**Framework Schedule 3 (Framework Prices)**

1. **Definitions**
   1. In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions)

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| **“Postal Charges”** | The fee charged by a third party provider (either Royal Mail or a Down Stream Access provider) for the collection and delivery of letters, large letters, and parcels.  This **EXCLUDES** the charges incurred for other delivery methods such as courier or other such delivery charges**.** |
| **“Paper Rates”** | Demonstrable fluctuations in the purchase price of pulp and paper in line with the RISI PPI Pulp and Paper Week <http://www.risiinfo.com/product/ppi-pulp-paper-week/> |
| **“Print Services”** | The services that the Supplier is required to provide to Buyers under Contracts placed under this Framework Contract, details of such Print Services being set out in the Specification and Framework Tender Response and any Order; |
| **“Print Services Charge**” | The amount charged by the Supplier to a Buyer for providing the Print Services; |

1. **Print Service Charge**

2.1 The Print Services Charges invoiced or charged to Buyers by the Supplier consist of the Charges for fulfilling the specified Print Services as defined during the Call-Off procedure or Order

1. **General Provisions**
   1. The Framework Prices set out in Annex 1 (Framework Prices) to this Framework Schedule 3 are the maximum that the Supplier may charge pursuant to any Call-Off Contract.
   2. The Supplier acknowledges and agrees that any prices submitted in relation to a further competition held in accordance with Framework Schedule 7 (Call Off award Procedure) shall be equal to or lower than the Framework Prices and
   3. Cannot be increased except as in accordance with this Schedule.
2. **Pricing Mechanisms for the Calculation of the Charges for providing Print Services**
   1. The Supplier shall utilise the Framework Prices as maximum charges where available, when calculating the Print Services Charges such as for example day rates
   2. Rate Cards; The Supplier shall formulate rate cards during the Call-off Procedure, where required by Buyers for specific print items
      1. The Supplier shall provide the Buyer a basis for calculating the rate card to ensure transparency of pricing and to demonstrate that the maximum Framework Prices are not exceeded.
      2. The Supplier shall ensure that rate cards remain competitive by for example undertaking benchmarking and or obtaining competitive quotes from their supply chain.
   3. Provision of Quotations; The Supplier shall provide one off / ad hoc quotations for Buyers where appropriate for example such as when rate cards have not been established or the Buyer has requested a non-standard or unique bespoke requirement.
      1. The Supplier shall provide the Buyer a basis for calculating the quotation to ensure transparency of pricing and to demonstrate that the maximum Framework Prices are not exceeded.
      2. The Supplier shall ensure that all quotations are competitive by for example benchmarking and / or obtaining competitive quotes from their supply chain.
   4. The Charges:
      1. shall be calculated in accordance with the terms of the Call Off Contract and in particular in accordance with the terms of the Order Form;
      2. cannot be increased except as specifically permitted by the Call Off Contract and in particular shall only be subject to Indexation where specifically stated in the Order Form; and
      3. shall not be impacted by any change to the Framework Prices.
      4. any variation to the Charges payable under a Call-Off Contracts must be agreed between the Supplier and the Buyer and implemented in accordance with the provisions applicable to the Call-Off Contract, and using the same procedure for altering Framework Prices in accordance with the provisions of this Framework Schedule 3.

1. **When the Supplier can ask to change the Framework Prices**

**Framework Prices excluding products that contain paper**

* 1. The Framework Prices (with the exception of products that contain paper) will be fixed for the first twelve (12) months following the Framework Commencement Date (the date of expiry of such a period is a **“Review Date”)**. After this the Framework Prices can only be adjusted on each following 12 month anniversary (the date of each such anniversary is also a "Review Date").
  2. Any proposed adjustment should be in line the Office of National Statistics **Producer Price Index, (PPI).** The base PPI will be set at the commencement date of the Framework Contract. All other costs, expenses, fees and charges shall not be adjusted to take account of any inflation, change to exchange rate, change to interest rate or any other factor or element which might otherwise increase the cost to the Supplier.
  3. Where the PPI Index:
     1. used to carry out an indexation calculation is updated (for example due to it being provisional) then the indexation calculation shall also be updated unless CCS and the Supplier agree otherwise;
     2. is no longer published, CCS and the Supplier shall agree a fair and reasonable replacement that will have substantially the same effect.

**Framework Prices for products that contain paper**

* 1. **Paper Price adjustments**; Framework Prices for products which contain paper will be fixed for the first twelve (12) months following the Framework Commencement Date (the date of expiry of such the fixed price period is a "Review Date"). After this Framework Prices can only be adjusted on each following 12 month anniversary (the date of each such anniversary is also a "Review Date").
     1. **Paper Price base price**; The base RISI price will be set at commencement of the Framework Contract and price changes will only be considered should there be an increase or decrease over the course of the relevant twelve (12) month period of the Framework Contract.
     2. Framework Prices for products which contain paper can only be adjusted in the event that there are demonstrable fluctuations over a twelve (12) month period in the purchase price of pulp and paper in line with the RISI PPI Pulp and Paper Week http://www.risiinfo.com/product/ppi- pulp-paper-week
     3. Where the RISI PPI Pulp and Paper Week shows that there has been an overall decrease in the purchase price of pulp and paper over the preceding twelve (12) months the Supplier shall ensure that this is also be reflected in the pricing offered under this Framework Contract going forward.
     4. Any proposed adjustment should be in line with the RISI PPI Pulp and Paper Week movement over each twelve (12) month period of the Framework Contract.
     5. CCS reserves the right to amend with agreement of the Supplier the relevant price index used to monitor the market.
     6. **Price amendments**; only where there have been demonstrable fluctuations in the purchase price of pulp and paper in line with the RISI PPI Pulp and Paper Week <https://www.fastmarkets.com/products/news-market-analysis/forest-products/ppi-pulp-and-paper-week-newsletter-sample-landing-page/> shall be permitted.

**What a Supplier needs to do when requesting a price increase**

* 1. The Supplier shall give CCS at least three (3) Months' notice in writing prior to a Review Date where it wants to request an increase. If the Supplier does not give notice in time then it will only be able to request an increase prior to the next Review Date.
  2. Any notice requesting an increase shall include:
     1. a list of the Framework Prices to be reviewed;
     2. for each Framework Price under review, written evidence of the justification for the requested increase including:
     3. For Framework Prices adjustments for products which contain paper, the following evidence is required as a minimum
        1. Evidence that there has been demonstrable fluctuations over a twelve (12) month period in the purchase price of pulp and paper in line with the RISI PPI Pulp and Paper Week http://www.risiinfo.com/product/ppi- pulp-paper-week and
        2. Invoice evidence of actual price changes incurred; that is evidence from its third party contractor in the form of line item detail on invoices pre and post price movement or evidence of exceptional circumstances to support any application.
        3. evidence that the Supplier has attempted to mitigate against the increase in the relevant cost components; and
        4. Evidence that the Supplier’s profit component of the relevant Framework Price is no greater than that applying to Framework Prices using the same pricing mechanism as at the Contract Commencement Date.
        5. Breakdown of the cost components that comprise the relevant Framework Price which shall be represented by a percentage of the total cost and the breakdown of each of the following areas relating to material, production, labour, delivery costs and profit as appropriate;
        6. details of the movement in the different identified cost components of the relevant Framework Price;
        7. reasons for the movement in the different identified cost components of the relevant Framework Price;
     4. For Framework Prices for products which do not contain paper the following evidence is required as a minimum
        1. Evidence that there has been demonstrable  fluctuations over a twenty four (24) month period  in the Producer Price index (PPI) [Producer price inflation, UK: January 2025](https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/producerpriceinflation/january2025)
        2. Invoice evidence of actual price changes incurred; that is evidence from its third party contractor in the form of line item detail on invoices pre and post price movement or evidence of exceptional circumstances to support any application.
        3. Evidence that the Supplier has attempted to mitigate against the increase in the relevant cost components; and
        4. Evidence that the Supplier’s profit component of the relevant Framework Price is no greater than that applying to Framework Prices using the same pricing mechanism as at the Contract Commencement Date.
        5. Breakdown of the cost components that comprise the relevant Framework Price which shall be represented by a percentage of the total cost and the breakdown of each of the following areas relating to material, production, labour, delivery costs and profit as appropriate;
        6. Details of the movement in the different identified cost components of the relevant Framework Price;
        7. Reasons for the movement in the different identified cost components of the relevant Framework Price;
  3. CCS shall consider each request for a price increase. CCS may grant approval to an increase at its sole discretion.
  4. Where CCS approves an increase then it will be implemented from the first (1st) Working Day following the relevant Review Date or such later date as CCS may determine at its sole discretion and Annex 1 shall be updated accordingly.

1. **Other events that allow the Supplier to change the Framework Prices**
   1. The Framework Prices can also be varied (and Annex 1 will be updated accordingly) due to:
      1. a Specific Change in Law in accordance with Clause 27 *(Changing the Contract)* of the General Terms;
      2. a review in accordance with insurance requirements in Clause 16 *(Insurance)* of the General Terms;
      3. a change in Framework Prices that are subject to the price control agreement as set out in Paragraph 7;
      4. a benchmarking review in accordance with Call-Off Schedule 16 *(Benchmarking)*;
      5. a request from the Supplier, which it can make at any time, to decrease the Framework Prices; and
2. **Framework Prices that are impacted by the price control agreement more commonly known as the universal service obligation (USO)**
   1. The Framework Prices in Lot 1 may be impacted by the USO.
   2. CCS acknowledges that the UK postal market is subject to a legal and regulatory regime and that Suppliers operating in this market offering end to end services and Down Stream Access (DSA) services may be subject to the USO which may have an impact on Framework Prices for outbound mail services.
   3. Framework Prices impacted by this legal and regulatory regime will be considered by CCS for review under this Framework Contract.
   4. Details of the USO are contained in the following link:

[OFCOM postal services USO](https://www.ofcom.org.uk/postal-services/information-for-the-postal-industry/upso)

* 1. CCS is aware that adjustments to Framework Prices that may be impacted by the USO usually take effect in January and April each year.
  2. For any changes to the Framework Prices, the Supplier must request a Variation in accordance with Clause 27 of the General Terms, and:
     1. take all reasonable steps to provide at least two (2) months prior written notification to CCS to confirm whether their Framework Prices will be impacted by adjustments due to the USO;
     2. requests must be submitted at the earliest opportunity and no later than four (4) weeks following the conclusion and publication of adjustments due to the USO within the UK postal market. Any request that is submitted later than this will not be considered by CCS;
     3. provide a list of the Framework Prices that are impacted by providing an updated version of Annex 1 accordingly;
     4. provide evidence to justify the increase;
     5. provide evidence that only the element of the price impacted by the USO has been increased;
     6. provide evidence that the Supplier has attempted to mitigate against the increase and any element of the price that is not impacted by the price control agreement USO has not been increased;
     7. CCS reserve the right to seek further information from the Supplier where the Supplier does not provide the evidence required.
  3. Where CCS approves an increase then it will be implemented from the 1st (first) Working Day following the relevant approval or such later date as CCS may determine at its sole discretion and Annex 1 shall be updated accordingly.

1. **When you will be reimbursed for travel and subsistence**
   1. Expenses shall only be recoverable where:
      1. the Time and Materials pricing mechanism is used; and
      2. the Order Form states that recovery is permitted; and
      3. they are Reimbursable Expenses and are supported by Supporting Documentation.
      4. For the purposes of Paragraph 8.1 of this Schedule, a “**Time and Materials pricing mechanism**” means a pricing mechanism whereby the Buyer agrees to pay the Supplier based upon the work performed by the Supplier's Staff, and for materials used in the project, no matter how much work is required to complete the project. In the event that a Call-Off Contract uses this pricing mechanism the price shall be based upon the prices detailed in the Framework Rate Card.

8.2 The Buyer shall provide a copy of their current expenses policy to the Supplier upon request.

**Annex 1: Rates and Prices**

**Redacted under FOIA section 43, Commercial Interests**