

**SCHEDULE 1****DEFINITIONS**

The expressions set out below shall have the meanings ascribed thereto:-

<b>“Acceptance Criteria”</b>	means the criteria for the acceptance of the Services as set out in Schedule 4 – Transition and Transformation which includes the Contractor's Detailed Transition Plan
<b>“Access Rights”</b>	shall mean agreed security profiles which apply to a single user or group of users of the Service to enable them to access specific parts of the Contractor's IT infrastructure
<b>“Accreditation”</b>	means the accreditation from the Authority of the IT systems used for the delivery of the Service
<b>“Additional Profits”</b>	means any additional profit as set out in the Table entitled ‘Additional Profits in Excess of Budget’ in Schedule 6 over the Term of the Agreement up to the date on which any assessment of profit is made (less any Additional Profits of which any share has been previously distributed to the Authority)
<b>“Additional Services”</b>	means the additional services as may be agreed between the Parties pursuant to Clause 3.6 of this Agreement
<b>“Agreement”</b>	means this Agreement including the Schedules hereto
<b>“Anti-Discrimination Legislation”</b>	means the Race Relations Act 1976, the Sex Discrimination Act 1975, the Disability Discrimination Act 1995, the Employment Equality (Religion or Belief) Regulations 2003, the Employment Equality (Sexual Orientation) Regulations 2003, the Race Relations (Amendment) Act 2000, the Disability Discrimination Act 2005, the Equal Pay Act 1970 or any statutory modification or re-enactment of those Acts or analogous legislation which has been, or may be, enacted from time to time relating to discrimination in employment
<b>“Annual Review”</b>	means an annual review of the Services and Charges as described in Part 12 of Schedule 6
<b>“Assets”</b>	means the hardware and other tangible assets used by the Contractor in the provision of the Services
<b>“Asset List”</b>	means the list of assets provided to the Contractor which specifies those assets which shall transfer from the Authority to the Contractor pursuant to this Agreement

<b>“Asset Register”</b>	means a register of the assets used by the Contractor exclusively for the provision of the Services
<b>“Assumptions”</b>	means the assumptions specified in Annex D of Schedule 6
<b>"Authority"</b>	means the Secretary of State for Work and Pensions and includes the Authority's Representative
<b>"Authority's Data"</b>	means all information, text, drawings, diagrams, images or sounds which are embodied in any electronic or tangible medium and which are supplied or in respect of which access is granted to the Contractor by the Authority or which are created by or on behalf of the Contractor for the exclusive purpose of performing the Services
<b>“Authority Pension Scheme (s)”</b>	means the pension schemes provided to Transferring Authority Employees immediately prior to any transfer pursuant to the Transfer Regulations
<b>"Authority's Premises"</b>	means any premises of the Authority where the Authority has an interest (freehold, leasehold or other) to which the Contractor is granted access for the purpose of delivering the Services
<b>"Authority's Property"</b>	means any property, other than real property, issued or made available to the Contractor by the Authority in connection with the Agreement
<b>"Authority's Representative"</b>	means the individual authorised to act on behalf of the Authority for the purposes of the Agreement as notified to the Contractor in writing from time to time
<b>“Authority(‘s) Responsibilities”</b>	means the Authority Responsibilities set out in Schedule 13
<b>“Authority Software”</b>	means the software and all accompanying documentation in which the Intellectual Property Rights are owned by the Authority
<b>“Authority Third Party Software”</b>	means the software and all accompanying documentation in which the Intellectual Property Rights are owned by a third party and provided to the Contractor by the Authority
<b>“BAFO”</b>	means the Contractor's best and final offer dated 18 May 2006
<b>“Benefit”</b>	means any benefit processed by the Authority and paid to a member of the public
<b>“Bidder”</b>	means any organisation, body corporate or service provider seeking appointment as a Replacement Contractor in response to any invitation or request by the Authority for the provision of tenders in respect of the Services
<b>“Breach of Security”</b>	means any act or omissions, accidental or deliberate which contravenes the Security Policy, the law or both
<b>“Break Option”</b>	means the right of the Authority to terminate this Agreement without cause as set out in Clause 59.7

<b>“Broadly Comparable”</b>	means in accordance with paragraph 14 of Annex A to the Cabinet Office document ‘Staff Transfers in the Public Sector’ Statement of Practice dated January 2000
<b>“Bulk Transfer Liability”</b>	means the value of providing Broadly Comparable benefits for the Transferring Members based on the Replacement Contractor’s actuarial assumptions and methodologies
<b>“Business Continuity Plan”</b>	means the plan to be produced by the Contractor pursuant to Schedule 17
<b>“Business Unit”</b>	means any business area within DWP and includes but is not limited to Job Centre Plus, the Pensions Service, the Child Support Agency, the Disability and Carers Service, and Debt Management Service
<b>“Change Control Procedure”</b>	means the procedures set out in Schedule 9
<b>“Change in Law”</b>	means any change in Law including any change in interpretation by a decision (which is not subject to appeal) of a court or tribunal first having effect after the date of this Agreement
<b>“Charges”</b>	means the charges payable hereunder by the Authority to the Contractor for the Services as specified in Schedule 6
<b>“Charges Change Request”</b>	means a request for a change to the Charges
<b>“Confidential Information”</b>	means all information designated as such by either Party in writing to the other together with all other information which relates to the business, affairs, products, developments, trade secrets, know-how, personnel, customers suppliers, and subcontractors of either Party or information which may reasonably be regarded as confidential information of the disclosing Party
<b>"Contractor"</b>	means Haden Building Management Limited
<b>“Contracting Authority”</b>	means the Authority or any other public body to whom the Agreement may be assigned or novated
<b>“Contractor’s Pension Scheme”</b>	means the Contractor’s pension scheme to which the Transferring Employees become members
<b>“Contractor Software”</b>	means the software and all accompanying documentation in which the Intellectual Property Rights are owned by the Contractor and which is employed by the Contractor in the provision of Services
<b>"Contractor's Representative"</b>	means the individual authorised to act on behalf of the Contractor for the purposes of the Agreement as notified to the Authority in writing from time to time.
<b>“Contractor Third Party Software”</b>	means the software and all accompanying documentation in which the Intellectual Property Rights are owned by a third party and provided to the Authority by the Contractor

<b>“Core Services”</b>	means any and all of the services (referred to in Schedule 3) performed by the Contractor from the Cutover Date
<b>"Crown"</b>	means Queen Elizabeth II and any successor
<b>“Cutover Date”</b>	means the date on which the provision of the Services is commenced by the Contractor, such date to be decided in accordance with the provisions of Paragraph 3.6.1, Annex A, Schedule 4
<b>"Database"</b>	means any database or record whether in electronic or print form that contains or incorporates the Authority's Data, (including any Personal Data processed by the Contractor pursuant to the Services)
<b>"Data Controller"</b>	is (as defined under Section 1(1) of the Data Protection Act) a person who (either jointly or in common with other persons) determines the purposes for which and the manner in which any Personal Data are, or are to be processed
<b>“Data Processor”</b>	is as defined under Section 1(1) of the Data Protection Act
<b>“Data Protection Act”</b>	means the Data Protection Act 1998 as amended or re-enacted from time to time
<b>"Data Subject"</b>	means an individual who is the subject of Personal Data as defined under Section 1(1) of the Data Protection Act
<b>“Default”</b>	means any breach of the obligations of either Party (including but not limited to fundamental breach or breach of a fundamental term) or any default, act, omission, negligence or statement of either Party, its employees, servants, agents or sub-contractors in connection with or in relation to the subject matter of this Agreement and in respect of which such Party is liable (by way of indemnity or otherwise) to the other
<b>“Deposited Software”</b>	means any Contractor Software or Contractor Third Party Software which is specified as Deposited Software in Schedule 13 at the date of execution hereof or is agreed by the parties pursuant to the Change Control Procedure to be Deposited Software and which is deposited in escrow in accordance with Clause 28.6
<b>“Detailed Transition Plan”</b>	means the plan for the transition of the Services to the Contractor to be prepared by the Contractor pursuant to the Transition Agreements
<b>“Dispute Resolution Procedure”</b>	means the procedure detailed in Schedule 15 of the Agreement
<b>“Effective Date”</b>	means the date of execution of this Agreement

<b>“Employment Claim”</b>	means any claim or demand whether in contract or in tort or under statute (including the Treaty of Rome and any Directives made under the authority of that Treaty) for any remedy including, without limitation, pursuant to the Employment Rights Act 1996 or equal pay or compensation for less favourable treatment for part-time workers or for age, sex, race or disability discrimination or discrimination on the basis of sexual orientation, religion or belief or pursuant to the Working Time or National Minimum Wage Regulations, statutory redundancy, unfair dismissal and/or wrongful dismissal
<b>“Exit Transition Agreement”</b>	the agreement that will be entered into on the expiry or termination of this Agreement as set out in Schedule 19
<b>“Extended Term”</b>	means the term set out in Clause 2.2
<b>“Financial Model”</b>	means the financial model in Annex A of Schedule 6
<b>“FOIA”</b>	means the Freedom of Information Act 2000?
<b>“Government Office Region” or “GOR”</b>	means one or more of the following 11 regions: <ul style="list-style-type: none"><li>• East Midlands;</li><li>• London;</li><li>• South East;</li><li>• East of England’;</li><li>• North East;</li><li>• North West;</li><li>• Yorkshire and the Humber;</li><li>• Scotland;</li><li>• South West;</li><li>• Wales;</li><li>• West Midlands</li></ul>
<b>“Group A Transferring Employees”</b>	means employees of the Authority who will transfer to the Contractor or Subcontractors on the Cutover Date in accordance with the provisions of Annex A of Schedule 4
<b>“Guarantor”</b>	means Balfour Beatty PLC
<b>“Incumbent Supplier”</b>	means those suppliers of office services (other than the Contractor) to the Authority prior to the Cutover Date
<b>“Initial Term”</b>	means the term set out in Clause 2.1
<b>“Intellectual Property Rights” or “IPR”</b>	means the patents, trade marks, service marks, rights in data bases, design rights (registerable or otherwise), applications for any of the foregoing, copyright or business names and other similar rights or obligations whether registerable or not in any country (including but not limited to the United Kingdom)
<b>“Key Milestone(s)”</b>	means the key milestone(s) specified in Table 13 of Schedule 6
<b>“Key Personnel”</b>	means the persons specified in Schedule 11

<b>“Law”</b>	means: <ul style="list-style-type: none"><li>a. any and all statutes or proclamations or any delegated or subordinate legislations;</li><li>b. any enforceable community right within the meaning of Section 2(1) of the European Communities Act 1972;</li><li>c. any applicable mandatory guidance, direction, determination, standards or approvals having the force of law; and</li><li>d. any applicable and binding judgement of a relevant court of law</li><li>e. in each case in force from time to time in the United Kingdom</li></ul>
<b>“Licensed Areas”</b>	means the areas in the Authority's Premises occupied by the Contractor pursuant to a License to Occupy
<b>“Licence to Occupy”</b>	means the agreement signed by the Contractor and the Authority, for the Contractor to occupy the Authority's Premises. As detailed in Schedule 10.
<b>“List of Group A Transferring Employees”</b>	means the list of employees of the Authority who are engaged in or wholly or substantially assigned to the provision of the Services such list as agreed pursuant to paragraph 5.2.1 of Annex A of Schedule 4 (or determined pursuant to paragraph 5.2.2)
<b>“Local Office Report”</b>	has the meaning ascribed to it in Clause 3.7
<b>“Management Information”</b>	means management information about any aspect of the delivery of the Services communicated by the Contractor to the Authority in accordance with Schedule 8 of this Agreement
<b>“Measurement Level”</b>	means the levels specified for the measurement of Service Levels in Appendix A of Schedule 20
<b>“Milestone Charge(s)”</b>	means the milestone charge(s) specified in Table 13 of Schedule 6
<b>“Month”</b>	means calendar month
<b>“Notifiable Costs”</b>	means the costs referred to in Paragraph 2.16 of Schedule 6 – Charging
<b>“Open Book Accounting”</b>	means the accounting process as specified in Clause 37
<b>“Optional Services”</b>	means any Service specified in Schedule 3 as an Optional Service to be supplied pursuant to Clause 3.4
<b>“Other Government Departments” or OGD”</b>	means any government department other than the Department for Work and Pensions

<b>“Parent Company”</b>	means any company, which is the ultimate Holding Company of the Contractor or any other company of which the ultimate Holding Company of the Contractor is also the ultimate Holding Company and which is responsible directly or indirectly for the business activities of the Contractor. The term “Holding Company” shall have the meaning ascribed by Section 736 of the Companies Act 1985 or any statutory re-enactment or amendment thereto
<b>“Parties”</b>	means the parties to this Agreement
<b>“Party”</b>	means a party to this Agreement
<b>“Payment Date”</b>	means the date ten (10) days after the date on which any Transfer Amount has been determined, calculated and verified or such other date as may be agreed by the Authority and Contractor
<b>“Performance Monitoring”</b>	means the performance monitoring referred to in Schedule 8
<b>“Performance Reviews”</b>	means the performance reviews referred to in Schedule 8
<b>"Person"</b>	where the context allows, includes a corporation or an unincorporated association
<b>“Personal Data”</b>	is as defined under Section 1(1) of the Data Protection Act
<b>"Personnel"</b>	means persons directly employed by the Authority for the delivery of the Services – i.e. those staff working as part of an in house team.
<b>“Planned Cutover Date”</b>	means the date specified for the cutover of the Services from the Authority and Incumbent Suppliers to the Contractor as stated in the Detailed Transition Plan
<b>“Planned Transition Period”</b>	means the period from the Effective Date to the Planned Cutover Date
<b>“Potential Transferring Employees”</b>	means those employees of the Authority and Incumbent Suppliers identified by the Authority in the Authority Staff Listing dated March 2006 and the Incumbent Contractor Listing dated 4th May 2006 as the employees that will transfer to the Contractor on the Cutover Date
<b>“Preliminary Prescribed Particulars”</b>	means the prescribed particulars relating to Potential Transferring Employees provided by the Authority to the Contractor
<b>"Premises"</b>	means the Authority's buildings where the Services are performed as specified in Schedule 10
<b>“Prescribed Particulars”</b>	means the information contained in Annex E of Schedule 4
<b>"Rate"</b>	means a rate entered in Schedule 6 - Charging
<b>“Records”</b>	means the records as defined in Clause 36.1
<b>“Region”</b>	has the same meaning as Government Office Region

<b>"Relevant Personnel Documentation"</b>	means the documentation which will be required by the Contractor in order to fulfil its obligations under the TUPE Regulations e.g. personal development appraisal records (where the individual has agreed to the release of this information), copies of TUPE transfer letters, background papers to individuals personal circumstances (maternity leave, career break etc)
<b>"Replacement Agreement"</b>	means the agreement between the Authority and the Replacement Contractor or Contractor for the Replacement Services
<b>"Replacement Contractor"</b>	means the contractor that replaces the Contractor in the delivery of the office services following termination or expiry of this Agreement
<b>"Replacement Pension Scheme(s)"</b>	means the Contractor's pension schemes to which the Transferring Employees shall become members
<b>"Replacement Services"</b>	means the replacement office services to be provided by the Replacement Contractor or Contractor pursuant to the Replacement Agreement
<b>"Reporting"</b>	means the reporting referred to in Schedule 8
<b>"Requests for Information"</b>	means a request by a third party made pursuant to FOIA in relation to this Agreement
<b>"Retender Award Date"</b>	has the meaning set out in Paragraph 1.4 of Schedule 16 – Retender Provisions
<b>"Retender Notice"</b>	has the meaning as set out in Schedule 16 – Retender Provisions
<b>"Retender Period"</b>	has the meaning as set out in Schedule 16 – Retender Provisions
<b>"Royal Mail"</b>	means Royal Mail Group plc except in Clause 57.6 where the expression "Royal Mail" is specifically used in which case it shall mean any company in the Royal Mail Group of companies.
<b>"Schedule"</b>	means a schedule to this Agreement including any annexes or addenda to that schedule
<b>"Security Manuals"</b>	means the manuals setting out the Authority's Security Standards, objectives and policies and being the: <ul style="list-style-type: none"><li>• Information Technology Security Standards;</li><li>• Protection of Customer Information guide; and Internal Security handbook</li></ul>
<b>"Security Policy"</b>	means the security policy of the Authority as amended from time to time by the Authority and notified in writing to the Contractor
<b>"Service Credits"</b>	means the liquidated damages which are payable by the Contractor as a credit against sums owing to the Contractor by the Authority as specified in Schedule 20
<b>"Service Levels"</b>	means the levels of service defined in Schedule 20



<b>“Service Level Termination Threshold”</b>	means the thresholds specified in Schedule 20
<b>“Service Management”</b>	means the service management referred to in Schedule 8
<b>“Service Stream”</b>	has the meaning ascribed to it in Schedule 3
<b>"Services"</b>	means the services set out in Schedule 3
<b>"Site"</b>	means the area within the Premises in which the office services are performed
<b>“Software”</b>	means the Authority Software, Contractor Software, Specially Written Software, Authority Third Party Software or Contractor Third Party Software as the context may permit
<b>“Specially Written Software”</b>	means any software developed by the Contractor during the Term of this Agreement and owned by the Authority in accordance with the provisions of Clause 28.5 and as listed in Schedule 13
<b>"Staff"</b>	means employees, independent contractors, agency workers, consultants and agents of the Contractor or any of its Subcontractors engaged or employed in whole or in part in the provision of the Services
<b>“Statement of Profit”</b>	has the meaning ascribed to it in Section 8 of Schedule 6
<b>“Step-In-Action”</b>	means such steps as the Authority considers to be appropriate (either by taking such action itself or by engaging others to take any such steps) to ensure performance of the Services to the standards required by this Agreement or as close as possible to those standards as the circumstances permit
<b>“Subcontract”</b>	means any contract or agreement or proposed contract or agreement between the Contractor and any third party whereby that third party agrees to provide to the Contractor the Services or any material part thereof or services fundamentally necessary for the provision of the Services or any part thereof necessary for the management direction or control of the Services or any part thereof, and the term “Subcontractor” shall be construed accordingly. For the avoidance of doubt the term “Subcontract” shall not be regarded as including any contract or agreement between the Contractor and any third party for the provision of equipment, facilities or services necessary for the general discharge of the Contractors business.
<b>“Subcontractor”</b>	means the third parties specified in Schedule 5, with whom the Contractor enters into Subcontracts
<b>“Term”</b>	means the term of this Agreement
<b>“Termination Charges”</b>	means the termination charges set out in Part 5.2 of Schedule 6

<b>“Third Party Agreements”</b>	means all maintenance agreements, support agreements, equipment leases and all other supply agreements from the Asset List which the Contractor has elected to novate from the Authority or Incumbent Suppliers
<b>“Transfer Amount”</b>	means the value of benefits in the Authority Pension Scheme based on the Authority’s actuarial assumptions and methodologies
<b>“Transfer Date”</b>	means a date on which any employee of the Authority at anytime during the term of the Agreement transfers to the Contractor or any Subcontractor pursuant to the Transfer Regulations
<b>“Transfer Deficit”</b>	means the amount equal to the Transfer Amount less the amount or value of assets actually received by the Contractor Pension Schemes at the date of the written demand
<b>“Transfer Regulations”</b>	means the Transfer of Undertakings (Protection of employment) Regulations 1981 (as amended, re-enacted or extended from time to time)
<b>“Transferring Authority Employees”</b>	means any employee of the Authority who transfers to the Contractor or Subcontractor on the Cutover Date or on a relevant Transfer Date
<b>“Transferring Employees”</b>	means those employees of the Authority and Incumbent Suppliers that will transfer to the Contractor or a Subcontractor on the Cutover Date
<b>“Transition Agreement”</b>	means the agreement dated hereof made between (1) the Authority (2) the Contractor and (3) Capita Business Services Limited
<b>“Transition and Transformation Plan”</b>	means those plans referred to in Annex D of Schedule 4
<b>“Transition Period”</b>	means the period from the Effective Date to the Cutover Date
<b>“Transition Review Process”</b>	means the formal reviews undertaken by the Authority in conjunction with the Contractor during the Transition Period as outlined in the Transition Agreements.
<b>“Transition Services”</b>	means the services provided by the Contractor pursuant to the provisions of Schedule 4 and the Transition Agreements
<b>“Use”</b>	means the right of either party to load, execute, extract, reutilise, store, transmit, display, copy (for the purposes of loading, execution, storage, transmission or display) or otherwise to utilise the Software as applicable for purposes of the provision or receipt (as the case may be) of the Services. To the extent permitted by law, such right of use shall not include the right to reverse assemble, reverse compile, decode or otherwise translate the Software
<b>“Valuables”</b>	has the meaning ascribed to it in Section 6 of Schedule 2
<b>"Virus"</b>	means any software intended to corrupt, destroy or otherwise damage or interfere with the use of hardware, software or data

<b>“Working Day(s)”</b>	means any day from Monday to Friday inclusive, excluding statutory public holidays in the locality in which the Services are being provided
<b>“Year”</b>	means a period of twelve months commencing on the Cutover Date or any anniversary of the Cutover Date

## Abbreviations used in this Agreement

AO	Administrative Officer
ACM	Accident Management Company
ACN	Agreement Change Notice
AOS	Accommodation and Office Services
BA	Benefits Agency
BPC	Benefit Processing Centre
BPRP	Benefit Processing Replacement Programme
CCMT	Central Contract Management Team
CED	Commercial and Estates Directorate
CEDR	Centre for Effective Dispute Resolution
CMS	Customer Management System
COTS	Commercial-off-the-shelf
CPF	Change Proposal Form
CPPD	Commercial Policy and Procurement Division
CRU	Compensation Recovery Unit
CSA	Child Support Agency
CSAC	Child Support Agency Centre
CSO	Computer Support Officer
CSS	Corporate and Shared Services
DBC	Disability Benefits Centre
DBU	Disability Benefit Unit
DCS	Disability and Carers Services
DEFRA	Department for Environment Food and Rural Affairs
DfEE	Department for Education and Employment
DfES	Department for Education and Skills
DoH	Department of Health
DPA	Data Protection Act
DPM	Directorate for Project Management
DSM	Departmental Security Manager
DSS	Department of Social Security
DTUS	Departmental Trade Unions
DWP	Department for Work and Pensions
EC	European Community
ECO	Emergency Co Ordination Officer
EO	Executive Officer
EOI	Early Office Infrastructure
ES	Employment Service
ET	Executive Team
FAQ	Frequently Asked Question
FM	Facilities Management
FOIA	Freedom of Information Act
GAD	Government Actuary Department
HMRC	Her Majesty's Revenue & Customs
HO	Head Office
HQ	Headquarters
HWD	Hewitt Baron Woodhouse
HR	Human Resources
HSE	Health and Safety Executive

IETA	Enterprise IT Architecture
IR	Inland Revenue
IS	Information System
IT	Information Technology
KPI	Key Performance Indicator
LOR	Local Office Report
LSI	Logistic Services Integrator
MC	Mail Centre
MOU	Mail Opening Unit
MP	Member of Parliament
NAO	National Audit Office
NEP	Newcastle Estate Project
NHS	National Health Service
NI	Northern Ireland
NINO	National Insurance Number
OGC	Office of Government Commerce
OGD	Other Government Department
OSA	Office Services Agents
OSS	Office Support Services
PCSPS	Principle Civil Service Pension Scheme
PFI	Private Finance Initiative
PID	Project Initiation Document
PO	Post Office
PQ	Parliamentary Question
PRIME	Private Resource Initiative for Management of the Estate
PTP	Pensions Transformation Programme
Q&A	Questions and Answers
RCMT	Regional Contract Management Team
SLA	Service Level Agreement
SSPB	Support Services Procurement Board
SSSG	Support Services Steering group
TAS	The Appeals Service
TIES	The Integration of Estates and Services
TU	Trade Union
TUPE	Transfer of Undertaking (Protection of Employment) Regulations 1981
TUS	Trade Union Side
UK	United Kingdom
VAT	Value Added Tax