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Jerry Petherick  
Managing Director Immigration Services  
G4S Care and Justice Services Ltd  
Orchard Court 3  
Binley Business Park  
Coventry  
CV3 2TQ

26 July 2018

Dear Mr. Petherick,

**CONTRACT DATED 11 FEBRUARY 2008 BETWEEN HER MAJESTY'S PRINCIPAL SECRETARY OF STATE FOR THE HOME DEPARTMENT AND GSL UK LTD. FOR THE OPERATION, MAINTENANCE AND MANAGEMENT OF BROOK HOUSE IMMIGRATION REMOVAL CENTRE, GATWICK, WEST SUSSEX ('THE CONTRACT')**

**Notice of Change 139 - Reduction of DCO Contracted Hours from 46 to 40**

By this letter I give notice to you on behalf of the Authority that pursuant to Clause 13 of the Contract (Changes) and Clause 93 of the Contract (Extension of the Contract Term, the Authority requires you to alter the extent of the Service Provider's obligations under the Contract as set out in this Notice of Change.

1. I am in receipt of your proposal for the Additional Requirements relating to the Panorama Action Plan dated 17<sup>th</sup> June 2018. This includes a recommendation for the reduction of Detainee Custody Officers (DCO) Contracted Hours from 46 Hours Per Week to 40 Hours Per Week. To facilitate the reduction of DCO Contracted Hours G4S have also reprofiled their staffing groups and shall introduce the following additional staff changes:

- The provision of x3 DCOs per Residential Unit
- The provision of x1 DCO for each of the 4 Exercise Yards

The relevant operational days and times for the above roles are included in G4S' new staffing profiles.

2. Following careful consideration, the Authority is pleased to confirm acceptance of your proposal. This authorisation is granted in accordance with the details of the following documentation:
  - a. This Notice of Change (Reference Number: 139 dated 26<sup>th</sup> July 2018);
  - b. The Additional Requirements relating to the Panorama Action Plan dated 17<sup>th</sup> June 2018; and
  - c. The Service Provider Change Request (SPCR) Notice No: 130, dated 17<sup>th</sup> June 2018. - This also includes the document titled Appendix E1 Reduction of DCO Hours.
3. The proposed reduction of the DCO Contracted Hours shall:
  - Be introduced on a phased basis, with specific details to be agreed with the Authority;
  - Be in place until the Contract expires;
  - Result in an increase of 13 DCO FTEs equating to an overall increase from 132 to 145 DCO FTEs;
  - Be Captured in the relevant Staffing Proposals Tables at Schedule D19 of the Contract;
  - Require the agreement of Performance Measures in respect of the provision of DCOs for each of the 4 Exercise Yards.
4. The cost to the Authority for the services set out in your SPCR shall not exceed Commercially sensitive (exc. VAT). The additional cost will only be payable for each DCO above the baseline 132 DCOs that becomes operational following the completion of the ITC.
5. These costs shall be chargeable to the Authority in respect of DCOs employed above the existing baseline of 132 DCOs and shall be chargeable from the date that G4S formally reduce the DCO Contracted Hours and on receipt of confirmation that the additional staff set out in this Notice of Change have been appointed. G4S shall, invoice the Authority for the additional DCOs recruited as a result of this Notice of Change in the form specified in Appendix 2 to Schedule F (Operating Fee), together with such other documentation as the Authority may reasonably require. The costs include:
  - Basic annual salary, National Insurance contributions and relevant Pension contributions;
  - For indicative purposes only, the RPI indexation rate of 2.5%, (as the maximum rate permitted under the Contract) applicable from 21 May 2019 to 20 May 2020.
    - The accurate RPI indexation rate to be applied for this period shall be calculated in line with the provisions of the Contract as set out in Schedule F (Operating Fee).

Full details of these costs are provided in Appendix E1 Reduction of DCO Hours which forms part of the SPCR. The costs are also summarised in the table below:

Table 1: Costs relating to the Reduction of DCO Contracted Hours

Description	Contract Extension (Year 1) 21 <sup>st</sup> May 2018 - 20 <sup>th</sup> May 2019)	Contract Extension (Year 2) 21 <sup>st</sup> May 2019 - 20 <sup>th</sup> May 2020
Cost for the Reduction of DCH Contracted Hours	Commercially sensitive	Commercially sensitive
Total	Commercially sensitive	

6. All amounts quoted are exclusive of VAT.
7. It is agreed that following the issue of this Notice of Change both parties will work collaboratively to:
  - Include the revised daily DCO staffing hours in the spreadsheet outlining the total Required Staffing Levels;
  - Amend the Required Staffing Levels at Section 2.1 of Schedule G (Performance Evaluation) of the contract;
  - Update the relevant Staffing Proposals Tables at Schedule D19 of the Contract; and
  - Agree the relevant Performance Measures in respect of the provision of DCOs for each of the 4 Exercise Yards.

The above changes shall be made within three months of the issue of this Notice of Change. The new documents resulting from these staffing updates will be incorporated into the Contract under a separate Notice of Change.

8. The Authority acknowledges that G4S are proposing to table the reduction in DCO Contracted Hours as part of the 2018 DCO Pay Award negotiations with the relevant Trade Unions. If negotiations are successful, G4S undertake to use the savings achieved from this as a contribution towards funding the Home Office costs associated with this Notice of Change. The estimated savings that G4S anticipate achieving from these negotiations consists of a maximum of 2% of the annual 226 (current combined Brook House and Tinsley House) DCO headcount costs.
9. In all other respects, the Terms and Conditions of this Contract remain unchanged.

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Should you require any further clarification or information regarding this matter please contact Munier Jussab at the above address or by telephone on: DPA

DPA

Yours Sincerely,

Signature

**Leidy Gomez**

Commercial Manager - Home Office Commercial

c.c. Alan Gibson - Acting Director of Detention and Escorting Services

Ann Smith - Commercial Advisor - Home Office Commercial

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