

Consultancy Support for Transfer of Estates Function to HMCTS

Statement of Requirements - Annex B

1. PURPOSE

- 1.1 The purpose of this requirement is facilitate the transfer of activities from the Ministry of Justice (MoJ) Estates Directorate (ED) to the newly created Property Directorate (PD) in Her Majesty's Courts and Tribunals Service (HMCTS) which will happen during Q1 2017 and ultimately be fully implemented by 31/03/2017. This work will ensure the smooth transfer of these services between MoJ and HMCTS.
- 1.2 The objective of this consultancy is to provide HMCTS with support during this provide of change in order to ensure that:
 - The HMCTS PD transfer activities are managed and resourced as a project to provide enhanced levels of governance, controls, support and progress;
 - The key dependencies between the HMCTS PD and MOJ ED projects are communicated and where possible aligned;
 - HMCTS PD and MoJ ED agree an approach which will ensure a fair distribution of resource, knowledge and experience.
- 1.3 This work builds upon the due diligence work undertaken by HMCTS during Q3 2016 and will use the project plan currently being completed by HMCTS.

2. BACKGROUND TO THE CONTRACTING AUTHORITY

- 2.1 Her Majesty's Courts & Tribunals Service (HMCTS) is responsible for the administration of the Court system across England and Wales and for the administration of the majority of the Tribunals system across the UK. It is run as a partnership between government and the judiciary, ensuring that justice can be done, and the rule of law supported. The function of HMCTS affects the lives of millions of people across the UK every year, whether directly or indirectly.
- 2.2 HMCTS is a large government agency, employing around 18,000 staff, and operating from just under 500 locations with a gross annual budget of around £1.8bn.
- 2.3 HMCTS is an executive agency sponsored by the Ministry of Justice (MoJ).

3. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

- 3.1 Like any service provider, the success of HMCTS depends on the quality of the service we provide and how we are meeting user expectations in the modern age. We know the level of service currently received at a court or tribunal is at best inconsistent and, at worse frustrating, despite the great efforts of our staff. Our model for service provision is clearly outdated - accessing our service often involves filling in paper forms, travelling to one of our buildings to complete a simple process or arranging face-to-face meetings to get basic guidance and advice. This leads to unnecessary complexity, confusion and delay for our users – as well as high levels of cost.
- 3.2 Even where we have tried to introduce more digital ways of working, we often rely on digitised versions of paper based business processes, layered on top of legacy IT systems, some of which are over 30 years old. They were not designed with a digital service in mind, being built to replicate paper forms and processes rather than taking advantage of opportunities to pre-populate or respond to users' selections. We have outdated back-end systems that prevent effective data sharing with our partner agencies, adding to delay, inefficiency and failure in the system. Our services have often been designed in silos, rather than developing a consistent approach to our user experience across our service. It follows that our user experience is inconsistent and unnecessarily confusing, particularly to our vulnerable users.

- 3.3 HMCTS is committed to creating a modern, effective and user-friendly Courts & Tribunals Services that delivers better justice at lower cost. HMCTS has secured a package of investment worth up to £780m over 5 years to embark on an ambitious programme of change and innovation to deliver a system that is fit for the 21st century. Backed by the Lord Chief Justice, the Senior President of Tribunals and HM Treasury, this programme will deliver radical change and leave a sustainable legacy for this crucial public service that individuals, communities and businesses rely on across the UK. We are calling this transformation “The Reform Programme”.
- 3.4 In early 2015 the HMCTS Reform Programme (the programme) commenced work to develop a coherent, future-proofed and user-centric vision and strategy for the transformation of HMCTS, and as of April 2016 the Programme moves into delivery.

4. SCOPE OF REQUIREMENT

- 4.1 A recent due diligence report identified 52 findings of which 17 have red status, 17 amber status and 18 green status. For each finding the report details the implications and recommended actions. At the time of this review none of the activities required to deliver a successful transfer of Estates functions into HMCTS Property Directorate have yet to be commenced.
- 4.2 The report identifies a number of recommendations of which the following 4 are key
- 4.3 The HMCTS PD transfer activities must now be drawn together and formally managed and resourced as a project to provide enhanced levels of governance, controls, support and progress.
- 4.4 The key dependencies between the HMCTS PD and MOJ ED projects need to be communicated and where possible aligned.
- 4.5 HMCTS PD and MoJ ED should agree an approach which will ensure a fair distribution of resource, knowledge and experience.
- 4.6 Change management and communication activities must now ramp up to ensure staff are fully informed and supported through the transition.
- 4.7 Recommendation 1 (an Overall Project Plan) is currently in preparation and will identify the transfer activities required over the next few months in order to
- 4.7.1 Complete the transfer of staff from MOJ Estates to HMCTS PD during Q1 2017
- 4.7.2 Complete the transfer of responsibility for the HMCTS estate from MOJ Estates to HMCTS PD, ultimately by 31/03/2017
- 4.8 Our requirement is for consultancy support to enable the transfer from MOJ Estates to HMCTS PD to be delivered on time and within the approved risk and financial envelope.
- 4.9 The envisaged scope is:
- 4.9.1 Project Management and Monitoring
- 4.9.2 Support to enhance/develop the Target Operating Model
- 4.9.3 Support to enable the appropriate transfer of people and processes
- 4.9.4 Communication support to facilitate the alignment of key dependencies between MOJ Estates and HMCTS PD

4.9.5 Management of the risks and appropriate escalation to HMCTS/MOJ, as required

4.10 **Management and Performance Information**

HMCTS expect to receive a weekly progress report, identifying the status of each key element, the key dependencies and risks with mitigating actions.

4.11 **Risk, mitigation and opportunities**

During the assignment, HMCTS expect to receive ongoing advice on the challenges and risks that will arise during the transition of the services from MoJ and HMCTS and how they could be managed and mitigated.

In addition, HMCTS expect to be informed of any opportunities to deliver immediate improvements to the delivery of services and the key steps in taking forward those opportunities.

5 **THE REQUIREMENT**

5.1 **Process and Suppliers Approach**

HMCTS expect that the assignment will be delivered by a small core team, some of whom will be dedicated to the work in order to ensure consistency and knowledge transfer.

During the assignment, HMCTS expect that some staff will transfer from MOJ Estates to HMCTS PD and therefore the assignment needs to be flexible so that some duties can be taken over during Q1 2017.

HMCTS envisages that this work will take place over the period to 31/03/2017 though the scale of the assignment (i.e. the resources required) may change during Q1 2017 as staff transfer from MOJ Estates to HMCTS PD.

As a result, HMCTS expect that during the assignment the supplier will pro-actively identify to the HMCTS Stakeholder areas that could be taken over by HMCTS PD and provide appropriate handover support including skills transfer.

HMCTS requires a combination of **Partner/Director, senior managers and managers/business analysts**. With regard to the Partner/Director, they should have a specific role not a quality assurance role within the assignment.

See also Section 6. Key Milestones.

5.2 **Format of Output**

5.3 HMCTS expect to receive ongoing pro-active support so that the transfer of activities is delivered. Within the agreed timescale and financial envelope:

- Using Project Management 'best practice' standards
- With all risks managed appropriately
- With all activities ultimately transferred to HMCTS by 31/03/2017
- With appropriate hand-over and knowledge transfer

- 5.4 All documentation should be written in non-technical language which is capable of easily being transferred to other environments so that key issues and information can be understood within the broader HMCTS.
- 5.5 In preparing the report HMCTS will expect that comparisons of practice and benchmarking will be undertaken with other appropriate sectors, whilst recognising the unique nature of the HMCTS estate, to identify options and approaches that could be adopted by HMCTS to deliver a high performing Estate function.
- 5.6 An indicative timetable for the process and approach is set out below in 6.1.

6 KEY MILESTONES

6.1 The Potential Provider should note the following project milestones that the Authority will measure the quality of delivery against:

Milestone	Description	Timeframe
1	Mobilisation and initial fact gathering and engagement meetings	Within week 1 of Contract Award
2	Appropriate consultancy support in place to support transfer of activities as agreed with HMCTS	Within 2 weeks of Contract Award
3	Weekly progress reports including risk reports to HMCTS senior management	Within 2 weeks of Contract Award
4	Identification of key handover points during the process to HMCTS staff	Within 2 weeks of Contract Award
5	Successful handover of agreed activities (as per project plan)	Q1 2017
6	Completion of agreed recommendations from due diligence or successful handover of such ownership to HMCTS staff	Q1 2017
7	Completion of transfer activities or successful handover of such activities to HMCTS staff	Q1 2017

7 PRICE

- 7.1 Prices are to be submitted via the BRAVO Solutions e-portal excluding VAT using Annex E.
- 7.2 The price offered by the potential supplier/s will be for completion of a package of work against the overall requirements detailed in this document against the milestones.
- 7.3 Please note when completing the pricing proposal (Appendix E) that HMTCTS requires a combination of **Partner/Director**, **Senior Managers** and **Managers/Business analysts**.
- 7.4 With regard to the Partner/Director, they should have a specific role not a quality assurance role within the assignment.
- 7.5 The maximum indicative budget for this requirement is **£150,000**. The Authority however reserves the right to increase the value of the contract by [up to] a further **£50,000** should there be a further requirement depending on transfer of duties etc. This will be negotiated with the supplier if required.

- 7.6 The original contract will end 31 March 2017. The Authority however also reserves the right to extend the contract, via formal variation, by [up to] a further three (3) months without a further call for competition.

8 STAFF AND CUSTOMER SERVICE

- 8.1 The Authority requires the Potential Provider to provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service to all Parties.
- 8.2 Potential Provider's staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract.
- 8.3 The Potential Provider shall ensure that staff understand the Authority's vision and objectives and will provide excellent customer service to the Authority throughout the duration of the Contract.

9 SECURITY REQUIREMENTS

9.1 Security Vetting

Personnel involved in the project will need to be covered by Baseline Personnel Security Standards (BPSS).

<https://www.gov.uk/government/publications/government-baseline-personnel-security-standard>

9.2 Confidentiality Agreement

The successful supplier will be required to complete and sign a Confidentiality Agreement with MOJ.

10 PAYMENT

- 10.1 The Customer shall pay all sums properly due and payable to the Supplier in respect of the Contract Services in cleared funds by no later than thirty (30) calendar days after the date of a validly issued invoice for such sums.
- 10.2 The Supplier shall ensure that each invoice (whether submitted electronically or in a paper form) contains all appropriate references and a detailed breakdown of the Contract Services provided and any disbursements and that it is supported by such other documentation as may reasonably be required by the Customer to substantiate the invoice.
- 10.3 The Supplier shall ensure that all invoices submitted to the Customer for Contract Services are exclusive of the Management Charge payable to the Authority in respect of the Contract Services. The Supplier shall not be entitled to increase the Contract Charges by an amount equal to such Management Charge or to recover such Management Charge as a surcharge or disbursement.
- 10.4 The Supplier shall make any payments due to the Customer without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the

Supplier has a valid court order requiring an amount equal to such deduction to be paid by the Customer to the Supplier.

10.5 All payments due shall be made in cleared funds to such bank or building society account as the recipient Party may from time to time direct in writing.

10.6 **Recovery of Sums Due**

10.6.1 Wherever under the Contract any sum of money is recoverable from or payable by the Supplier (including any sum which the Supplier is liable to pay to the Customer in respect of any breach of the Contract), the Customer may unilaterally deduct that sum from any sum then due, or which at any later time may become due to the Supplier under the Contract

10.6.2 Any overpayment by either Party, whether of the Contract Charges or of VAT or otherwise, shall be a sum of money recoverable by the Party who made the overpayment from the Party in receipt of the overpayment.

10.7 **Staged Payment**

10.7.1 Payment shall be paid in four stages.

- The first stage will be paid on completion of milestones 1 – 4 (and outlined in 6.1). This first stage will be on a time and materials (T&M) basis and capped at 20% of the overall bid price.
- The second stage payment will be paid on successful handover of agreed activities (as per project plan) – milestone 5. The second staged payment will be paid on a time and material basis and capped at 20% of the overall bid price. The overall price will be capped at the bid price and payment shall not exceed this amount.
- The third stage will be paid on successful completion of agreed recommendations from due diligence or successful handover of such ownership to HMCTS staff – milestone 6. The third staged payment will be paid on a time and material basis and capped at 20% of the overall bid price. The overall price will be capped at the bid price and payment shall not exceed this amount.
- The fourth and final stage will be paid on successful completion of transfer activities or successful handover of such activities to HMCTS staff – milestone 7. The fourth staged payment will be paid on a time and material basis and capped at 40% of the overall bid price.
- The overall price will be capped at the bid price and payment shall not exceed this amount.

11 **LOCATION**

11.1.1 The location of the Services will be carried out at Ministry of Justice, 102 Petty France, London. This site will be deemed the 'home office' for travel and subsistence purposes.