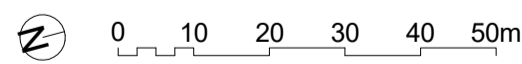
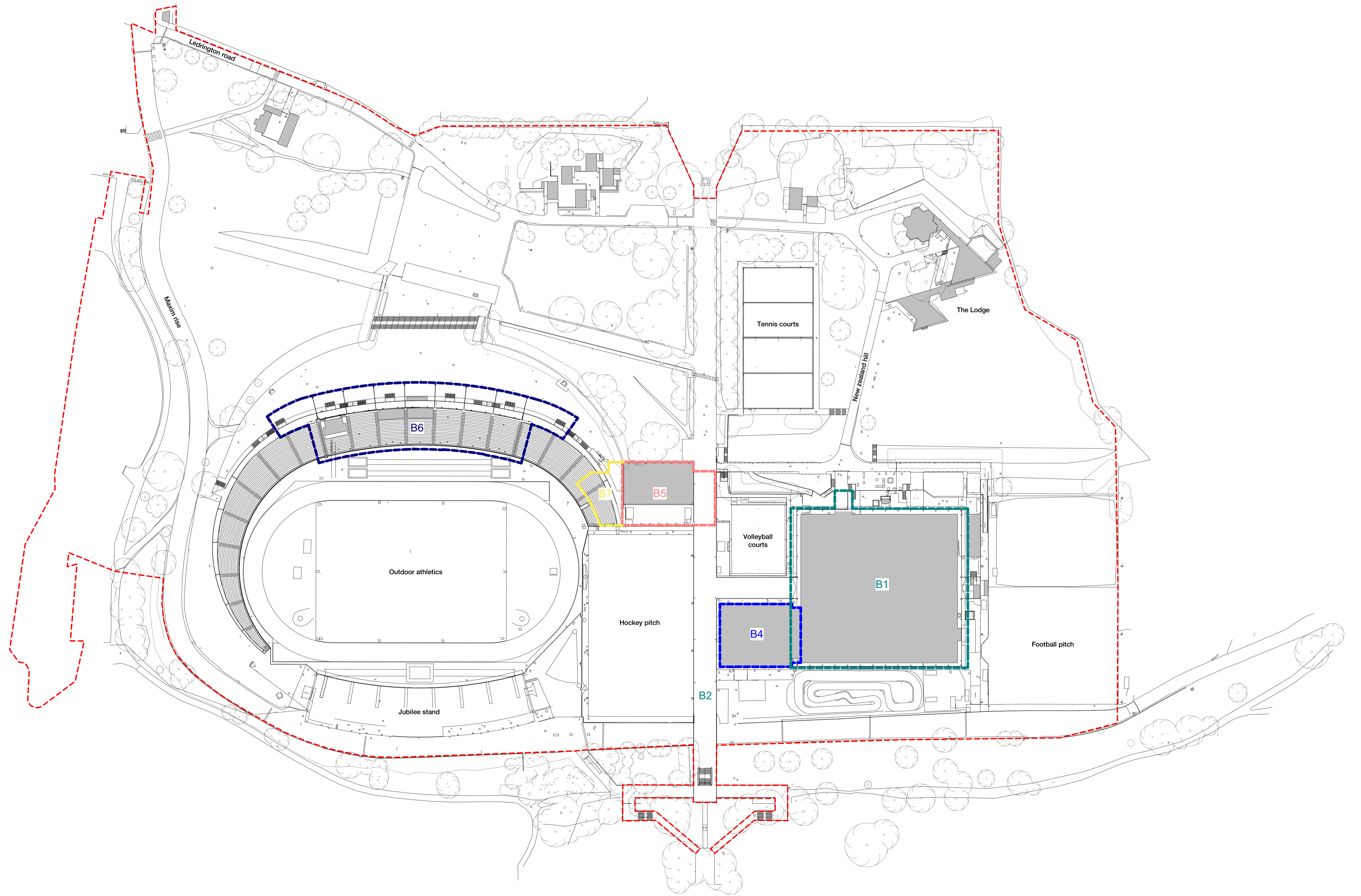


**Appendix A
Site Plan
Crystal Palace National Sports Centre**



Rev	Description	Date
P1	Issued for Stage 2	06.11.20

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 No implied licence exists. This drawing should not be used to calculate areas for the purposes of valuation. Do not scale this drawing. All dimensions to be checked on the site by the contractor and such dimensions to be their responsibility. All work must comply with relevant British Standards and Building Regulations requirements. Drawing errors and omissions to be reported to the architect. To be read in conjunction with Architect's specification and other consultant information.

- B1 Main Building/ NSC
- B2 Walkway
- B3 Walkway (to the back of NSC)
- B4 25m Pool Building
- B5 Hub
- B6 West Stand
- B7 Changing (underneath grass slope)
- B8 Indoor Athletics and Gymnastic
- B9 Bouldering

- Building boundary
- - - Site boundary

Scale @ A1

1 : 1000

Date

06/11/20

Job Number

18042

Project

Crystal Palace National Sports Centre

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Checked By

TM

Status

S3

Drawing No.

CPNSC-HBA-SW-XX-DR-A-00-0020

Rev

P1

Purpose of Issue

Review and Comment

Drawing

Existing Site Plan

Hawkins\Brown

Appendix B
Site Information
Crystal Palace National Sports Centre
Excerpt from Crystal Palace NSC Stage 2B Report

4 Site & context analysis

4.1 The current site

Planning Authority

The NSC and Crystal Palace Park sit within the London Borough of Bromley. Although it falls within Bromley's planning authority, it also closely borders onto the boroughs of Southwark, Lambeth, Lewisham and Croydon, and serves the residents of all five boroughs.

A number of local communities surround the park: Crystal Palace to the south-west, Gipsy Hill to the west, Sydenham to the north, Penge to the east and Anerley to the south.

Listed structures

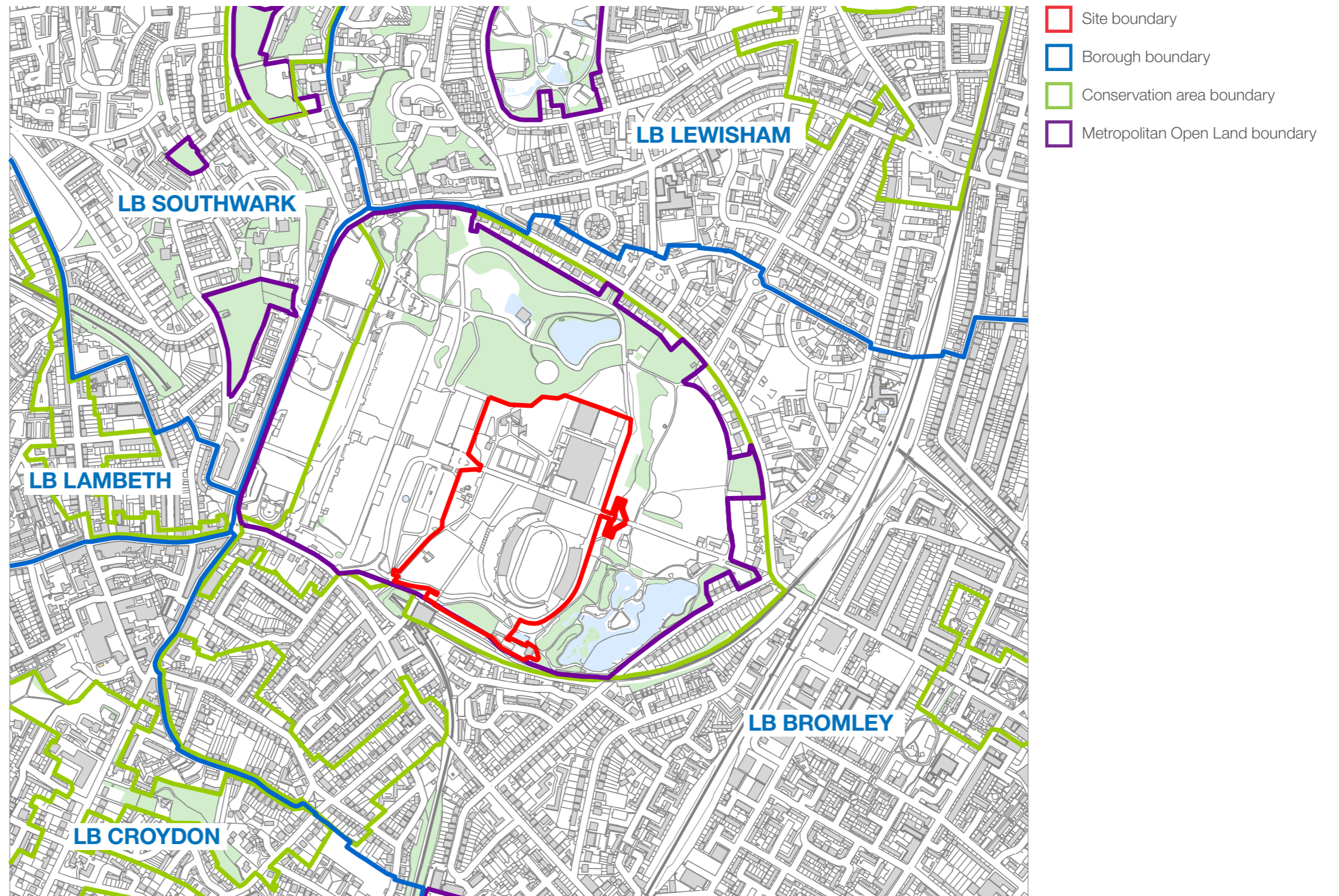
Crystal Palace Park is a Grade II registered park. There are a number of structures of heritage significance within the NSC site:

- Main NSC building: Grade II* listed
- Stadium: Locally listed
- The Lodge: Locally listed
- Houses: Locally listed.

The site also sits within the Crystal Palace Conservation Area, and along with the rest of the park is designated Metropolitan Open Land.

We have worked closely with planning and heritage consultants Turley from the start of the project to understand and analyse the heritage significance of both the park and the NSC. This analysis has informed the brief, masterplan and concept design development. The concept design has been developed to sensitively respond to the landscape and built form, and enhance the heritage character and value of listed elements.

For further detail on the planning and heritage context of this study, refer to section 10 and Appendix B and C.



4 Site & context analysis

4.1 The current site



KEY

- | | |
|--|---|
| 1. Crystal Palace National Sports Centre | 13. Lower Lake with prehistoric monsters |
| 2. Athletics stadium | 14. Capel Manor College and Children's Farm |
| 3. Crystal Palace Station | 15. Crystal Palace Museum |
| 4. Site of the Crystal Palace | 16. Bus terminal |
| 5. Italian Terraces | 17. Subway |
| 6. BBC Transmitter | 18. Car park |
| 7. Caravan Club | 19. Penge Station |
| 8. Concert bowl (disused) | |
| 9. Fishing lake (private) | |
| 10. Maze | |
| 11. Children's play area | |
| 12. Café | |

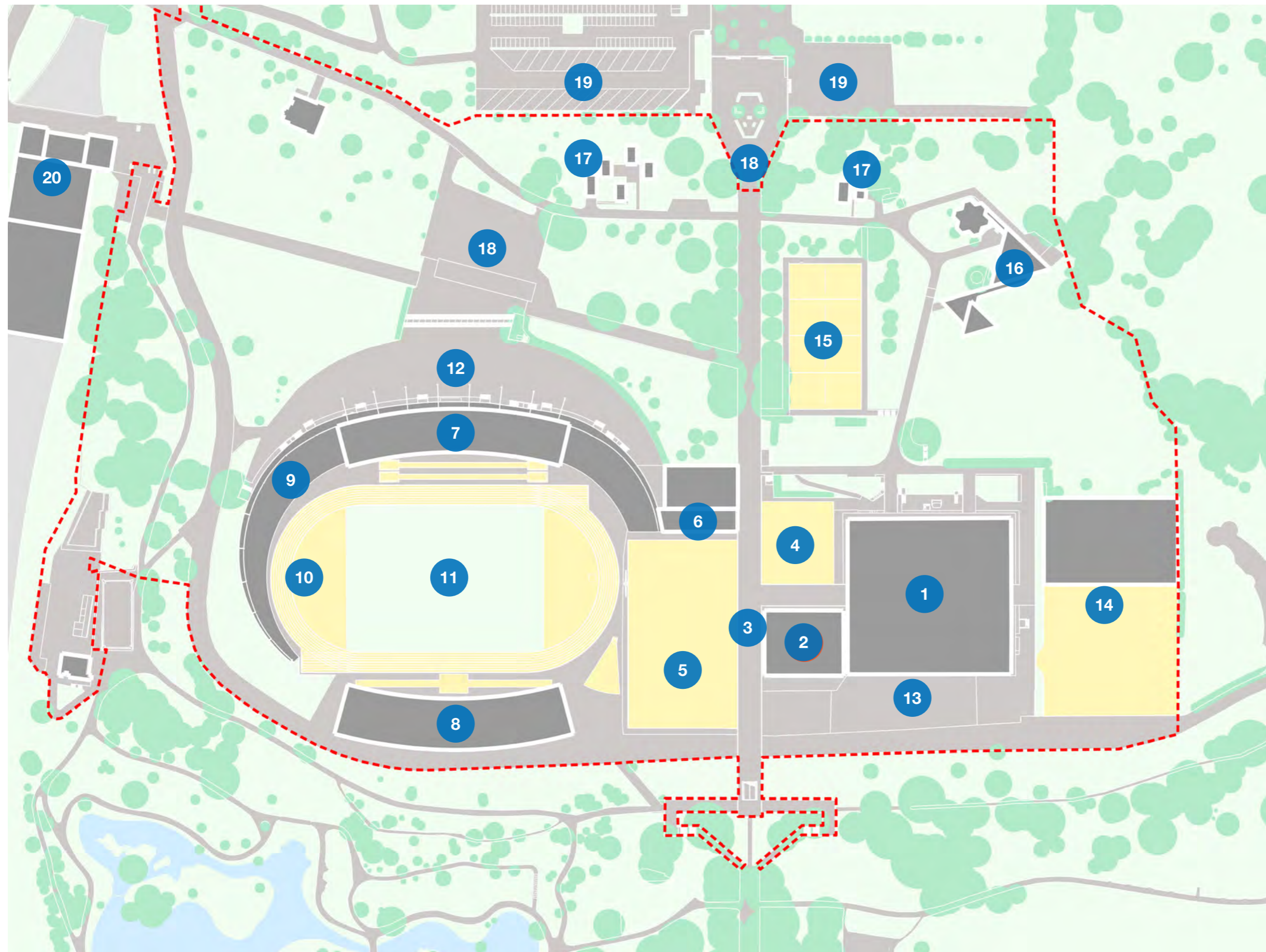
The NSC site sits in the centre of Crystal Palace Park, an 80ha public park built in the 18th century to house the Crystal Palace. Some of the original features of the park still exist - the Lower Lake with Grade 1 listed Victorian dinosaur statues; remnants of the Italian Terraces and the Paxton axis; areas of mature tree planting. The park itself is Grade II listed.

Crystal Palace station is located on the southern boundary of the park, and Penge station is a few hundred metres walk from the eastern gate.

The park is a very important asset to south London, providing a large green space not only to residents of Bromley, but also the neighbouring four boroughs. LB Bromley has ambitions to redevelop the park, restoring it to its former position as one of London's most impressive open spaces, with the the potential to attract visitors from outside London. Refer to section 4.4 for more information on LB Bromley's Regeneration Plan.

4 Site & context analysis

4.1 The current site



Scale 1:2000 @ A3

KEY

--- Crystal Palace National Sports Centre GLA site boundary

1. Crystal Palace NSC main building
2. 25m pool building
3. Raised walkway
4. Beach volleyball courts
5. Hockey pitch
6. Bar building (disused)
7. Athletics stadium - West Stand
8. Jubilee Stand
9. Stadium seating
10. Athletics track
11. Infield grass pitch
12. West Stand forecourt
13. Remote-control car racing track
14. Football pitch and dome
15. Tennis courts
16. The Lodge
17. Houses
18. Paxton bust
19. Car park
20. Crystal Palace Station

4 Site & context analysis

4.1 The current site

4.1.3 Site structures

The main building / sports centre (1)

Completed: 1964

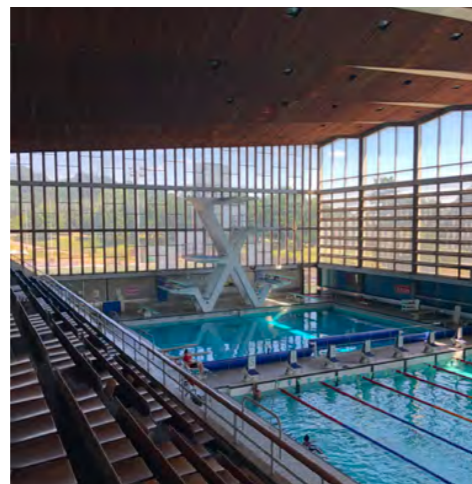
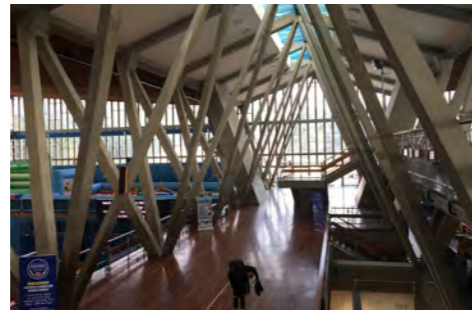
Heritage status: Grade II* Listed

The main sports centre building forms the centrepiece of the 1964 NSC masterplan, designed by Leslie Martin whilst working for the London City Council. It was the first multi-sport facility of its kind in Europe. It was designed to house facilities for a wide range of sports, with a particular emphasis on swimming as there was no other Olympic sized swimming pool in southern England at the time.

The NSC was unique in the range and scale of facilities it offered, and also in its ambition to host international events for multiple different sports - swimming, athletics and indoor court sports. Its unique ambitions, alongside the mid-century architecture, have led to its Grade II* listed status.

The building's distinguishing architectural features include its distinctive geometric reinforced concrete A-frame structure that forms the central concourse dividing the main arena from the swimming pools; the highly glazed façades with slender concrete mullions; gently zig-zagging copper roof, and the entry level at second floor from the associated elevated walkway into the generous triple-height spectator spaces.

The building still operates in a similar way to its original intentions, as a multi-sport facility with swimming pools and a sports area with spectator seating, a gym and fitness suite and studios, several indoor courts and a dry diving training area.



Top
View from the elevated walkway

Middle
The central concourse and concrete A-frame

Bottom
The 50m pool and diving pool

The elevated walkway (3)

Completed: 1964

Heritage status: Grade II* Listed

The raised walkway was part of the original 1964 NSC building, and due to its design association and physical attachment to the Grade II* listed main sports hall, it is also part of the designation for the purposes of listed building control.

The raised walkway is located on the 'Paxton Axis' - this central route running the length of the park was one of the key features of the Victorian park design.

The walkway functions as an access route into the main building, allowing for entrances at multiple levels (originally intended as separate spectators, competitors, and service entrances), with the main entrance on the 2nd floor above ground. It has been infilled below with more recent structures containing an indoor athletics track and a weightlifting club.



Top
View from the eastern Penge approach

Bottom
View on top of the walkway looking east

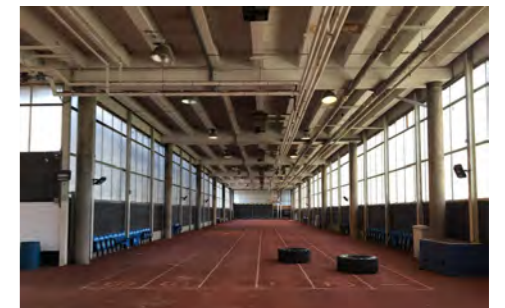
The indoor athletics track (3)

Completed:

Heritage status: N/A

The indoor athletics track sits below the elevated walkway. The enclosure below the walkway to create this space was a later addition to the structure.

The 120m long enclosure houses a 60m running track, a long jump track and pit, a throws net and high jump area. The northern branch of the elevated walkway that leads towards the main building has also been enclosed below, and provides a space used by a weightlifting club.



Top
External view of the indoor athletics building

Middle
External view of the weightlifting area below the walkway

Bottom
Inside the athletics track

4 Site & context analysis

4.1 The current site

4.1.3 Site structures

The 25m training pool building (2)

Completed: 1976

Heritage status: N/A

The 25m pool building was a later addition to the NSC, built in 1975, and is not listed.

The 2-storey building is connected to the southern side of the main sports centre at ground level. It houses a 25m training pool, mostly used for swimming lessons, in a double height space in the western half of the building. The eastern half of the building was originally designed as squash courts, but a mezzanine first floor structure was later added and the space is now used by GLL College for education and training, along with a dance / fitness studio.

The building is a dark brick box, with some teak panelling. Distinctive white pyramid-shaped rooflights bring light into the pool space and also house the light-fittings (this allows access to the light fittings from roof level for maintenance, avoiding the need to work at height above the pool).



Top
East elevation of the 25m pool building

Middle
Internal view of the 25m pool

Bottom
The pyramid rooflights

The Bar & indoor 5-a-side pitch (6)

Completed: 1964

Heritage status: N/A

The bar building is located between the elevated walkway and the West Stand. The roof of the structure forms a branch of the walkway, connecting the main building to the West Stand.

The bar building houses a bar and kitchen at ground level, and meeting spaces at first floor. It has been disused for several years and is in a poor state of repair.

Drawings of the original 1964 development indicate that the bar building was not originally enclosed at ground floor - the bar was on the first floor, and the ground level was an open undercroft space. This was later infilled with a brick facade.

Behind the bar there is an indoor 5-a-side football pitch with a steel truss roof. This pitch was closed in 2020 due to safety concerns with the roof and high-level lighting, which is in a poor state of repair.



Top
East elevation of the bar building

Middle
Inside the bar

Bottom
Inside the 5-a-side pitch

The West Stand & stadium seating (7 & 9)

Completed: 1964

Heritage status: Locally listed

The West Stand is part of the original 1964 NSC design. The stand itself is comprised of concrete seating terrace structures below an elegant sail-like curved steel canopy supported by steel tripod structures. There are approximately 4000 covered seats below the canopy. The concrete terrace structures extend in a curve to the north and south of the stand, creating a bowl form around the athletics track with an additional 8,400 uncovered seats. The structure exploits the natural site topography, leftover from the huge Victorian fountain basin that previously occupied this part of the site during the Paxton era.

The stand also houses four toilet blocks below the seats, a two-storey commentary box, two VIP boxes and a ticket office.

The stand is rarely used at its full capacity, since the NSC was downgraded from National sports facility status and UKA transferred its major events to the Olympic Stadium in 2012.

The stadium forecourt to the west of the stand has been closed off and is now used by Phoenix Motorcycle Training.



Top
The West Stand

Middle
Rear view of the stand from the forecourt

Bottom
External seating terraces

4 Site & context analysis

4.1 The current site

4.1.3 Site structures

The Jubilee Stand (8)

Completed: 1977

Heritage status: Locally listed

The Jubilee Stand was built in 1976-77 to increase the capacity of the stadium with an additional 5000 covered seats. Designed by Ove Arup & Partners, it is a two-storey RC concrete building with precast concrete raked seating terraces to the west side below a steel canopy.

The design brief for the Jubilee Stand canopy was to match the West Stand as closely as possible. However, the Jubilee Stand does not benefit from the naturally sloping site topography of the West Stand, and so rather than nestling the seating into the landform, a large structure was required to provide the terraced seating.

Along with toilets and circulation space associated with the stadium, the building currently houses a number of businesses including Crystal Palace Physio Group, Elite Cycling, and Capel Manor College.

As with the West Stand, the spectator seating is no longer used often, and very rarely at full capacity.



Top

External view of the Jubilee Stand

Bottom

View of the Jubilee Stand from the West Stand

The Lodge & tower (16)

Completed: 1964

Heritage status: Locally listed

The Lodge and tower are stand-alone buildings in the park, to the west of the main building. They form part of the original 1964 complex, providing education and conference facilities in the Lodge and accommodation facilities for international visitors and training camps in the tower.

The low-level Lodge building currently houses two flexible conference and event spaces, also used as fitness studios, a canteen and a first floor lounge area. The tower houses a hostel with accommodation for 130 guests in double and single rooms. However, the upper floors of the tower have been closed for several years and this year the entire building was closed due to concerns with the timber cladding and fire safety.



The houses (17)

Completed: 1964

Heritage status: Locally listed

There are six detached brick houses on the site, originally designed to be staff houses and the director's house for the NSC. The houses are currently occupied, leased out by the GLA. The intention is that the properties are rented out to sports coaches and trainers working at the NSC.



The football dome (14)

Completed:

Heritage status: N/A

The inflatable dome covers half of the football pitch to the north of the main building. The dome is considered a temporary structure in planning terms and its planning consent expired in January 2016.

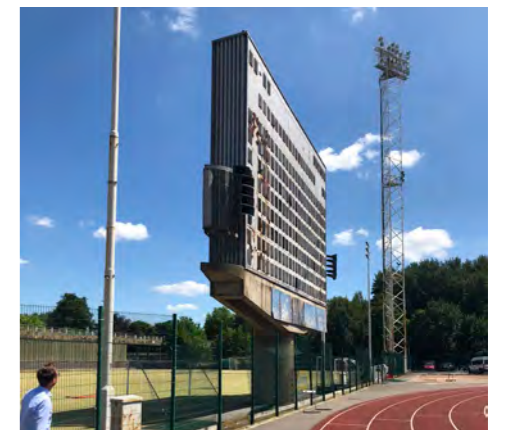


The score board

Completed: 1964

Heritage status: Locally listed

The concrete scoreboard sits at the northern end of the stadium.



Appendix C
Government Guidance Note
Crystal Palace National Sports Centre



Cabinet Office

Procurement Policy Note - Supplier relief due to COVID-19

Action Note PPN 02/20

March 2020

Issue

1. This Procurement Policy Note (PPN) sets out information and guidance for public bodies on payment of their suppliers to ensure service continuity during and after the current coronavirus, COVID-19, outbreak. Contracting authorities must act now to ensure suppliers at risk are in a position to resume normal contract delivery once the outbreak is over.

Action

2. All contracting authorities should:
- Urgently review their contract portfolio and inform suppliers who they believe are at risk that they will continue to be paid as normal (even if service delivery is disrupted or temporarily suspended) until at least the end of June.
 - Put in place the most appropriate payment measures to support supplier cash flow; this might include a range of approaches such as forward ordering, payment in advance/pre-payment, interim payments and payment on order (not receipt).
 - If the contract involves payment by results then payment should be on the basis of previous invoices, for example the average monthly payment over the previous three months.
 - To qualify, suppliers should agree to act on an open book basis and make cost data available to the contracting authority during this period. They should continue to pay employees and flow down funding to their subcontractors.
 - Ensure invoices submitted by suppliers are paid immediately on receipt (reconciliation can take place in slower time) in order to maintain cash flow in the supply chain and protect jobs.

Dissemination and Scope

3. This PPN is applicable to all contracting authorities, including central government departments, executive agencies, non-departmental public bodies, local authorities, NHS bodies and the wider public sector (excluding Devolved Administrations). Together these are referred to in this PPN as 'contracting authorities'. This PPN covers goods, services and works contracts being delivered in the UK.

4. Please circulate this PPN across your organisation and to other relevant organisations that you are responsible for, drawing it to the specific attention of those with a commercial and finance role.

Timing

5. With immediate effect until 30 June 2020.

Background

6. The current outbreak of COVID-19 is unprecedented and will have a significant impact on businesses of all sizes. Many suppliers to public bodies will struggle to meet their contractual obligations and this will put their financial viability, ability to retain staff and their supply chains at risk. Contracting authorities should act now to support suppliers at risk so they are better able to cope with the current crises and to resume normal service delivery and fulfil their contractual obligations when the outbreak is over.

7. It is vital that contracting authorities pay all suppliers as quickly as possible to maintain cash flow and protect jobs. Contracting authorities should also take action to continue to pay suppliers at risk due to COVID-19 on a continuity and retention basis. Contracting authorities can consider making advance payments to suppliers if necessary.

8. Central Government organisations should note that Managing Public Money prohibits payment in advance of need in absence of Treasury consent as this is always novel contentious and repercussive. However, in the circumstances Treasury consent is granted for payments in advance of need where the Accounting Officer is satisfied that a value for money case is made by virtue of securing continuity of supply of critical services in the medium and long term. This consent is capped at 25% of the value of the contract and applies until the end of June 2020. HM Treasury will review in mid-June whether this consent needs to be extended for a further period. Consent for payment in advance of need in excess of this amount should be sought from HMT in the usual way. This consent does not alleviate Accounting Officers their usual duties to ensure that spending is regular, proper and value for money or for other contracting authorities to conduct appropriate and proportionate due diligence to ensure such payments are necessary for continuity of supply of critical services.

9. Contracting authorities should aim to work with suppliers and, if appropriate, provide relief against their current contractual terms (for example relief on KPIs and service credits) to maintain business and service continuity rather than accept claims for other forms of contractual relief, such as force majeure.

10. Continuing to make payments to at risk suppliers will present risks including that, despite these exceptional actions, a supplier may still become insolvent. These risks will need to be managed by contracting authorities on a case by case basis.

Contact

11. Further guidance on COVID-19 for individuals, employers and organisations is available on GOV.UK.

12. Enquiries about this PPN should be directed to the helpdesk at info@crowncommercial.gov.uk.

SUPPLIER RELIEF DUE TO COVID-19

INTRODUCTION

The public sector must act quickly and take immediate steps to pay all suppliers as a matter of urgency to support their survival over the coming months.

Where goods and services are either reduced or paused temporarily, authorities should continue to pay at risk suppliers to ensure cash flow and supplier survival. This could include, for example situations where:

- Services are cut short / reduced at short notice due to the impact of COVID-19 and non-payment could result in supply chains collapsing and/or significant financial implications for the supplier.
- It would be value for money and important to business continuity to continue to pay suppliers in the short term (regardless of whether you are able to reconcile at a later stage). This would ensure continuity of services when services can resume.

PPN 01/20 sets out how contracting authorities can amend contracts under Regulation 72 of the Public Contracts Regulations 2015¹. Changes should be captured in contract variation or change note, and make clear that the changes relate only to the COVID-19 situation, include a review provision or time limit, and that it is the authority's decision when things should return to normal.

PAYMENT TO MAINTAIN BUSINESS CONTINUITY

Contracting authorities should confirm with their at risk suppliers that they will continue to pay until at least the end of June, to ensure business and service continuity. Contracting can define their 'at risk suppliers' according to need. In general, this should override provisions in contracts that might require contracting authorities to pay suppliers on a decreasing scale as a result of, for example performance, force majeure or business continuity clauses.

There are a range of ways to support suppliers in maintaining cash flow during this period. Contracting authorities can continue to pay at usual contractual rates, or consider other options such as payment against revised/extended milestones or timescales, interim payments, forward ordering, payment on order or payment in advance/prepayment. Risks associated with advance or pre payment should be carefully considered and documented.

Where contracts operate 'payment by result' or are 'output / outcome' based, payments to suppliers should be made on the basis of a calculation of the average of the last three months invoices. Where possible, any payments made to suppliers during this emergency period should be adjusted to ensure profit margin is not payable on any undelivered aspects of the contract, however this should not delay payments being made.

Suppliers should identify in their invoices which elements of the invoiced amount relates to services they are continuing to supply (i.e. business as usual) and which amounts are attributable to the impact of COVID-19.

Payments should not be made to suppliers where there is no contractual volume commitment to supply, and contracting authorities should carefully consider the extent of payments to be made to suppliers who are underperforming and subject to an existing improvement plan.

¹ Or equivalent procurement regulations

Transparency

Contracting authorities and suppliers should work collaboratively to ensure there is transparency during this period. Suppliers in receipt of public funds on this basis during this period must agree to operate on an 'open book' basis. This means they must make available to the contracting authority any data, including from ledgers, cash-flow forecasts, balance sheets, and profit and loss accounts, as required and requested to demonstrate the payments made to the supplier under contract have been used in the manner intended.

For example, this might include evidence that staff have been paid the right amount and on time, and that cash continues to flow through the supply chain as quickly as possible. Contracting authorities should keep records of decisions and agreements made, and ensure suppliers maintain records to enable future reconciliation if necessary.

Suppliers should not expect to make profits on elements of a contract that are undelivered during this period and all suppliers are expected to operate with integrity. Suppliers should be made aware that in cases where they are found to be taking undue advantage, or failing in their duty to act transparently and with integrity, contracting authorities will take action to recover payments made.

Supplier capacity

Many suppliers will not be able to fulfil their contracts due to action taken elsewhere in the public sector. For example, transport services for school children, due to the closure of schools. Wherever possible, contracting authorities should seek to re-deploy the capacity of those suppliers to other areas of need; this can be implemented via a time-bound variation to the original contract under regulation 72 of the Public Contract Regulations (see PPN 01/20).

OTHER CONTRACTUAL RELIEF

Contracting authorities should work with all suppliers to ensure business continuity is maintained wherever possible and that business continuity plans are robust and are enacted.

If a supplier seeks to invoke a clause relating to a form of contractual relief that would allow them to suspend performance, such as force majeure, contracting authorities should first work with the supplier to amend or vary contracts instead. These variations could include changes to contract requirements, delivery locations, frequency and timing of delivery, targets and performance indicators etc. Changes to the original terms should be limited to the specific circumstances of the situation, and considered on a case by case basis.

Other reliefs sought by a supplier could relate to any contractual obligation but usually takes the form of one, or both, of the following:

- an extension of time for contract performance (eg revised milestones dates or delivery dates, etc);
- a waiver or delay in the ability of the contracting authority to exercise a right and/or remedy (eg to claim liquidated and ascertained damages, service credits or terminate the contract)

Each claim for relief should be considered on a case by case basis, according to the nature of the goods/services/works being supplied, the challenges being faced, the contract terms and the constraints of any statutory requirements, for example the PCR to above-threshold contracts. You should seek specific legal advice as required.

Contracting authorities should take a pragmatic approach. These discussions and any temporary changes agreed should be recorded. The contract should return to its original terms as soon as the impact of the COVID-19 outbreak on the relevant contract is over.

Contracting authorities should not accept claims from suppliers who were already struggling to meet their contractual obligations prior to the COVID-19 outbreak.

Force Majeure

Force majeure is a contractual term which may, (depending on the specific terms of the contract) allow one or both of the parties, when a specified event or events occurs beyond their control:

- to terminate the contract; or
- to be excused from performance of the contract, in whole or in part; or
- to be entitled to suspend performance for the period the event is continuing or to claim an extension of time for performance

It is important that force majeure clauses is not considered in isolation given its impact on other clauses such as exclusivity, liability, liquidated damages and termination rights. It may also be relevant to consider the governing law and jurisdiction clause as contracts subject to foreign law may be interpreted differently by the courts. It may also be an exclusion clause, which is subject to the Unfair Contract Terms Act 1977.

Contracting authorities are not bound to accept a supplier's claim for force majeure and can resist it. You should seek legal advice when dealing with a claim and continue to work with the supplier to maintain service continuity as far as possible. An attempt by a supplier to invoke a force majeure clause without valid cause may mean that the supplier is in breach of contract.

Force majeure clauses do not automatically entitle either party to claim relief. In some cases, a contract will not allow termination at all due to force majeure, and it cannot be forced.

Frustration

It is unlikely a supplier will seek to frustrate a contract if they continue to be paid. However, unlike force majeure, frustration is rarely included as a provision in the contract. Instead, frustration arises where an event, for which the contract makes no sufficient provision, renders performance of the contract impossible or radically changes a party's principal reason for entering into the contract.

If a contract has been frustrated, it terminates automatically and the parties are excused from their future obligations. Any contractual obligations incurred before the time of frustration, such as for the contracting authority to pay outstanding charges to a supplier, remain enforceable. As neither party is at fault in respect of the frustration, neither may claim damages from the other for non-performance after the contract is declared frustrated.

However, the threshold for a contract being declared 'frustrated' is high and the fact that the contract will merely be more expensive to perform, or that the provider will have to perform the contract in a different way as a result of COVID-19 and/or its impact, are highly unlikely to constitute grounds for frustration in itself. You should seek legal advice if a supplier claims 'frustration'.

Excusing Causes, Relief Events and other options

If included in a contract, excusing cause and relief event provisions generally give a supplier

relief from its contractual obligations, which contracting authorities may be able to use to provide relief, for example, to change the KPI regime, payment mechanism or reduce service level requirements. Some contracts may have other relief mechanisms. Whatever the regime, contracting authorities should maximising any commercial flexibilities within the contract, including agreeing new measures such as on meeting lead times, waiving or delaying exercising the authority's rights and/or remedies (e.g. to claim liquidated and ascertained damages, service credits or terminate the contract), revising milestones or delivery dates. In these circumstances, if there is one, use the contract change control procedure to keep records of any changes made and the decision making behind each one. If not, keep your own records.

ACCELERATING PAYMENT OF INVOICES

Contracting authorities should pay suppliers as quickly as possible to maintain cash flow and protect jobs. The public sector must pay suppliers within 30 days under the Public Contracts Regulations 2015 but contracting authorities now need to accelerate their payment practice.

Contracting authorities should act now to ensure payment is made as quickly as possible to their suppliers, including:

- Targeting high value invoices where a prime is reliant on a supply chain to deliver the contract.
- Resolving disputed invoices as a matter of urgency; consider paying immediately and reconciling at a later date in critical situations.
- Take a risk based approach as to whether 2-way matching is always needed (rather than adopt regular 3-way matching against receipt and Purchase Order)
- Encourage suppliers to invoice on a more regular basis to help cash flow (eg every week rather than monthly)

Contracting authorities should consider the following additional contingency measures during the COVID-19 outbreak

Contingency measures - delegated authority to ensure invoices are not delayed

With significant levels of staff absence possible, ensure you have appropriate contingencies in place including sufficient numbers of staff with delegated authority to promptly receipt / authorise an amount due for payment in business units as well as finance teams.

Contract Managers and Business Units

Receipt for goods promptly, do not delay and ensure there is a contingency in place for delegated authority to approve in the event of staff shortages. Monitor flow down to ensure payment is cascading down the supply chain.

Verifying invoices as quickly as possible

Verify an invoice as quickly as possible and do not send invoices back for minor administrative errors and risk causing delay in payment. Continue to undertake necessary checks, however, look to resolve any issues as a matter of urgency and reconcile any minor discrepancies in information at a later stage.

Payment Card Solutions

Use of procurement/payment cards where possible to ensure businesses are paid as quickly as possible. Consider increasing the upper limit of spend, open up categories and ensure an appropriate number of staff have the authority to use.

Invoicing procedures clearly set out for your suppliers

Be clear where suppliers should send their invoice, including email address and the process required. This should be clear on the authority's website. This will minimise the number of invoices with incorrect information and/or being issued to the wrong address. Issue a reminder to all your suppliers to help them best prepare and ask for invoices to be sent in electronically to avoid hard copies sitting in office buildings potentially unattended.



Guidance notes on Model Interim Payment Terms - Procurement Policy Note 02/20

Before reviewing the Model Interim Payment Terms, please read:

- Procurement Policy Note 01/20 – Responding to COVID-19
- Procurement Policy Note 02/20 – Supplier relief due to COVID-19

Purpose of the Model Interim Payment Terms

The purpose of the Model Interim Payment Terms is to provide a set of terms that contracting authorities can use to implement PPN02/20 in providing contractual relief to suppliers who have been affected by COVID-19. This includes preventing a supplier claiming separate relief from another source of Government financial support on COVID-19, to the effect that the supplier gains an undue advantage by claiming relief twice for the same hardship

Who should use the Model Interim Payment Terms?

All contracting authorities to which PPN 02/20 applies should consider using these terms.

What contracts are the Model Interim Payment Terms designed for?

The Model Interim Payment Terms are designed for public contracts for the delivery of goods and services. Authorities should seek legal advice to ensure that the Model Interim Payment Terms are consistent with the contract which they seek to vary. Should an authority wish to vary a contract for works, legal advice should be sought.

How do the Model Interim Payment Terms work?

- The Model Interim Payment Terms allows a supplier, which the authority has identified as at risk because of COVID-19, to set out to the authority the contractual relief that it requires to deal with business disruption because of COVID-19.
- The request for an interim payment structure is set out by the supplier in an Interim Payment Proposal. This process is available after the supplier and authority have considered whether other forms of relief from contractual controls might be more appropriate (for example. performance indicator/service credit relief).
- When the supplier sets out the interim payment relief it requires, it also sets out why it needs the relief (eg staff wages or sub-contractor payment). This process allows the supplier to set out to the authority exactly what it needs and why.
- The clauses around open book transparency and supplier provision of supporting information allows the authority to check that the proposals that the supplier put forward are complied with when relief is given.
- If the supplier does not spend any interim payments in line with what it said it required the payments for, fails to act transparently and with integrity, or takes an undue advantage of the relief, the authority can take action necessary to recover any interim payments.
- The Model Interim Payment Terms prevents a supplier claiming contractual relief from an authority and claiming separate relief from the Government to the effect that the supplier gains an undue advantage by claiming relief twice for the same hardship.

[AUTHORITY LETTERHEAD]

Insert Supplier Name
Address

Xx/Month/Year

Dear

Contract (as amended) between (1) [Authority] (the “Authority) and (2) [Supplier] (the “Supplier”) dated [Date] (the “Contract”)
Supplier relief due to COVID-19 in accordance with Procurement Policy Note 02/20

1. We refer to the Contract. Unless otherwise defined, terms defined in the Contract and used in this letter shall have the meaning set out in the Contract.

Background

2. The purpose of this Variation is for the Authority to give relief to the Supplier on the terms of this Variation. The Authority and the Supplier acknowledge that the relief is given in accordance with the policy set out in PPN 02/20 and that both parties shall act in good faith and work together towards the principles set out in PPN 02/20. The Supplier acknowledges that any relief given to it is at the sole discretion of the Authority.
3. The Authority reasonably anticipates that the Procurement Regulations will apply to this Variation and the Parties shall ensure that there is lawful basis for agreeing the Variation under the Public Contracts Regulations 2015 and/or any applicable procurement rules. Due to the current COVID-19 pandemic, this may include in particular justifications under Regulation 72 and Regulation 32 of the Public Contracts Regulations 2015 or such other applicable or equivalent provision.
4. The Contract, including any previous variations, will remain effective and unaltered except as amended by this Variation.

Variation

5. The following terms shall have the meaning as set out below and shall be incorporated into the Contract:

[Drafting note: Authorities should crosscheck definitions between this Variation and the Contract.

Terms highlighted in green are not defined in this Variation and their definition should be crosschecked in the Contract.]

“Covid Related Hardship” means that as a result of the COVID-19 pandemic the Supplier’s ability to meet its contractual obligations under the Contract have been adversely affected.

“Covid Relief Period”	means the period from the Variation Date until the Relief Expiry Date.
“Interim Payment Proposal”	means a proposal for any interim payment structure pursuant to paragraph 6 of this Variation.
“Open Book Interim Data”	means the complete and accurate financial and non-financial information which is required by the Authority to enable the Authority to understand all COVID-19 related relief, grants, interventions or other measures received by the Supplier from the Government and to verify the [Charges] paid or the [Charges] which would have been paid during the Covid Relief Period, including: <ul style="list-style-type: none">a. the Supplier’s [Costs] broken down against each [Deliverable], including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all hardware and software;b. operating expenditure relating to the provision of the [Good] or [Services] including an analysis showing:<ul style="list-style-type: none">a. the unit costs and quantity of consumables and bought-in services;b. staff costs broken down into the number and grade/role of all [Supplier Personnel] together with a list of agreed rates against each manpower grade; andc. [Reimbursable Expenses];c. [Overheads];d. all interest, expenses and any other third party financing costs incurred in relation to the provision of the [Services];e. full details of the payment of employee wages; andf. full details of the payment of [Sub-contractors].
“Procurement Regulations”	means the Public Contracts Regulations 2015 and the Defence and Security Public Contracts Regulations 2011.
“PPN 02/20”	means Procurement Policy Note 02/20 [as updated or amended from time to time] setting out information and guidance for public bodies on how they may amend payment provisions in contracts or consider other contractual relief in order to assist suppliers to combat the impact of COVID-19.
“Relief Expiry Date”	means 30 June 2020, or such other date as may be notified by the Authority to the Supplier prior to or on 30 June 2020.
“Variation”	means the terms set out in this variation.
“Variation Date”	means the date the second party signs this Variation

6. Notwithstanding any other term of the Contract, the Parties agree to vary the Contract by incorporating the following terms into the Contract:

6.1. Where the Supplier is subject to Covid Related Hardship, the Supplier may at any time during the Covid Relief Period, propose a change to the Contract which has the aim of providing interim relief and support to the Supplier, pursuant to the aims and principles set out in PPN 02/20.

6.2. Pursuant to the aims and principles set out in PPN 02/20 and subject to this Variation, the Supplier shall prepare and deliver to the Authority in writing, an Interim Payment Proposal which sets out details of the Supplier's proposals to vary the payment profile and/or other terms of the Contract to support its cash flow position during the Covid Relief Period, including:

6.2.1. details of any proposed interim payment structure to be put in place, which may include (but not be limited to):

6.2.1.1. [advance payment or advance interim payment for **Goods** or **Services** prior to their delivery by the Supplier];

6.2.1.2. [proposals to amend contract milestone delivery and payment profiles (including extending, delaying, cancelling or consolidating milestone activity and payments)];

6.2.1.3. [continued payment notwithstanding reduced or non-performance];

6.2.1.4. [bringing forward Authority orders and associate payments];

[Drafting note: Authorities should consider which details are appropriate for each specific contract]

and the Interim Payment Proposal shall include details of the proposed amounts payable, the timescales for payment and any other information reasonably required by the Authority to enable the proposal to be considered by the Authority and implemented by the Parties; and

6.2.2. details of how any interim payment structure proposed by the Supplier (in total and each specific payment) is to be used and how it will provide the Supplier with relief and help reduce the adverse effect of Covid Related Hardship.

6.3. The Authority shall within [three] [3] **Working Days** of receipt of an Interim Payment Proposal, consider and either reject or approve the Interim Payment Proposal. If approved, the Parties shall agree in writing the effective date of the Interim Payment Proposal, which shall be dealt with under the Contract as an agreed change. Where the Authority rejects the proposal, the Supplier shall be entitled to resubmit the Interim Payment Proposal but shall amend the proposal to take into account any changes reasonably requested by the Authority.

6.4. The Parties shall use reasonable endeavours to avoid the use of the Interim Payment Proposal mechanism by identifying and utilising existing contractual mechanisms and provisions under the Contract to reduce the adverse impact of Covid Related Hardship on the Supplier, which may include:

6.4.1. relief against performance indicators;

6.4.2. relief and/or changes to delivery dates;

6.4.3. relief and/or delays to service credits; or

- 6.4.4. waiver or delay by the Authority of its remedies and rights under the Contract in whole or in part.
- 6.5. Where the Parties agree and implement an Interim Payment Proposal, the Supplier shall
- 6.5.1. [at the Authority's request, promptly provide a **Certificate of Costs** which sets out the Supplier's actual costs, expenses, cash flow and profits of providing the **Goods** and/or **Services** over the [3 months] prior to the effective date of the Interim Payment Proposal];
 - 6.5.2. ensure that the payments agreed under the Interim Payment Proposal are promptly and solely applied to the purposes for which they are paid, which may include payments to [Supplier Staff] and the Supplier's Contract supply chain; who are working on deliverables to be provided under or in connection with the Contract so as to reduce the adverse effect of Covid Related Hardship;
 - 6.5.3. make available to the Authority upon request any information and/or evidence (including the Open Interim Book Data) which the Authority may reasonably require in order to:
 - 6.5.3.1. verify and assure that the Supplier has applied the monies as agreed in the Interim Payment Proposal, including copies of accounts, ledgers, cash-flow forecasts and statements, balance sheets, profit and loss accounts and any other documentary evidence;
 - 6.5.3.2. verify and assure that monies intended for **Supplier Staff** performing the Contract have been properly and promptly paid; and
 - 6.5.3.3. pay invoices submitted by the Supplier's **Sub-contractors** and supply chain immediately on receipt;
 - 6.5.4. ensure that all invoices clearly set out which elements of the invoice that are attributable to the Interim Payment Proposal and which elements are business as usual; and
 - 6.5.5. maintain full records and a written audit trail of all Interim Payment Proposal activity in accordance with the general financial records provisions in the Contract (and such records shall be made available promptly to the Authority on reasonable request);
- 6.6. The Supplier shall not be entitled:
- 6.6.1. to include any profit in the Interim Payment Proposals to the extent that such profit might apply to elements of the Contract that are undelivered by the Supplier during the Covid Relief Period;
 - 6.6.2. to include any payments in the Interim Payment Proposals where there is no contractual volume commitment under the Contract;
 - 6.6.3. to any payments to the extent that the Supplier has been underperforming under the Contract and is subject to a current improvement plan or other remedial performance measure under the Contract; or
 - 6.6.4. to combine the Interim Payment Proposal with any other [government][public sector] COVID-19 related relief, grant, intervention or other measure which results in the Supplier receiving more than one benefit/relief for the same underlying cash-flow issue.
- 6.7. The Authority may at any time and in its sole discretion designate one or more additional Covid Relief Periods by notice to the Supplier from time to time. Any such notice shall specify which, if any, PPN contains the applicable rules and principles for the relevant Covid Relief Period.

6.8. ***[Drafting note: Authorities may need to make additional amendments to the contract.]***

7. If, in the reasonable opinion of the Authority, the Supplier:

- 7.1. fails to meet any obligation set out in this Variation;
- 7.2. receives any payment and fails to apply it to meet any proposal in the relevant Interim Payment Proposal;
- 7.3. takes undue advantage of any relief; or
- 7.4. fails to act transparently and with integrity,

the Authority may take all action necessary to recover any payments made to the Supplier during the relevant Covid Relief Period, including without limitation retaining or setting-off payment of any amount it owes to the Supplier at any time under this Contract or any other contract, to the extent that sub-paragraphs 7.1 – 7.4 apply to such payments.

Miscellaneous

- 8. The terms of this Variation shall be effective from the Variation Date.
- 9. Except to the extent set out in this Variation, this Variation shall not constitute a waiver of any right or remedy of the Authority or the Supplier arising before, during or after this Variation.
- 10. The Authority and the Supplier agree that any event arising from COVID-19 shall not give rise to any force majeure or frustration rights set out in the Contract to the extent that such rights are mitigated by any Interim Payment Proposal.
- 11. If there is an inconsistency between any of the provisions of this Variation and the provisions of the Contract, the provisions of this Variation shall prevail.

Please confirm your acceptance of the Variation countersigning this letter and returning a scanned copy to **[Authority email address]**.

If you have any queries, please contact the team on **[Authority's email address]**.

Yours faithfully,

[Insert name]

[Insert role]

For and on behalf of the Authority

We hereby acknowledge receipt and accept the terms of this Variation.

Signed: _____

For and on behalf of the Supplier

Position: [Director]/[Authorised Signatory]

Date: