

---

# Contract

for the  
provision of  
Security Services  
at  
Liverpool John Lennon Airport

---

***Please note that this draft contract is indicative only at this stage and subject to negotiation. It is accepted that Liverpool Airport Limited may need to adapt the Contract at a later stage during the negotiated procedure to accommodate any proposed innovative solutions***

1.1 **A CONTRACT** dated

2017

1.2 **MADE BETWEEN:**

**Liverpool Airport Limited** (registered number 02116704) whose registered office is Peel Dome, intu Trafford Centre, Trafford City, Manchester M17 8PL (**LAL**); and

**[Company Name]** (registered number [ ]) whose registered office is at [ ] (**The Provider**).

## **1. Background and General Interpretation**

- 1.1. This Contract sets out the terms upon which The Provider is to provide security services at Liverpool John Lennon Airport.
- 1.2. Any reference to "this Contract" includes its schedules.
- 1.3. References to clause numbers or schedules are to clauses or schedules in this Contract.
- 1.4. Headings are for reference purposes only and do not affect the interpretation of this Contract.
- 1.5. Words importing the singular include the plural, and vice versa.
- 1.6. References to the masculine gender include the feminine.
- 1.7. References to any statute or statutory instrument, or to any section clause or regulation in them, extend to that statute statutory instrument section clause or regulation as may be amended from time to time, and to any statute statutory instrument section clause or regulation that replaces them.
- 1.8. Any obligation in this agreement on a person not to do something includes an obligation not to agree, allow, permit or acquiesce to that thing being done.
- 1.9. References to LAL include (where applicable), its lawful successors, permitted assigns and permitted transferees.
- 1.10. The terms "Data Subject", "Data Controller", "Data Processor", "Personal Data" and "Sensitive Personal Data" have the meanings given under the Data Protection Act 1998.

## **2. Definitions**

In this Contract the following expressions have the following meanings:

- 2.1. **Airport:** means Liverpool John Lennon Airport, (including, where the context allows, all or any location within the Airport at which a particular Service is to be provided).

- 2.2. **Airport Security Plan:** means the airport security plan relating to the Airport as prepared and maintained by LAL and updated from time to time.
- 2.3. **Ancillary Accommodation:** means any accommodation provided by LAL for use by The Provider as ancillary to the provision of the Services, including (but not limited to):
- 2.3.1. office and storage accommodation; and
  - 2.3.2. a training facility; and
  - 2.3.3. area for staff to rest away from the workstation
- 2.4. **Anticipated Flight Schedules:** means LAL's forecast for Flight Schedules as provided by LAL to The Provider for the purposes of the Forward Planning Review.
- 2.5. **Approved Security Provider:** means a company listed by the Regulator as a provider of aviation security services at the Airport.
- 2.6. **ASQ** means the Airport Service Quality survey
- 2.7. **Change Form** and **Change Notice:** have the meaning given to them in clause 10.
- 2.8. **Change of Control:** means the acquisition of The Provider by a company or by a single person or a group of connected persons (as defined in Section 839 of the Income and Corporation Taxes Act 1988), (but not including for the avoidance of doubt a Group Company) of control (as specified in Section 840 of that Act) if that company or person or group of connected persons is or controls (a) an airline or (b) an operator of an airport with (at the time of acquisition of control) passenger numbers of more than 1,000,000 per annum.
- 2.9. **"Confidential Information"** means any information that is directly or indirectly disclosed however conveyed, by one party and/or any of its Group Companies (the **"Disclosing Party"**) to the other party and/or any of its Group Companies (the **"Recipient"**) whether before or after the date of this Contract which would appear to a reasonable person to be confidential or is marked confidential, or is accompanied by a written or oral statement saying that it is confidential or proprietary and which relates to the business affairs of the Disclosing Party (or of other companies within that party's Group, including products, product information, operations, processes, plans or intentions, developments, trade secrets, know how, design rights, market opportunities, personnel, customers and suppliers of the Disclosing Party, and all information derived from the above other than information:
- i. that was in the public domain at the time so disclosed (unless the information so disclosed was a compilation of such publicly available information in a form not previously known);

- ii. that passes into the public domain after it has been disclosed without the Recipient being in breach of any obligation of confidentiality;
  - iii. that is given to the Recipient by a third party who is lawfully entitled to disclose it and has no duty to respect any right of confidence in the information; or
  - iv. that was already known (or had been independently generated) by the Recipient prior to its receipt or disclosure.
- 2.10. **Contract Manager:** means the person appointed in accordance with clause 7.5.
- 2.11. **Contract Price:** means the Employee Fee and the Management and Overheads Fee.
- 2.12. **Control Authorities:** means any regulatory authority (excluding the Civil Aviation Authority and Department for Transport) that is responsible for security at airports or other operational matters that affect security but including the Border Force and Port Health (Health Protection Agency).
- 2.13. **Deficiency Notice:** means a notice served by the Regulator under the Aviation Security Act 1982 or any similar notice served under any future legislation by any competent body.
- 2.14. **Effective Date:** means 01st October 2017
- 2.15. **Employee Fee:** means the Hourly Rate multiplied by the total number of Hours provided in any given calendar month of the Contract.
- 2.16. **Employee Information:** means ♦ details of Employees and information relating to their employment.
- 2.17. **Employees:** means all persons who are wholly and/or mainly engaged in the provision of the Services and /or are part of an organised grouping of employees situated in Great Britain which has as its principal purpose the carrying out of the Services within Regulation 3(3)(a)(i) of TUPE.
- 2.18. **Enforcement Notice:** means a notice served by the Regulator under the [Aviation Security Act 1982] or any similar notice served under any future legislation by any competent body.
- 2.19. **Equipment:** means the equipment provided by LAL under the terms of this Contract for use by The Provider in the provision of the Services, being initially that listed in Schedule 3 and including any New Equipment once installed.
- 2.20. **Financial Loss:** financial or economic loss including but not limited to loss of profits revenues or goodwill or any other indirect or consequential loss (including any such loss or damage incurred by LAL as a result of third party claims)

- 2.21. **Flight Schedules:** means the scheduled arrival and departure times at the Airport of aircraft carrying fare-paying passengers on a scheduled or charter service (including "ad hoc" flights).
- 2.22. **Former Contractor:** the person who before the Effective Date undertook responsibility for the operation of the Services or any of them.
- 2.23. **Forward Planning Review:** has the meaning given to it in clause 10.
- 2.24. **Group Company:** means in respect of any entity, the ultimate parent undertaking of that entity, together with every subsidiary of that ultimate parent undertaking, (and for the purposes of this clause 2.23 "subsidiary" shall have the meaning set out in [Section 1159 of the Companies Act 2006]), irrespective of the country of incorporation.
- 2.25. **Hours** means the total number of hours that the Services are provided as approved by the LAL in accordance with clause 13.
- 2.26. **Hourly Rate:** means the cost per hour of each Employee in providing the Services in accordance with this Contract being at Liverpool John Lennon Airport [hourly rates to be inserted].
- 2.27. **Intellectual Property Rights:** means patents, rights to inventions, copyright and related rights, trademarks and service marks, trade names and domain names, rights in get-up, rights to goodwill and to sue for passing off and unfair competition, rights in designs, rights in computer software, database rights, rights in Confidential Information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (and rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist, now or in the future, in any part of the world.
- 2.28. **Justifiable Excuse:** means any of:
- 2.28.1. significant disruption to Flight Schedules; or
  - 2.28.2. power failure; or
  - 2.28.3. failure or inadequate performance of Equipment (unless due to damage caused by The Provider); or
  - 2.28.4. physical damage to any building; or
  - 2.28.5. building works at the Airport
  - 2.28.6. the occurrence of an Unforeseen Event except to the extent that it should have been avoided or mitigated by proper operation of The Provider's business continuity and

disaster recovery plan, but only if, and only for as long as, and only to the extent that, any of these circumstances preclude The Provider from carrying out any given task to the requisite Service Standard PROVIDED THAT there can be no Justifiable Excuse for:

- 2.28.7. the service of a Deficiency Notice or Enforcement Notice; or
- 2.28.8. a breach of Legislation; or
- 2.28.9. a breach of the Airport security plan.
- 2.29. **LAL's Representative:** means the person appointed by LAL as having day to day responsibility for this Contract or, in his absence, that person's deputy.
- 2.30. **Legislation:** means any statute, statutory regulation, or any other subordinate legislation, or directive issued by any regulatory authority that affects the operation of the Services.
- 2.31. **Monthly Performance Percentage:** means in any given calendar month, the monthly performance percentage achieved as established as set out in Part 2 of Schedule 1.
- 2.32. **Management and Overheads Fee:** means per month:
  - i. [£ ] Station Manager Salary and expense, BOH, support services, insurance, risk;
  - ii. [£ ] Bank Holiday Charge; and
  - iii. [£ ] Vehicle Charge (including insurance),subject to adjustment as provided in clause 12.
- 2.33. **Management and Overheads Fee Increase:** means an increase in the Overhead Fee as provided in clause 10.
- 2.34. **Management and Overheads Fee Reduction:** means a decrease in the Overhead Fee as provided in clause 10.
- 2.35. **New Equipment:** means [any equipment not installed at the Airport as at the Effective Date];
- 2.36. **Quality Assessment Form:** means the Quality Assessment Form contained in Part 2 of Schedule 1.
- 2.37. **Reduction:** has the meaning set out at clause 10.8.1.
- 2.38. **Reduction Notice:** has the meaning set out at clause 10.8.1.
- 2.39. **Regulations:** means all of:
  - 2.39.1. the Aerodrome Manual and Terminal Operations Manual;

- 2.39.2. Airport Instructions;
- 2.39.3. Airport Byelaws;
- 2.39.4. Airport Security Plan;
- 2.39.5. LAL "Use and Control of Contractors" regulations;
- 2.39.6. Operative Advice Notes;
- 2.39.7. Emergency Orders;
- 2.39.8. Directors' Notices;
- 2.39.9. Aerodrome Manual;
- 2.39.10. Health and Safety and environmental directives;
- 2.39.11. the European Union standard for vehicle emissions for general purpose use (for the avoidance of doubt, the standard for vehicles operating on public roads shall apply) ;
- 2.39.12. the Non-Road Mobile Machinery (Emissions of Gaseous and Particulate Pollutants) Regulations 1999 (as amended);
- 2.39.13. the Environmental Management System;
- 2.39.14. any other regulation instruction or directive issued by LAL that may be relevant to the performance of the Services; and
- 2.39.15. Any additional regulations as directed by the Control Authorities

as issued or amended from time to time by LAL, and copies of which are available from LAL on request;

- 2.40. **Regulator:** Means any government department or regulatory authority that is responsible for security at airports or other operational matters that affect security.
- 2.41. **Replacement Insurance:** has the meaning in clause 16.14.3
- 2.42. **Serious Deficiency:** means a deficiency identified as a serious deficiency in a notice served by the Regulator under the Aviation Security Act 1982 or in any similar notice served under any future legislation by any competent body.
- 2.43. **Service Shortfall:** means a failure to provide any Service to the requisite Service Standards as established under Part 2 of Schedule 1 for reasons other than a Justifiable Excuse.
- 2.44. **Service Shortfall Deduction:** means the amount shown in Part 2 of Schedule 1 as being applicable to the relevant Monthly Performance Percentage, or, if applicable, a

Service Shortfall Deduction made under Part 2 of Schedule 1 in respect of any Service Shortfall which occurs as result only of matters occurring after the Effective Date.

- 2.45. **Service Standards:** means the service standards set out in [Part 2 of Schedule 1].
- 2.46. **Services:** means the provision at the Airport of security and related services as more fully described in Part 3 of Schedule 1.
- 2.47. **Site Manager:** means the person who is appointed by The Provider who is responsible for the day to day operation of the Services at the Airport.
- 2.48. **Team Leader:** a Level 2 member of The Provider's Personnel
- 2.49. **Temporary Demarcated Area:** area determined for temporary use by the Airport to allow arrive/departure of non-qualifying flights within the critic part.
- 2.50. **Successor Contractor:** means any person who, after termination or expiry of this Contract, undertakes responsibility for the operation of the Services or any of them and which could, therefore, include LAL.
- 2.51. **The Provider Personnel:** all employees, agents, consultants and contractors of The Provider;
- 2.52. **TUPE:** means the Transfer of Undertakings (Protection of Employment) Regulations 2006.
- 2.53. **Unforeseen Event:** means any significant disruption to the normal working of the Airport which could not be reasonably be anticipated by The Provider.
- 2.54. **Working Day:** means every day except Saturdays, Sundays, and bank holidays in England.
- 2.55. **Year:** means each Year of this Contract, the first Year commencing on 1 October 2017, and the second and third Years on 1 October 2018 and 1 October 2019 respectively but if this Contract terminates before 30 September 2019, the last Year ends on the date of expiry of the notice terminating it [this clause will be amended to reflect the contract period awarded].
- 2.56. **Zendesk:** online customer service platform or equivalent system used by the Airport

### **3. Appointment of Contractor**

- 3.1. LAL appoints The Provider to provide the Services, and The Provider agrees to provide the Services , in each case on the terms of this Contract.
- 3.2. This Contract takes effect from 00:01 hours on the Effective Date and expires at 23:59 hours on 30 September 2020 unless terminated beforehand in accordance with clause



16. This contract may be extended by up to two periods each of up to one year subject to the agreement in writing of both parties.

- 3.3. The obligations of The Provider are personal, and The Provider may not assign its interest in this Contract, nor novate this Contract, nor may it sub-contract the operation of the Services or any part of them except to a Group Company of The Provider.

#### **4. Provision of Services**

- 4.1. The Provider will at all times provide the Services:

- 4.1.1. In accordance with the requirements of Schedule 1;

- 4.1.2. In an efficient and cost-effective manner whilst fully adhering to the Service Standards; and

- 4.1.3. In accordance with the Airport Security Plan and LAL's Security Operations Manual (in either case as amended from time to time); and

- 4.1.4. In accordance with all laws relevant to the operation of the Services (including, but without limit to, all directions or instructions issued by the Regulator); and

- 4.1.5. In accordance with the Regulations in so far as they are relevant to the performance of the Services (and on request promptly provide to LAL copies of The Provider's procedures, staff memorandums and policies established to ensure compliance with the Regulations); and

- 4.1.6. So as not to result in the giving of an Enforcement Notice or a Deficiency Notice; and

- 4.1.7. In accordance with the other terms of this Contract.

Provided always that LAL will give the approved security provider reasonable notice of any material change in the documents referred to in this clause 4.

- 4.2. The approved security provider will:

- 4.2.1. Promote a culture of continual improvement in the performance of the Services so as to deliver best value and an improvement in Service Standards;

- 4.2.2. maintain its status as an Approved Security Provider;

- 4.2.3. keep the Airport Security Plan confidential and not disclose it or any part of it to any person other than the Site Manager;

- 4.2.4. Provide all equipment, personnel, uniforms, any vehicles and anything else necessary to provide the Services at all times in accordance with the Service Standards, except the Equipment PROVIDED THAT the style of uniform will be

approved by LAL (such approval not to be unreasonably withheld) [from time-to-time];

- 4.2.5. Not cause any damage to the Airport, the Ancillary Accommodation or to any other property of LAL PROVIDED THAT if it does LAL may elect to make good any such damage, and the proper cost of so doing will be payable immediately by The Provider as a debt or deducted from the Management and Overheads Fee payable in the month that the cost is incurred or alternatively may require The Provider to promptly make good such damage;
- 4.2.6. Not cause any injury to any person at the Airport;
- 4.2.7. Report to LAL's Representative promptly any incidents of graffiti, damage, or wants of repair to any area in which the Services are provided;
- 4.2.8. Not operate under any branding that includes the title "Liverpool John Lennon Airport" or similar, nor use LAL's logo without LAL's written consent.

4.3. The Provider will:

- 4.3.1. report to LAL's Representative immediately all incidents relating to security or safety, and will not report them to any third party unless directed to do so by LAL PROVIDED THAT The Provider may contact the emergency services in the event of an immediate risk to life or safety of persons or of the Airport; and
- 4.3.2. notify LAL's Representative immediately of any communication (oral or written) it receives from the Regulator in respect of the Services; and
- 4.3.3. not communicate, except if required by law or order of any, whether orally or in writing, directly with the Regulator on any matter connected with the provision of the Services, except as directed by LAL; and
- 4.3.4. ensure that all The Provider's Personnel using any staff car parking provided at the Airport do so only for the purposes of parking whilst on duty in connection with the performance of the Services.

- 4.4. The Provider will establish and implement a business continuity and disaster recovery plan which is designed to ensure continuity of the Services in event of the occurrence of a disaster or any other event which impacts on the continuous provision of the Services. The Provider will promptly provide to LAL on request a copy of its business continuity plan or disaster recovery plan from time to time so far as it relates to the ability of The Provider to provide the Services in accordance with its obligations in this Contract for review by LAL at least every 6 months, and will take fair account of any representations that LAL may make as to its content. The Provider shall conduct tests of its business continuity and disaster recovery plan at regular intervals in

accordance with good industry practice and shall promptly provide LAL with details of the results of such tests.

- 4.5. LAL will not charge The Provider for the issue of identity passes or staff car park passes issued to The Provider Personnel in connection with the performance of the Services, except for issuing replacements for lost passes.

## **5. THE CUSTOMER DATA**

- 5.1. All data collected or used in connection with the provision of the Services ("LAL Data") will belong to LAL and The Provider will not make use of it except as authorised by LAL. The Provider will not do anything in breach of the Data Protection Act 1998 (or any other legislation relevant to data protection) or that would render LAL in breach of the same.
- 5.2. The Provider shall ensure that any system on which it holds LAL Data, including backup data, is secure and ensures complete data integrity in accordance with good industry practice.
- 5.3. The parties acknowledge and agree that LAL is a Data Controller and the Supplier is a Data Processor in respect of all Personal Data provided by, or on behalf of, LAL to The Provider in connection with this Contract.
- 5.4. The Provider shall comply with the provisions of the Data Protection Act 1998 (as if they were Data Controllers of that Personal Data) in relation to all Personal Data that is processed by it in connection with this Contract.
- 5.5. The Provider shall obtain and maintain throughout the term of this Contract all necessary registrations and notifications that The Provider is obliged to obtain and maintain in accordance with the Data Protection Act 1998 in respect of providing the Services.
- 5.6. The Provider warrants that it shall at all times:
- 5.6.1. ensure that all The Provider Personnel receive adequate training in the care and handling of Personal Data;
  - 5.6.2. process all Personal Data on behalf of LAL only for the purposes of performing its obligations under this Contract and in accordance with the written instructions given by LAL from time to time;
  - 5.6.3. promptly deal with any enquiry from a customer which relate to the processing of Personal Data by the Supplier;
  - 5.6.4. procure that any The Provider Personnel who have access to Personal Data shall comply (as if they were Data Controllers) with the provisions in the Data Protection Act 1998 and this Agreement;

- 5.6.5. promptly provide to LAL all information in its possession concerning unauthorised or accidental disclosure of or access to Personal Data made by The Provider Personnel;
- 5.6.6. not disclose, and ensure that no The Provider Personnel disclose, any Personal Data to any third party in any circumstances other than at LAL's specific written request or where required to do so by the Data Protection Act 1998;
- 5.6.7. use appropriate technical, security and organisational measures to prevent unauthorised or unlawful processing of Personal Data and accidental loss, destruction, damage, theft, use or disclosure of such Personal Data;
- 5.6.8. not transfer, and will not authorise the transfer of any such Personal Data outside the European Economic Area save where authorised or instructed by LAL in writing to do;
- 5.6.9. promptly deliver all Personal Data whether provided by LAL or which are derived from Personal Data provided by LAL together with all copies in any form and in any media in The Provider's power, possession or control to LAL promptly upon termination or expiry of this Contract or upon request by LAL;
- 5.6.10. notify the Customer within two (10) Working Days if it receives a request or enquiry from a data subject to have access to its Personal Data;
- 5.6.11. promptly assist LAL with any data subject requests or enquiries;
- 5.6.12. not perform its obligations under this Contract in such a way as to cause LAL to breach any of its obligations under or in connection with the Data Protection Act 1998 and immediately notify LAL if it becomes aware of any breach of the Data Protection Act 1998 by i in connection with this Contract.

## **6. Equipment**

- 6.1. LAL will provide the Equipment listed in Schedule 3 and those consumables (as referred to in Schedule 3) reasonably required for the provision of the Services.
- 6.2. The Provider will:
  - 6.2.1. use all Equipment in accordance with the manufacturer's instructions for use, manuals, LAL and other guidelines;
  - 6.2.2. not misuse or damage any Equipment so that it deteriorates other than by fair wear and tear;
  - 6.2.3. report to LAL's Representative any defects in, malfunctions of, or damage to the Equipment; and

- 6.2.4. effectively manage the stocks of consumables and inform LAL's Representative with reasonable notice as to when replenishment is required.

and if The Provider is in breach of its obligations under clause 6.2 The Provider will promptly and at its own cost repair or replace the Equipment or consumables concerned to the reasonable satisfaction of LAL (and any such replacement Equipment will belong to LAL).

- 6.3. The Provider will:

6.3.1. assist LAL in appraising the effectiveness of the Equipment;

6.3.2. make recommendations regarding the provision of New Equipment if requested to do so by LAL; and

6.3.3. assist LAL in trialling potential New Equipment or appraising the cost and cost-effectiveness of installing New Equipment.

- 6.4. The Provider will, upon termination of the Contract (howsoever terminated), hand back to LAL, in good working condition, all working portable Equipment that it has at that time which has been used in the provision of the Services and as corresponds to the items counted and listed by the parties during the course of the Contract.

## **7. Employees**

- 7.1. LAL shall assign to The Provider upon The Provider's request the benefit of any right or indemnity given to LAL by the Former Contractor in respect of Employee Information or in respect of persons employed by the Former Contractor transferring to The Provider by TUPE.
- 7.2. The Provider will indemnify LAL from and against any claims, costs (including costs relating to settlement), expenses or liabilities arising out of or in connection with the Employees in so far as they relate to any act or omission on the part of The Provider after the Effective Date PROVIDED THAT LAL will not agree, settle or compromise any such claim without the prior written consent of The Provider , such consent not to be unreasonably withheld or delayed.

### **During the Contract**

- 7.3. The parties agree that neither this Contract nor any other agreement or arrangement between the parties shall constitute any of the Employees as an employee of LAL. The Provider shall be responsible for the employment and cost of employment of all such Employees (all salaries and other emoluments including holiday pay, taxation and National Insurance contributions and contributions to retirement benefit schemes relating to the Employees), without recourse to LAL.

- 7.4. The Provider will:

- 7.4.1. consult with LAL and take account of LAL's views in relation to the selection and appointment of any strategic level The Provider Personnel (including the station manager) and other strategic issues relating to The Provider Personnel including ratio of staff types;
- 7.4.2. procure that all The Provider Personnel are properly trained and qualified for the performance of their duties, and will not utilise any person to provide the Services unless they have been so trained and have the necessary qualifications. For the avoidance of doubt, personnel will not be deemed 'properly trained' unless Level 1 Aviation security qualified;
- 7.4.3. procure that all The Provider Personnel are familiar with and understand the Regulations in so far as they affect their duties;
- 7.4.4. require all The Provider Personnel to be sufficiently versed in the English language (both written and oral) so as to be able to fully perform their duties and to comply with The Provider's obligations under this Contract (as far as relevant to them);
- 7.4.5. require all The Provider Personnel to be trained or attend training sessions to standards mutually agreed in writing by LAL and The Provider (such agreement not to be unreasonably withheld or delayed by either party) in (a) fire and evacuation procedures (b) security and safety awareness and (c) LAL's customer service standards (including but not limited to guidelines relating to disability awareness or disability equality in force from time to time) and to require all The Provider Personnel to act in accordance with that training;
- 7.4.6. require all The Provider Personnel to be courteous to passengers and other users of the Airport at all times, to support the promotion of the Airport as being customer focussed by mutually assessing the quarterly ASQ scoring and maintaining an upper quartile within the ASQ peer group. Agreeing improvement or rectification measures where required with LAL, and to liaise with and promote good working relationships as required with the other users and occupiers of the Airport as required by LAL;
- 7.4.7. provide all necessary uniforms and require all The Provider Personnel to be of clean and smart appearance at all times;
- 7.4.8. provide to LAL, as and when requested to do so auditable records that confirm that any necessary training has been undertaken, and of any disciplinary measures that may have been taken against any The Provider Personnel.
- 7.5. The Provider will appoint a **Contract Manager**, responsible for Liverpool John Lennon Airport, with a supporting management structure to direct and control the overall

performance of the Services the identity of whom (and of any replacements) shall be approved by LAL such approval not to be unreasonably withheld or delayed.

- 7.6. The Provider shall be responsible for the management of The Provider Personnel including their recruitment, training, and (where appropriate) dismissal. Subject to the remainder of this Clause 7.6, LAL shall have the right to request that any Employee be permanently or temporarily excluded from the provision of the Services at the Airport if, in the reasonable opinion of LAL, any The Provider Personnel is a health and safety and/or security risk to the Airport and/or has undertaken any activity which would constitute a breach of this Contract. LAL shall first notify The Provider in writing of any aforementioned grievance that LAL may have in relation to the competency or conduct of any Employee and shall provide The Provider with such explanations and other information in relation thereto as The Provider may reasonably require to enable The Provider to evaluate the grievance. Where such information is provided by LAL to the reasonable satisfaction of The Provider, The Provider shall exclude such an Employee from the provision of the Services at the Airport.

#### **At termination of Contract**

- 7.7. The Provider will not, during the last 6 months of this Contract, engage any new Employees (other than as a direct replacement for persons leaving at the same pay level) or transfer or make any Employee redundant without (in either case) the written consent of LAL.
- 7.8. The Provider acknowledges that the termination of this Contract and/or the transfer of responsibility for the operation of the Services or any of them to a Successor Contractor will constitute a "relevant transfer" to which TUPE shall apply and the Employees shall be automatically transferred to the Successor Contractor.
- 7.9. The Provider will comply with its obligations under TUPE as transferor, and will indemnify LAL and the Successor Contractor against any failure to do so, except if and to the extent that The Provider is unable to do so as a result of any act or default of the Successor Contractor.
- 7.10. In addition, The Provider will provide to LAL, promptly on request, "employee liability information" (as defined in TUPE), other than the names or addresses of Employees or any other information which, if given, would render The Provider in breach of data protection law, and The Provider irrevocably consents to the disclosure of such information by LAL to any potential Successor Contractor for use only in connection with the Successor Contractor's prospective appointment as a provider of some or all of the Services.
- 7.11. The Provider will indemnify any Successor Contractor from and against any claims, costs (including costs relating to settlement), expenses or liabilities arising out of or in connection with the Employees in so far as they relate to some act or omission on the

part of The Provider during the period up to the termination of this Contract and will, at the request of LAL, give such an indemnity directly to a Successor Contractor PROVIDED THAT the Successor Contractor will not agree, settle or compromise any such claim without the prior written consent of The Provider, such consent not to be unreasonably withheld.

- 7.12. The Provider will cooperate fully with LAL in any re-tendering exercise prior to the expiry or termination of this Contract including, but not limited to, providing all such information relating to the Services, the facilities used for them and the Employees engaged in them, as the Successor Contractor may require.

## **8. Ancillary Accommodation**

- 8.1. LAL will make adequate accommodation available to The Provider ("Ancillary Accommodation"). No licence fee will be payable for its use. The location of the Ancillary Accommodation may vary during the term of this Contract, may be temporary in nature, and may in exceptional circumstances (for example following damage to any building) temporarily be of a size or standard below that which would otherwise be considered adequate.
- 8.2. LAL will be responsible for the payment of any business rates and the cost of all electricity consumed and payable in respect of the Ancillary Accommodation.
- 8.3. LAL will provide power and heating (the latter during normal working hours and from 1 October to 30 April only) and cleaning services to the Ancillary Accommodation but LAL will not be liable for any additional cost, loss, damage or inconvenience that The Provider may sustain through any disruption to supply due to fire or other damage, mechanical breakdown, industrial action or any reason beyond LAL's control.



- 8.4. LAL is responsible for the installation and cost of all telephones and external data communication for use in connection with the Services provided under this contract. The Provider will be responsible for the cost of telephone and data installations and the cost of calls not directly relating to this Contract.
- 8.5. Use of the Ancillary Accommodation, and the storage of consumables or other items in it, is at The Provider's risk, except for loss caused by the deliberate act or negligence of LAL or any of its employees.
- 8.6. The Provider will, in relation to the Ancillary Accommodation:
- 8.6.1. occupy it as licensee under the terms of a licence entered into between LAL and The Provider the form of which is appended to this agreement at schedule 4. This licence is given with no exclusive possession being given (there being no intention to create the relationship of landlord and tenant between the parties);
  - 8.6.2. not use it (or any other part of the Airport) for any purposes other than as ancillary to the performance of the Services without the prior written consent of LAL;
  - 8.6.3. at its cost, keep it (and other parts of the Airport accessed by it) clean and tidy at all times and in accordance with health and safety requirements and to leave it in good condition at the end of the Contract;
  - 8.6.4. not damage it (nor any other part of the Airport), and make good any damage caused to it (and any other part of the Airport) at The Provider's own cost (unless otherwise remedied in accordance with clause 4.2.5);
  - 8.6.5. not make any alterations to it (or any other part of the Airport) without LAL's prior written consent; and
  - 8.6.6. not display any signs, notices, or advertisements on or in it (or any other part of the Airport) other than as authorised in writing by LAL.

## **9. Quality Control and Complaints**

- 9.1. The Provider will provide the Services fully in accordance with the Service Standards except and to the extent that The Provider is unable to do so due to a Justifiable Excuse.
- 9.2. The Provider will use all reasonable endeavours to minimise the effect on the performance of Services of any Justifiable Excuse (including, where possible and practicable, taking action to avoid what would otherwise have been a Justifiable Excuse from disrupting the Services or their performance), and to restore the Services to full performance as quickly as possible.

- 9.3. The Provider will comply with any directions LAL may reasonably make to prioritise the carrying out of Services during or following any period of disruption (for whatever reason).
- 9.4. LAL will monitor compliance with the Service Standards weekly in accordance with the Quality Assurance framework.
- 9.5. The Provider is to provide open and unlimited access to LAL to The Provider's training, service delivery, and performance monitoring records, and to any other records relevant to the performance of the Services, for inspection and audit by LAL.
- 9.6. A Service Shortfall may be identified by any means, not merely the process of completing the Quality Assessment Form.
- 9.7. The Provider will take prompt corrective action following any evidence that any Service Standard is not being complied with.
- 9.8. The total amount of a Service Shortfall Deduction will be calculated in accordance with [Part 2 of Schedule 1]. Should there be a Service Shortfall, imposing any deductions will be at the discretion of LAL and the fact (if it to be the case) that LAL has not imposed a Service Shortfall Deduction in full will not prejudice its right to impose a higher or maximum Service Shortfall Deduction on any future occasion.
- 9.9. Without prejudice to LAL's right to make a Service Shortfall Deduction, in the event of a formal letter or Deficiency Notice or Enforcement Notice being issued to LAL by the Regulator, The Provider will fully co-operate with LAL so as to procure prompt and effective compliance, and will if requested to do so by LAL attend meetings convened by the Regulator and be represented there at least by the Site Manager and (if required by LAL) the director to whom he reports.
- 9.10. In the event of The Provider receiving a written complaint relating to the Services (including any made available through LAL and Zendesk), it will respond to the complainant within 48 hours of the complaint having been received by The Provider , with a substantive response to the complainant within 7 calendar days of the customer complaint or response to additional information (if applicable). in terms approved by LAL's Representative, such approval not to be unreasonably withheld.
- 9.11. In the event of LAL or The Provider receiving notice of a claim for damage caused by The Provider , The Provider will respond within 48 hours, followed by a substantive response to the claimant within 7 calendar days of the claim having been received by The Provider or the response for further information (where applicable) in terms approved by LAL's Representative, such approval not to be unreasonably withheld or delayed, and resolve the claim as soon as reasonably practicable. Any failure by The Provider to comply with the provisions of this clause 9.11 on more than three occasions will constitute a Service Shortfall.

- 9.12. The Provider shall keep LAL fully and regularly informed in relation to all complaints relating to the Services and all claims for damages caused by The Provider.

## **10. Forward Planning and Change Control**

- 10.1. LAL will give to The Provider the Anticipated Flight Schedules for the following month, no later than the 10<sup>th</sup> of preceding month.
- 10.2. LAL and The Provider will meet during or around each August / September and during or around each February / March (**Forward Planning Review**) to discuss the Anticipated Flight Schedule for the coming season and the resourcing that will be required to perform the Services to the Service Standards during that season.
- 10.3. A **Change** is either
- 10.3.1. A change or anticipated change to the Services; or
  - 10.3.2. A change or anticipated change to the Service Standards; or
  - 10.3.3. A change or anticipated change in Legislation; or
  - 10.3.4. A change or anticipated change to the Airport Security Plan;
- or in combination, and a Change may be temporary (by way of examples only, an enhanced security level or the relocation or closure of a facility due to building works) or be for a given period of time (for example, until the end of the forthcoming season).
- 10.4. Either party may give a **Change Notice**, by completing Part 1 of the **Change Form** and sending it to the other. A specimen **Change Form** is appended to this Contract as Schedule 2. However, Changes are intended to be mutually agreed with the expectation that a Change Form is issued as a matter of record.
- 10.5. The Provider:
- 10.5.1. cannot object to a Change as long as it does not materially widen the scope of the Services; and
  - 10.5.2. cannot request a change to the Services or to the Service Standards; and
  - 10.5.3. cannot give a Change Notice in relation to flight schedules other than as part of a Forward Planning Review.
- 10.6. A Change may result in either an increase or reduction in the **Management and Overheads Fee** for the duration of the Change. Whether or not there is to be an Increase or a Reduction, and if so how much, will be determined as follows:
- 10.6.1. The Provider will disclose to LAL, for inspection by LAL's audit team if required, details of all costs that are relevant to the Change and the Contract Charges

shall be subject to a Contract Charges Increase or a Contract Charges Reduction which reasonably reflects any increase or reduction in The Provider's costs arising from the Change. Such Contract Charges Increase or Contract Charges Reduction to be prior approved in writing by LAL (such consent not to be unreasonably withheld or delayed).

10.6.2. The parties will negotiate and use reasonable endeavours to agree a Management and Overheads Fee Increase or Reduction in good faith and with all reasonable speed with a view to it being agreed or determined in accordance with clause 25 before the Change is to take effect. When agreed it will be recorded in Part 2 of the relevant Change Form and signed on behalf of each party.

10.6.3. The Provider must demonstrate to LAL's reasonable satisfaction that any requested Management and Overheads Fee Increase:

- a. was not allowed for at the time the then relevant Management and Overheads Fee was set (either at the outset or following a previous Change);
- b. cannot be materially reduced through reasonable operational efficiency and without committing additional human resource;
- c. cannot be absorbed by The Provider or it would be unreasonable to expect it to do so without prejudicing the performance of Services to the requisite Service Standard;
- d. would, if implemented, mean that nonetheless The Provider was still delivering best value; and
- e. is not as a result of a costs increase incurred by The Provider in breach of its obligations under this Contract.

10.6.4. The Provider will not be entitled to a Management and Overheads Fee Increase that results from it having incurred an increase in costs as a result of a Change without the prior written approval of LAL.

10.6.5. A Management and Overheads Fee Reduction is justified in principle if the Change would result in a reduction in the costs of providing the Service, and the amount of any Fee Reduction is to be the amount of saving that The Provider genuinely incurs as a result of the Change and is demonstrated to be such by The Provider to LAL's satisfaction (acting reasonably) without prejudicing the performance of the Services to the requisite Service Standard.

- 10.6.6. A Management and Overheads Fee Increase or Management and Overhead Fee Reduction may (if appropriate) be phased in over a period of time by mutual written agreement of the parties.
- 10.7. LAL and The Provider acknowledge that there may be circumstances (for example at times of heightened security) when it is impractical to agree or determine a Management and Overheads Fee Increase or Reduction before implementing the Change, in which case:
- 10.7.1. LAL may require that the Change be implemented notwithstanding absence of such agreement; and
- 10.7.2. the parties will agree or determine the Management and Overheads Fee Increase or Management and Overheads Fee Reduction as soon as reasonably practicable, applying the terms of this clause 10 and clause 25; and
- 10.7.3. (for the avoidance of doubt) this clause 10.8 does not affect clause 10.7.3.
- 10.8. Reductions
- 10.8.1. Notwithstanding any other provision of the Contract in the event that LAL's requirement for the Services shall decrease from the level set out in Part 1 of Schedule 1 as amended from time to time or cease or if LAL shall wish to terminate the Contract (any of which shall be referred to hereinafter as a "Reduction"), LAL shall give The Provider after the Effective Date not less than 30 (thirty) days' notice (subject to Clause 10.9.2 below) in writing of particulars of its requirement of a Reduction (a "Reduction Notice") whereupon:
- a. the parties shall consult promptly in good faith as to how the Reduction is to be achieved having regard inter alia to the level of Services required by LAL immediately before the issue of a Reduction Notice and to all issues which have to be taken into account by The Provider in lawfully effecting the Reduction including, without limitation, issues of health and safety, The Provider's duty of care to its employees and The Provider's duty to comply with employment legislation; and
- b. The Parties shall consult in good faith on how the costs for the Reduction will be allocated.
- 10.8.2. In the event that any Reduction or the aggregate of any Reductions required in any period of 3 (three) months shall relate to 25% or more of The Provider's Employees engaged mainly in the provision of the Services, LAL shall use its reasonable endeavours to ensure that the period of notice in Condition 9.9.1 shall be 90 (ninety) days instead of 30 (thirty) days.

## **11. Reporting and Liaison**

11.1. LAL's Representative and the Contract Manager or in his/her absence a specific appointed person will meet by arrangement, but at least weekly, to discuss matters of common interest. Other persons from either party may also attend. Either party may table any matter for discussion, but the following will be standing items on the agenda:

11.1.1. the operation of the Services;

11.1.2. adherence to Service Standards including a review of the Quality Audit results;

11.1.3. the application or potential application of any Service Shortfall Deduction;

11.1.4. service of informal notices by the Regulator and steps taken or to be taken to comply;

11.1.5. service of any Deficiency Notice or Enforcement Notice and steps taken or to be taken to comply;

11.1.6. recruitment or any other significant employment issues;

11.1.7. employee attendance records and the management of absenteeism;

11.1.8. customer and passenger feedback and complaints, and action taken or to be taken to prevent a repetition of similar complaints;

11.1.9. opportunities for improved efficiencies; and

11.1.10. anticipated Changes.

11.2. The Provider will, for each meeting, produce appropriate reports for all items to be discussed, though any matter that has financial implications for LAL is to be raised by The Provider at least 5 Working Days before the meeting. The Provider will minute each meeting and provide a copy of the minutes to LAL's Representative prior to the next weekly meeting.

## **12. Contract Price Adjustment**

The Contract Price will only be adjusted:

12.1. at the commencement of each Year, and in relation to the Employee Fees only, to allow for a maximum two percent increase in The Provider's costs subject to agreement with LAL (such agreement not to be unreasonably withheld);

12.2. without prejudice to Clause 12.1 The Provider can amend the Employee Fee in consultation with and with the prior written agreement of LAL should circumstances such as the enactment of new legislation, an increase in staffing costs through an increase in National Insurance Contributions or increases in the requirements in

relation to aviation or war and terrorism insurance premiums, result in an increase in The Provider's costs; and

12.3. in accordance with the terms of the Rebate Agreement.

### **13. Contract Price Payment**

13.1. By the 5<sup>th</sup> day of each month The Provider will provide to LAL and in such form as LAL may reasonably require, an invoice detailing the total number of Hours worked during each preceding month broken down by each level of Employee together with a charge equivalent to one twelfth of the Management and Overheads Fee. Specifically for each invoice to be valid it must contain an official purchase order number and be addressed to LAL c/o Accounts Payable, Liverpool John Lennon Airport, Liverpool L24 1YD.

13.2. LAL will, subject to receipt of a VAT invoice from The Provider pay to The Provider within 60 days from date of invoice:

13.2.1. one twelfth of the Management and Overheads Fee; and

13.2.2. the Employee Fee in respect of the previous month,

but subject to:

13.2.3. any Service Shortfall Deduction; and

13.2.4. any deductions to be made pursuant to clause 4.2.5 not previously made.

13.3. If there is a dispute as to the amount payable, a payment on account will be made of so much of the amount payable as is not in dispute and further payments will be made as and when the matters in dispute are resolved.

13.4. All sums payable under this Contract are exclusive of VAT. VAT will be paid on any such sums as and when due and the payee shall provide a VAT invoice when legally required or earlier if this Contract provides. Any figures stated in this Contract do not include VAT.

### **14. Insurance and Allocation of Risk**

14.1. Insurance

14.1.1. The Provider will maintain in force throughout this Contract:

- i. third party legal liability insurance including public liability insurance for the minimum amount of £50 million for any one occurrence, except that in respect of products liability such insurance shall be the minimum amount of £50 million for any one occurrence and in the aggregate for the period of insurance; and,

- ii. aviation war, hi-jacking and other perils liability insurance for the minimum amount of £50 million in respect of any one occurrence and in the aggregate for the period of insurance

relating to or arising from the provision of the Services by The Provider. The indemnity provided by this insurance is to extend to indemnify LAL against any claims brought against it in respect of the legal liability of The Provider.

14.1.2. The Provider will also maintain in force throughout this Contract employer's liability insurance for which the minimum level will be £10 million in respect of any one occurrence.

14.1.3. Insurances maintained by The Provider under this Contract will be primary and without a right of contribution from any other insurance that might be available to LAL, and on terms whereby The Provider's insurers waive any right of set-off or counterclaim against LAL (commonly known as a 'waiver of subrogation').

14.1.4. The Provider will also maintain in force throughout this Contract motor insurance (as a minimum, third party only) in respect of all vehicles operated in the provision of the Services. Such insurance will include a clause extending coverage to vehicles operating airside. The minimum level of the insurance will be £50 million in respect of any one occurrence and in the aggregate for the period of insurance.

14.1.5. The Provider will, on written request, provide sufficient documentary evidence to LAL that it has maintained insurance as required by this Contract and that all premiums due have been paid and in any event will do so annually.

14.1.6. The Provider will not deliberately do anything or omit to do anything whereby any policy or policies of insurance maintained by LAL may become void or voidable or as a result of which the premium may be increased. If The Provider breaches this obligation, and without prejudice to any other right or remedy of LAL, The Provider will pay to LAL on demand the full amount of the additional premium or (as the case may be) the insurance proceeds rendered irrecoverable as a consequence of such breach.

14.1.7. The parties having agreed that it is reasonable for The Provider to bear the risk as (as it accepts) it will or is able to carry the appropriate insurance or that it is otherwise appropriate for it to do so do bearing in mind the responsibilities of The Provider The Provider will indemnify LAL (and its employees, officers and agents) against:

14.1.7.1.1. All and any loss of or damage to any building or property of LAL; and

14.1.7.1.2. All and any liability costs fees damages and expenses of whatever nature that it may suffer, or incur to any of its employees or to any



third party, (for example, but not limited to, claims brought by or in respect of persons killed or injured or suffering damage to property); and

14.1.7.1.3. All and any liability costs fees damages and expenses of whatever nature that it may suffer or incur to any airline or other organisation operating at the Airport

directly flowing from any breach or non-performance by The Provider of its obligations under this Contract, performance of the Services, or breach of any statutory duty or negligence of The Provider and/or any of its employees, officers, agents contractors, sub-contractors, or any other person under its direct control provided that The Provider's liability under this indemnity shall (to the extent permitted by law) be limited to £50 million (or, if higher, the amount of cover actually held by The Provider) in respect of any one incident.

14.1.8. LAL will not be responsible for or liable to The Provider for the death, injury or illness which may be sustained by any employee, agent, contractor, or sub-contractor of The Provider or by any other person under The Provider's control, or for any loss, damage or destruction to the property of The Provider or of any such employee, agent, contractor, or sub- contractor of The Provider or by any other person under The Provider's control, unless due to fraud of LAL or any of its employees or the deliberate act or negligence of LAL or its employees, agents, contractor, sub- contractor or any other person under its control. LAL's liability under this indemnity shall (to the extent permitted by law) be limited to £10 million.

14.1.9. Except to the extent caused by the negligence of LAL, its employees, agents or sub-contractors for whom it is in law responsible, The Provider shall indemnify, defend and hold harmless LAL against any and all losses incurred or suffered by or made against LAL whether, wholly or in part, resulting directly or indirectly from or connected in any way with:

- i. any environmental matters or breaches of environmental laws and regulations arising out of The Provider's negligence in supplying the Services at the Airport; and
- ii. any negligence in carrying out the operations or Services carried out at the Airport by The Provider or by its Employees, agents, sub-contractors or any persons in any way connected to The Provider for whom The Provider is at law responsible, in order to comply with environmental laws, regulations, CAA requirement and/or DFT requirement.

14.1.10. whether or not such losses were foreseeable at the date of this Contract. This clause 14.1.10 is not subject to the limits detailed elsewhere in this clause 14.

- 14.1.11. The provisions of this clause 14.1.10 shall survive the expiration of this Contract to the extent that the breach of environmental laws and regulations occurred during the term of this Contract.

#### 14.2. **LAL's Obligations**

14.2.1. LAL shall use its reasonable endeavours to provide The Provider with any information that The Provider reasonably requires to enable The Provider to proceed without material interruption with the performance of this Contract.

14.2.2. LAL shall use reasonable endeavours to ensure that all software and hardware put at the disposal of The Provider or where The Provider has access, is equipped with anti-virus software and The Provider shall ensure that it takes all actions that are reasonably practicable to not to infect said software and hardware.

#### 14.3. **The Provider's Obligations**

14.3.1. Subject always to clause 14.3.3 the obligations of The Provider set out in this Contract are subject to the following limitations:-

- i. Any claim against The Provider has to be made within 30 days of LAL being notified in writing of the facts giving rise to the claim or within 30 days of the date on which LAL ought to have been aware, acting reasonably, of the event leading to the claim in order for the claim to be valid;
- ii. The Provider's total liability to LAL, whether directly to LAL or by reason of indemnity or contribution in respect of LAL's liability to any third party, for any and all acts or omissions of The Provider's employees, agents or subcontractors during the continuance in force of this Contract shall be limited to £50,000,000 (fifty million pounds) ;
- iii. any liability of The Provider to LAL for Financial Loss, theft of Intellectual Properties, breach of Data Protection Legislation during the continuance in force of this Contract shall be limited to the aggregate sum of £19,000,000 (19 million pounds) even if the loss was reasonably foreseeable or The Provider had been advised of the possibility of LAL incurring it.

14.3.2. The express terms of this Contract are in lieu of all warranties, conditions, terms, undertakings and obligations implied by statute, common law, custom, trade usage, course of dealing or otherwise and which but for this sub-Clause would be binding upon The Provider, all of which are excluded to the fullest extent permitted by law.

14.3.3. The Provider shall within 24 hours of filing send to LAL a copy of every RIDDOR report filed by The Provider with the HSE as a result of incidents

taking place on LAL premises or as a result of activities carried out by The Provider in furtherance of this contract. The Provider shall be precluded from pursuing a claim against the LAL for indemnity or contribution towards the cost of any claim against The Provider, whether for personal injury or property damage, arising out of activities on LAL premises or as a result of activities carried out by The Provider in furtherance of this contract if a RIDDOR report was filed by the Provider but was not copied to the LAL within 24 hours of the filing taking place. For the avoidance of doubt, such notification must be in writing to LAL addressed to the Legal Department, Administration Buildings, Liverpool John Lennon Airport, Liverpool L24 1YD and set via email to the Airport Security Manager.

- 14.3.4. Nothing in this Contract shall in any way limit or exclude The Provider's liability for death or personal injury caused by The Provider's negligence or breach of its obligations contained in this Contract.

## **15. Intellectual Property Rights**

- 15.1. All Intellectual Property Rights in all material used or developed by or on behalf of either party used in connection with the Services, and not specifically and uniquely for the Services, will belong to that party (or to a third party, as the case may be), but that party will grant to or procure for the benefit of the other party a royalty-free licence for the term of this Contract to use such material in connection with that party's own operational requirements in relation to the Services.
- 15.2. All Intellectual Property Rights in all material used or developed by or on behalf of the either party specifically and uniquely for use in connection with the Services will belong to LAL, but LAL will grant to The Provider a royalty-free licence for the term of this Contract to use such material in connection with its own operational requirements solely in relation to the Services.

## **16. Termination**

- 16.1. LAL may terminate this Contract so as to expire on such date as it may specify (but having given at least one month's written notice to The Provider to that effect) if:
- 16.1.1. The Provider is in material breach of its obligations under this Contract of which written notice has been given to it by LAL and either (a) the breach is not capable of remedy or (b) if it is capable of remedy The Provider has not remedied the breach within such period as LAL may have reasonably specified; or
- 16.1.2. The Monthly Performance Percentage falls to or below 74% (as defined and agreed in Tier 2) in three or more consecutive months in any category of measurement.

- 16.2. LAL may terminate this Contract so as to expire on such date as it may specify (and which may be immediate) by giving written notice to The Provider to that effect if:
- 16.2.1. The Provider ceases to trade or disposes of all or substantially all of its assets; or
  - 16.2.2. The Provider becomes bankrupt or insolvent or can reasonably be considered to be unable to pay its debts as and when they fall due; or
  - 16.2.3. The Provider ceases to be an Approved Security Provider.
- 16.3. LAL may terminate this Contract so as to expire on such date as it may specify (but having given at least three month's written notice to The Provider to that effect) if there is a Change of Control.
- 16.4. Either party may terminate this Contract by giving not less than six months' written notice to that effect.
- 16.5. The Provider may terminate this Contract immediately in the case of clause 16.5.1 and on at least one months' notice in the case of clause 16.5.2 if LAL:
- 16.5.1. has a receiver or administrative receiver appointed, passes a resolution for winding-up (otherwise than for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or a court of competent jurisdiction makes an order to that effect, becomes subject to an administration order, enters into any voluntary arrangement with its creditors or ceases or threatens to cease to carry on business; or
  - 16.5.2. Commits any material breach of any term of this Contract which, in the case of a breach capable of being remedied, is not remedied within such a period as The Provider may have reasonably specified in a notice in writing setting out sufficient information to identify the relevant breach requiring that it be remedied.
- 16.6. Notwithstanding anything to the contrary in this Contract, The Provider shall have the right to terminate this Contract with three months' notice in writing to LAL in the event of a change in the applicable rules or legislation or an issue of binding orders or instructions by the relevant authorities that would constitute or require a material change of the duties or services to be provided by The Provider hereunder.
- 16.7. Notwithstanding anything to the contrary in this Contract, The Provider shall have the right to terminate this contract by 3 (three) months' notice in wiring to LAL in the event of:
- 16.7.1. a Change which constitutes a material change of the Services; or
  - 16.7.2. failure of the parties to agree a Contract Charges Increase within 20 (twenty) Working Days after The Provider has provided details of its changed costs in accordance with clause 10.6.1.

- 16.8. Any valid notice of termination will expire at 2359 hours on the date specified in the notice.
- 16.9. If a right to terminate this Contract arises:
- 16.9.1. enforcement of the terms of this Contract by either party, or performance of their obligations under it, will not prejudice the right of termination; and
- 16.9.2. any failure by either party to exercise a right of termination will not prejudice its ability to enforce any other remedy it may have arising out of the circumstances that gave rise to the right of termination.
- 16.10. Termination by either party is not an exclusive remedy, and will be without prejudice to the exercise of any other right or remedy that either party may have against the other.
- 16.11. The parties will continue to comply fully with their respective obligations during the notice period until termination or expiry of this Contract.
- 16.12. Termination by either party or expiry will be without prejudice to the enforcement of any obligations that arose beforehand.
- 16.13. In the event of termination by either party
- 16.13.1. The Provider will be entitled to so much of the Contract Price as has fallen due up to termination and the amount taken into account in the following sub-clause but will not be entitled to any other payment of whatever nature, and
- 16.13.2. In the event of there being a dispute as to the amount payable, clause 24 will apply, but pending resolution of the dispute the parties will pay to each other such sums as are not in dispute.
- 16.14. Notwithstanding anything to the contrary in this Contract:
- 16.14.1. If in the context of clause 14 above, there is a material adverse change in the terms and conditions of The Provider's insurance coverage relevant for this Contract due to circumstances beyond The Provider's reasonable control, and The Provider cannot prevent the change whether by payment of an additional premium or some other reasonable means, The Provider shall notify LAL immediately upon itself receiving notice or otherwise becoming aware of the changes to its insurance coverage.
- 16.14.2. Upon receipt of such notice, LAL shall have the option to terminate the Contract by notice in writing to The Provider expiring on or after the date on which the material adverse change takes effect.
- 16.14.3. If LAL decides not to exercise the option under Clause 16.14.2, LAL shall be entitled to procure forthwith that The Provider has the benefit of insurance cover provided to

The Provider by LAL's own insurers which is at least equivalent to that described in clause 14 (the "Replacement Insurance") whereupon unless the Parties shall agree otherwise in writing the Contract shall end on the sooner of the expiration of the period of 3 (three) months from the date of service upon LAL of The Provider's notice referred to in clause 16.14.1 above or the cessation of Replacement Insurance unless terminated earlier in accordance with this Contract.

16.14.4.If LAL elects to procure the Replacement Insurance under Clause 16.14.3, The Provider shall indemnify LAL against the cost of the Replacement Insurance, the cost of the same to be recoverable as a debt due from The Provider to LAL recoverable together with interest at 3% per annum above Bank of England base rate for the time being in force which such sum remains unpaid.

16.14.5.If LAL decides not to procure the Replacement Insurance or cannot procure the Replacement Insurance through its own insurance provider, LAL may also provide The Provider with details of alternative insurance providers, which The Provider shall contact within 2 days to ascertain whether it can immediately obtain insurance coverage which is at least equivalent to that described in Clause 14 whether by payment of an additional premium or otherwise.

16.14.6.If The Provider is unable to obtain insurance coverage which is at least equivalent to that described in Clause 14 under Clause 16.14.3, both parties shall have the right to terminate this Contract forthwith on notice to the other in writing.

## **17. Good Faith**

The parties will act in good faith to each other in relation to the performance of their respective obligations in this Contract.

## **18. Entire Contract**

- 18.1. This Contract represents the entire contract between the parties in respect of the operation of the Services and the subject matter of this Contract, and supersedes all previous negotiation, representation, and agreements whether written or oral.
- 18.2. The Provider acknowledges that it has not entered into this Contract on the strength of any warranty representation or other assurance made by LAL, written or oral, except as may be embodied in the express terms of this Contract.
- 18.3. The Provider acknowledges that it has satisfied itself as to the viability of performing the Services on the terms of this Contract.
- 18.4. LAL will not be liable to The Provider for any costs or losses, expenses, damages, claims or liabilities suffered or incurred by The Provider in respect of any notification and/or information given by LAL which proves incorrect (except where such notification and/or information is given fraudulently or recklessly). Such information

includes projected passenger numbers or Anticipated Flight Schedules for any future period, whether given before or during the currency of this Contract, in respect of which no warranty or representation is or will be given.

**19. Variation**

No addition to, or modification of, any provision of this Contract will be binding on either party unless made in writing and signed by duly authorised representatives of both parties.

**20. Waiver**

No failure or delay by either party to exercise any right or remedy under this Contract will be construed or operate as a waiver of that right or remedy nor will any single or partial exercise of any right or remedy preclude the further exercise of that right or as a waiver of a preceding or subsequent breach. The rights and remedies provided in this Contract are cumulative and are not exclusive of any rights or remedies provided by law.

**21. Severance**

21.1. If any provision in this Contract will in whole or in part be declared by any judicial or other competent authority to be void, voidable or illegal or otherwise unenforceable, or indications to such effect are received by either party from any relevant competent authority, then, at the option of LAL, such provision will:

21.1.1. to that extent be deemed not to form part of this Contract and the enforceability of the remainder of this Contract will not be affected; or

21.1.2. be replaced by an alternative provision that is no more onerous to The Provider than the provision being replaced;

21.1.3. but otherwise this Contract will remain in full force and effect.

**22. Notices**

22.1. All notices served under this Contract are to be in writing.

22.2. Notices will be deemed properly sent if sent by hand, fax, or by registered post, as long as they are correctly addressed, dated, and signed by or on behalf of the person giving the notice.

22.3. Notices served on LAL are to be sent to:

[Legal Department, Administration Buildings]

Liverpool John Lennon Airport

Liverpool

L24 1YD

or such other address as LAL may specify to The Provider for this purpose.

22.4. Notices served on The Provider are to be sent to [TBC]

## **23. Confidentiality**

23.1. Neither party will disclose Confidential Information to any other person other than:

23.1.1. to its Group Companies; or

23.1.2. on a "need to know" basis to its advisers; or

23.1.3. if and to the extent necessary in order to comply with any law or regulatory authority;  
or

23.1.4. in the case of LAL only, as part of a formal tender process to select a Successor Contractor.

23.1.5. Any Confidential Information disclosed will be disclosed on the basis that the recipient keeps the Confidential Information confidential on the same terms as clause 23.1.

## **24. Jurisdiction**

24.1. This Contract is made under the laws of England and Wales, is enforceable only in the Courts of England and Wales, and the parties submit to the jurisdiction of the English and Welsh Courts.

## **25. Disputes**

25.1. If any dispute arises under this Contract, other than one arising under clause 16 (Termination) or concerning failure to pay money properly due, either party may invoke the procedures set out in this clause by giving written notice to the other.

25.2. Such notice will specify the nature of the dispute, and will nominate an executive officer with appropriate authority to be its representative in relation to the dispute. This may be LAL's Representative and the Contract Manager (as the case may be).

25.3. Upon receipt of such notice, the other party will, within 5 Working Days, designate an executive officer with similar authority to be its representative. This may be LAL's Representative and the Contract Manager (as the case may be).

25.4. The designated executive officers will promptly enter into discussions concerning the dispute and make themselves available to meet at convenient times with a view to resolving any difference within 15 Working Days of the issue of the notice.

25.5. If the executive officers are unable to resolve the dispute within this time scale, then



they will prepare and agree a note outlining the nature of the dispute and the points of disagreement. This note will then be referred to a Director of each of the parties, who will attempt to reach agreement within 15 Working Days of the dispute being referred to them.

- 25.6. If the Directors are unable to resolve the dispute within the specified time scale, then thereafter either party will be entitled to commence legal proceedings in relation to the dispute, though they may also agree to resolve their dispute by another method (for example by reference to arbitration or mediation).
- 25.7. The parties agree that neither of them will commence legal proceedings until the procedures set out in this clause have been complied with, provided that this will not prevent either party from applying for injunctive relief to protect its legitimate interests.

## **26. Force Majeure**

- 26.1. The Provider shall have no liability to LAL, nor shall The Provider be deemed to be in breach of this Contract if The Provider is prevented, hindered or delayed from or in performing any of its obligations under this Contract by an event beyond The Provider's reasonable control including, without limitation, disease or epidemic, fire, flood, war, terrorist action, revolution, riot or civil disorder, any strike, lockout or other industrial action other than involving The Provider's employees save where the relevant strike, lockout or other industrial action is being undertaken by employees of other contractors at airports other than the Airport carrying out services of the same or substantially the same as the Service. Provided that The Provider shall not be relieved from liability if the event beyond its control is attributable to its wilful act, neglect or failure to take reasonable precautions or to the extent that it should have been avoided or mitigated by proper operation of The Provider's business continuity and disaster recovery plan;
- 26.2. Either party shall be entitled by written notice to the other to terminate this Contract if an event beyond The Provider's reasonable control and specified in clause 26.1 prevents/hinders The Provider from/in performing their obligations under this Contract for a period in excess of 30 (thirty) consecutive days.

## **27. Third Party Rights**

- 27.1. Subject to clauses 7.9 and 7.11 (Employees), a person who is not a party to this Contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Contract but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

## **28. Anti-bribery provisions**

- 28.1. The Provider will not, and nor will any The Provider Personnel directly or indirectly,

offer, give or agree to offer or give (either itself or in agreement with others) any payment, gift or other advantage with respect to any matters which are the subject of this Contract which:

- 28.1.1. would violate any anti-corruption laws or regulations applicable to The Provider (or which would apply if for these purposes The Provider was assumed to be a UK person or incorporated company) or LAL (including the Bribery Act 2010);
- 28.1.2. is intended to, or does, influence or reward any person for acting in breach of an expectation of good faith, impartiality or trust, or which it would otherwise be improper for the recipient to accept;
- 28.1.3. is made to or for a public official with the intention of influencing them and obtaining or retaining an advantage in the conduct of business; or
- 28.1.4. which a reasonable person would otherwise consider to be unethical, illegal or improper,

(any one of 28.1.1 to 28.1.4 being a "Corrupt Act").

- 28.2. The Provider shall, and shall procure that its sub-contractors shall, have in place, during the term of this Contract, adequate procedures designed to prevent any person associated with Supplier or its sub-contractors from committing a Corrupt Act and as a minimum such procedures shall comply with the most recent guidance issued from time to time by the relevant regulator pursuant to the Bribery Act 2010.
- 28.3. The Provider shall throughout the term of the Contract comply with, monitor and enforce the procedures referred to in Clause 28.2.
- 28.4. To the best of its knowledge and belief, neither The Provider nor any of The Provider Personnel nor any sub-contractor:
  - 28.4.1. has at any time been found by a court in any jurisdiction to have engaged in any Corrupt Act (or similar conduct);
  - 28.4.2. has at any time admitted to having engaged in any Corrupt Act (or similar conduct); or
  - 28.4.3. has at any time been investigated or been suspected in any jurisdiction of having engaged in any Corrupt Act (or similar conduct). The Provider represents and warrants that it and any The Provider Personnel have not engaged in any Corrupt Act prior to the date of this Contract.
- 28.5. At any time during the term of this Contract and for two (2) years thereafter The Provider shall upon 10 Working Days' written request from LAL make its books and records which are relevant to the provision of the Services available to an accountant from an internationally recognised firm of public or chartered accountants (or equivalent) appointed by LAL to perform an audit to assess The Provider's compliance with this Clause 28.5. The Provider shall provide, and it shall procure that The Provider's Personnel provide all reasonable assistance, including access to premises, documents (whether in paper or other form) and persons, as the accountant may reasonably need in order to perform the audit.

WHEREAS both parties have signed this Contract on the day and year stated below:

**Signed by** for and on behalf  
of **Liverpool Airport Limited**

}

.....

**Signed by** for and on behalf  
of **The Provider**

}

.....

Draft Contract - Indicative Only

## **SCHEDULE 1**

### **THE SERVICES**

#### **PART 1: OVERVIEW**

##### **1. Introduction**

This Schedule 1 sets out the Services required to be provided by The Provider. Schedule 1 is divided into the following parts:

**Part 1:** Overview

**Part 2:** The Service Standards and Performance Review Mechanism

**Part 3:** The Service Requirements

Section A: Description of the Services

Section B: Management, supervision and communication

Section C: Equipment

Section D: Other

**Part 4:** Quality Assurance

**Part 5:** Customer Service Standards

**Part 6:** Performance Criteria

##### **2. Objective**

The objective of this Schedule 1 is to ensure a consistent and improving level of service delivery that meets all legislative and regulatory requirements and encourages a positive and efficient performance of the Services by The Provider.

## SCHEDULE 1

### THE SERVICES

#### PART 2: SLA Credits

##### **SLA Credits**

The following service credits apply to the contract in respect of the following Service Shortfalls and shall be referred to in Tier 1.

- **COMPLIANCE**

**[LJLA tender SLA 2017 spreadsheet to be included here]**

##### **Serious Deficiency**

If a service failure occurs that results in the receipt of a Serious Deficiency The Provider shall incur a service credit of **£500**.

##### **Deficiency Notice**

If a service failure occurs that results in the receipt of a Deficiency Notice The Provider shall incur a service credit of **£1,000**. If a second Deficiency notice is issued for a non-related deficiency in a twelve month period The Provider shall incur a service credit of **£1,500**.

The Service Credits are a reasonable method of price adjustment to reflect the actual value of any failure to meet any Service Level. The payment of any Service Credits is without prejudice to LAL's other rights and remedies for The Provider's failure to meet any Service Level and in particular to the right to recover damages.

### **Enforcement Notice**

If a service failure occurs that results in the receipt of an Enforcement Notice The Provider shall incur a service credit of **£5,000**.

- **STAFFING DELIVERY**

### **Staffing Levels**

Should The Provider be found to be operating at LAL with;

- less than 9% of the contracted hours per month without prior written consent from LAL, (such consent not to be unreasonably withheld or delayed) shall incur a service credit of £500 per month in which there is an occurrence or;
- less than % of the contracted hours per hour, per day without prior written consent from LAL(such consent not to be unreasonably withheld or delayed), The Provider shall incur a service credit of £100 per week in which there is an occurrence;

## **SCHEDULE 1**

### **PART 3: THE SERVICE REQUIREMENTS**

#### **SECTION A: DESCRIPTION OF THE SERVICES**

##### **1. Overview**

###### **1.1 Introduction**

This Section A of Part 3 of Schedule 1 sets out the Services required to be provided by The Provider. It is also intended to provide The Provider with the information necessary to enable it to have a good understanding of the background to the provision of aviation security at the Airport ("Aviation Security") and to some specific parts of the service provision that may not be covered elsewhere within the Contract.

###### **1.2 Objective**

The principal objective of Aviation Security is to safeguard passengers, crew, aircraft, ground personnel and the general public against acts of unlawful interference perpetrated in flight and/or within the Airport environment / boundary.

"It also seeks to protect the airport and facilities serving aviation, such as fuel farms, catering, air navigation facilities and the premises of listed Cargo Agents against acts of unlawful interference" (United Kingdom National Aviation Security Programme ("UK NASP")).

Liverpool Airport is required by the terms of its licence and by the requirements of the Regulator to provide a safe and secure environment to support aviation operations as directed under the UK NASP and various Airport directions, Airport Byelaws and other legislative and local requirements. Liverpool Airport requires a Security Operation to safeguard the Security and Integrity of its facility, its airline partners, tour operators, tenants, ground handlers, passengers and other customers. The Provider must meet all the obligations placed upon Liverpool Airport by the Regulator in addition to the Customer Service Standards set out by Liverpool Airport and its customers. This is especially so for all access control, management and processes associated to the Critical Part (the "CP") at the Airport.

###### **1.3 Requirements**

The Provider must provide sufficient numbers of suitably qualified personnel, in accordance with the relevant sections of the UK NASP, supporting directions and other legislative documents, including the Aviation Security Act 1982, to provide and carry out the Services.

All functions shall be completed in accordance with relevant regulatory requirements at all times.

At all locations where hand/body search takes place, male persons must only be searched by male security officers and female persons must only be searched by female security officers, for this reason LAL request that the ratio of male to female personnel is maintained at a ratio close to 50:50 with no variation over 45:55.

All searches may only be undertaken with the consent of the person to be searched. If a person refuses to be searched, then access into the CP is to be denied and The Provider must notify the Liverpool Airport Representative without delay.

The Provider must ensure that its staff are fully conversant with and adhere to the procedures detailed in the Airport Security Plan and all relevant instructions and procedures (e.g. local instructions, Emergency Procedures etc.).

## **2. Specification of the Services**

### **2.1 Central Search Area ("CSA")**

This function is located on the third floor of the Main Terminal Building. Principal and core duties are x-ray screening (equipment operation and image interpretation) of personal hand baggage of both passengers and staff. The body/hand searching of persons including both passengers and staff, execution of associated processes and procedures related and directed such as liquid testing, baggage off/on loading, New Screening Methodology ("NSM") processes, removal of prohibited and restricted items (such as liquids), trace detection, calibration and testing of equipment.

---

#### ***Service Requirements:***

This position requires a presence during Operational Hours, although resource levels vary to meet demand throughout this period.

Staffing of the CSA is to be in accordance with the Regulators requirements and 'best practice' which will vary from time to time. Staffing of the CSA must never fall below the Airport's proposed minimum standards.

With the exception of passenger facilitation, The Provider must provide a minimum search team at all times so to maintain the integrity of the CP at all times and ensure staff search and screening is achieved at all times.

Passenger and staff screening and search will be of a standard that ensures that both passengers and staff are not carrying prohibited or restricted articles.

All persons entering the CP must, unless on medical grounds they refuse to do so, pass through a Walk Through Metal Detector ("WTMD") and, or Security Scanner. Passengers who on medical grounds refuse to pass through a WMTD will be subjected to a full hand search, passengers who refuse to use the security scanner will be subject to an enhanced search in private. All persons activating a WTMD or security scanner must be searched If alarming the respective equipment.

All searches are to be of a sufficient standard and depth to give assurance that the person is not carrying any restricted or prohibited articles and/or that which may be used to commit acts of violence.

Any requests for searching to be conducted in private must be complied with as far as are reasonably practicable. In such an event, two searchers, of the same sex as the person being searched, must be present at all times.

The Provider is to ensure that items considered dangerous, prohibited and/or restricted are confiscated and not permitted carriage in either the aircraft hold or cabin. In the event of such an item(s) being discovered, detected or presented to or by a security officer, the goods will be recorded and receipted.



The Provider must ensure that if the x-ray screen reader identifies a suspicious article (such as an improvised explosive device or similar item) the conveyor belt of the x-ray machine must be stopped with the offending bag fully within the chamber of the machine until assessed by a Team Leader.

## **2.2 Presentation Desk / Boarding Control**

This function is located on the third floor of the Main Terminal Building immediately before entry into the Queuing Area and prior to the Security Loader Agent. Principal and core duties are to ensure a physical examination of all Travellers Boarding cards or Travel Documentation before entry into the CP is granted. Travel authorisation (boarding cards), and other agreed authorisation is to be conducted and proper control of any access into the CP is met and maintained. Passenger profiling is performed as required.

---

### ***Service Requirements:***

This position requires a presence during Operational Hours, although resource levels vary to meet demand throughout this period. The Provider and / or his staff must provide minimum security representation so to maintain the integrity of the CP at all times. The Provider must provide staff to check all documents to validate the travel authorisation of passengers. The Provider must utilise facilities and equipment available to support this role e.g. bar code readers and electronic gates etc.

## **2.3 Out of Gauge ("OOG") Baggage and Staff Search**

This function is located on the ground floor of the Main Terminal Building. Principal duties include x-ray screening (equipment operation and image interpretation) of all out sized hold baggage items. This includes a Level 4 passenger / baggage reconciliation procedure.

This area also delivers X-ray screening of staff baggage together with examination of all security passes and permissions before entry into the CP. Explosive Trace Detection ("ETD") and physical screening of both staff and visitors, including body/hand searching, is conducted.

Screening of left luggage and lost property items, unaccompanied, rush and suspect bags and adherence to associated procedures.

Selected screening / liquids testing / removal of prohibited articles / equipment reporting / calibration and testing of equipment.

---

### ***Service Requirements:***

This position requires a minimum 24 hour presence, although resource levels vary to meet demand throughout this period but must always include both male and female security representatives who are fully trained and qualified to conduct the complete range of security functions.

The Provider must provide a minimum search team at all times so to maintain the integrity of the CP at all times.

Staff and visitor screening and search will be of a standard that ensures that both passengers and staff are not carrying prohibited or restricted articles.

All persons entering the CP must pass through an AWTMD. All persons activating the AWTMD must be searched or subject to a security scanner, in addition to those passengers randomly selected that do not alarm the AWTMD.

All searches are to be of a sufficient standard and depth so to give reasonable assurance that the person is not carrying any restricted or prohibited articles and/or that which may be used to commit acts of violence.

The Provider will ensure items considered dangerous, prohibited and/or restricted are confiscated and not permitted carriage in either the aircraft hold or cabin. In the event of such an item(s) being discovered/detected/or presented to a security representative, the goods will be recorded and receipted.

The Provider must ensure that if the x-ray screen reader identifies a suspicious article (such as an improvised explosive device or similar item) the conveyor belt of the x-ray machine must be stopped with the offending bag fully within the chamber of the machine. The image is to be retained on the screen and no persons are to be allowed to touch the machine.

### **2.4 Goods Inwards**

The principal duties include management of the area and the screening of goods entering the CP to a compliant standard.

---

### ***Service Requirements:***

This position requires an 'Appointment Only' Staff Level. The Provider will provide a minimum search team as per at all times so to maintain the integrity of the CP at all times.

The Provider must ensure the Screening time at this location is a minimum so to ensure goods are not detained unnecessarily enabling them to be taken Airside in a timely fashion.

### **2.6 CP1 (Vehicle Control Point ("VCP"))**

The principal / core duties include hand searching of any persons, any baggage and other items carried, examination of vehicles, continuous CP patrols, Airside patrols as instructed by the ASP, issue of visitor passes and vehicle passes, examination of passes and pass authorisations ensuring correct and proper control of access into the CP and airside areas is met and maintained in compliance with direction. Vehicle escort duties are conducted to meet demand.

The VCP team are part of the initial standby and emergency response on the airfield, have keyholding responsibility, and are responsible for the Temporary Demarcated Area and the associated process in this area,

The VCP team must all be airside drivers, be radio telephony ("RT") qualified and have completed an airfield operations awareness course not less than once every 3 years.

---

***Service Requirements:***

This position requires 24 hour manning. The Provider must ensure proper control of Persons / vehicles / equipment prior to access into the CP through the VCP.

The Provider must provide a minimum search team at all times so to maintain the integrity of the CP at all times and ensure staff search and screening is achieved at all times.

Staff / Personnel screening and search will be of a standard that ensures that staff are not carrying prohibited or restricted articles.

The Provider must ensure an efficient process at this location to ensure that staff is not unduly detained thereby preventing them from undertaking their duties in a timely fashion.

All persons entering the CP must pass through an AWTMD. All persons activating the AWTMD must be searched, in addition to those randomly selected that do not alarm the AWTMD.

All searches are to be of a sufficient standard and depth so to give reasonable assurance that the person is not carrying any restricted or prohibited articles and/or that which may be used to commit acts of violence.

The Provider is to ensure that items considered dangerous, prohibited and/or restricted are confiscated and not permitted carriage in either the aircraft hold or cabin. In the event of such an item(s) being discovered, detected or presented to or by a security officer, the goods will be recorded and receipted.

**2.8 Mobile Patrols**

The principal duties are to ensure that personnel do not cross the boundary between the AIRSIDE and CP, LANDSIDE and CP unless cleared for CP access and the integrity of the security measures are maintained (fence line, signage, monitoring activities, etc).

The mobile functions take place in airside areas of the Airport and principal duties include ensuring Airport safety and security requirements are met and maintained 24 / 7.

---

***Service Requirements:***

The Provider will be required to conduct foot and mobile patrols airside as deemed necessary by the Airport.

The primary purpose of foot and mobile patrols is to display a conspicuous security presence throughout the Airport and at the same time discover any discrepancies or deficiencies in the security integrity of the Airport, whilst also enhancing security through deterrence.

The Contactor must ensure patrols of the following areas are conducted at regular and consistent intervals:

- Terminal Building (landside, ad-hoc) and airside
- Aprons
- Baggage makeup area and adjacent areas
- Perimeter fences
- ILS installations
- Other operationally critical installations as required in the Airport Security Plan and Operating Procedures.

The Provider must ensure any unauthorised persons or vehicles found in the CP, or any prohibited article found in the CP must be removed from the CP without delay.

The Provider must ensure that in the event that any non-authorised persons refuse to leave the CP, that they are immediately reported to the Police. The security representative is to remain with that person until the arrival of the Police.

A 'Security Sweep' of the terminal building airside and landside must be carried out at the beginning and end of Airport operations.

The Provider must ensure that any and all breaches of the CP are reported to the Airport Security Operations or a Senior Liverpool Airport Manager immediately.

The Provider will provide a method statement, detailing its electronic means of recording patrols for agreement by Liverpool Airport, setting out its security patrol strategy and data to support the patrolling schedule.

## **2.9 CSA and Hold Baggage Screening**

These positions require periodic manning to meet the operating Flight Schedule.

---

### ***Service Requirements:***

As detailed for the CSA and Hold Baggage Screening requirements

## **2.10 Pass Office**

This Unit is located on level two, in the main Terminal Building.

---

### ***Service Requirements:***

- Issuing Access Identity Cards, to include Full Passes and Visitors Passes during agreed opening hours.
- Management of the Access Identity Card System to include all necessary Vetting Procedures.
- Validity of Passes and Accurate Record Keeping to all EU and Regulator Standards.
- Adapting to any Legislation or Airport changes to ensure an up to date system at all times.
- Any other services as agreed between LAL and Contractor.
- Processing and validation of all LAL pass applications renewals.

## **SCHEDULE 1**

### **PART 3: THE SERVICE REQUIREMENTS**

#### **SECTION B: MANAGEMENT, SUPERVISION AND COMMUNICATIONS**

Overall responsibility for the delivery of Aviation Security to regulatory standards rests with the Airport Operations Director, who discharges this responsibility through Airport Security Manager. Therefore, The Provider must follow the instructions of Airport Security Manager (or a nominated representative).

The Provider is to provide a Station Manager, who must be available on site, for a minimum of 40 hours per week. When on holiday or otherwise called away from the site a Deputy Station Manager is to be available for a minimum of 40 hours per week.

The Provider is to appoint sufficient Duty Managers to ensure that a minimum of one Duty Manager is on duty at the Airport whenever the Airport is open.

Both The Provider's Station Manager and the Duty Managers are to have disciplinary powers over the remainder of The Provider's staff and must be charged with addressing such disciplinary problems as may arise. The Provider is also to provide Supervisors who will have responsibility to the Duty Manager for the compliant operation of the CSA and other Access Control points and screening processes.

All contact between The Provider's staff and Liverpool Airport, its staff, tenants, customers and the Regulator is to be through the Head of Security and Terminal Operations (or a nominated representative).

The Provider's staff will follow the instructions of Airport Security Manager on all matters relating to the Services on a shift by shift basis and on all matters relating to other Airport operations and matters.

The Station Manager and Duty Manager must each be provided with a mobile telephone and will be required to respond when called, including out of hours, for emergencies or unplanned events.

It is important to carry out the necessary security measures in a smooth and efficient manner. This will require a high calibre of both Aviation Security management and security personnel to ensure that the legislative requirements are carried out to the highest standard whilst providing a courteous and efficient service for passengers, visitors and staff.

The Provider must meet all obligations for out-of-hours working including short notice aircraft movement.

The Provider is required to provide an annual method statement that will demonstrate how circumstances outside of core hours, such as significant changes to the Flight Schedule, will be managed.

In addition, the nature of operations at the Airport is such that the hours of operation are subject to constant review and amendment. This could range from minor timetable amendments to short notice out of hours flights or sensitive military movements. The Provider is to provide an annual method statement demonstrating how this will be managed.

## **SCHEDULE 1**

### **PART 3: THE SERVICE REQUIREMENTS**

#### **SECTION C: EQUIPMENT**

Suitably approved Equipment will be provided by Liverpool Airport in accordance with the Contract.

Where The Provider wishes to use equipment not provided by Liverpool Airport then the equipment must be of a standard approved by the Regulator or, if appropriate, other relevant agency and must be approved by the Liverpool Airport Security Manager or Representative.

Records of the Regulator required daily (or other relevant frequency) checks of all Equipment used must be maintained and copies made available for inspection by Liverpool Airport / TBI on a daily basis.

The Provider must ensure that all calibration certificates for Equipment are kept current and that Liverpool Airport is notified immediately of any Equipment fault or any other unplanned maintenance requirement.

The Provider will provide input as requested regarding new or replacement Equipment and will participate as necessary in testing or commissioning such Equipment.

The Provider shall comply with such other obligations in relation to the Equipment as are set out elsewhere in the Contract, including those contained in Clause 6 of the Contract.

## **SCHEDULE 1**

### **PART 3: THE SERVICE REQUIREMENTS**

#### **SECTION D: OTHER**

##### **1. General**

The Providers' personnel are to be familiar with the definition of the term "CP", Temporary Demarcated Area and "AIRSIDE", its significance and physical security as laid down in the UK NASP.

The Providers' personnel are to be familiar with the exact layout of the CP at the Airport. Liverpool Airport operates a permanent CP.

The CP is to be thoroughly searched prior to becoming operational after any period of de-restriction which may happen from time to time for a variety of reasons. The search is to be carried out in sufficient time to enable The Provider to declare the CP fit for operational use each time it is activated and in accordance with provided check lists.

In addition to the initial search of the CP, continuous patrols are to be carried out in the CP. The purpose of such patrols are to ensure that only authorized persons are present in the CP and to ensure that all persons/vehicles within the CP have a valid reason for being there and are displaying the relevant current passes in accordance with the Airport Security Plan. All breaches of this are to be immediately reported to the Liverpool Airport Representative.

Personnel are to ensure that uncontrolled persons or vehicles do not enter the CP without having their passes checked. Patrols should engage in the on-going random checking of passes of persons and vehicles within the CP. This is to include challenging any unknown persons or unrecognised passes, including those of regulatory authorities.

Personnel manning access control points are to maximise their use of views into or over the CP to ensure unauthorized persons or prohibited items are not allowed to enter the CP.

The Provider is to become familiar with the Airport buildings and their occupants to facilitate the recognition of suspicious persons / circumstances.

The Provider will be required to keep detailed Security Logs and to submit the log to the Liverpool Airport Representative on a daily basis, if so required. The security log will follow the format detailed within the Airport Security Programme.

The Provider will ensure personnel are familiar with and carry out the security standards and recommended procedures for response to incidents affecting Aviation Security as laid down in the UK Single Consolidated Direction. All such events must be reported immediately to Liverpool Airport.

Personnel are to undertake such special tasks and other related duties as may be required by the Liverpool Airport Representative e.g. establishment of road blocks, directing road traffic, maintenance of control lines around incidents and assisting in threat situations such as hijacked aircraft or the evacuation of the Terminal in the event of such an event arising.

In liaison with Liverpool Airport, The Provider will be provided with the flexibility to increase cover in the light of a temporary change in the security threat level or in the event of a major incident or in the event of industrial action by others separately responsible for Aviation Security as laid down in the UK Single

Consolidated Direction. Additional cover may be requested at any time by the Liverpool Airport Representative.

In the event of an industrial dispute involving The Provider's own employees, Liverpool Airport may withdraw the CP passes of all personnel involved, as a temporary precaution. The Provider is to then seek to replace those staff with other suitably qualified and vetted staff of their own. If The Provider is unable to provide staff then the Liverpool Airport Representative is to be informed and contingency plans brought into action.

The Provider's Supervisor should, in addition to supervising his staff, observe passengers approaching the search area to identify any person who may attempt to evade a search or conceal a potential weapon. Staff must be aware and observe passengers who present themselves for search who express undue nervousness or arrogance or anything which could indicate they were endeavouring to smuggle a prohibited item.

It will be necessary from time to time to issue amendments to the Airport Security Programme. Should The Provider wish to recommend changes to the Orders this must be done through the Airport Security Manager who is the Nominated Person.

In the event of changes being made to the Airport Security Programme The Provider will be consulted prior to their implementation.

All screening and searching will be of a standard that ensures that neither the person is carrying, nor their baggage contains a prohibited article. None of these articles must be permitted to pass beyond the point of search.

All Airport staff, tenants and concessionaires are subject to full search procedures.

## **2. Reference Documents**

The Provider is to ensure that their staff is fully conversant with and comply with the provisions of the following documents at all times. Failure to comply with the provisions of these documents will be brought to The Provider's attention and The Provider will be expected and required to take appropriate and prompt action to address the situation:

- The Airport Security Programme
- The Airport Security Plan
- The Health & Safety Policy
- The Airport Emergency Orders
- The Aerodrome Manual
- The Airport Bye-laws (if applicable)
- The Airport Fire Strategy
- Security Management System

This list may be amended from time to time.

## **3. Licensing**

The Provider is to ensure that when required, The Provider's staff are properly licensed in respect of the duties to be performed by them in accordance with the requirements of the Security Industry Association and any associated legislation to perform the duties required by the contract.

## **4. Airport Emergency Orders**



The Provider is to ensure that all their personnel are aware of and fully conversant with their role(s) within the Airport emergency planning structure and procedures, and receive adequate training to deliver such duties. The Provider will also ensure the Station Manager fully participates in the emergency planning processes of the Airport and ensures the relevant documentation is maintained.

## **5. Unattended Baggage**

The Provider and/or his representatives must be able to respond to any piece of unattended baggage which they either observe or have brought to their attention by others immediately. The baggage will then be dealt with in accordance with the Airport policy on unattended baggage. Liverpool Airport will provide appropriate explosive trace detection equipment that will be used to assist in determining what course of action should be taken.

In all cases the Airport Threat Assessor must be informed.

## **6. Escort Duties**

The Provider will undertake escorting duties as and when required by Liverpool Airport to support the operation and / or developments. Whenever possible these escorts will come from the on duty operational strength. If necessary, additional staff will be provided at the normal operational cost and are subject to prior approval by the Liverpool Airport Representative.

## **7. Airside Driving**

To drive airside, The Provider's personnel must hold a valid Airport driving permit and have received the correct briefing and training for driving on the manoeuvring area including briefing on RT procedures from Air Traffic Control. All relevant tests must be complied with and satisfactorily passed to obtain such permits.

## **8. Enforcement of all Protocols, Policies, Airport Byelaws and requirements of the Airport Security Plan**

The Provider will ensure the enforcement of the above pertinent to all matters concerning security, including without limitation compliance with and enforcement of Airport Byelaws, where appropriate.

## **9. Crowd Control**

In the event of a demonstration or protest (e.g. environmental protestors) on Airport property or when circumstances require a security presence as determined by the Liverpool Airport Representative, adequate guards will be provided by The Provider .

## **10. Disruptive Passenger Protocol**

The Provider will participate in the Joint Disruptive Passenger Protocol, which is a partnership between parties at the Airport for dealing with disruptive passengers. Policing duties are to be carried out with a view to identifying all potentially disruptive passengers and to make the airline concerned aware of their presence and condition.

## **11. Airport Security Committee (ASC)**

The Provider will ensure their Station Manager fully participates in the Airport Security Committee, by attending meetings as required by Liverpool Airport, undertaking appropriate action points and ensuring the promotion of the process within the security organisation.

The Site Manager will provide appropriate data / incident reports as required by Liverpool Airport.

## **12. Risk Assessment Group (RAG)**

The Provider will ensure their Station Manager fully participates in the Risk Assessment Group, by attending meetings as required by Liverpool Airport, undertaking appropriate action points and ensuring the promotion of the process within the security organisation.

## **13. First Aid Provision**

From amongst its staff ordinarily on duty at any given time, The Provider shall ensure that there are two suitably qualified individuals within the terminal building and its immediate surroundings to undertake the provision of first aid, including defibrillation where necessary, to passengers, terminal users and Airport staff as required, during operational hours of the Airport. In addition and likewise from amongst its staff ordinarily on duty at that time, The Provider shall ensure that 1 other suitably qualified first aider is to be available to respond to other Airport locations as required daily.

## **SCHEDULE 1**

### **PART 4: QUALITY ASSURANCE**

The Provider is responsible for monitoring and controlling the facilitation of passengers throughout the Airport. The Provider is responsible for ensuring smooth, efficient, courteous and expeditious interaction with customers wherever they come into contact with them.

The Provider will monitor their own performance on a shift by shift basis and will report to the Liverpool Airport Representative any discrepancies or deviations from the Contract or from the Aviation Security Programme.

The Provider's staff will defer to the Liverpool Airport Representative on all matters relating to the operation of the Airport and the facilitation of passengers and the Airport Security Plan. Airport Security Manager or an Airport Representative will be the first normal contact point with the Station Manager, Duty Managers, Supervisors, and staff.

The standards required of The Provider can be divided into three distinct areas – the mandatory standards and the requirements of the Regulator as set out in relevant legislation and the UK NASP; those contained within the Contract and the Airport Security Programme; and additional Customer Service Standards expected by Liverpool Airport and the airlines, users of the terminal and handling agents.

## **SCHEDULE 1**

### **PART 5: CUSTOMER SERVICE STANDARDS**

Liverpool Airport has a reputation for quality and is particularly concerned that all services provided at the Airport are of a high standard (as judged by customers) and are continually monitored and reviewed.

The provision of security services is a high profile function and involves regular and frequent first-line contact with a wide variety of Airport customers and users. Delivery of the Services strongly affects the impression that customers form of the Airport.

The Provider will develop a partnership with Liverpool Airport that will serve to enhance and improve all operational aspects of the contracted provision of security services. This will seek to address issues such as performance targets and management issues

The Provider will, with the Airport Security Manager seek ways of improving customer service standards and maintaining and improving the ASQ scores on a quarterly basis.

## **SCHEDULE 1**

### **PART 6: PERFORMANCE CRITERIA**

#### **1. General**

In addition to the specific points referred to below, the Performance Review Mechanism set out in Part 2 of this Schedule 1 details the range of Service Standards that are required together with service credits should Service Standards not be achieved. The Provider is expected to endeavour at all times to continuously improve the standard of service delivery at all times and in all respects.

In order to ensure that the desired Service Standards required by Liverpool Airport are being achieved and maintained, 'security monitoring and auditing' will be conducted by Airport Security Manager and supporting staff to cover the full spectrum of security duties, from general operating areas which includes the CSA and Patrolling; to specific functions such as body search, baggage search, x-ray operation and access control (this list is not exhaustive).

This will take place whilst The Provider's staff are undertaking their normal duties and The Provider's staff are not required to do anything extra at the point of audit.

The monitoring will be conducted as per the relevant matrices as published by the Airport Security Manager, and in order to gain a full picture of the overall performance, assessments will be conducted at various times in person and via CCTV.

The Performance Review Mechanism will be used to assess The Provider's performance and where necessary address Service Shortfalls by means of a service credit (namely, the Service Shortfall Deduction). CCTV is installed in the CSA. The Provider is to ensure that all its staff are aware that they are being monitored by CCTV.

The Provider will be required to develop its own effective Quality Assurance Programme including records of training and vetting. The results of this programme will be made available to Liverpool Airport upon request.

## **2. Performance Criteria**

### **2.1. Manning level:**

The Airport will provide The Provider the level of manning for the following month by the 10<sup>th</sup> day of the previous month. This resource request will be checked and agreed by the planning function of the approved security provider and agreed

### **2.2. Process time:**

Liverpool Airport will measure performance against process time management. Liverpool Airport requires that the process time not exceed 10 minutes over a period of one hour at any time, and that an average process time of 10 minutes per hour is achieved throughout the day. (The process time is defined as that time it takes a passenger to be processed from the rear of the CSA to leaving the CSA at the police podiums (this is subject to review).

### **2.3. Threat Image Projection ("TIP") Results:**

All Contractor's staff that operate x-ray equipment are to be properly trained and qualified and will be expected to achieve and maintain an achievement TIP test rate of not less than 75%, with an airport target agreed and set to adhere to a best practice every 6 months.

### **2.4. Covert Test Programme & Results:**

The Provider will ensure that regular and consistent covert testing takes place and will be expected to ensure staff achieve and maintain an achievement test rate of not less than 75%. Local testing must not be less than 50 overt tests and 10 covert tests per month conducted on a random basis. In addition, Liverpool Airport will also undertake random covert tests to validate the overall performance.

### **2.5. Staff competency:**

The Provider will ensure that its staff are trained and qualified to the level of competency determined by the Regulator to deliver the Services. Staff competency will be subject to audit and will be measured against the standards set out in directions and in the National Aviation Security Training Programme.

### **2.6. Officer Presentation:**

The bearing and appearance of officers and their uniform standard should project the professionalism of The Provider at all times. Liverpool Airport expects the level of bearing, appearance and uniform to be of a high standard, consistent, smart and clean and must meet the Liverpool Airport uniform standards as a minimum.

### **2.7. Customer service – feedback:**

Liverpool Airport undertakes passenger surveys measuring the level of service as determined by the passenger. Liverpool Airport also encourages passenger feedback, through a complaints process and 'comment cards'. Liverpool Airport will monitor performance against this criterion, specifically measuring passenger perception of service (not queue time). Liverpool Airport will expect the total number of complaints from passengers in a monthly period to be minimal whether by letters of complaint or comment cards in relation to security delivery.

## **SCHEDULE 2**

### **CHANGE FORM**

**Issued under clause 10 of the Contract dated [●] between [●] and [●]**

**Reference number:**

**Date of issue:**

#### **PART 1 - CHANGE NOTICE**

1.1 General description of Change

1.2 Date from which Change is to take effect (and, if temporary, its anticipated duration)

1.3 Consequent Change to Services (if any)

1.4 Consequent Change to Service Standards (if any)

With effect from the date specified above, the Change described in 1.1 above will/did take effect, and the Services and/or Service Standards referred to the Contract (as varied by any previous Change Form) will be varied as set out above as from that date.

Signed \_\_\_\_\_ (Director)

(Client)

Date:

Signed \_\_\_\_\_ (Director)

(Contractor)

Date:

(party requesting change)

Date:

Signed \_\_\_\_\_ (Director)

(other party)

Date:

(party requesting change)

Date:

Signed \_\_\_\_\_ (Director)

(other party)

Date:

(party requesting change)

Date:

Signed \_\_\_\_\_ (Director)

(other party)

Date:

(party requesting change)

Date:

Signed \_\_\_\_\_ (Director)

(other party)

Date:

(party requesting change)

Date:

Signed \_\_\_\_\_ (Director)

(other party)

Date:

(party requesting change)

Date:

Signed \_\_\_\_\_ (Director)

(other party)

Date:

(party requesting change)

Date:

Signed \_\_\_\_\_ (Director)

(other party)

Date:

(party requesting change)

Date:

Signed \_\_\_\_\_ (Director)

(other party)

Date:



### **SCHEDULE 3**

#### **EQUIPMENT LIST**

**The following equipment will be provided at each of the Airports**

##### **Liverpool John Lennon Airport:**

<b>CSA</b>	5 Rapiscan 620 DV X-Rays with tray return system 2 Rapiscan 620 DV X-Rays with tray return system and Liquid Testing 2 Ceia Liquid Testing Devices 4 AWTMD 7 x-ray Chairs3 passenger chairs 4 Barringers 170 Trays 13 HHMD 8 Fatigue Mats 12 Steel search tables
<b>Office 1</b>	3 desks 1 book case 2 set of drawers
<b>Office 2</b>	desk 2 filing cabinet 2 set of drawers 1 computer with AMOSS 1 computer (TMAS)
<b>OOG</b>	1 L3 VH 1012 R - VISH 305 X-Ray 1 Rapiscan 620 DV X-Ray 2 X-Ray chairs 1 HHMD and charging holder Trays Tables Roller bed 1 AMD 1 Barringer
<b>HBS</b>	X-Ray VH 1011 R - VISHR 307 X-Ray VH 1009 R - VISHR 306 1 Level three monitor station 2 Level two work stations

**CP1**

- 1 computer for temporary passes inc printer
- 1 AMD
- 1 Rapiscan 620 DV X-Ray
- 1 Barringer
- CCTV equipment
- 2 Tables
- 1 HHMD and charging unit
- 3 Chairs

**Pass Office**

- 1 pass printer
- 2 computers inc printers
- All Filing Cabinets
- 2 desks
- 2 chairs
- 1 web camera
- 1 fax machine
- 1 scanner
- 1 laminator
- 1 Shredder

**For the avoidance of doubt consumables that will be provided include:**

- Liquid test strips for the liquid testing regime
- Printer ink and ribbons for ID printer
- Consumables for ETD machines including wands, verification tokens and swabs
- Liquid and gel bags

**SCHEDULE 4**  
**LICENCE TO OCCUPY**

**Dated**

**Between:**

(1) Liverpool Airport Limited

**And**

(2) The Provider

**Licence to occupy on a short term basis**

Relating to premises known as [First Floor, Modular Block D] at Liverpool John Lennon Airport, Liverpool L24 1YD.

**PARTICULARS**

**Date**

**Owner**

Liverpool Airport Limited incorporated and registered in England and Wales with company number 02116704 whose registered office is at Peel Dome, intu Trafford Centre, Trafford City, Manchester M17 8PL

**Occupier**

[Company details] incorporated and registered in England and Wales with company number [number] whose registered office is at [address]

**Authorised Use**

Staff accommodation offices and training room required to carry out "Services" as defined in the Contract.

<b>Airport</b>	All that land and buildings known as Liverpool John Lennon Airport and every part of it shown edged red on Plan 1 annexed to this licence or such reduced or extended area as the Licensor may from time to time designate as comprising the Airport.
<b>Building</b>	The area shown edged red on Plan 2 known as [Modular Block D]
<b>Contract</b>	Contract for the provision of security services made between the Owner and Occupier dated [ 2017]
<b>Interest Rate</b>	2% per annum above the base rate from time to time of Barclays Bank plc
<b>Licence Fee</b>	A peppercorn (if demanded)
<b>Licence Period</b>	the period from and including [ ] 2017 until the date on which this licence is determined in accordance with clause 13 (termination).  All planning permissions and all other consents, licenses, permissions, certificates, authorizations and approvals whether of a public or private nature which shall be required by for the Permitted Use
<b>Payment Days</b>	The first day of each month during the Licence Period.
<b>Premises</b>	[Premises shown edged red on Plan 3 and known as First Floor of the Building.]

**Regulations**

The rules and regulations made by the Owner for the Airport which include but are not limited to the Regulations as defined in the Contract and any ancillary rules and regulations as may be published separately by the Owner from time to time and as varied amended or supplemented or reissued from time to time at its discretion and notified to the Occupier.

**Service Media**

all media for the supply or removal of heat, electricity, gas, water, sewage, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media provided such media has been confirmed by the Owner in writing that the Occupier is permitted to use such media.

**THIS LICENCE** is made on the date set out in the Particulars

**BETWEEN**

- (1) the Owner; and
- (2) the Occupier.

**OPERATIVE PROVISIONS**

**1. INTERPRETATION**

- 1.1 Words and expressions set out in the Particulars are defined terms in this Licence.
- 1.2 In this Licence the clause headings do not affect its interpretation; references to clauses are to clauses of this Licence; references to the Premises includes any part of them and references to the end of the Licence Period are to the date on which this Licence ends.
- 1.3 An obligation on the Occupier not to do or omit to do any act or thing includes an obligation not to permit or allow that act or thing to be done or omitted, as the case may be and the Occupier is to use its best endeavours to prevent such act or thing being done by a third party.
- 1.4 The obligations of the Occupier bind the Occupier's employees, agents, workmen and visitors and the Occupier is to be liable for any breach of the terms of this Licence by them.
- 1.5 Where two or more persons form a party to this Licence, the obligations they undertake may be enforced against them all jointly or against one or more of them individually.
- 1.6 Any notice under this Licence is to be given in accordance with section 196 Law of Property Act 1925
- 1.7 The parties to this Licence do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.
- 1.8 Any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

- 1.9 A reference to a statute or statutory provision is a reference to it as it is in force for the time being, taking account of any amendment, extension, or re-enactment and includes any subordinate legislation for the time being in force made under it.

## **2. LICENCE**

- 2.1 Subject to the terms of this licence, the Owner permits the Occupier to occupy the premises for the Licence Period in common with the Owner and all others authorised by the Owner (so far as is not inconsistent with the rights given to the Occupier to use the Premises for the Authorised Use) together with the right for the Occupier to use:

- (i) Such part of the Common Parts for the purpose to and egress from the Premises as shall from time to time be designated by the Owner for such purpose.
- (ii) The Service Media serving the Property subject to clause 4.

- 2.2 The Occupier acknowledges that:

- 2.2.1 the Owner is entitled to exclusive control, possession and management of the Premises and may enter and remain on the Premises at any time and for all purposes, subject to causing as little interference with the Occupier's business as reasonably practicable, without any interference by the Occupier;

- 2.2.2 The Occupier has no right to exclude the Owner from the Premises;

- 2.2.3 nothing in this Licence is intended to create a letting of the Premises or to confer any rights on the Occupier, whether under common law or any enactment, greater than a bare licence on the terms of this Licence. For the avoidance of doubt, no relationship of landlord and tenant is created between the Owner and the Occupier by this Licence.

- 2.3 The Owner may end this Licence immediately upon serving written notice on the Occupier if the Occupier does not pay the Licence Fee or any other monies due under this Licence and/or the Contract on the due dates for payment, even if not formally demanded, if the Occupier breaches any of the other terms of this Licence and/or the Contract or if the Occupier becomes insolvent or subject to insolvency proceedings.

- 2.4 When this Licence ends it will not release the Occupier from any breaches of the terms of this Licence which occurred during the Licence Period or any rights of the Owner in respect of those breaches.

## **3. LICENCE FEE AND OUTGOINGS**

- 3.1 The Occupier is to pay to the Owner the Licence Fee payable in advance on the Payment Days. The first payment is to be made on the date of this Licence for the period from and including the date of this Licence to but excluding the next Payment Day.
- 3.2 The Licence Fee and any other sum payable under this Licence are exclusive of VAT. Where, under the terms of this Licence, a supply is made that is subject to VAT, the person receiving the supply is to pay the VAT to the person making the supply and a valid VAT invoice is to be issued by the person making the supply.
- 3.3 If the Licence Fee or any other monies payable under this Licence are not paid within seven days of the due date for payment, the Occupier is to pay interest on those monies at the Interest Rate calculated from the due date of payment to the actual date of payment, both dates inclusive.
- 3.4 The Licence Fee is inclusive of business rates which are to be paid by the Owner to the relevant rating authority.
- 3.5 The Licence Fee is inclusive of charges payable for electricity, water, sewage supplied to and from the Premises which are to be paid by the Owner to the relevant suppliers.
- 3.6 Telephone charges (if any) are to be paid by the Occupier to the relevant telephone company.

#### **4. USE OF THE PREMISES**

- 4.1 The Occupier is to use the Premises only for the Authorised Use.
- 4.2 The Occupier is to adhere to its obligations under the Contract.
- 4.3 The Occupier is not to do or permit to be done on the Premises anything which is illegal or which may be or become a nuisance (whether actionable or not), annoyance, damage, inconvenience or disturbance to the Owner or to other tenants or occupiers of the Airport or any owner or occupier of neighbouring property.
- 4.4 The Occupier is not to bring any hazardous materials onto the Premises.
- 4.5 The Occupier is not to display any advertisement, signs, nameplate, inscription, flag, banner, placard, poster, signboards or notices on the Premises unless permitted to do so in writing by the Owner.
- 4.6 The Occupier is to comply with the Regulations and any further proper and reasonable regulations made by the Owner governing the use and occupation of the Premises.



- 4.7 The Occupier is to keep the Premises clean, tidy and clear of rubbish.
- 4.8 The Occupier is to at its cost, act in accordance with health and safety requirements.
- 4.9 The Occupier is not to make any alteration or addition whatsoever to the Premises
- 4.10 The Occupier is not to obstruct the Common Parts, make them dirty or untidy or leave rubbish on them.
- 4.11 The Occupier is not to do anything that might constitute a breach of any Necessary Consents.

## **5. INSURANCE**

- 5.1 The Occupier is not to do or omit to do anything which will or might have the effect of making the Owner's insurance policy for the Premises and/or the Airport (in whole or in part) void or voidable or which increases the insurance premium payable for that insurance.
- 5.2 The Occupier is to comply with any recommendations and requirements of the insurers which have been notified in writing to it.
- 5.3 The Occupier shall take out and maintain in force or procure the taking out and maintenance of the following insurance policies (the "Required Insurances") at its own cost with a reputable insurer (prior approval in writing by the Owner) in respect of the following, provided that cover is required to be effective in each case not later than the date on which it is required and from the date on which the relevant risk commences:
- 5.3.1 public and products liability;
  - 5.3.2 employers liability;
  - 5.3.3 any insurance required under the terms of the Contract;
  - 5.3.4 any other insurances required by law; and
- 5.4 The Owner will undertake to take out and maintain in force building insurance for the building in which the Premises are contained.
- 5.5 The Occupier shall provide a copy of their insurance policies to the Owner on demand.
- 5.6 Should any policy be up for renewal during the Licence Period the Occupier must notify the Owner of this and supply the Certificate of Insurance within 48 hours.

## **6. UPKEEP OF THE PREMISES**

- 6.1 The Occupier is to keep the Premises in the same state of repair and condition as they were at the start of this Licence and is to keep them clean, tidy and clear of rubbish.
- 6.2 The Occupier is not to make any alterations or additions to the Premises or to cause any damage to them. If the Occupier does not comply with this obligation, it will at the request of the Owner remove any alterations or additions to the Premises and make good any damage caused to the reasonable satisfaction of the Owner.
- 6.3 The Occupier is not to apply for any planning permission in respect of the Premises.

## **7. OCCUPATION OF THE PREMISES**

- 7.1 The Occupier is not to allow any other person to occupy or use the Premises.
- 7.2 This licence to occupy granted by this agreement is personal to the Occupier and is not capable of being assigned to any other person and the rights may only be exercised by the Occupier and its employees.
- 7.3 The Owner shall be entitled at any time on giving not less than 7 days' notice to require the Occupier to transfer to alternative space elsewhere in the Airport and the Occupier shall comply with such requirement.

## **8. STATUTORY REQUIREMENTS**

- 8.1 The Occupier is to comply with the requirements of all statutes and any regulations or by-laws made under them which affect an Occupier of the Premises and is to indemnify the Owner against any failure to do so.
- 8.2 If the Occupier receives any notice, order or direction from the local authority or any other competent authority, it is to provide a copy to the Owner as soon as possible after receipt.

## **9. RETURN OF THE PREMISES**

- 9.1 At the end of the Licence period, the Occupier is to return the Premises to the Owner with vacant possession, cleaned and repaired in accordance with the terms of this Licence and is to return all keys to the Premises to the Owner.
- 9.2 If the Occupier leaves any goods or materials on the Premises after the end of the Licence Period, the Owner may remove them from the Premises, store and then dispose of them if they are not claimed by the Occupier within four weeks after the end of the Licence Period. The costs of removal,

storage and disposal are to be paid by the Occupier to the Owner on demand with credit being given for any sums received on their disposal.

## **10. INDEMNITY**

10.1 The Occupier shall be liable to the Owner for:

- (i) Breach of this licence;
- (ii) Any breach of the Occupier's undertakings contained in clauses 3 to 9; and
- (iii) The exercise of any rights given in Clause 2.

## **11. NO WARRANTIES FOR USE OR CONDITION**

11.1 The Owner gives no warranty that the Premises are physically fit for the purposes specified in clause 4.

## **12. LIMITATION OF OWNER'S LIABILITY**

12.1.1 the owner, its agents, subcontractors, consultants and employees are not liable for:

- i. Any damage, loss or destruction to any property of the Occupier or that of the Occupier's employees, customers or other invitees to the Premises; or
- ii. any losses, claims, demands, actions, proceedings, damages, costs or expenses or other liability incurred by Occupier or the Occupier's employees, customers or other invitees to the Premises in the exercise or purported exercise of the rights granted by clause 2, except where such liability arises from any negligence, act or omission of the Owner, its employees, customers, agents, sub-contractors and/or invitees.

## **13. TERMINATION**

13.1 The licence to occupy shall end on the earliest of:

(a) [30 September 2020]

(b) The Owner giving notice to the Occupier at any time of breach of any of the Occupier's obligations contained in clause 3 and 4.

(c) On not less than 14 days' notice given by the Owner to the Occupier or by the Occupier to the Owner.

13.2 If the notice referred to in 13.1 (c) is served by the Occupier then it shall be of no effect if, at the serving notice, (a) vacant possession of the whole of the Property is not given or (b) there is a subsisting material breach of any of the Occupier's covenants of this Licence relating to the state of repair and condition of the Property.

13.3 Termination is without prejudice to the rights of either party in connection with any antecedent breach of or other obligation subsisting under this agreement

## **14. RIGHTS OF THIRD PARTIES**

A person who is not a party to this agreement may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

## **15. NOTICES**

**1.1** 15.1 Any notice required to be given under this licence, shall be in writing and shall be delivered personally, or sent by pre-paid first-class post or recorded delivery or by commercial courier, to each party required to receive the notice as set out below. notice shall not be validly given by e-mail.

- to the Owner at: Liverpool John Lennon Airport, Liverpool L24 1YD and marked for the attention of the Legal Department
- to the Occupier at: [address] and marked for the attention of the [Legal Counsel].  
or as otherwise specified by the relevant party by notice in writing to each other party.

**1.2 13.2 Any notice shall be deemed to have been duly received:**

- if delivered personally, when left at the address; or
- if sent by pre-paid first-class post or recorded delivery, at 9.00 am on the second working day after posting; or
- if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed.

**2. 14 Governing law and jurisdiction**

14.1 This Licence and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

14.2 The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this licence or its subject matter or formation (including non-contractual disputes or claims).

This Licence has been entered into on the date stated at the beginning of it.

Signed for and on behalf of the  
Owner:

.....  
Director

Signed for and on behalf of the  
Occupier:

.....  
Director