in applying any provision of this Contract after the novation, any acts and omissions of the old firm shall, for all purposes, be deemed to be acts or omissions of the new firm;
- (h) any notice, direction, 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 shall be exercisable against the new firm after the novation;
- (j) where, by virtue of any provision of this Clause 23, 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 23.1 or 23.2, 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 22.1 (e), (f) or (g) 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 23.6 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.
- 22.8 If any of the events specified in Clause 22.1(g) has occurred, we will not enter into a novation agreement under Clause 23.6 if we consider either:

- (a) that there is no need for us to do so in order to comply with our statutory duties or fulfil our statutory obligations (e.g. because there is no need for a new contract); or
- (b) that we should invite tenders for the award of a new contract.

23. Prohibited gifts, fraud and unethical behaviour

No bribery or collusion

- 23.1 You must 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 bidding, or applying for, a contract with us, or for authority to perform work, (or for the purpose of, or with the intention of, doing so) you must not collude with any other person or attempt to bribe them.

No false bids

- 23.3 When bidding, or applying for, a contract with us, or for authority to perform work, or other work, you must not bid any price that is unrealistically low. A price is unrealistically low if you intend to secure the contract, 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.

What must you do?

- 23.4 You must be alive to the possibility of fraud and unethical behaviour by your personnel and by any third parties, must not tolerate it, and must have procedures to identify, address and counter it.

What if this Clause is breached?

- 23.5 Any breach of Clause 24.1, 24.2 or 24.3 by you or by anyone employed, or otherwise engaged, by you acting on your behalf (whether with or without your knowledge) is a Fundamental Breach.

24. General

Entire agreement

- 24.1 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.
- 24.2 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 Agreement). 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.

What if we waive, delay or omit to exercise rights?

- 24.3 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.
- 24.4 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.
- 24.5 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.

What if you or we are prevented from complying with this Contract?

- 24.6 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 to
 - (b) criminal acts
- except any fire, flood or criminal act caused or committed by any member of the affected party's personnel.
- 24.7 If any cause within Clause 25.6 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 shall not have the effect of absolving it from its obligations under this Contract.

- 24.8 If the circumstances described in Clause 25.6 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).
- 24.9 Any notice under Clause 25.8 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 25.8.

What happens if any part of this Contract is held to be invalid?

- 24.10 Subject to Clauses 25.11 and 25.12, 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.
- 24.11 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.
- 24.12 If, in your reasonable opinion, the effect of Clause 25.11 (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.

Do you have to provide information under the National Audit Act 1983?

- 24.13 For the purpose of examination of our accounts, or any examination under section 6(1) of the National Audit Act 1983 as to the economy, efficiency and effectiveness with which we have used our resources, the Comptroller and Auditor General may examine such documents as he or she may reasonably require which are owned, held or otherwise within your control and may require you to provide such documents 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.

Do you have to provide information under any other legislation?

24.14 Under the Freedom of information Act 2000 or other legislation, we may be required to provide information that you hold. If we ask you to give us such information, you must do so without delay.

In what form may information be required?

24.15 Where either you are required to provide documents, information or data to us, or we are required to provide documents, information or data to you, we may specify that such documents, information or data shall be provided in electronic form (e.g. on disk, by email, or on-line via our website).

Can you claim payment from Clients or Former Clients?

24.16 Except where this Contract or any Access to Justice 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.

Who has rights in work and files?

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

24.18 All rights, which are not exclusively Clients' (or other parties') rights, in any product of Contract Work performed by you (including, without limitation, any experts' reports and any work by any third parties, any legal (or other) research or other legal work and any counsel's opinions) and in any information gathered by you in performing Contract Work and in any documents relating to Contract Work, vest in you, but we shall have a licence to use any work and/or any information generated by you, in the course of performing this Contract to the extent that the relevant rights vest in you and to the extent that such use does not violate any confidentiality restrictions. This licence does not extend to information which you have properly gathered for your own purposes through performing Contract Work - such as the development of a case management system.

What if we require information about your personnel?

24.19 If we wish to obtain information about you or any of your personnel from any regulator e.g. your 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.

Must your personnel be available to co-operate in an Official Investigation?

24.20 You must co-operate in, and provide such information as may be reasonably required for the purposes of any Official Investigation. You must ensure that your personnel are available when reasonably required for the purposes of an Official Investigation and must use all reasonable endeavours to ensure that your personnel co-operate in any investigation.

What if we commission research on this Contract?

- 24.21 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.
- 24.22 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.

25. Sanctions

When may we apply the Sanctions in this Clause?

25.1 We may apply any of the Sanctions in this Clause 26 if:

- (a) you have materially or persistently breached this Contract or any other agreement between you and us from time to time; or
- (b) we are entitled to suspend or terminate this Contract or any other agreement between you and us from time to time.

25.2 In addition

- (a) we may apply any one or more of the Sanctions referred to in Clauses 26.6, 26.7 and 26.12 if you are under Official Investigation;
- (b) we may apply the Sanction referred to in Clause 26.6 if your financial situation is such that we reasonably consider there is a significant risk to Clients or to public funds; and/or
- (c) we may apply the Sanction referred to in Clause 26.12 below if any solicitor who is engaged in Contract Work on your behalf and who is required to have a valid practising certificate under the Solicitors' Act 1974, ceases to have one.

25.3 The application of any Sanction shall be without prejudice to any other rights that we may have, but we shall 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 appropriate 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 - May we bar Contract Work?

25.4 We may by written notice bar you from performing Contract Work and/or impose restrictions on the Contract Work that you may perform.

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

25.5 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.

Sanction No. 3 - May we suspend payments?

25.6 We may by written notice suspend some or all payments due from us to you under this Contract for such period as may be stated in it.

Sanction No. 4 - May we prohibit you from taking on any new Matters or Cases?

25.7 We may by written notice prohibit you from starting any new Matters or Cases under this Contract.

Sanction No. 5 - May we exclude individuals from being supervisors or performing Contract Work?

25.8 If any of your personnel or former personnel 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 either to protect Clients' interests or to protect public funds, or to protect us from material harm prohibit the person concerned, for such period as we may reasonably specify, from being:

a Supervisor; or

Approved Personnel,

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

25.9 Clause 26.8 applies even if the relevant circumstances occurred before the person concerned became a member of your personnel.

25.10 We will maintain a list (accessible by you) of individuals whom we have prohibited from being Supervisors of Contract Work or from being Approved Personnel.

Sanction No. 6 - May we prohibit you from holding yourself out as a Provider?

25.11 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 LSC Promotional Items and to hold yourself out, or to promote yourself, as a Provider, for a specified period.

26. How this Contract can be ended

No fault termination by either party

- 26.1 If we amend this Contract at any time under Clause 12, you may serve notice on us terminating this Contract at any time before the amendment comes into effect and any such notice shall take effect on the day before the day on which the amendment would otherwise have come into effect.
- 26.2 We may, at any time, serve no less than six months' notice on you terminating this Contract, or terminating specified powers, rights and authorities to perform Contract Work under it e.g. we may terminate your right to perform Contract Work in a specified geographical area (and may amend this Contract accordingly).
- 26.3 You may, at any time, serve no less than six months' notice on us terminating this Contract.

When will this Contract terminate automatically?

- 26.4 If we notify you, before the Contract Start Date, that we have lawful grounds for terminating this Contract, it immediately lapses and shall not come into force on its Contract Start Date.
- 26.5 If you have failed to meet a condition specified by us before the Contract Start Date and on which we granted this Contract this Contract terminates on:
- (a) the date specified in the condition; or
 - (b) if no date is specified in the condition, on such date as we may specify.

Any such conditions will be set out in the Contract for Signature.

When will this Contract terminate immediately?

- 26.6 This Contract terminates immediately if your 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 performing Contract Work.

When might either party terminate this Contract?

- 26.7 Any material breach of Clause 19.1 or 19.2 (warranties) 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, 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.

When might we terminate immediately?

- 26.8 We may serve a notice on you terminating this Contract on the date specified in the notice in any of the following circumstances:

- (a) 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;
- (b) 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;
- (c) Your financial situation is such that we reasonably consider that we or Clients are at significant risk of financial loss or other material prejudice;
- (d) you have failed to provide documents or access to premises in accordance with Clauses 8 and 9 and have not remedied such breach within 7 days of a notice from us referring to this Clause and requiring you to do so;
- (e) either you are required to comply with the SQM and a Notice to Terminate under the SQM has been issued or your right to hold the Q.A. Standard has been terminated or has otherwise ended;
- (f) we entered into this Contract on the basis that you were receiving core funding from another organisation (e.g. you are a Not For Profit Organisation and you receive core funding from a local authority) and that funding ceases or is materially reduced (unless it is replaced to our satisfaction within such period as we may specify);
- (g) you have committed a Fundamental Breach;
- (h) if any Unified Contract to which you are a party is terminated as a result of your breach of the terms thereof.

When might we terminate after a previous notice?

- 26.9 If you have breached this Contract, we may serve you with a notice specifying the breach. If we consider that the breach is capable of remedy, the notice will require you to remedy it within a specified period, which will not be shorter than 28 days. Otherwise, the notice will require you not to repeat the breach.
- 26.10 If a notice requires you to remedy a breach within a specified period and you fail to do so to our reasonable satisfaction, we may serve a notice on you terminating this Contract on the date specified in the notice.
- 26.11 If a notice requires you not to repeat the breach then, if you do so, or we serve you with two further notices specifying any breaches, we may serve a notice on you terminating this Contract on a specified date.

Can there be termination or suspension of part of this Contract?

- 26.12 Whenever we are entitled to terminate this Contract we may issue a notice terminating any part of it or suspending it, or any part of it. We will set out the effects of any suspension (which shall be less serious than termination) in the notice to you.
- 26.13 The giving by us of any termination or suspension notice shall be without prejudice to any other rights that we may have, but we shall only give a

termination or suspension notice under Clauses 27.7 to 27.12 (inclusive) if termination or suspension is proportionate to the circumstances or (in the case of persistent breaches), if it is appropriate for us to do so, 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.

Termination for dishonesty

- 26.14 On some occasions, we have found case files for which backdated, timed attendance notes have been created prior to an audit by personnel who did not have any real evidence as to whether an attendance had taken place or, if so, how long it took and who, therefore, were unable honestly to create them. Such attendance notes are false and such behaviour is dishonest and, unless the instances are isolated, will normally result in termination.
- 26.15 We have also found case files that have had backdated letters placed on them e.g. client care letters to, falsely, give the impression that the file had been properly managed.
- 26.16 Such behaviour is also dishonest and shall be a deemed Fundamental Breach.
- 26.17 In addition, such behaviour, whether to secure unjustified payments of costs or otherwise is not acceptable and may be an offence under the Fraud Act 2006.

27. Consequences of termination

What about Clients and Contract Work files?

27.1 When you become aware that your right to perform any Contract Work will end (e.g. if you receive a notice to that effect), you must immediately notify all Clients who will be affected by that, 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.

What happens to your rights, authorisations etc when this Contract (or part of it) ends?

27.2 Subject to Clause 28.10, when this Contract ends:

- (a) all rights, authorisations, approvals, powers, licences and any status under it (of you and of all your personnel) 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.

27.3 Subject to Clause 28.10, when any authority to perform Contract Work ends, you must immediately stop all Contract Work and must immediately stop holding yourself out as able to perform it.

27.4 Subject to Clauses 28.8, 28.9 and 28.10, when this Contract ends, our obligation to make payments to you under it ceases.

What about work in progress?

27.5 When this Contract ends or your right to perform Contract Work, 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.

What about existing rights?

27.6 Subject to the provisions of this Contract, the ending of this Contract is without prejudice to any of your or our accrued rights (including, without limitation, our rights to recover any overpayments to you and your rights to recover in respect of any underpayments by us).

27.7 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.

What about TUPE?

27.8 We have entered into this Contract in the belief that TUPE shall not apply on the termination of this Contract or part of it and that you will retain responsibility for all of your personnel on termination as we do not believe that there will be an

identifiable transfer of your business to any other Provider on such termination. However we reserve the right to make such amendments to this Contract as we may regard as desirable, if at any time we consider that TUPE may apply on any such termination, subject to our compliance with the consultation obligations and timetable in Clause 12.

- 27.9 At any point within the period of 12 months immediately preceding the termination of this Contract or part of it or following the service of a notice under clause 27 you shall on receiving a request from us or any Replacement Supplier, supply us and any Replacement Supplier with a list which contains, in respect of any person engaged or employed by you in the provision of the Services (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:
- (a) you shall provide such information promptly and at no cost to us or any Replacement Supplier; and
 - (b) notify us and any Replacement Supplier 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 Supplier'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 the Services to provide the Services save with our or any Replacement Supplier's prior written consent.
- 27.10 Without prejudice to clause 28.9 you shall procure and shall provide Employee Liability Information to us or any Replacement Supplier at our or the Replacement Supplier's reasonable request and shall 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.
- 27.11 You shall and shall keep us indemnified in full against 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 Supplier where reasonably requested with any Information and/or Employee Liability Information or to provide full Information and/or Employee Liability Information or as a result of any material inaccuracy in or omission from the Information and/or Employee Liability Information.
- 27.12 You will be liable for any claims made by or in respect of any of the Employees including in relation to breach of contract, dismissal, discrimination or the application of TUPE and you will indemnify us and any Replacement Supplier in this respect.

28. Dispute Resolution

- 28.1 If a dispute arises the Liaison Manager and the Account Manager shall first consult in good faith in an attempt to come to an agreement in relation to the dispute.
- 28.2 If the Liaison Manager and the Account Manager fail to resolve the dispute through the consultation described in Clause 27.1 within 10 days, CEO or Senior Partner of the Provider and the LSC Legal Director shall consult in good faith in an attempt to come to an agreement in relation to the dispute.
- 28.3 If the CEO or Senior Partner of the Provider and the LSC Legal Director fail to resolve the dispute through the consultation described in Clause 29.2 within 10 days, either of us can elect to follow the procedures in Clauses 29.4 to 29.7, 29.8 to 29.10 or 29.11 to 29.16.

Mediation

- 28.4 You and we may agree to refer a dispute to mediation.
- 28.5 Unless otherwise agreed between you and us, the mediation will be conducted in accordance with the CEDR Model Mediation Procedure, and the mediator will be nominated by CEDR.
- 28.6 To initiate the mediation a party must give notice in writing (a 'mediation notice') to the other party requesting a mediation. The notice must be given within 14 days of our Legal Director or the CRB's determination under Clause 27 (or, if no determination has been given by our Legal Director or the CRB within 28 days of the date of a notice from you under Clause 27.10(c), within 14 days of the expiry of such 28 day period) and a copy should be sent to CEDR.
- 28.7 The mediation will take place not later than 28 days after the date of the mediation notice.

Early neutral evaluation

- 28.8 As an alternative to mediation, or in the event that no settlement is achieved following a mediation, you and we may agree to refer the dispute to early neutral evaluation.
- 28.9 The evaluator will be nominated in accordance with CEDR's Model Early Neutral Evaluation Agreement unless we agree otherwise. The evaluator will be appointed to provide a non-binding recommendation to resolve the dispute.
- 28.10 To initiate the early neutral evaluation a party must give notice in writing (an 'evaluation notice') to the other party requesting an evaluation. The notice must be given within either 14 days from the end of the period specified in Clause 27.3 or within 14 days of the date of any mediation (whichever is the later) and a copy should be sent to CEDR.

When are disputes subject to arbitration?

- 28.11 A dispute shall be referred by either party, and as either party deems necessary, to arbitration to be decided under the Arbitration Act 1996, within the following periods:

- (a) if the parties do not agree to mediation or early neutral evaluation, within 21 days from the end of the period specified in Clause 27.3; or
- (b) if no settlement is reached through mediation or early neutral evaluation, within 60 days of the appointment of a mediator or evaluator (whichever is later), or such longer period as you and we may agree.

What arbitration scheme applies and how does arbitration start?

- 28.12 The arbitration shall be in accordance with the relevant arbitration scheme run by the Chartered Institute of Arbitrators and shall be final and binding.
- 28.13 The “relevant arbitration scheme” is the scheme from time to time established by the Chartered Institute of Arbitrators for the purpose of determining disputes under the Commission’s contracts for legal services.
- 28.14 The number of arbitrators shall be one and the seat of the arbitration shall be London, England. In any arbitration the sole question for the arbitrator shall be to determine whether our decision was one that a public body, required to discharge its functions under the Act, might reasonably have made. If the arbitrator decides that we acted reasonably that shall be the end of the matter, but if the arbitrator decides that we could not reasonably have made our decision, he or she shall then be entitled to consider what if any remedy is appropriate in the circumstances.
- 28.15 Both you and we must use reasonable endeavours to ensure that any arbitration is concluded within three months or as soon as practicable thereafter, and must provide, in a timely manner, all reasonable information, assistance, co-operation and responses that may be required.
- 28.16 You and we hereby waive irrevocably any right of appeal under the Arbitration Act 1996 in relation to any award made by the arbitration tribunal appointed in accordance with this Clause, save for any right of appeal to the High Court under the Arbitration Act 1996 on any question of law.

Annex A - Equality and Diversity Annex (Clause 5)

General

1. We are committed to promoting equality and tackling discrimination to ensure access to legal services for vulnerable clients and that services take account of the diversity of local populations, without compromising quality of service. We are also committed to promoting equality and contributing to tackling discrimination that creates barriers to career progression within the legal and advice sector. As a Provider of legal services you have a key role to play in meeting the diverse needs of the communities that you serve and promoting equality in your workplace. The requirements in this contract are intended to help you do this.

Duty not to discriminate

2. 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 against, or harass or victimise any person (directly or indirectly) on the grounds of their:
 - (a) race or racial group (including colour, nationality , ethnic or national origins);
 - (b) sex (including marital status, gender reassignment, pregnancy, maternity and paternity);
 - (c) sexual orientation (including civil partnership status);
 - (d) religion or belief;
 - (e) age; or
 - (f) disability.

Equality and Diversity Policy, Training Plan and Communications Plan

3. The requirements in paragraphs 4 to 10 (below) must be in effective operation throughout the term of this Contract . To help you achieve this, the LSC will provide Equality and Diversity Policy Guidance, which we will make available online at www.legalservices.gov.uk.
4. You must have a written Equality and Diversity Policy that is available for audit at our request. The purpose of your policy is to set out how you will promote equality and tackle discrimination in your organisation and meet the diverse needs of the clients you serve. In doing so your policy should be relevant to the size and nature of your organisation.
5. As a minimum your Equality and Diversity Policy must include:
 - (a) a commitment to the principles of equality and diversity and to observing legislative requirements;
 - (b) how you will meet the diverse needs of the clients and local community or communities that you serve;
 - (c) how you will implement, monitor, evaluate and update the policy;

- (d) how you intend to ensure equality in relation to your personnel, Clients, potential Clients and other third parties;
 - (e) how complaints and disciplinary issues are to be dealt with;
 - (f) requirements that no members of your personnel unlawfully discriminate in dealings with other members of your personnel, Clients, potential Clients or other third parties.
6. You must review your policies in operation not less than twice a year (and more regularly as appropriate if you identify any non compliance or problem concerning equality and diversity issues with clients or personnel) and take appropriate remedial action if you discover any non-compliance, or if they are failing to achieve their objective. Failure to do so may lead to the issue of a notice and application of a Contract Sanction.

Recommended communications plan provisions

- 7. The provisions of paragraphs 12 and 14 (below) are not mandatory but we ask you to consider them, given our express commitment in paragraph 1 (above).
- 8. You could consider expanding your communications plan to outline your approach to managing external relations and communications with the communities and Clients you serve and with minority groups from which potential Clients might come.
- 9. As part of the communications plan you might set out your proposed communication channels, the key messages you propose to communicate and the resources you would use to implement the plan. The plan might also indicate how you would address any feedback from local communities or Clients.
- 10. The plan might cover the communication requirements and access rights of disabled people, the languages spoken by the Client base and the needs of people who may have a sensory impairment or learning disability. It could identify methods for measuring and evaluating the effectiveness of communication activities.

Annex B - Client Service Annex
(Clause 7)

Clients' Interests and Independence

1. In performing Contract Work, you must act in the best interests of your Clients and be uninfluenced by any factor other than Clients' (and potential Clients) best interests and be able to demonstrate to us that there is no risk of this requirement's being compromised.
2. You must have procedures promptly to refer potential Clients and Clients to other Providers who are able to perform Contract Work for them, if you are unable (or cease to be able) to perform Contract Work for them. If you cease to be able to perform Contract Work for them, your procedures must also ensure that their rights are protected, that they suffer no damage and they are provided with all relevant information.

Indemnity Insurance

3. You must have appropriate indemnity insurance. Unless you are a registered charity, this must provide at least the minimum cover required for solicitors in private practice as specified by The Law Society from time to time. If you are a registered charity, this must provide cover of at least £1 million.

Client service, file management and file review procedures

4. You must have client service procedures that ensure that Clients are provided with appropriate information at the outset and at appropriate intervals thereafter and which ensure confidentiality.
5. You must have documented file management procedures that meet the objectives of Requirement E1 of the SQM. This does not require you to comply with all the detailed terms of this Requirement.
6. You must have file review procedures that comply precisely with the terms of Requirement E2 of the SQM;
7. You must monitor (and take corrective action where necessary):
 - (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 youand, as part of this monitoring, must undertake periodic Client surveys.
8. You must have procedures covering the instruction of any third parties e.g. counsel and experts to ensure that services to the Client meet, overall, at least the standard required by this Contract.
9. You must have a procedure for dealing with any Clients' complaints. This must aim to determine complaints rapidly and fairly and must provide information that you must use to prevent any future similar complaints.

Individual Matters and Cases

10. Where we consider it appropriate, we may require you to manage individual Civil Matters and Cases according to the costed case plan requirements for very expensive cases as set out in the Funding Code.

Meeting Clients' needs

11. You must have documented procedures that meet the objectives of Requirement F of the SQM. This does not require you to comply with the detailed terms of the Requirement and you may meet the objective by any means effective to do so.

Commitment to quality – Complaints, Client feedback etc

12. You must have documented procedures that meet the objectives of Requirement G of the SQM. This does not require you to comply with the detailed terms of the Requirement and you may meet the objective by any means effective to do so.

**Annex C - Approved Personnel, Supervisors and Approved Advisors for Debt
Advice in specified prisons
(Clause 10)**

1. At our request, you must, within five days of that request, deliver to us a Contract Report Form, listing all your personnel and showing Approved Personnel and providing information about their involvement in Contract Work.

Must any recruitment procedures be followed?

2. Before you engage any new personnel, you must carry out appropriate enquiries to ensure that they are suitable (e.g. where appropriate check the Criminal Records Bureau and The Law Society) and, if they are not suitable, you must not appoint them.

What if any Contract Work is performed by other personnel?

3. If personnel, who are not Approved Personnel, perform any Contract Work, you may not submit a Claim for such work and it is not payable by us.

Personnel structure (family tree)

4. You must have documented procedures that meet the objectives of Requirement C1 of the SQM and which identify who are Approved Personnel. This does not require you to comply with the detailed terms of the Requirement and you may meet the objective by any means effective to do so.

People management

5. You must have documented procedures that meet the objectives of Requirements D1 and D2 of the SQM. This does not require you to comply with the detailed terms of the Requirement and you may meet the objective by any means effective to do so.

Supervisors and supervision

6. You must precisely comply with the Requirements for Supervisors and the Supervisory Role set out in D3 and D4 of the SQM.
7. If any Supervisor ceases to meet the Supervisor requirements or fails to perform their duties as a Supervisor in a timely manner and with all reasonable skill, care and diligence, you must cancel their status as a Supervisor.

Training

8. You must precisely comply with the Requirements for training and individual competence of casework staff set out in D5.1 and D5.3 of the SQM, namely:
 - (a) in each 12 month period, every casework member of staff must receive a minimum of six hours' training, of which 50% relates directly to Contract Work; and
 - (b) every casework member of staff must have a professional legal qualification or conduct a minimum of 12 hours' casework per week (or equivalent).

Security checks and entry to the Locations

9. You agree (and you will ensure that your personnel and Approved Personnel agree) to us and/or the Locations subjecting your personnel and Approved Personnel to such security checks that we and/or the relevant Location may require from time to time for the purpose of such personnel being granted access to the relevant Location.
10. You shall (and you will ensure that your personnel and Approved Personnel shall) comply with the reasonable requests made by the relevant Location in relation to security, safety and access to the Locations and the Clients including in respect of body searches of personnel and Approved Personnel and providing information to the relevant Location regarding the health and safety of Clients.
11. All advisers providing the Services set out in Schedule 1 must have satisfactorily passed the relevant security checks as required by the relevant prison establishment.

Annex D
(Clause 7)

Monitoring Annex

To reduce unnecessary intrusion into the businesses of Suppliers, our aim is to work with Suppliers whom we can rely on to monitor their own performance and compliance effectively and to take effective corrective action where necessary. This will allow us to audit Suppliers' own records, reducing the need for comprehensive auditing by us, but without limiting, in any way, our contractual rights to do so under this Contract.

You are responsible for your performance under and compliance with this Contract. You must maintain a record of your monitoring of performance and compliance (and of any corrective action and the results of it).

ELECTRONIC SUPPLIER MANAGEMENT SYSTEM

You must have an operational email address and access to our website.

CURRENT I.T. REQUIREMENTS

You must have an appropriate I.T. system which incorporates the following:

- (a) information to meet the purpose of Requirement E1 of the SQM (File management);
- (b) a time recording system for all matters and cases;
- (c) an up to date record of the value of your work in progress (including disbursements shown separately) on each matter and case; and
- (d) an up to date record of the total costs of each matter and case.

In order for an I.T. system to be "appropriate", the information recorded on it must be capable of being quickly processed and retrieved.

Records

Your records for/of Contract Work must include:

- such up to date details regarding your organisation and your Clients as we may reasonably require;
- how any Client complaints have been handled;
- the results of any Client satisfaction surveys;
- the results and reports of any internal (by you) and external (by us or a third party) audits (such as audits of your compliance with the Q.A. Standard by any third party);

- all identified non-compliances and the corrective action taken;
- details of the operation of your equality and diversity policies, procedures and communications and a candid assessment of their effectiveness;
- a comprehensive record of findings for each file review undertaken;
- results of your review (which must be undertaken at least annually) of all file reviews records and details of action taken to improve performance where negative trends are identified; and
- how you have effectively monitored your performance under, and in compliance with, this Contract, and the corrective action you have taken if any.

SCHEDULE 1

1. DEFINITIONS

For the purpose of this Schedule, the following words have the following meanings unless the context requires otherwise:

"Business Day" any day other than a Saturday or Sunday or bank holiday in Wales.

"Debt Advice" legal advice provided to Clients in respect of their personal finances, entitlement to benefits and debt(s) including, but not limited to:

- (i) taking instructions in relation to the Client's problem(s);
- (ii) consideration of and diagnosis of the Client's problem(s);
- (iii) provision and exploration with the Client the options available;
- (iv) identification of further action the Client may wish to take;
- (v) delivery of advice and associated assistance (e.g. filling in forms, helping the Client draft letters and supporting the Client to tackle the problem themselves);
- (vi) identifying emergencies and the explaining to the Client the appropriate action either the Client or the Provider will take (whether in the case of an emergency or not);
- (vii) where appropriate, establishment of the Client's eligibility for legal aid in the case of a Referral; and
- (viii) arrangement of a Referral (if any).

"Effective Referral" referral of a Client by the Provider to another appropriate source of Debt Advice or legal advice other than Debt Advice, which will provide the Client with a solution to their problem, including, but not limited to, making an appointment for the Client with the new source, handing over the Client's details, together with all relevant instructions taken and all relevant documents (including, without limit, emails and advice given).

"Follow Up Advice" the provision of up to 45 minutes of further Debt Advice to a Client who has attended a Surgery, which is:

- (i) associated with the Debt Advice provided during such Surgery;
- (ii) necessary to ensure that the Client receives legal advice in accordance with the standards in the Contract; and
- (iii) proper, reasonable and proportionate to provide,

but which was not capable of being provided during the relevant Surgery.

"Full Day Surgery" is a face to face advice session provided by the Provider at a Location for between 5 and 10 Clients (inclusive) with each Client allocated with 45 minutes for Debt Advice irrespective of the means or merits of their case.

"Half Day Surgery" is a face to face advice session provided by the Provider at a Location for between 1 and 4 Clients (inclusive) with each Client allocated with 45 minutes for Debt Advice irrespective of the means or merits of their case.

"Locations" means any of the following prisons:

HMP Cardiff, Knox Road, Cardiff, CF24 0UG

HMP Parc, Heol Hopcyn John, Bridgend, South Wales, CF35 6AP

HMP Swansea, 200 Oystermouth Road, Swansea, SA1 3SR

HMP Usk, 47 Maryport Street, Usk, Monmouthshire and/or **HMP Prescoed**, Coed-y-Paen, Pontypool, Monmouthshire, NP4 0TB,

and for the purpose of this Schedule, HMP Usk and HMP Prescoed are one prison as these prisons are associated despite being in separate locations.

"Referral" as described in paragraph 2.8 below.

"Services" the provision of Surgeries, together with Follow Up Advice and Referrals (where necessary) in accordance with paragraph 2.

"Surgery" a Half Day Surgery and/or a Full Day Surgery (where applicable) and "Surgeries" shall be construed accordingly.

"Week" is Monday to Friday.

"Weekly Allocation" in respect of each Location specified in your Contract for Signature, the frequency at which you are required to provide Surgeries at such Location as specified in your Contract for Signature.

2. YOUR OBLIGATIONS

SURGERIES

- 2.1 During each Week allocated to you in accordance with your Weekly Allocation in respect of a Location, you must provide all Surgeries required by such Location during such Week up to a maximum of [**NUMBER - to be confirmed**]. You will be notified of the number of Surgeries required at such Location during such Week by [**insert - to be confirmed**] not less than [**PERIOD - to be confirmed**] prior to such Week.
- 2.2 You may be required to run multiple Surgeries at a Location in a Week.
- 2.3 Where there are less than two Clients due to attend a Surgery, you should only provide the Surgery if one of the Clients would have been released from custody by the date scheduled for the next Surgery.
- 2.4 Clients may not attend more than one 45 minute Surgery allocation in respect of the same Matter.
- 2.5 You will also provide Surgeries at any time outside of the Weekly Allocation at our request.

FOLLOW UP ADVICE

2.6 You must provide Follow Up Advice (where relevant).

MAXIMUMS

2.7 Without prejudice to paragraph 2.8, you must not provide any Client with more than 45 minutes of Debt Advice at a Surgery and 45 minutes of Follow Up Advice.

REFERRALS

2.8 Subject to paragraph 2.9, where following a Surgery and Follow Up Advice (if any), the Client still requires Debt Advice or requires legal advice other than Debt Advice you must do one of the following:

- subject to paragraph 2.9, continue to advise the Client under an LSC Unified Contract if you have one; or
- continue to advise the Client by using other funding or resources available to your organisation without charge to the Client; or
- with the Client's consent, make an Effective Referral; or
- if it is not possible to find another source of advice under any of the above (including, without limit, an Effective Referral) inform the Client and close the Matter; and

in each case (save where a Matter is closed) you must follow up the referral to ensure the Client has received the necessary help (in each case a **"Referral"**).

2.9 If you hold a LSC Unified Contract you must provide the advice referred to in paragraph 2.8 from within your existing New Matter Start allocation (as defined in the LSC Unified Contract).

2.10 You must have an effective and appropriate referral system to make Referrals. This must include a database of locally provided external services and service providers. Where appropriate you must refer Clients to:

- Community Legal Advice and other telephone services (eg Consumer Direct Wales) where this is appropriate and acceptable for the Client in the circumstances of the case;
- alternative face to face legal advice providers who hold the CLS Specialist Quality Mark in categories of law not provided by the Services (i.e. Welfare Benefits, Housing, Family, Employment, Community Care, Mental Health, Immigration, Education, Clinical Negligence, Actions against the Police, Consumer and General Contract, Personal Injury and Crime);
- private practice legal advice providers if it is appropriate for the Client to pay for the advice required;
- non-legal advice service providers, where the problem is or has aspects of a non-legal nature (for example a Client may be referred to local social or health services for further help).

- 2.11 If as a result of carrying out Surgeries you become aware of issues that appear to be the cause of repeated problems faced by Clients, you must identify these issues and inform the Account Manger of these in writing.

TRANSLATION SERVICE

- 2.12 You must provide a translation service during Surgeries particularly for those Clients for whose language of choice is Welsh.

LIAISON WITH PRISON STAFF

- 2.13 You must have regular meetings (at least once every month) with prison staff to discuss issues around the provision of the Services but not individual Matters and also obtain feedback from them on the Services.
- 2.14 If you consider that a Client is abusing the Services (for instance by repeated visits to Surgeries for the same or similar matters or by being abusive or otherwise not acting in a way which allows Services to be provided properly) you must inform the prison staff so that steps can be taken to restrict or prevent the Client's access to the Surgeries.

MARKETING AND PROMOTION

- 2.15 You must work with us and the relevant prisons to undertake marketing and promotion of the Services within the prisons. You must discuss your plans for marketing and promotion plans with us and you may only proceed with those plans with our written agreement.

COMPLAINTS PROCESS

- 2.16 You must have a complaints process available for Clients such that they can complain about the Services and your provision of the Services. That process must include provision for the keeping of records of all complaints received and how those complaints were dealt with.

CLIENT FEEDBACK

- 2.17 You must seek from all Clients (and record where they provide it) feedback on:
- the Client's opinion of the Services;
 - the Client's opinion on the advice they received and the outcome they obtained; and
 - the effect on the Client's confidence to deal with their own problems after receiving help from the Services.

TECHNICAL REQUIREMENTS

- 2.18 You must have one central telephone number, which will be held by each Location and us and on which you and your advisors will be contactable. This may be a mobile telephone number.

3. PRICE

The price for the Services is set out in this paragraph 3.

3.1 You will be paid:

3.1.1 a rate of £200 per Half Day Surgery provided; and

3.1.2 a rate of £400 per Full Day Surgery provided,

in each case excluding VAT but including travel and waiting time and disbursements (including time spent by any translator as referred to in paragraph 2.12 above but not in respect of non-welsh language interpreters fees which will be paid where properly incurred and reasonable in amount).

3.2 In addition, you will be paid a rate of £40 per hour pro rata for Follow Up Advice, excluding VAT but including travel and waiting time (if any) and disbursements.

3.3 If you are a party to an LSC Unified Contract, where you subsequently undertake Controlled Work (as defined in the LSC Unified Contract) on behalf of a Client as a result of the Surgery, this work will be paid for under the terms of the Unified Contract Civil Specification (as referred to in the LSC Unified Contract).

3.4 You must submit your Claims to the Account Manager on the form we provide you with for this purpose from time to time. As a minimum, your Claim must include the following information for each Location (you may also be required to provide additional information as set out in the aforementioned form):

- The number of Weeks allocated to you during the preceding month and the number of Half Day Surgeries and Full Day Surgeries held during such Weeks;
- The dates and times at which those Surgeries were held;
- The names, prisoner numbers and dates of birth of all Clients advised during those Surgeries (split by Surgery);
- In respect of each Client advised, whether any Follow Up Advice was undertaken, why that work was appropriate and could not have been provided during the relevant Surgery and how long that work took (subject always to a maximum of 45 minutes per Client);
- In respect of each Client advised, whether that Client's matter was subject to a Referral and if such Referral resulted the matter being continued under other funding schemes (including under any LSC Unified Contract) what that scheme is or to where the matter was referred; and
- Details of any Client who you consider to have been abusing the Services, the nature of that abuse and the date upon which you informed the prison staff under paragraph 2.14 above.

3.5 If we disagree with any amount Claimed or require any further information (as described further in this paragraph) with respect to any amount Claimed, (for example in our reasonable opinion any Follow Up Advice was not proper, reasonable or proportionate), we shall notify you of such disagreement or request such further information that is reasonably required by us to validate the Claim within thirty (30) Business Days of it receiving the Claim. Pending the resolution of such matter we shall be entitled to withhold payment of such part of the monies that are in disagreement or subject to further investigation.

4. **PAYMENT**

We will pay you for the Services in accordance with this paragraph 4.

- 4.1 Prior to the 10th day of each month, you must provide the Account Manager with the information referred to in paragraph 3.4 for Claims in respect of Services provided in the previous month.
- 4.2 Subject to paragraph 3.5, we will pay you the sums Claimed by BACS on or before the payment dates (which are published on our website at the beginning of each quarter).
- 4.3 In respect of any Week allocated to you in accordance with your Weekly Allocation in respect of a Location during which you are not required to provide any Surgeries at such Location, we will pay you as if you had provided a Half Day Surgery at such Location during such Week.

5. **PERFORMANCE STANDARDS**

Performance Standards.

- 5.1 The Performance Standards will be monitored from the Contract Start Date.

	Area	Performance standard
1.	Provision of the Surgeries.	You must provide all of the Surgeries that you are required to provide in accordance with paragraph 2.
2.	Clients who require further assistance beyond the initial 45 minute appointment each month.	90% of Clients who require Follow Up Advice from the Provider receive that Follow Up Advice within 14 Business Days from the date the Client attended the relevant Surgery.
3.	Clients who require further assistance beyond the initial 45 minute appointment each month.	90% of Clients who require a Referral are referred in accordance with paragraph 2.8 by the Provider within 14 Business Days from the date the Client attended the relevant Surgery.
4.	Client satisfaction as captured in annual Client feedback exercises.	80% of all Clients rate the Service as good or excellent in each Contract Year.
5.	Complaint resolution each month	95% of complaints received in each month responded to within 5 Business Days. 90% of complaints received in each month are resolved within 28 Business Days.

- 5.2 In respect of Performance Standard 1 in the table above, if you fail to provide a Surgery in accordance with paragraph 2 above, we will send you a letter notifying you that you have failed to provide the relevant Surgery. If you fail to provide a second Surgery, we will send you a further letter notifying you that you have failed to provide the relevant Surgery. If you then fail to provide a third Surgery, this shall be a Fundamental Breach.

- 5.3 In respect of Performance Standards 2 to 5 in the table above, if you fail to meet any Performance Standard within the period specified in the relevant Performance Standard we will write to you requiring you, within 5 Business Days, to produce a detailed action plan which sets out the clear steps you will take, (including the time period in which you will take those steps) to remedy your failure to comply with the relevant Performance Standard. Such action plan must be agreed by us before you commence the steps set out in the plan. If you do not comply with the aforementioned action plan, we may either require you to re perform the action plan with such amendments to the plan that we agree (including extended timescales), or we may apply Sanction(s) in accordance with Clause 29 of the Contract.