

## DPS Schedule 3 (DPS Pricing)

### 1. How DPS Pricing is used to limit Order Charges

#### 1.1 DPS Pricing:

- 1.1.1 will be used as the basis for capping the Charges by setting a maximum price for any Supplier Staff member offered to fulfil a Role that is the subject of an Order Contract.
- 1.1.2 The maximum price that can be tendered for any Supplier Staff member to fulfil a Role is **£1000 per day** (excluding VAT); and
- 1.1.3 cannot be increased except as in accordance with this Schedule.

**Note:** The maximum day rate is in respect of a Professional Working Day - a Working Day of no fixed length and being as long as to permit all scheduled work to be completed. Usually an eight-hour day unless agreed otherwise, but it means that the Supplier will not be paid overtime if it is longer than eight hours.

#### 1.2 The Charges:

- 1.2.1 shall be calculated in accordance with the terms of the Order Contract and in particular in accordance with the terms of the Order Form;
- 1.2.2 cannot be increased except as specifically permitted by the Order Contract and subject to the maximum DPS Pricing set out in this Schedule and in particular shall only be subject to Indexation where specifically stated in the Order Form.

**Note:** Day rate-based Charges for all Order Contracts shall be calculated on the basis of Professional Working Days worked by Supplier Staff in the relevant Roles.

### 2. All costs and expenses are included in the Charges

- 2.1 Except as expressly set out in Paragraph 3 below, or otherwise stated in an Order Form the Charges shall include all costs and expenses relating to the provision of Deliverables. No further amounts shall be payable in respect of matters such as:
  - 2.1.1 incidental expenses such as travel, subsistence and lodging, document or report reproduction, shipping, desktop or office equipment costs, network or data interchange costs or other telecommunications charges; or
  - 2.1.2 costs incurred prior to the commencement of any Order Contract.

### 3. When the Supplier will be reimbursed for travel and subsistence

- 3.1 Expenses shall only be recoverable where:

- 3.1.1 a time and materials pricing mechanism is used; and
  - 3.1.2 the Order Form states that recovery is permitted; and
  - 3.1.3 they are Reimbursable Expenses incurred in line with the published departmental policy on travel & expenses and are supported by Supporting Documentation.
- 3.2 The Buyer shall provide a copy of their current expenses policy to the Supplier upon request.

#### **4. When the DPS Pricing may change**

- 4.1 The DPS Pricing, ie the £1000 per day maximum, will be fixed for the first three years following the DPS Contract Commencement Date (the date of expiry of such period is a "**Review Date**"). After this DPS Pricing can only be adjusted on each following yearly anniversary (the date of each such anniversary is also a "**Review Date**").
- 4.2 Subject to giving CCS at least three (3) Months' notice prior to the relevant Review Date the Supplier may recommend an increase in the permitted maximum.
- 4.3 Any notice recommending an increase shall include:
- 4.3.1 written evidence of the justification for the requested increase including:
    - (a) details of the movement in the different cost components of the pricing in relation to the affected Role(s)
    - (b) reasons for the movement in the different identified cost components of the relevant pricing
    - (c) a breakdown of the profit and cost components that comprise the relevant pricing of the affected Role(s);
    - (d) evidence that the Supplier has attempted to mitigate against the increase in the relevant cost components; and
    - (e) evidence that the proportion of the pricing for the relevant Role(s) attributable to the Supplier's profit component is no greater than was typically the case at the DPS Start Date.
- 4.4 CCS shall consider the recommendations, along with any recommendations from other DPS suppliers, and may grant Approval to an increase at its sole discretion.
- 4.5 Where CCS approves an increase then it will be implemented from the first (1st) Working Day following the relevant Review Date or such later date as CCS may determine at its sole discretion.

#### **5. Other events that may result in a change the DPS Pricing**

- 5.1 The DPS Pricing can also be varied (and Annex 1 will be updated accordingly) due to:
- 5.1.1 a Specific Change in Law in accordance with Clause 24;

5.1.2 a review in accordance with insurance requirements in Clause 13.