

RM4605 L0714
Financial & consultancy support for Enabling Strategy business case definition

APPENDIX B
SERVICE DESCRIPTION
CONTENTS

1. Introduction
2. Purpose
3. Background to the authority
4. Background to requirement/Overview of requirement
5. Scope of requirement
6. Service levels and performance
7. Additional Requirements
8. Location
9. Security requirements
10. Budget
11. Project Timetable

1. INTRODUCTION

The Government Digital Service (GDS) which is part of the Cabinet Office (CO) and HM Treasury (HMT) have been commissioned by the Civil Service Board (CSB) to analyse the potential for digitally-enabled improvement of public services through the adoption of the “Government as a Platform” approach. See <https://www.gov.uk/service-manual/technology/government-as-a-platform.html> for further detail.

We seek external support to help us analyse the financial implications of this approach and to prepare a series of cross-government business cases. These business cases will set out the costs and benefits of adopting this approach over the course of the next Parliament, and provide a series of costed options for the incoming Government to consider.

2. PURPOSE

GDS and HMT have been commissioned by the Civil Service Board (CSB) to work with other Whitehall departments, executive agencies and other public bodies to create and agree a set of cross-government business cases for “Government as a Platform”. This work is known as the “Enabling Strategy”, and it has four main workstreams listed below. For each workstream we

RM4605 L0714

Financial & consultancy support for Enabling Strategy business case definition

need to estimate, in as much detail as is practicable, the cashable savings that could be achieved over the next Parliament (net of implementation and transition costs). These estimates will inform a set of cross-government business cases that will be agreed by the relevant departments, agencies and public bodies, HMT and GDS/CO.

The workstreams are:

Workstream 1)

Common technology services - adopting a common approach across government for sourcing, providing and managing the devices, productivity software and other services used by almost all civil servants; and transferring physical servers running legacy applications from high cost, physical data centres into lower-cost, secure cloud-based virtual environments.

Workstream 2)

Cross-government platforms - building a set of user-focused cross-government technology platforms that will make it simpler, cheaper and faster for departments and agencies to create and operate digital services for the general public and for civil servants; and transitioning existing digital services and applications to use those platforms over a number of years.

Workstream 3)

Agency transformation - re-designing and re-building public services operated by around 40 agencies and public bodies to make them fully digital operations, running on a set of common business and technology platforms that remove unnecessary manual interventions and minimise non-digital contact (with appropriate assisted digital provision in place).

Workstream 4)

There is also a fourth workstream of the Enabling Strategy covering the digital transformation of the justice system, the handling of freight at the border, and the administration of visas and immigration.

We do not yet have detailed plans to create similar cross-government business cases for this workstream, but bidders should be aware that we may require the winning supplier to provide additional resources to support this workstream develop over the coming months.

We recognise that this additional support, if needed, would increase the scope of the project and be chargeable by the supplier as an additional cost on the same basic terms and conditions. This would therefore constitute an optional requirement within the contract and the Authority reserves the right to request this during the contract period.

Financial & consultancy support for Enabling Strategy business case definition

3. BACKGROUND TO THE AUTHORITY

The Government Digital Service is part of the Cabinet Office and is leading the digital transformation of government, making public services digital by default, and simpler, clearer and faster to use. The contracting Authority will be the Cabinet Office but GDS will manage the day to day work.

We work in small, agile teams of developers, designers, content people and others. We build a minimum viable product quickly, then iterate – always asking how we can make things better for users, who are at the centre of everything we do.

But we're not just about websites. We're working with the rest of government to make public services simpler. We're finding ways to help those without digital skills to share the benefits of digital government. And we're building platforms like Verify – a way to confirm users are who they say they are. This is just some of what we do.

We are responsible for:

- GOV.UK, the single website for government, designed to make information and services clear and accessible
- building new digital services so good people prefer using them to the old paper versions they replace
- making sure people can sign in to government services safely and easily
- choosing the right technology for government, rejecting big IT contracts in favour of shorter, more flexible relationships with a wider variety of suppliers
- measurement and analytics, tracking how people use government information and services so we can keep improving them

For further information see <https://www.gov.uk/government/organisations/cabinet-office/about> and

<https://www.gov.uk/government/organisations/government-digital-service>

4. BACKGROUND TO THE REQUIREMENT

The enabling strategy work will provide government with the information, prototypes and business cases that will outline the investment costs and cashable savings achievable through the “Government as a Platform” approach, and demonstrate the feasibility of implementing this approach in an agile way.

These business cases will provide credible, robust analysis of:

- The current cost to provide relevant services to civil servants and the public

RM4605 L0714

Financial & consultancy support for Enabling Strategy business case definition

- The likely cost to implement and operate digitally-enabled and transformed services and organisations based on cross government platforms.

We will work with our colleagues around government to obtain and analyse relevant financial and operating data so we can build a financial model that shows:

- Current end-to-end costs of existing office IT systems and transactional services
- Current cost of ongoing change of existing office IT systems and transactional services
- Estimated operating and change costs for digitally transformed services and organisations
- Estimated cost to implement these transformations, including the cost of reducing workforce numbers, migrating users' data, and retiring legacy systems as needed

We plan to analyse a significant volume of financial and business operating data in a relatively short period of time, and despite best efforts neither GDS nor HMT are able to provide sufficient numbers of skilled personnel to complete this work without external assistance. Therefore we require external support primarily in the area of financial and economic analysis, which will be combined with service design and prototyping work being carried out in parallel by GDS, to create several cross-government business cases.

We also require external support from the same team to synchronise the cost models and savings with the organisational design and service transition plans and assumptions that deliver the change, primarily around the common technology and agency transformation workstreams.

5. SCOPE OF REQUIREMENT

The following is a detailed outline of the requirement.

For all three workstreams listed below the overall requirement is:

- The supplier will provide a project plan at the start of the work, which will outline the main deliverables and when they will be completed. This plan will be discussed and agreed with the authority at the start of the project and will be kept under regular review; changes may be proposed to the authority by the supplier (and vice versa) in light of progress made and information uncovered.
- The authority will measure the quality of the supplier's work through weekly progress review sessions at which updates to analysis and findings will be presented, which may include an overview of progress against project plan, summary of new information that has been gathered and analysed, highlighting of unexpected issues, explanation of analysis that has been carried out, and updated summary of findings to date and since the last progress review.

RM4605 L0714

Financial & consultancy support for Enabling Strategy business case definition

- The supplier shall keep the authority aware of scheduled problem solving / analysis sessions, and shall endeavour to include members of the GDS team for this workstream to ensure that knowledge is transferred.
- The supplier shall also provide daily verbal reports and weekly written reports on status of deliverables/work they are completing, have completed and are due to complete with dates of each, time taken etc. This shall also include financial reports indicating proposed and actual number of days worked and by which different level of person.
- The authority will be the owner of Intellectual property rights relating to all financial models, presentations, documents (including business cases) and any other deliverables prepared by the supplier in the course of this work, which will be shared by GDS and HMT with other parts of the government, and may be in due course be proactively published (in whole or in part) or released under freedom of information legislation.

For individual workstreams, our requirements are:

Workstream 1 - Common technology services

Summary of overall workstream 1 objective:

- Prepare and agree cross government business case for adoption of a new approach to sourcing, providing and managing the devices, productivity software and other services used by civil servants; establish initial operating capability of central IT function to run common services on behalf of departments and agencies; define overall strategy for delivery including the operating and funding model;
- Prepare and agree approach to transfer of physical servers running legacy applications from high cost, physical data centres into lower-cost, secure cloud-based virtual environments.

Summary of workstream 1 requirement:

- The Supplier shall work with GDS and HMT team members to prepare the cross-government programme business case(s) for the adoption of the new approach to common technology across relevant departments, agencies and public bodies. The financial case for the new approach will be derived by combining the roadmap of contract expiry dates in each department/agency, and any projected workforce reduction plans that would impact the overall number of users per department/agency, with the per-department/agency investment costs and savings estimated for the current procurement approach (applying a discount based on some level of assumed improvement in contract clarification) vs the new approach.
- Several different business cases to cover different aspects of the overall approach to common technology (eg email and directory services, document storage and collaboration tools, printing services, etc) or different types of users (eg SECRET users, front line and contact centre staff, administrative and policy staff, etc). We would

RM4605 L0714

Financial & consultancy support for Enabling Strategy business case definition

welcome advice from the supplier on the best approach to take. The content of the business case(s) will be iterated at least every four weeks, and our goal is to have socialised and agreed a programme business case with the most significant departments and agencies by the end of April 2015. The supplier shall ensure that GDS and HMT personnel are able to understand, operate and iterate the financial model at the completion of each major iteration of the business case(s).

- The GDS team on this workstream will define a set of common services, with input from the Supplier. The Supplier will then use that definition set to construct a financial model that allows us to quantify the investment cost and cashable savings for new approach vs re-letting contracts under the current approach, and hence estimate the financial element of the business case(s). The financial model will provide a baseline for the lifetime and annual cost per service line per user incurred, the number of users receiving each service line, across each government department and large agency/public body in our scope, the timing of contract expiry per organisation, and the investment cost and savings per organisation. We expect the scope of this baselining and investment/savings estimation will include around 25 government departments and approximately 25 other central government organisations (ie large agencies and other public bodies). The GDS team responsible for this workstream will provide the Supplier with estimates of the future cost per user for service line items as needed (including initial implementation and transition costs).
- To construct the current-costs baseline, the Supplier will obtain from the relevant departments, agencies and public bodies some combination of supplier/SI contracts, financial spend data (including historical lump-sum and initial setup amounts, as well as current regular cash payments) and operational reporting data (the exact information collected will vary depending on what is available, and follow-up requests may be necessary). Some of this information will already be available centrally, eg contract expiry dates. The supplier will also need to confirm how many civil servants are involved in the procurement, management and operation of these services within each organisation in scope, and the approximate per person cost to employ and manage those people. This will allow us to more accurately compare the cost of providing similar services across organisations with differing levels of internal vs outsourced personnel.
- The Supplier team will gather this information from finance, operations and IT units of the relevant organisations under the authority of GDS and HMT, as commissioned by the Corporate Management Board. A high degree of sensitivity will be necessary, and it is likely that in-person meetings will be needed in many cases to fully understand the data that is provided.
- In order to understand the current cost of providing “desktop IT” for civil servants, and the number of users who are provided with different services, we expect that the Supplier will need to gather and analyse data for at least the following service line categories.
 - devices - PCs (desktop/laptop/thin client), mobiles, tablets
 - networks - Wifi, LAN, WAN, VPNs
 - non-mobile telephony devices (VOIP and fixed line)

RM4605 L0714

Financial & consultancy support for Enabling Strategy business case definition

- printers and other multi-function devices
- licensing and management of productivity software including cloud-based products, locally-installed clients and servers (e.g. email, shared calendars, document storage and collaboration, directory services, document/presentation/spreadsheet editing, etc);
- licensing and management of locally-installed bespoke/task-specific software (e.g. user interface to case management packages, locally developed databases);
- Services - Infrastructure, Platforms, Software - (ie Layers for hosting services from hardware & OS up to actual applications)
- Service Providers - companies with whom there are contractual agreements to deliver the above, either as projects or ongoing services

Workstream 2 - Cross-government platforms

Summary of overall workstream 2 objective:

- prepare and agree cross-government programme business cases for at least ten cross-government technology platforms that will make it simpler, cheaper and faster for departments and agencies to create and operate digital services for the general public and for civil servants - eg a common payments hub for online acceptance of credit and debit cards that allows services to connect to multiple payment providers using a consistent API and provide a consistent interface to users;
- prepare and agree with relevant departments and agencies an indicative roadmap for cross-government platforms and for transition of existing digital services onto those platforms.;
- prototype several of these platforms during Q1 and Q2 of Calendar Year (CY) 2015, and put some into live service by Q3 of CY 2015;

Summary of workstream 2 requirement:

- The Supplier shall work with GDS and HMT team members to prepare cross-government programme business cases for the adoption of at least ten cross-government technology platforms. Our goal is to have initial versions of these programme business cases socialised and agreed with relevant departments and agencies by the end of April 2015. For example, a business case will be needed for the cross-government payments platforms, to cover the initial payments hub functionality for credit and debit cards, and longer term roadmap of features eg to add more sophisticated cross-government / cross-service fraud detection capabilities than are currently available.
- To inform these business cases, the Supplier will build a financial model that combines the estimated costs of building, operating and continuously improving specific technology platforms with the avoided cost of the current or planned standalone systems/features/capabilities that each platform would replace, thereby ensuring that

RM4605 L0714

Financial & consultancy support for Enabling Strategy business case definition

robust business cases with clearly identified investment costs and cashable savings can be drawn up per technology platform.

- The Supplier will work with the GDS team to obtain and analyse business transformation plans and technology roadmaps of around 20 government departments and large agencies. This will allow GDS to identify areas where an organisation is planning to create, improve or replace a technology capability in a standalone / department-wide way that could instead be met by reusing, extending or creating a cross-government technology platform. Where such plans are identified, the Supplier shall work with GDS/HMT and the relevant organisation to identify how much money the department/agency expected to spend on building and operating that technology capability, and how much time was allocated in their plans to design, test and deploy that capability.

Workstream 3 - Agency transformation

Summary of overall workstream 3 objective:

- Prepare and agree cross-government programme business cases for re-design and re-build of services operated by around 40 agencies and public bodies; redesigned services will be fully digital (ie designed from the ground-up around digital processes, not simply computerised versions of historical paper-based operations) and will run on a set of common business platforms and technology platforms that remove unnecessary manual interventions and minimise non-digital contact. These platforms will enable creation of appropriate, cost-effective assisted digital provision.
- Build working end-to-end prototypes for around 3 different types of service (eg obtaining a licence, updating information about ownership assets, etc) that encapsulate both the public-visible and civil-servant-visible aspects of the service, iterate them based on user research, and calculate implied organisational staffing levels that would be needed for these new service designs.
- Provide input to cross-government technology platforms roadmap.

Summary of workstream 3 requirement:

- The Supplier shall work with GDS and HMT team members to prepare cross-government programme business cases for the re-design, re-build and transition of a number of services currently operated by certain agencies and public bodies. We have identified around 40 agencies and public bodies that have significant headcount operating transactional public services and/or dispense or collect very large amounts of public money (eg grants, loans, vehicle duties, etc).
- During Q1 and Q2 of CY 2015 several GDS teams will analyse the current service offering and business capabilities of these 40 organisations, and then build prototypes of around 3 end-to-end services to meet certain high volume or high value user needs. Crucially, these user needs will be defined in terms of the user's overall journey, and not constrained by the current structure of service provision (eg getting from non-driver status to legal-driver status currently requires the users to find their way across several

RM4605 L0714

Financial & consultancy support for Enabling Strategy business case definition

different agencies and an even larger number of totally distinct services offered by those organisations). These new service designs will be fully digital, to minimise the amount of manual intervention by service providers and non-digital contact. The GDS teams will use these service designs and prototypes to build up a roadmap of common business processes and technology platforms that will be used to deliver these new services.

- In order to build robust business cases for service and agency transformation, we need to understand the current cost to deliver relevant services, and estimate the cost to build and operate re-designed services.
 - The supplier will build a set of financial models that aim to reverse engineer the “as is” financial model of certain organisations and the service lines within them, including the number of people working on current services; data for these models will be obtained from a variety of sources, including publicly available information such as annual reports, departmental reviews of agencies (eg BIS review of current and future state), and detailed operating data from agencies and public bodies where available.
 - The Supplier will work with the relevant GDS teams to build a financial model for each service-type prototype, driven by a set of assumptions around the prevalence and cost of manual intervention that will remain in the new service delivery model, and hence the organisational shape and size needed to deliver the prototyped service and other services of similar type, plus a proportional allocation of the cost to build and/or operate cross-government technology platforms. These financial models will also include costs associated with workforce reduction and/or retraining, investment costs for new business processes and cross-government technology platforms as required, and transition of users and their data from current systems to new platforms. The supplier will provide challenge and validation to these assumptions, ideally based on their experience of planning or assisting with similar transformation efforts in the private and/or public sector.
- We aim to have an overall plan laid out by the end of April 2015, and ideally to have socialised and agreed with relevant departments and agencies a small number of business cases covering several service transformations. These business cases will include a financial analysis of the implementation costs of service transformation. We expect that we will continue to iterate these business cases, and create additional business cases, during Q3 of CY 2015.

6. SERVICE LEVELS AND PERFORMANCE

The objective is to secure high quality financial advice for HM Government and to ensure that the advice and requirements set out in this Service Description are delivered. The Authority will monitor performance and the quality of delivery through weekly meetings with the selected members of the enabling strategy team to review the reports and status of work, milestone deliverables and overall project plan.

Financial & consultancy support for Enabling Strategy business case definition**7. ADDITIONAL REQUIREMENTS**

The Supplier shall issue electronic and paper invoices monthly in arrears. The Customer shall pay the Supplier within [thirty (30) calendar days] of receipt of a valid invoice, submitted in accordance with the agreed project payment profile. Each invoice shall be accompanied by a breakdown of the deliverables and services, quantity thereof, applicable unit charges and total charge for the invoice period, in sufficient detail to enable the Customer to validate the invoice.

8. LOCATION

The location of the Services will be carried out at:

The base of operations will be GDS, Aviation House, 125 Kingsway, London, with frequent travel to other parts of the UK to meet with officials from other departments and agencies as needed.

9. SECURITY REQUIREMENTS

There are no special security requirements applicable to this appointment beyond what is included in the call-off terms.

10. TEAM STRUCTURE, PRICING APPROACH AND EVALUATION

The Supplier is asked to propose how the Authority and the supplier will work together describing the numbers of team members and their roles required from both the Supplier and the Authority. Relevant governance arrangements to be put in place should also be described.

We are not solely looking for a fixed price proposal, but would encourage bidders to propose a payment structure that is flexible. In your pricing model, we are looking for a response that robustly accounts for the level of resource at different stages of the project. Your payment structure should reflect where you believe the team can be more financially efficient when delivering a specific milestone. This should be indicated using the pricing table below and adding additional tables (based on this one) for any alternative pricing proposals that you can offer e.g. if you believe that you can deliver milestone deliverables in shorter timescales than those at section 11.

Workstream and person	Names of People at each grade	Milestone deliverables / responsibilities	Available from	£ Price per day	Estimated number of days required	Total £ Price
Workstream 1						

RM4605 L0714

Financial & consultancy support for Enabling Strategy business case definition

Partner						
Managing Consultant						
Principal Consultant						
Senior Consultant						
Consultant						
Junior Consultant						
Trainee Consultant						
Sub Total						
Workstream 1 £ Price						
Workstream 2						
Partner						
Managing Consultant						
Principal Consultant						
Senior Consultant						
Consultant						
Junior Consultant						
Trainee Consultant						
Sub Total						
Workstream 2 £ Price						
Workstream 3						
Partner						
Managing Consultant						
Principal Consultant						
Senior Consultant						
Consultant						
Junior Consultant						
Trainee Consultant						
Sub Total						
Workstream 3 £ Price						
Total price						

The Authority reserves the right to invite to presentations anywhere up to the top three potential providers based on overall score. Precise details of the presentation would be issued closer to

RM4605 L0714

Financial & consultancy support for Enabling Strategy business case definition

the time, however at this stage the Authority would expect that senior individuals assigned to the project would attend the presentation. The presentation panel would likely consist of members of the Enabling Strategy Project Team.

The Authority would welcome any discounts from the agreed framework rate card.

Prices should be inclusive of expenses and exclusive of VAT. Expenses should initially be calculated in accordance with the base location of services. Where there is frequent travel to other locations, expenses will need to be mutually agreed with the Authority on the basis of the Authority's Expenses Policy. A copy of this has been attached as part of the ITT documentation.

11. PROJECT TIMETABLE, MILESTONES AND DELIVERABLES

This is for informational purposes so that resource requirements can be planned in line with required outputs to be completed. The timetable is to be agreed with the appointed Potential Provider, but provisionally forecast to include the following. Note that this timetable assumes that work starts in mid-February.

Milestone	Workstream	Deliverable	Target Date to complete milestones
Gather common technology services cost data	1 - Common technology services	Set of common technology services data from approximately 25 departments and 25 agencies presented	March 2015
Gather department platform roadmaps and costs data	2 - Cross government platforms	Set of cross government platforms data from 10-15 departments and agencies	
Gather agency cost data	3 - Agency transformation	Set of agency cost data from approximately 40 agencies	
Compile a list of all business cases to be produced and a plan for when each will be developed	1 - common technology services 2 - cross government platforms 3 - agency transformation	List of business cases to be produced and your advice on whether to combine these for: 1 - common technology services (3-5 business cases anticipated in total) 2 - an initial set of cross government platforms (5-10 business cases anticipated in total) 3 - agency transformation (number of	

RM4605 L0714

Financial & consultancy support for Enabling Strategy business case definition

		business cases to be determined during the project)	
Draft business cases for two workstreams	1 - common technology services 2 - an initial set of cross government platforms	Draft business cases for: 1 - common technology services (3-5 business cases anticipated) 2 - an initial set of cross government platforms (1-3 business cases out of the anticipated 5-10)	
Iterate business cases with HMT, CO, departments and agencies	1 - common technology services 2 - an initial set of cross government platforms	Completed business cases agreed by CO, HMT and relevant departments for: 1 - common technology services (3-5 business cases) 2 - an initial set of cross government platforms (1-3 business cases out of the anticipated 5-10)	April 2015
Develop the remaining business cases for business cases and iterate with HMT, CO, departments and agencies	2 - cross government platforms 3 - agency transformation	Completed business cases agreed by CO, HMT and relevant departments for: 2 - cross government platforms (5-10 business cases anticipated in total) 3 - agency transformation (number of business cases to be determined during the project)	June 2015

Note that the Authority may request that workstream 4 is initiated during this timeframe, and would only be undertaken by mutual agreement of the Authority and the service provider.