

Schedule 19 – Handback of Services

TfL RESTRICTED

Restricted to: TfL Group, Contractor Group and Consultants with NDA

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1 Introduction

1.1 Scope & Purpose

1.1.1 This Schedule 19 (Handback of Services):

- (a) sets out the strategy to be followed on handback of the Services (or services similar to the Services), the Assets, the System and/or the IRC System to a member of the TTL Group and/or any Successor Operator(s); and
- (b) requires the Contractor to support an orderly, controlled handover of responsibility for the provision of the Services from the Contractor to a member of the TTL Group and/or any Successor Operator(s) (as applicable), at TTL's direction, with the minimum of disruption and so as to prevent or mitigate any inconvenience to TTL by means of the implementation of the Handback Plan.

1.2 Handback Objectives

1.2.1 The Contractor shall have regard to the Handback Programme and the following objectives (the "**Handback Objectives**") when producing, updating and implementing the Handback Plan. The Handback Objectives are to:

- (a) ensure the Contractor is able to cease supplying the Services (or services similar to the Services) in relation to the System and/or the IRC System, and for a member of the TTL Group and/or any Successor Operator (as applicable) to perform equivalent (or similar) Services;
- (b) ensure service continuity and minimise any disruption to TTL;
- (c) ensure that there is no adverse impact on Customer experience during the handback process;
- (d) support TTL and/or Successor Operator(s) and ensure that TTL and/or Successor Operator(s) have such assistance and information as necessary to enable as efficient and effective a transfer of Services as possible;
- (e) provide Data in a format that is capable of being utilised by TTL and/or any Successor Operator;
- (f) preserve Data and ensure that it is not compromised during the handback process;
- (g) ensure that there are no barriers or restrictions imposed by the Contractor, any member of the Contractor Group or any Sub-Contractor to the smooth handover of the Services (or services similar to the Services), the Assets, the System and/or the IRC System to a member of the TTL Group and/or to any Successor Operator(s);
- (h) minimise the costs of handback;
- (i) ensure timely development and agreement of plans describing handover activity, and the Contractor's compliance with those plans; and

- (j) preserve the performance of the Services during the handback process without disruption or deterioration of the Services and in accordance with this Contract.

2 Handback

2.1 Handback Plan

- 2.1.1 The “**Handback Plan**” shall, in relation to all aspects of the handover of the Services (or services similar to the Services), the Assets, the System and/or the IRC System to a member of the TTL Group and/or any Successor Operator(s), include details of the following as a minimum:
- (a) the organisation arrangements including roles and responsibilities for specific individuals (including any Key Personnel) and the allocation of resources for the Services (or services similar to the Services) and an organisational chart clearly showing how the Services are provided (including details of Sub-Contractors and the element of the Services provided by any Sub-Contractors);
 - (b) the rationale considered and any assumptions made in developing the Handback Plan;
 - (c) the interface arrangements with TTL, any Interfacing Parties, any Related Contractors or any other person;
 - (d) a complete breakdown of all tasks and workstreams structured by the System and/or the IRC System or as reasonably required by TTL;
 - (e) the handback process for the System and/or the IRC System, the Services and the function of each of the foregoing;
 - (f) time frames with milestones for the transfer of the provision of the Services (or services similar to the Services) from the Contractor to any member of the TTL Group and/or any Successor Operator(s) and transfer of or access to Data to any member(s) of the TTL Group and/or any Successor Operator(s);
 - (g) implications of the transfer of the relevant Services (or services similar to the Services) including any applicable Third Party software licences for the Contractor's requirements under the performance regimes;
 - (h) details of the transfer of Assets and a timetable for the handback of relevant Assets together with a copy of the updated Asset Management Plan, Asset Register and Asset Plan;
 - (i) detailed information (including the term, value and obligations) relating to all Third Party contracts and leases in connection with the System (or any part relevant thereof) or Services (or services similar to the Services) including any applicable Third Party software licences;
 - (j) the approach to access to and the transfer of Intellectual Property Rights and Data, including provisions for enhanced information exchange and knowledge transfer to assist TTL Personnel and/or any Successor Operator(s) to understand and operate the System and/or the IRC System and Services (or services similar to the Services);

- (k) the arrangement for access to testing, back office and other facilities and the System and/or the IRC System (or any relevant part thereof) and Services in order for any member(s) of the TTL Group and/or any Successor Operator(s) to understand and operate the Systems and/or the IRC System (or any relevant part thereof) and Services or in connection with replacement or other systems and services;
- (l) details regarding the transfer of the relevant Personnel, as required by TUPE, and information regarding all the Contractor's or any relevant Sub-Contractor's Personnel who are engaged in the performance of the Contractor's obligations under the Contract as set out at Appendix 1, and ongoing access to Key Personnel or any other Personnel who TTL considers key for a smooth transition of Services (or services similar to the Services) to any member(s) of the TTL Group and/or any Successor Operator(s);
- (m) all relevant Data regarding the Services including employee liability information as set out at Appendix 1, System and/or IRC System information and Contractor information in such form as TTL and/or any Successor Operator(s) may reasonably require;
- (n) confirmation that, in relation to any Service (or services similar to the Services), a sufficient number of Spares are available to any member(s) of the TTL Group and/or any Successor Operator as required under this Contract;
- (o) a description of the processes for the recording and storage of all the information referred to in paragraph 2; and
- (p) such details or information as TTL may reasonably require.

2.1.2 The Handback Plan shall, in accordance with the process set out in paragraphs 2.1.3 to 2.1.5 below:

- (a) clearly identify how the help desk activities, processes, procedures and tools shall be handed over to a member of the TTL Group and/or any Successor Operator(s) (at TTL's direction) and the telephone numbers transferred;
- (b) clearly identify the transfer of the Contractor Personnel with particular focus on ongoing service delivery and the Handback Objectives;
- (c) make reasonable assumptions using the Contractor's experience under the Contract as to where TTL and/or any Successor Operator(s) will require access to, or use of, Contractor Sites and how such access and/or use will be facilitated until such time as TTL and/or any Successor Operator(s) have defined what such access arrangements are reasonably required to fulfil any future TTL and/or Successor Operator(s) transition plan(s);
- (d) make reasonable assumptions using the Contractor's experience under the Contract as to how the test and workshop Assets and Services can be transferred to a member of the TTL Group and/or any Successor Operator(s) (at TTL's direction), mitigating any possible shortfall in Spares or tools until such time when TTL and/or any Successor Operator(s) have defined what such arrangements will be implemented by TTL and/or any Successor Operator(s) in any future TTL and/or Successor Operator(s) transition plan(s);

- (e) detail the audit, labelling, packaging and availability of the stores Assets and stores Asset database up to the assumed date of collection by TTL and/or any Successor Operator(s) until such time when TTL and/or any Successor Operator(s) have defined when such collection will be implemented by TTL and/or any Successor Operator(s) in any future TTL and/or Successor Operator(s) transition plan(s);
- (f) make reasonable assumptions using the Contractor's experience under the Contract as to how the logistics Services may be transferred to a member of the TTL Group and/or any Successor Operator(s) (at TTL's direction), minimising any possible disruption in Service until such time when TTL and/or any Successor Operator(s) have defined what such arrangements will be implemented by TTL and/or any Successor Operator(s) in any future TTL and/or Successor Operator(s) transition plan(s);
- (g) make reasonable assumptions using the Contractor's experience under the Contract as to how the Assets in the Data Centres and information can be transferred and/or reassigned to the TTL Group and/or Successor Operator(s) to enable ongoing to enable ongoing service continuity, continuing supply of Data and Revenue Apportionment, and security of the systems and communication lines and servers;
- (h) detail all the ongoing Project type activities relating to this Contract including Asset renewal and/or replacement Projects; and
- (i) cover any remedial works or other actions required in respect of the Assets as required under this Contract.

2.1.3 The Contractor shall submit a draft Handback Plan to TTL no later than the earlier of the fourth (4th) anniversary of the Service Commencement Date or as required by TTL in relation to termination of the Contract. The Contractor shall finalise the Handback Plan not later than six (6) months prior to the fifth (5th) anniversary of the Service Commencement Date, taking due account of TTL's comments or as required by TTL in relation to a termination of the Contract (as applicable).

2.1.4 Save as specified in any Successor Plan, all Handback Plans delivered to TTL shall:

- (a) in respect of the first Handback Plan due by the Contractor:
 - (i) cater for all Services to have a co-terminus End Date;
 - (ii) unless otherwise specified by TTL, be based on handback to a single member of the TTL Group or Successor Contractor; and
 - (iii) be based on any other information reasonably specified by TTL and/or where necessary any other reasonable assumptions (which shall be explicitly set out in the Handback Plan); and
- (b) in respect of each Handback Plan thereafter, cater for different Services having phased or staggered End Dates as specified by TTL in the most recent Successor Plan and being capable of termination pursuant to Clause 77 (Early Termination of Pre-Determined Services).

2.1.5 The Contractor shall, as soon as reasonably practicable and in any event within two (2) months of the first Successor Plan being provided to it, deliver to TTL an updated

Handback Plan which shall reflect such Successor Plan. Thereafter, the Contractor shall, within one (1) month following a change to the Successor Plan, review, update and submit to TTL for approval a revised Handback Plan which reflects such revised Successor Plan.

- 2.1.6 The Contractor shall consult fully with TTL in relation to the preparation of each version of the Handback Plan, and shall take full account of TTL's comments.
- 2.1.7 The Contractor shall, within fourteen (14) days of receipt of a notification from TTL, amend the latest Handback Plan to correct identified non-conformities, incorporate any other comments or feedback from TTL and resubmit it to TTL. TTL shall, within fourteen (14) days of resubmission of the Handback Plan, notify the Contractor of any remaining or new non-conformities. The procedure in this paragraph 2.1.7 shall be repeated until the Handback Plan is free from non-conformities and agreed and confirmed by TTL in writing.

2.2 Handback Information and Support

- 2.2.1 The Parties agree that paragraphs 2.2.1 to 2.2.3 inclusive shall only apply with effect from the Service Commencement Date.
- 2.2.2 Without limitation to the generality of Clause 82 (Handback of Services) and without limitation and prejudice to Clause 65 (Records, Audit and Inspection) and Schedule 20 (TUPE and Employees), the Contractor shall provide the following information and support to TTL (together the "**Handback Information and Support**"):
- (a) Asset information/IPR/Software support as described in paragraphs 2.2.3(a) and 2.2.3(b);
 - (b) Contractor Personnel information and support as described in paragraph 2.2.3(c);
 - (c) training information and support as described in paragraph 2.2.3(d);
 - (d) commercial information and support as described in paragraph 2.2.3(e);
 - (e) operational information and support as described in paragraph 2.2.3(f);
 - (f) property information and support as described in paragraph 2.2.3(g); and
 - (g) such other information or support any member of the TTL Group and/or any Successor Operator may reasonably require.
- 2.2.3 The Contractor shall ensure that the information and support provided by the Contractor includes (as a minimum):
- (a) Asset information/IPR/Software support, which shall include:
 - (i) service histories of all classes of Device and Component listed in the Asset Register for the duration of this Contract;
 - (ii) full documentation which demonstrates how the Devices, Component and System (or any relevant parts thereof) have been maintained in accordance with Law, this Contract and Good Industry Practice;

- (iii) full disclosure of all information arising from Schedules 8.2 (Asset Management & Maintenance) and 14 (IPR Management and Licences) for each class of Asset listed in the Asset Register. Such plan shall be updated in the light of actual performance of each Asset since the last issue of the Asset Management Plan and IPR Management Plan prior to expiry or termination of this Contract;
 - (iv) full documentation, general arrangement drawings, all Asset drawings and specifications down to Component level maintenance and operator manuals, work instructions and processes for all Service delivery functions, System testing, engineering, installation and workshop facilities and as built installation drawings including any modifications undertaken since the original installation; and
 - (v) details of any Foreground IPR as well as Intellectual Property Rights forming a part of Licensed Materials, whether or not listed in the IPR Register (i.e. proprietary items and Handback Items);
- (b) Software support in respect of:
 - (i) the arrangement of licences necessary to operate, maintain or modify the System (or any relevant parts thereof) during the Handback Period;
 - (ii) assistance in implementing Software upgrades or version changes such that the full functionality of the affected System is maintained during the Handback Period;
 - (iii) assistance in implementing fares revisions and/or implementation of new tickets undertaken during the Handback Period;
 - (iv) assistance for the duration of the Handback Period and for a period of six (6) months following the Expiry Date, in development of any Device or operating Software necessary to maintain the System performance as a consequence of ongoing Technical Change or to combat obsolescence of Components and/or Parts within the System; and
 - (v) the early identification and timely transfer of proprietary information, management and documentation systems or Data that TTL or any Successor Operator(s) shall require to support and operate the handed back Assets and System (or any relevant parts thereof);
- (c) Contractor Personnel information which shall include:
 - (i) subject to Clause 83 (Transfer of Employees on Expiry or Termination), Clauses 27-29 inclusive (Data and Security Requirements) and Schedule 20 (TUPE and Employees), Contractor Personnel details relating to job descriptions, pay, benefits, conditions of employment, service length, pension conditions and actuarial assumptions, Contractor Personnel records including sickness records, holiday records, disciplinary procedures, any pending claims or other disputes involving employees, trade unions or Third Parties relating to the employment of Designated Employees by the Contractor under the Contract who transfer to any member(s) of the TTL Group and/or any Successor Operator; and

- (ii) a complete listing of all Contractor Personnel working on or supporting the delivery of the Services including their specialism/skill set and where this has been used;
- (d) training information which shall include:
 - (i) a copy of the training records in accordance with Schedule 8.6 (Training) indicating what training has been undertaken for each individual or organisation, together with the results of the training and recommendations for improvement;
 - (ii) a copy of the Training Plan in accordance with Schedule 8.6 (Training) originally implemented for each class of Asset and details of the type of Contractor Personnel interfacing with the Asset, updated to reflect technical or operational changes incorporated during the period of this Contract; and
 - (iii) all training materials and media utilised in the training undertaken, together with any revisions or updates consequent upon technical or operational change;
- (e) commercial information which shall include:
 - (i) a comprehensive statement of account on the Charges reconciling any performance adjustment, inflation adjustment, Variations, Invoices in dispute and credits due to TTL;
 - (ii) an updated list of Retail Agents or any other contracted means or methods of ticket distribution together with copies of the contracts between the Contractor and the Retail Agent(s);
 - (iii) a statement or account of all Key Sub-Contracts detailing duration, scope, terms and conditions, variations implemented and planned, claims or disputes unresolved, performance monitoring regime and history;
 - (iv) access to Contractor Personnel, information and records in connection with any contemplated or pending litigation of any Sub-Contracts novated or assigned on the dates specified in the Handback Plan or Handback Programme;
 - (v) full details of any claims from any Third Party of which the Contractor is aware; and
 - (vi) full disclosure of all Sub-Contractors and suppliers together with details of the Services, Assets, Components, Parts and other material provided;
- (f) operational information which shall include:
 - (i) details of stockholding by location of ticket stocks;
 - (ii) full and complete Service and Asset maintenance information and Data on the proprietary systems used by the Contractor or Sub-Contractors;

- (iii) details of all Assets by location together with historic usage information, quality and inspection certifications records for Devices and Components together with details of any factors that may impact ongoing support or repair of Assets or Systems and/or the IRC System during the Handback Period or as detailed in the Asset Management Plan and IPR Management Plan;
- (iv) details of all test and workshop tools and equipment utilised to support the delivery of the Services including Software tools together with location and calibration status;
- (v) details of all processes, procedures and Software tools, reports and escalation models relating to any source code or documentation required to enable a member of the TTL Group and/or any Successor Operator(s) to ensure service continuity; and
- (vi) details of all Base Data preparation tools and equipment to support delivery of the Services (or services similar to the Services) including Software tools subject always to Clause 51 (Intellectual Property Rights); and
- (g) property information which shall include:
 - (i) details of any repair/refurbishment obligations planned, undertaken or in progress together with a forward plan based on an assumption of work required to be done in the next five (5) year period; and
 - (ii) statement of claims or disputed accounts from Sub-Contractors utilised in the discharge of property obligations.

2.2.4 The Contractor shall release all TTL requested information and processes within ten (10) days of TTL's request to enable any member of the TTL Group and/or any Successor Operator(s) to develop its own maintenance and service philosophy.

2.3 Handback Programme

2.3.1 The Contractor shall prepare the "**Handback Programme**" and deliver it to TTL with each Handback Plan. The Handback Programme shall be consistent with the most up to date Handback Plan and shall detail the Contractor's recommended approach, assumptions (including those set out at paragraph 2.3.3 below), sequencing, responsibilities and timescales for the handback of all Services (or services similar to the Services). The Handback Programme shall be updated to reflect the comments of TTL and any changes to the Handback Plan and any revised version of the Handback Programme shall be delivered to TTL with each update of the Handback Plan or, where no such Handback Plan is to be provided, such date as may be stipulated by TTL. The Contractor shall take into account any problems, experience or lessons learned from the transition period when it prepares the handback documentation.

2.3.2 The Contractor shall review, update and re-issue to TTL the Handback Programme with each update of the Handback Plan.

2.3.3 When developing the Handback Plan, the Contractor shall, unless otherwise directed in writing by TTL, assume that handback will be to an organisation similar in capability to the Contractor and will not necessitate significant changes to the Services, the System and/or the IRC System.

- 2.3.4 The Contractor shall consult fully with TTL in relation to the preparation of the Handback Programme, and shall take full account of TTL's comments in accordance with paragraph 2.3.5.
- 2.3.5 The Contractor shall, within five (5) days of receipt of a notification from TTL, amend the Handback Programme to correct identified non-conformities, incorporate any other comments or feedback from TTL which may include feedback from any Successor Operator(s), and resubmit it to TTL. TTL shall, within five (5) days of resubmission of the Handback Programme, notify the Contractor of any remaining or new non-conformities. The procedure in this paragraph 2.3.5 shall be repeated until the Handback Programme is free from non-conformities, agreed and confirmed by TTL in writing.
- 2.3.6 The Handback Programme shall clearly identify when consultation shall begin for any Contractor Personnel who may be subject to TUPE and how this process should be managed if these people are to be transferred on or before the Expiry Date.
- 2.3.7 The Handback Programme shall detail all of the work-streams, activities and timescales identified in the Handback Plan.

3 Systems Integrator Role

- 3.1.1 The Contractor shall retain its role as System Integrator until the Expiry Date or such earlier End Date as may be specified by TTL pursuant to Clause 82 (Handback of Services).

4 Reports and Meetings

4.1 Handback Status Report

- 4.1.1 The Contractor shall provide a report (a "**Handback Status Report**") in the form of a RAG (being Red, Amber or Green) document which shall provide detailed status information on the handback activities identified in the Handback Plan and Handback Programme. The RAG document shall identify the relevant activity, a description of the activity, the lead person in charge of the activity, its RAG scoring (according to scoring criteria reasonably requested by TTL) and a commentary explaining the current status and reasons supporting the RAG scoring. The commentary shall also describe the dependencies on Third Parties and provide a detailed description of what they are required to do.
- 4.1.2 The Handback Plan, Handback Programme and Handback Status Report shall be ordered in the same sequence and be cross referenced with common activity identifiers and descriptions. The Contractor shall endeavour to structure these documents and reference the handback activities in accordance with the MBS where reasonably required by TTL.
- 4.1.3 The Handback Status Report shall identify any dependencies or points of demarcation in relation to the handback of Services (or services similar to the Services), the Assets, the System and/or the IRC System.
- 4.1.4 The Contractor shall update the Handback Status Report and deliver it to TTL at least every time when the Handback Plan and/or Handback Programme is updated to reflect the risks associated with the handback and record mitigation actions and fall back positions in case of operational difficulties during the Handback Period.
- 4.1.5 Notwithstanding paragraph 4.1.4, the Contractor shall ensure that the Handback Status Report is updated following each Handback Review Meeting and shall ensure that the most current version is provided to TTL at least one (1) Business Day in advance of each Handback Review Meeting.

4.2 Performance Reports and Meetings

- 4.2.1 The Contractor shall report on progress of handback in the Service Performance Report and matters affecting handback shall be discussed at the Service Review Meeting
- 4.2.2 As the volume of work increases, TTL shall at a time of its choosing convene a dedicated handback progress group ("**Handback Review Group**") (such meetings of the Handback Review Group being "**Handback Review Meetings**").
- 4.2.3 The purpose of the Handback Review Group is to oversee and provide overall direction in relation to handback and such group shall meet in accordance with this paragraph 4.2.

ATTENDEES	
TTL	Contractor
Any representative of TTL and/or the Successor Operator(s) relevant to the	Any representative of the Contractor relevant to the matters to be discussed

matters to be discussed at the meeting.	at the meeting, as may be specified by TTL.
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FREQUENCY AND LOCATION
At any time upon the reasonable request of TTL in London at a location determined by TTL.

INPUTS AND OUTPUTS	
Required Inputs	<p>To be provided by TTL:</p> <ul style="list-style-type: none"> (a) Handback Review Group meeting agenda; (b) Handback Review Meeting minutes from the previous Handback Review Meeting; and (c) Handback Review Meeting action log from the previous Handback Review Meeting. <p>To be provided by the Contractor:</p> <ul style="list-style-type: none"> (a) most current version of the Handback Status Report.
Required Outputs	<p>To be provided by TTL:</p> <ul style="list-style-type: none"> (a) Handback Review Meeting action log; and (b) Handback Review Meeting minutes.

- 4.2.4 The Parties shall review the previous Handback Review Meeting minutes and action log, and TTL shall approve the same unless it deems any outstanding actions in the action log to be open, in which case TTL shall notify the Contractor and such actions shall remain open until closed by TTL and notified to the Contractor in writing.

