



# **DERBYSHIRE COUNTY COUNCIL Place, Passenger Transport DPS**

## **SCHEDULE E**

### **CONTRACT VARIATION TERMS INCLUDING PRICE VARIATIONS**

#### **ALL CONTRACTS**

**Schedule E CONTRACT VARIATION TERMS INCLUDING PRICE  
VARIATIONS - Version Control**

Version	Author	Date	Comments	Approved by
1.0	I K Gregory	December 2022	Final	

During the lifetime of the Agreement the Council may at its sole discretion choose to vary a contract(s) including but not limited to changing the number of passengers, changing routes or stops, changing times. Any such variation would only come into force with the Operators agreement.

The Council shall apply due diligence and consideration to all variations to maintain continuity of service for its passengers, whilst achieving Value for Money in meeting its transport requirements without the need to terminate contracts and having to re tender services unnecessarily.

If however agreement cannot be reached then the Council reserves the right to give notice and terminate the Agreement (Terms and Conditions clause 18).

Schedule E sets out the Councils processes and practice in varying Agreements with Operators.

## **1. Administrative arrangements for Variations**

- 1.1 Where a variation to of this agreement is required that does not constitute a material change to the agreement as set out in (PCR2015 Reg 72c), agreement shall be sought by the Council from the Operator.
- 1.2 Mileage costs for route variations shall use the cost per mile submitted by the operator in their tender bid to establish any increase or decrease in daily transport cost.
- 1.3 The Council Shall notify the Operator in writing by email of the details of the change(s).
- 1.4 The minimum information provided by the Council shall be:
  - Contract Number
  - Date change becomes effective
  - Passenger information (if applicable)
  - Any agreed daily transport cost
  - Route or stop changes (where applicable)
  - Name of the Council Officer issuing the variation
- 1.5 No additional payment claim shall be made by the Operator unless agreed by the Council
- 1.6 Contract variations shall be subject to a minimum of one (1) weeks' notice to terminate, at which time the agreement shall revert to a previous variation, any new variation, or return to Schedule B.

- 1.7 Agreements that are under the legislative requirement to register with the Traffic Commissioner that are varied shall be allowed a notice period that will be proportionate to the period of registration.
- 1.8 Operators shall notify the Council at least 1 calendar month before any contract break clause of their intention not to accept an extension period. Any contracts that have a requirement to be registered with the Traffic Commissioner must provide at least 3 months' notice of their intention not to accept a further extension period.

## **2 Inflationary Increases**

- 2.6 The Contract Price shall remain fixed for the fixed term of the Agreement; Operators are able to request an increase at the first anniversary of the Agreement and subsequent anniversaries in line with the change in the rate of inflation as measured by the movement in the United Kingdom Consumer Price Index (CPI).
- 2.7 Only one request per contract will be considered by the Council in any rolling twelve-month (12) period from a previous inflation increase award. It is the Operators responsibility to request inflation increases and the council will not issue reminders.
- 2.8 The Council requires one (1) calendar months' notice for a CPI inflation request.
- 2.9 The Council will consider request submitted by the Operator no more than one (1) month in advance of the anniversary.
- 2.10 The Council will notify the Operator of its inflation award and the new rate in writing.

## **3 Contract Price Change Requirement**

- 3.1 At the sole discretion of the Council in exceptional circumstances where a rate change is agreed outside of CPI in principle the Operator must provide Open Book Accounting, ensuring Officers of the Council are able to justify the proposed change.

## **4 General**

- 4.1 The Operator shall comply with this Schedule E throughout the Agreement. The Council reserves the right from time to time to issue amendments to this schedule and shall make available copies of the same to the Operator. Such amendments shall be deemed to form part of the terms and conditions of the Agreement and the Operator shall comply with the requirement set out within.