

CHANGE CONTROL

Contract Change Note

Contract Change Note Number	CCN002
Contract Reference Number & Title	CQC ICTC 723 – Contract for the Provision of Support, Maintenance and Hosting for CQC’s National Resource Planning Solution
Variation Title	Variation to terms and conditions of the Original Contract
Number of Pages	6

WHEREAS

CACI LIMITED (‘the Contractor’) and the **CARE QUALITY COMMISSION** (‘the Authority’) entered into a Contract for the provision of Support, Maintenance and Hosting for CQC’s National Resource Planning Solution dated 7 July 2017 (the "Original Contract") and now wish to amend the Contract.

IT IS AGREED as follows:

1. The Contract shall be amended as set out in this Change Control Notice:

Change Requestor / Originator	Care Quality Commission
Summary of Change	The Authority wishes to vary the terms of the Contract by invoking the provisions of clause 23. The specific contract amendments required by this Contract Change Note are set out in detail in Annex 1 .

Reason for Change	<p>CQC have previously benefitted from CACI's Ongoing Assistance Scheme (OAS) which afforded small changes to be made to the system by CACI. However, it has now become clear that CQC require more change from CACI than the OAS scheme is capable of. This is in part due to CQC's own system administration team becoming more proficient with the Cygnum system and being able to affect small changes (that would previously have come to CACI on the scheme) to the system themselves, but also many of the emerging CQC requirements for change require a level of development from CACI that is greater than the 5</p>	
	<p>days cap afforded in the OAS. The nature of this kind of development moves the type of project outside of the OAS boundaries provided for in current contract. Therefore, in order to achieve best value for money for these larger changes an increased level of resource team is needed, both in time and often the experience/skill level of the resource that is needed.</p> <p>It is not good value for money for CQC to have a series of large releases for change work as has happened previously. There is need to have a flexible approach to the frequent and medium sized requirements that are likely. In recognition of this, CACI have proposed a new scheme for CQC called an Operational Change Scheme (OCS).</p>	
Revised Contract Price	Original Contract Value	£943,862
	Contract Change Note CCN 001	£242,788
	CCN 002	£73,290
	New Contract Value	£ 1,259,940
Revised Payment Schedule	Please see Annex 1.	
Revised Specification	N/A	
Revised Contract Period	N/A	

Change in Contract Manager(s)	[REDACTED]
Other Changes	N/A

2. Save as herein amended all other terms of the Contract shall remain effective.
3. This Change Control Notice shall take effect on 1 January 2019.

SIGNED ON BEHALF OF THE AUTHORITY:	SIGNED ON BEHALF OF THE CONTRACTOR:
Signature: [REDACTED]	Signature: [REDACTED]
Name: [REDACTED]	Name: [REDACTED]
Position: [REDACTED]	Position: [REDACTED]
Date: 21/12/2018	Date: 19/12/18

Annex 1

Amendments to terms and conditions of Contract

Schedule 2 is amended as follows:

SCHEDULE 2 – PRICING

The paragraph in Schedule 2 entitled 'On-going Assistance Schedule' shall be deleted in its entirety and replaced with a section entitled 'Operational Change Scheme' as follows:

OPERATIONAL CHANGE SCHEME ('OCS')

Understanding the Scheme

The new OCS scheme will allow CQC from 1st January 2019 to 30th June 2019 inclusive (the 'Extended Period') to purchase service days up front for a change team resource profile from CACI to address a batch of CQC requirements for a fixed duration. The requirements to be addressed can only be related to the existing Cygnum functional and operational footprint already implemented within CQC.

CQC can indicate and work with CACI to fix the best timescale to deploy a project or projects throughout the Extended Period, bearing in mind that best value in terms of requirements delivered is likely to be achieved by utilising days in concurrent blocks wherever possible (e.g. eliminating the cost of 'pick-up, 'put down' on the same project).

This will be based first on a requirements elicitation/discovery exercise taking place (as part of the days purchased) which will indicate exactly what the balance of resource capability from CACI should look like (e.g. engineer vs. consultant). CACI will then look to secure the actual resource required for the project based on this and agree a mutually agreeable timescale for delivery based on CQC’s need and CACI’s resource capacity at the point in time of asking. Once planned, the resource will be locked in for CQC, fixed against the specific requirements to deliver.

Commitment to the scheme at the start of the Extended Period does not guarantee a specific resource profile or individuals, or any specific dates; however, CACI will always propose suitably qualified resource as per our contractual agreement, and the ordered commitment will ensure CACI allocate a project manager who will actively seek to deliver the days ordered over the year.

The CACI project manager will work with CQC to agree a Scheme Clarification Document which will describe the governance and operation of the scheme. This will be supplemented by individual Project Control Documents (PCD) for each continuous deployment of the scheme days.

At the commencement of the Extended Period, OCS days will be committed to and paid for by CQC. There will be no refund/credit on any OCS days not used during the Extended Period, however CACI will commit to work with CQC to always consider roll-over to any further extension and/ or new contract with CQC, should any OCS days be unused at the end of the Extended Period, or if CACI resource constraints have been unable to fulfil the Extended Period quota. CQC can procure additional OCS days at the rates shown below at any time (with no cap) on the understanding that CACI has available resource to accommodate within the requested period.

CACI can offer CQC the following (significantly advantageous) rates for the OCS scheme for the duration of the Extended Period (until 30th June 2019).

Service Type	Std Day Rate (0-25 days)	Disc. Day Rates (25+ to 150)	Disc.+ Day Rate (150+ days)
Blended role (All services, inc. project management, consultancy and engineering)	██████████	██████████	██████████

Note: The day rate discount is only applied to the days falling into the lower band, as opposed to the lowest rate reached applying to all days e.g. if ██████████. The bandings only apply to cumulative orders placed from 1st January 2019 to 30th June 2019.

Expenses will be recharged to CQC as per the terms of the Contract.

All prices in this document are stated excluding VAT.

CQC Commitment to the Operational Change Scheme

We understand that CQC wish to commit to a minimum yearly level of █████ OCS days during the Extended Period.

We propose to transfer the service days already procured for OAS that are left at 31st December 2018 to the new Operational Change Scheme first year budget. It is predicted that CQC will have [REDACTED] days remaining as of 31st December 2018. In order to allow for the full [REDACTED] for the Extended Period we propose an additional [REDACTED] are procured for this period.

The proposed cost for the additional OCS days applicable during the Extended Period using the new OCS rates and banding is detailed in the table below.

1st January 2019 to 30th June 2019

Days	Rate	Cost (ex. VAT)
[REDACTED]	[REDACTED]	[REDACTED]
F [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
Total		£61,075