

SCHEDULE J
ACCESS AND INSPECTION OF RECORDS

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SCHEDULE J**ACCESS AND INSPECTION OF RECORDS****1. KEEPING OF RELEVANT RECORDS**

- 1.1 The Contractor shall keep (in an orderly and assessable manner) full and accurate Relevant Records relating to its performance of the Services (including but not limited to records relating to its compliance or otherwise with the Service Levels). This obligation shall subsist throughout the term of this Contract and, in any event, for a period of seven (7) years after the date of creation of each Relevant Record. The Contractor shall require all Material Sub-contractors to comply with the obligations under this Schedule.
- 1.2 In this Contract, the term "**Relevant Records**" means information, data, service performance records, records directly relating to the Contractor's provision of the Services, supporting documents and materials held, controlled and/or available for access by the Contractor relating to the supply of the Services by the Contractor and the use of materials and sites in connection therewith. Relevant Records also includes:
- 1.2.1 the Contractor's "**Service Records**", meaning: (a) documents reasonably necessary to evidence the Contractor's entitlement to be paid any authorised expenditure outside the scope of the Service Charges which is required by this Contract to be reimbursed to the Contractor by the Authority; (b) information, data and service performance records relating to the provision and level of performance of the Services by the Contractor and the achievement (or otherwise) of Service Levels, and the Contractor's billing records; and (c) any other documents and information necessary to substantiate the Contractor's invoices and which is of a type which is sufficient to demonstrate the correct basis of calculation of the Service Charges based upon Schedule E (**Pricing**); and
- 1.2.2 information sufficient to identify the allocation of the Service Charges to the various component elements (to the extent such elements are identified in Schedule E (**Pricing**)) comprising or necessary to delivery the Services.

2. INSPECTION OF RELEVANT RECORDS

- 2.1 Subject to the provisions of Clauses 2.3, 3.1 and 3.2 below, the Contractor grants to the Authority, any statutory or regulatory auditors of the Authority and their respective authorised agents, the right of reasonable access, on reasonable written notice setting out the purpose for the access and citing in detail its reasons pursuant to Clauses 3.1 and 3.2, to (and, if necessary, to copy) the Relevant Records during normal business hours solely for the purposes set out in this Schedule.
- 2.2 The Contractor shall provide all reasonable assistance (including temporary on-site accommodation, photocopying facilities and telecommunications) to the Authority, at all times during the Term of this Contract, and after the Termination Date of this Contract, for the purposes of enabling the Authority to fulfil the purposes of this Schedule.
- 2.3 The Authority shall liaise in writing with the relevant department of the Contractor in relation to requests for access hereunder. In the event that the Authority decides to appoint an investigating agency to act on its behalf, the Authority shall notify the Contractor and take account of any comments from the Contractor concerning the identity of such agency. The Authority and such agency shall use reasonable endeavours to agree with the Contractor procedures under which that agency will act before commencing its role on behalf of the Authority.

- 2.4 Save for the financial records and/or costs for New Services and/or any additional work agreed by the Parties, the rights of access and inspection under this Schedule shall not apply to any financial records and/or costs, including but not limited to those referred to in Clause 1.2.1(c) above, relating to the fixed price elements of the Service Charges (to the extent such fixed prices are identified in Schedule E (**Pricing**)).

3. RIGHTS OF ACCESS

- 3.1 The Authority shall be entitled to inspect the Relevant Records and obtain from the Contractor such other information as is reasonably necessary to fulfil the Authority's obligations to supply information for parliamentary, governmental, judicial or other administrative purposes.
- 3.2 The Authority shall be entitled, on reasonable notice to the Contractor, to inspect the Relevant Records at any time as part of any review of the Contractor's compliance with the terms of this Contract, including all activities undertaken hereunder, the performance of the Services, any issue relating to security in connection with the foregoing or any investigation of the accuracy of the Contractor's invoices for the Service Charges.
- 3.3 Unless otherwise agreed by the Parties, the Contractor, Subcontractors or other representatives shall not be entitled to reimbursement by the Authority and/or the National Audit Office for any costs or expenses incurred as a result of compliance with the Contractor's obligations hereunder.

4. SUSPECTED FRAUD OR IMPROPRIETY

In the event of an investigation into suspected fraudulent activity or other impropriety by the Contractor or any third party, the Authority (and any statutory or regulatory auditors of the Authority or any other department, agency or body of the Crown, and their respective authorised agents) shall have the right of immediate access to the Relevant Records and the Contractor agrees to render all necessary assistance to the conduct of such investigation at all times during the term of this Contract and at any time thereafter.

5. NATIONAL AUDIT ACT REQUIREMENTS

- 5.1 For the purpose of:

5.1.1 examination and certification of the Authority's accounts; or

5.1.2 any examination (pursuant to Section 6(1) of the National Audit Act 1983) of the economy, efficiency and effectiveness with which the Authority has used its resources;

the Comptroller and Auditor General and/or his representatives ("**C&AG**") may, on reasonable written notice stating the purpose, examine such documents as he may reasonably require, related to the Services provided by the Contractor, which are owned, held or otherwise within the control of the Contractor and may require the Contractor to provide such oral and/or written explanations as he considers reasonably necessary. The Contractor shall provide access (and shall procure that any person acting on the Contractor's behalf who has such documents shall also provide such access) to such documents for C&AG for such purposes. For the avoidance of doubt, it is hereby declared that the carrying out of an examination under Section 6(3)(d) of the National Audit Act 1983 (or any re-enactment thereof) in relation to the Contractor is not a function exercisable under this Clause 5.1.

- 5.2 It is acknowledged that the rights, powers and duties of the National Audit Office in relation to the Authority may, in relation to this Contract, overlap with the rights, powers and duties of the Audit Commission and/or the Accounts Commission for Scotland in relation to the Customers under the Service Contracts. In order to mitigate the burden on the Contractor, the Authority shall use its reasonable endeavours to put in place a single set of requirements for the level and kind of access to the Contractor required by the National Audit Office, the Audit Commission and/or the Accounts Commission for Scotland.

6. REVIEW AND RESULTS OF INSPECTION

The Authority may, where it is reasonable to do so, give to the Contractor the opportunity to review the results of any inspection carried out by the Authority pursuant to this Schedule. In addition to such review, the Authority may, at its sole discretion, request comments from the Contractor in relation to those results of inspection. The Contractor shall provide such comments within thirty working days (or as otherwise agreed between the Parties).

7. ESCALATION

In the event that an issue arising out of an audit conducted pursuant to this Schedule cannot be resolved at an operational level, the resolution of that issue will be escalated in accordance with Schedule P (**Dispute Resolution Procedure**).