

Dear Supplier,

Temporary changes to contractual pricing with Council suppliers

Thank you for your recent enquiry.

As a valued supplier ("**you/your**"), Derbyshire County Council (the "**Council/we/us/our**") is very aware of the financial pressures that are currently facing suppliers of services, goods and works to us.

In these uncertain times and with costs increasing for your business in many areas, we wish to support our suppliers on a temporary basis, where we are able to do so. We are currently undertaking further work to finalise how precisely we can help you. However, we acknowledge also that both you and the Council will have agreed to existing legally binding terms and conditions, which include pricing mechanisms for binding payments over the duration of that contract.

Nonetheless, we are willing, on a case-by-case basis, and in our sole discretion, to agree price changes in the contract with you, subject to contract. This will be where strictly necessary, and potentially allow an increase in the payments made by us to you that exceed those already agreed under the contract between us.

Where there is a case for reviewing the existing pricing, we will expect you to fully and clearly set out the particular market or financial pressures that are affecting your ability to supply us, or for the contract to be performed. If we agree, we will permit an increase in the contract price over and above what is currently in place.

Any increase, if agreed, is unlikely to exceed six months from being implemented. However, we will review the contract positions at that time and communicate with you if needed.

Any such price increases would clearly need to be subject to legal and governance requirements, including procurement law and our Financial Regulations.

As stated above, the Council does wish to support its suppliers wherever it can, in these difficult times. Under the above process, we can make changes in our contracts with you to allow our contractual relationship to continue, despite the current difficult trading conditions in the marketplace.