

Management Consultancy Framework 2 (MCF2)

Call Off Order Form

Provision of Complex and Transformation Consultancy Services

FRAMEWORK SCHEDULE 4

CALL OFF ORDER FORM

PART 1 – CALL OFF ORDER FORM

SECTION A

This Call Off Order Form is issued in accordance with the provisions of the Framework Agreement for the provision of complex and transformation consultancy services Lot 3 dated 4th September 2018.

The Supplier agrees to supply the Services specified below on and subject to the terms of this Call Off Contract.

For the avoidance of doubt this Call Off Contract consists of the terms set out in this Call Off Order Form and the Call Off Terms for RM6008 ("[Call Off Terms](#)").

Order Number	TBC
From	HM Revenue & Customs Transformation Group ("CUSTOMER")
To	Moorhouse Consulting Ltd ("SUPPLIER")
Date	18 June 2021 ("DATE")

SECTION B

1. CALL OFF CONTRACT PERIOD

1.1.	Commencement Date: 21 June 2021
	Expiry Date: End date of Initial Period: 20 June 2023 (Optional) Maximum Call-Off Contract Extension Period: 6 months Minimum written notice to Supplier in respect of extension: 30 days

2. SERVICES

2.1	Services required: The Customer requires support from the Supplier who has proven expertise in the field of Portfolio Management delivery and operations to lead the Transformation Portfolio through a dedicated managed service, to drive delivery of HMRC's agreed Portfolio Management strategy in the medium term and create a sustainable 'fit for the future' in-house Portfolio Management function. The overarching services required are set out in the RFP (Request for Proposal) (Appendix A) see 10.12 Call Off Tender below. The principles associated with how the Services will be provided, and the outcomes to be supported by the Supplier are set out in the Supplier Response (subject to all key
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assumptions and HMRC dependencies identified therein) (Appendix B) see 10.12 (Call-Off Tender) of this Call Off Order Form.

It is expected that work for all phases will be completed within 18 months from the contract Commencement Date see 1.1 of this Call Off Order Form.

Statements of Work (SOW)

The services required for Phase 1 and the principles associated with how the support will be provided and the outcomes to be delivered by the Supplier are set out in the Phase 1 SOW (Appendix C).

For subsequent SOWs required under the auspices of this Call-Off Contract, the following process will be used:

- Using Appendix C as a template, the Customer will capture its requirements: this will include a specification of requirements detailing the work needed, the outcomes required, and the date the Supplier's SOW proposal is required by.
- The Customer will share this requirement in writing with the Supplier and request a proposal, using Section 2 'Suppliers Response' on the template.
- The Supplier will provide the SOW proposal to the Customer, which will include costs and a project plan of the milestones needed to deliver the outcomes together with identification of key assumptions and HMRC dependencies.
- Upon receipt, the Customer will review the SOW proposal and reserves the right to request any changes to the SOW proposal as may be required to ensure the required outcomes will be delivered to the Customer's satisfaction.
- Once the final SOW proposal is agreed by both parties, the Customer will attach/include the SOW proposal as part of the Call-Off Contract documentation, using the formal Variation Form (Call Off Schedule 12 (Variation Form) of the Call Off Terms) to formalise the agreement where appropriate.

The Supplier shall not have any obligation to commence work in respect of any Services or be responsible for the provision of any Deliverables, unless and until a SOW and/or a Variation Form for such additional or other Services and/or Deliverables has been signed by both parties.

Location

Given the current restrictions due to COVID-19, the Supplier will need to work virtually to begin with. The specifics of how this will be handled will be discussed with the Supplier upon contract commencement.

Once measures have been relaxed the primary locations for the delivery of the Services are expected to be:

- Croydon 1, Ruskin Square, Dingwall Road, Croydon, Surrey, CR0 2WF
With occasional presence also required in:
- Portsmouth, Lynx House, 1 Northern Road, Portsmouth, PO6 3XA

The prime location(s) will be confirmed and included in individual SoW's.

As part of the delivery, for example to conduct stakeholder workshops and meetings, it will be necessary for the Supplier to travel to other HMRC sites upon request.

Where appropriate the Authority will authorise working from the Supplier's premises.

Staff Vetting Procedures

	Supplier Personnel involved in the delivery of these Services will be cleared to BPSS level unless explicitly stated otherwise in the SOW.
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3. PROJECT PLAN

3.1.	<p>The Services will be provided in accordance with the Request for Proposal document (Appendix A) and the and the individual Statements of Works. In the event of and only to the extent of any conflict between Request for Proposal document (Appendix A) and the individual Statements of Works, the individual Statements of Works will take precedence.</p> <p>Any timetable will be dependent on the Parties fulfilling their respective responsibilities.</p>
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4. CONTRACT PERFORMANCE

4.1.	<p>Standards:</p> <p>Applicable Standards for this Call-Off Contract are per Section 11, Standards and Quality, detailed in the Call Off Terms.</p> <p>Individual SOW's will contain additional specific standards where appropriate</p>
4.2	<p>Service Levels/Service Credits:</p> <p>Not Applied</p>
4.3	<p>Critical Service Level Failure:</p> <p>Not Applied</p>
4.4	<p>Performance Monitoring:</p> <p>Post Assignment Review meetings (PAR's) will be held monthly (attended by Commercial Directorate and Key Personnel for the Supplier and Customer see 5.1 of this Call Off Order Form) to agree outcomes/achievement of milestones and subsequent approval of any invoices.</p>
4.5	<p>Period for providing Rectification Plan:</p> <p>Applicable period for providing Rectification Plan is per Clause 39.2.1(a) (Rectification Plan Process) of the Call Off Terms.</p>

5. PERSONNEL

5.1	<p>Key Personnel:</p> <p><u>Customer</u></p> <p>[REDACTED]</p> <p><u>Supplier</u></p> <p>[REDACTED]</p>
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	<p>Key Personnel must be named in any subsequent SOW's commissioned under the terms of this Call Off Order Form.</p> <p>Any changes or additions to Key Personnel throughout the contract duration must be agreed in writing between the Supplier and Customer.</p>
5.2	<p>Relevant Convictions</p> <p>Refer to Clause 28.2 of the Call Off Terms.</p>

6. PAYMENT

6.1	<p>Call Off Contract Charges (including any applicable discount(s), but excluding VAT):</p> <p>The charging principles for this Call Off Contract can be found in the Charging Model Schedule, provided by the Supplier as part of their Tender response, embedded at 10.12 and as provided as Appendix B.</p> <p>As detailed in the Charging Model referred to above the fixed cost for the Phase 1 SOW (Appendix C) package is [REDACTED] (excluding VAT)</p> <p>The payment terms/profile for any services commissioned as part of this Call Off Order Form will be for payments to be made upon:</p> <ul style="list-style-type: none"> the completion by the Supplier of the milestone deliverables/outcomes stated in the SOW. acceptance by the Customer that the deliverables/outcomes have been completed to the Customer's satisfaction. <p>Charging format and frequency will be agreed within each SOW and will be based on the day rates provided in the Charging Model Schedule.</p> <p>Invoices will be agreed monthly at specified PAR meetings and against the SOW.</p> <p>No commitment is given to the extent as to which further SOW's will be commissioned from this Call Off Order Form. The charging principles, including the additional expected investment approach, should be used to determine the charges for any subsequent SOW's and will require approval via the Customer's internal governance processes and confirmation with the Supplier through the formal contract variation process.</p> <p>The maximum aggregated Call-Off Contract value is £8,300,000 (excluding VAT)</p>
6.2	<p>Payment terms/profile</p> <p>The Supplier shall invoice the Customer monthly in arrears as set out in the mechanics of 6.1 above.</p> <p>The payment method for this Call-Off Contract is by BACS transfer through the HMRC Ariba network. The Supplier will issue an electronic invoice monthly in arrears. The Customer will pay the Supplier within 30 days of receipt of a valid invoice.</p>
6.3	<p>Reimbursable Expenses:</p> <p>Given that most of the work should be able to be completed at HMRC's primary locations and at the Supplier's own premises, additional Travel and Subsistence expenses will not be paid and must be accounted for as part of the base charge proposal.</p>

	<p>Should excessive requests be made of the Supplier to travel to other HMRC sites then Travel and Subsistence expenses will only be paid with the prior agreement of the HMRC Work Manager.</p> <p>Any expenses agreed to by the HMRC Works Manager must be in compliance with HMRC travel & subsistence policy, which will be provided at the time of the request.</p>
6.4	<p>Customer billing address</p> <p>Invoices will be sent to the Customer's electronic transaction system.</p>
6.5	<p>Call Off Contract Charges fixed for 2 Contract Years.</p> <p>Refer to Schedule 3 (Call Off Contract, Charges, Payment and Invoicing) of the Call Off Terms</p>
6.6	<p>Supplier periodic assessment of Call Off Contract Charges (paragraph 9.2 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing) of the Call Off Terms) will be carried out on:</p> <p>1st November of each Call Off Contract Year during the Call off Contract Period.</p>
6.7	<p>Supplier request for increase in the Call Off Contract Charges (paragraph 10 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing) of the Call Off Terms):</p> <p>Via agreement in writing between the Parties.</p>

7. LIABILITY AND INSURANCE

7.1	<p>Estimated Year 1 Call Off Contract Charges:</p> <p>As detailed in 6.1 of this Call Off Order Form</p>
7.2	<p>Supplier's limitation of Liability</p> <p>Applicable Supplier's total aggregated liability are available in Clause 37.2.1 of the Call Off Terms.</p>
7.3	<p>Insurance (Clause 38 of the Call Off Terms)</p> <p>The insurance(s) required will be:</p> <ul style="list-style-type: none"> • A minimum insurance period of 6 years following the expiration or ending of this Call Off Contract • Professional indemnity insurance is held by the Supplier and by any agent, Sub-Contractor or consultant involved in the supply of the Services and that such professional indemnity insurance has a minimum limit of indemnity of one million pounds sterling (£1,000,000) for each individual claim • Employers liability insurance with a minimum limit of £5,000,000 or any higher minimum limit required by law.

8. TERMINATION AND EXIT

8.1	<p>Termination on material Default</p> <p>As per Clause 42.2.1 of the Call Off Terms</p>
8.2	<p>Termination without cause notice period</p> <p>As per Clause 42.7 of the Call Off Terms</p>


8.3	Undisputed Sums Limit: As per Clause 43.1.1 of the Call Off Terms
8.4	Exit Management: <p>Call Off Schedule 9 (Exit Management) shall be amended as follows:</p> <p>Under the terms of the Contract, the Supplier must commit to co-operating with the Customer to ensure efficient Exit Management as SOW's are completed.</p> <p>All documentation produced under this Call Off Contract must be returned to the Customer.</p> <p>The Supplier must ensure that knowledge transfer to the Customer's team is a fundamental part of the Exit Management process.</p> <p>Four weeks prior to the planned end date of the completion of the SOW, at the Customer's request, the Supplier must provide an Exit Plan. The Exit Plan must describe:</p> <ul style="list-style-type: none"> • what further activities are needed by the Customer to continue to deliver the Programme effectively; • how any knowledge retained by the Supplier's team needed to complete such activities efficiently will be transferred to the Customer team (on the understanding that the Customer's team may include contractors and third parties) and the content format and location for any formal knowledge transfer sessions where required.

9. SUPPLIER INFORMATION

9.1	Supplier's inspection of Sites, Customer Property and Customer Assets: <p>The Customer will also provide any equipment needed, such as personal computer (Microsoft Surface Pro), to any member of the Supplier's team as required for the duration period agreed in any Statement of Work package.</p> <p>Upon completion of the Statement of Work package the Supplier must ensure that all the Supplier's team members return any equipment provided by the Customer in full working order. Where any such equipment is not returned then the Supplier will be responsible for any replacement costs.</p>
9.2	Commercially Sensitive Information: <p>Any information relating to the following provided by the Supplier will be considered to be commercially sensitive/confidential and exempt from disclosure under the Freedom of Information Act 2000 ("FOIA"):</p> <ul style="list-style-type: none"> • Personal information (CV's, contact details etc.) • Pricing, including details of cost base or insurance arrangements. • Proprietary information <p>The Government's Transparency Agenda may require the publication of Government contracts. In accordance with guidance issued by GPS and the Code of Practice for FOIA, the Customer will consult the Supplier regarding the redaction (as envisaged in the GPS guidance and Code of Practice) of certain parts of the contract, including those areas identified above, for this work.</p>

10. OTHER CALL OFF REQUIREMENTS

10.1	Recitals (in preamble to the Call Off Terms):
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	<ul style="list-style-type: none"> Recital B: The Customer has followed the call off procedure set out in paragraph 1.3 of Framework Schedule 5 (Call Off Procedure) and has awarded this Call Off Contract to the Supplier by way of further competition. Recital C: The Customer issued Statement of Requirements for the provision of the services on 20 April 2021. Recital D: The Supplier submitted a Call Off Tender to the Customer on 04 May 2021 Recital E: The Customer selected the Supplier to provide the services to the Customer in accordance with the terms of this Call Off Contract.
10.2	Call Off Guarantee (Clause 4 of the Call Off Terms): Not Required
10.3	Security: Short form security requirements (paragraphs 1 to 5 of Schedule 7) Security contained in the Call Off Terms. and Security Management Plan as embedded below 
10.4	ICT Policy: The Supplier's team must ensure that when they are using equipment provided by the Customer they must comply with the Customer's ICT/Security policies. When the Supplier's team members are accessing the Customer's systems using the Customer's equipment the ICT/Security policies can be located at the following URL: https://intranet.prod.dop.corp.hmrc.gov.uk/section/how-do-i/get-help-security/security-information-zone The Supplier must ensure that all team members are made aware of the need to comply with ICT/Security policies and that team members are directed to where the security policies are located.
10.6	Business Continuity & Disaster Recovery: Not Applied
10.7	NOT USED
10.8	Protection of Customer Data It is not envisaged that this Call Off Contract will involve the processing of Customer Data but should this arise in the course of the Services, then before any Customer Data is supplied to the Supplier, the Customer shall notify the Supplier in writing accordingly and Clause 35.2 of the Call Off Terms will apply following receipt of such notice.
10.9	Notices (Clause 56.6 of the Call Off Terms): Customer's postal address and email address: HMRC Commercial Directorate 5W Ralli Quays 3 Stanley Street Salford

	M60 9LA [REDACTED] Supplier's postal address and email address: Moorhouse Consulting Ltd 20 St Andrew Street London EC4 3AG [REDACTED]
10.10	Transparency Reports (Call Off Schedule 13 (Transparency Reports)) Not Applied
10.11	Alternative and/or Additional Clauses from Call Off Schedule 14 and if required, any Customer alternative pricing mechanism: Key Sub-Contractor The Customer has consented to the engagement of IBM as a Key Sub-Contractor. Where the Supplier wishes to appoint a new Key Sub-Contractor, it must obtain the prior written consent of the Customer (the decision to consent or otherwise not to be unreasonably withheld or delayed). The Customer may reasonably withhold its consent to the appointment of a Key Sub-Contractor if it considers that: the appointment of a proposed Key Sub-Contractor may prejudice the provision of the Services or may be contrary to its interests; the proposed Key Sub-Contractor is unreliable and/or has not provided reliable goods and/or reasonable services to its other customers; and/or the proposed Key Sub-Contractor employs unfit persons. Managing any future potential conflicts of interest The Supplier and its Key Sub-contractor IBM will consult with HMRC Senior Managers prior to preparing any bids for any work (other than changes to or extensions of work already being delivered under this or other existing contracts between HMRC and Moorhouse and / or IBM) in respect of other programmes within the Transformation Portfolio, whilst they are delivering the Services under this Call Off Contract or any Statement of Work package agreed under it. Consultation will follow an agreed process: <ul style="list-style-type: none"> • HMRC, Moorhouse and IBM will each appoint a named point of contact. From a Moorhouse and IBM perspective this will be operated by nominated individuals who have no involvement with the delivery of Services under this Call Off Contract or any Statement of Work package agreed under it as part of our Portfolio Management Delivery Partner role • Any requests for consultation will be by email. All parties commit to confirming receipt of the email immediately, acting reasonably and responding with an answer in a timely manner, in order not to jeopardise a potential bid response. • If during such a consultation, Moorhouse and / or IBM express a desire to bid for an RFP, and HMRC agrees (acting reasonably) that an Ethical Wall Agreement would address any conflict of interest concerns, Moorhouse and / or IBM will sign a specific Ethical Wall Agreement. This will provide assurance of a boundary between our Portfolio Management Delivery Partner team and any future bid team. If HMRC considers that an Ethical Wall Agreement would not adequately address

	<p>any conflict of interest concerns, it will provide Moorhouse and / or IBM with its reasons for that conclusion.</p> <p>The following will act as the named points of contact for consultation in the event of a future potential conflict of interest for the duration of this Call Off Contract:</p> <ul style="list-style-type: none"> • HMRC: [REDACTED] • Moorhouse: [REDACTED] • Key Sub-Contractor: [REDACTED] <p>Mandatory Terms</p> <p>The Supplier shall comply with the Customer's Mandatory Terms as set out in Appendix D of this Call-Off Contract. For the avoidance of doubt and contrary to any other provision relating to precedence of terms in this Call-Off Contract, in case of any ambiguity or conflict, the Customers Mandatory Terms will supersede any other terms in this Call Off Contract.</p>				
10.12	<p>Call Off Tender:</p> <p>Call Off Tender response and subsequent updates consist of the following embedded documents:</p> <ul style="list-style-type: none"> • Customers RFP (also provided as Appendix A at the end of this Order Form in the signed DocuSign version of this Call Off Contract) • Suppliers Responses extracted from the Customer's e-sourcing portal • Suppliers Proposal (Key Staff CV's, Action Plan, SV Roadmap and Presentation/Clarifications) • Suppliers Charging Model Schedule (Also provided as Appendix B at the end of this Order Form in the signed DocuSign version of this Call Off Contract) <p>[REDACTED]</p>				
10.13	<p>Publicity and Branding</p> <p>As per Clause 36 of the Call Off Terms.</p>				
10.14	<p>Staff Transfer</p> <p>Schedule 10 of the Call Off Terms, Staff Transfer Parts A and B</p> <p>Not Applied.</p>				
10.15	<p>Processing Data</p> <p>Call Off Schedule 17</p> <p>Not Applied. It is not envisaged that this Call Off Contract will involve the processing of Personal Data but should this arise in the course of the Services, then before any Customer Personal Data is supplied to the Supplier, the Customer shall notify the Supplier in writing accordingly and the Parties shall complete the below table and thereafter Clauses 35.2 and 32.5 of the Call Off Terms will apply.</p>				
<table> <tr> <td>Contract Reference:</td><td>SR623061524</td></tr> <tr> <td>Date:</td><td></td></tr> </table>		Contract Reference:	SR623061524	Date:	
Contract Reference:	SR623061524				
Date:					

Description	Details
Identity of the Controller and Processor	
Use of Personal Data	
Duration of the processing	
Nature and purposes of the processing	
Type of Personal Data	
Categories of Data Subject	



FORMATION OF CALL OFF CONTRACT

BY SIGNING AND RETURNING THIS CALL OFF ORDER FORM (which may be done by electronic means) the Supplier agrees to enter a Call Off Contract with the Customer to provide the Services in accordance with the terms Call Off Order Form and the Call Off Terms.



The Parties hereby acknowledge and agree that they have read the Call Off Order Form and the Call Off Terms and by signing below agree to be bound by this Call Off Contract.

In accordance with paragraph 7 of Framework Schedule 5 (Call Off Procedure), the Parties hereby acknowledge and agree that this Call Off Contract shall be formed when the Customer acknowledges (which may be done by electronic means) the receipt of the signed copy of the Call Off Order Form from the Supplier within two (2) Working Days from such receipt.

For and on behalf of the Supplier:

Name and Title	
Signature	
Date	

For and on behalf of the Customer:

Name and Title	
Signature	
Date	

Appendix A – Customer's Requirements

Request for Proposal

HM REVENUE & CUSTOMS	
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Title: Name of project / requirement	HMRC Transformation Group – Portfolio Management Delivery Partner
HMRC Reference: To be quoted in all correspondence	SR623061524
Date issued:	20 th April 2021
Deadline for Responses:	Tuesday 4 th May 2021 @ 11.30am

1.	Contact Details		
Issued to:	MCF2 Lot 3 Service Providers who have expressed an interest in this opportunity.	From:	HM Revenue and Customs, Commercial Directorate
		Address:	HMRC Commercial Directorate, Ralli Quays, Salford, M60 9LA
		Contact:	[REDACTED]
		Email:	[REDACTED]

2. Background
<p>2.1. Purpose</p> <p>HMRC Transformation Group is seeking a Portfolio Management Strategic Delivery Partner with proven expertise in the field of Portfolio Management delivery and operations to lead the Transformation Portfolio through a dedicated managed service, to drive delivery of HMRC's agreed Portfolio Management strategy in the medium term and create a sustainable 'fit for the future' in-house Portfolio Management function over the next 18-24 months.</p> <p>2.2. Background to HMRC</p> <p>HM Revenue & Customs (HMRC) is the UK's tax, payment and customs authority. Its ability to swiftly and accurately collect and distribute funds underpins the delivery of the UK's public services and the targeted support to families and individuals. HMRC's services are part of the UK's critical national infrastructure.</p> <p>HMRC also protects the fairness of the tax system by making it hard for the dishonest minority to avoid payment of their taxes, undertaking debt collection and legal</p>

enforcement of those who try to avoid or evade their responsibilities. It has a workforce of approximately 58,700 FTEs, ranging from customer service advisors to data analysts. For the financial year 2018-19, HMRC:

- collected £627.9bn in total tax revenue.
- made total benefits and credits payments of £40.1bn to 3.3m families.
- delivered £576m in sustainable cost savings.
- had 93.5% of Self-Assessment tax returns filed online; and
- had a total of 19m customers signed up for Personal Tax Accounts.

HMRC has four strategic objectives that guide everything it does:

- Collect the right tax and pay out the right financial support.
- Make it easy to get tax right and hard to bend or break the rules.
- Treat everyone fairly and protect society from harm.
- Make HMRC a great place to work.

Our vision is to be a world-class organisation – and our work is underpinned by our values:

We are Professional:

- We are ambitious, confident and expert in running HMRC for the benefit of the country
- We strive for clarity, simplicity, consistency and excellence in our work
- We partner with others and collaborate within and across teams to achieve great results
- We enjoy what we do and are proud to serve our customers and society

We act with Integrity:

- We have high ethical standards and act in the best interests of the country
- We are honest, open, fair and even-handed in our treatment of others, regardless of status
- We exercise judgement and discretion, and hold ourselves to account for our actions

We show Respect:

- We empower and trust our colleagues and customers to do the right thing, and we help them to succeed
- We are friendly, courteous, inclusive and considerate of the circumstances of others
- We recognise, value and celebrate the views, qualities and achievements of others

We are Innovative:

- We champion new and different ways of working, and adapt and move with the times

- We have the courage and tenacity to challenge how things are done, and feel safe to take risks to do them better
- We are committed to continuous improvement and to developing ourselves

2.3. Background to HMRC Transformation Group

HMRC Transformation Group (TG) has recently been created to lead and manage cross-cutting transformational change with the organisation. A dedicated resource that keeps the total picture of change joined up and which collaborates with every part of the business. The group will also ensure the Project Profession goes from strength to strength. Leading and developing a community of strong and capable change professionals all working to standards that meet HMRC's needs.

Whilst the group is new and we are designing and developing new ways of working and functional capabilities, some of the teams and functions within the group are well established in HMRC, as they are core functions to any large-scale organisation. Portfolio Management is the cornerstone function of this new group. Whilst in many ways, it is highly established the Groups Director General has taken this opportunity to overhaul the approach we take in HMRC, recognising the need to make it more dynamic and equipped to support the departments 10-year vision and strategy.

As it stands today, the portfolio is already well underway with the delivery of this strategy, but it is at a turning point. The department is rightly first addressing some of the core internal infrastructure investment needed in order for it to keep pace with the modern world and become world class. Therefore, the portfolio has a high focus on technical remediation and overcoming areas of technical debt. It is also redefining from a number of necessary prioritisation decisions the department needed to make in order to successfully deliver EU Exit and COVID responses. Now is the time to ensure that the technical remediation happens at pace so, over the next two to three years, the focus of the portfolio can shift back to transformation.

Our vision for best-in-class portfolio management is not just one of process. Portfolio management in HMRC must be a highly inclusive and transparent function that works with every element of the department to help them achieve successful outcomes. With high levels of analytics and understanding, the function will be an engaging and supportive centre that, ultimately, provides HMRC's executive and the Transformation Groups Director General, what they need to ensure strong decision making and public accountability responsibilities are met.

We have already started this journey. A Portfolio definition function has been developed to ensure we have a strong front door on our change and the links to our strategic outcomes are always clear and visible for every £1 we invest and deliver on. We have also an 'Air Traffic Control' function in set up, to give much tighter control on the in-flight delivery of our programmes, get a better understanding our where we have capacity pinch points and, importantly, to really understand our risks.

2.3.1. What we need

We are looking for a strong and experienced partner to join our team at this exciting point in our set up. We need you to come in and pick up from our strong start and develop the portfolio function in line with our vision and strategy. The stage you are joining us at is one where we need action and delivery and leadership, not design and consultancy.

Accompanied by a number of civil servants, you will be the team. You will therefore work in partnership with HMRC but will be accountable for leading the delivery of the portfolio.

Your time with us will have three stages of delivery. You will start by completing the build of a best-in-class portfolio function that we have started, all whilst maintaining the in-flight portfolio. You will then stabilise and normalise this new way of working and structures we have implemented together. Finally, you will set about recruiting and equipping a long-term sustainable in-house function. The first stage is expected to be a rapid mobilisation stage completed within a maximum of 3 months and Phases 2 and 3 will be subject to the timeline we jointly agree and set. You will be expected to set out at the start how you will deliver on all three stages.

Most importantly, we want you to be our partner in every way. You will be providing the Portfolio leadership tier and your seniors will have a seat at the Transformation Groups SLT table and be regularly briefing the Executive and ministers.

HMRC is seeking to engage with organisations or consortia who might be interested in working with the Department to deliver the requirements and outcomes set out in this document, leading the three phases of delivery:

- Phase 1 - Mobilise by immediate injection of senior leadership capability, within the Portfolio to transition to a Managed Service and future operating model.
- Phase 2 – Deliver a Managed Service in alignment with HMRC's Portfolio Management Strategy and preparation for the in-house managed Service transition.
- Phase 3 – Develop an in-house populated structure with the capacity and capability to fully support a sustainable in-house Portfolio Management capability that can flourish.

3. Requirements

3.1. General Requirements

The Delivery Partner will be expected to lead and deliver the outlined outcomes as part of three phases, covering an 18 - 24-month period. Phase 1 should be a rapid mobilisation phase completed within a maximum of 3 months (shorter and credible time periods would be beneficial). As part of the Phase 1 delivery, the Provider shall work with the Portfolio to align and sequence the delivery Outcomes for Phases 2 & 3.

3.2. Phase 1 Outcomes

3.2.1. Business Value realisation

- The Business Groups, Programme Directors and their teams are highly engaged, collaborating with the Portfolio, with a well-developed sense of collective ownership and responsibility across the Department.
- Programmes operate in a way that is consistent and aligned, conforming to a set of common artefacts.
- Those artefacts are used to drive proactive portfolio management and discussion in a way that is collaborative, minimises bureaucracy and drives high standards.
- The Portfolio is able to report against key metrics that allows the executive to engage by exception, with the executive being well informed and served by such reports.

- Return on investment is maximised (monetary or outcome terms) by active use of the portfolio roadmap to understand unfunded change, delivery progress and identification of risks to outcomes which HMRC have committed to (organisational and public).

3.2.2. Operation of the Portfolio

A fully functional Portfolio Management service which provides clear insight in the delivery of HMRC's project portfolio. Led by the chosen Delivery Partner, and supported by HMRC employed staff, the team will consist of two core functions plus a leadership and analysis team, that will:

- Successfully manage the collective delivery of major projects at HMRC Portfolio level to meet strategic objectives.
- Own the single roadmap of transformational change that is aligned to HMRC 's strategic objectives.
- Set and maintain clear accountabilities for the Portfolio leadership team and the business.
- Identify the right capability and capacity needs for the business to deliver HMRC's transformational change needs.
- Bridge between strategy, design and delivery ensuring they remain linked.
- Ensure the Portfolio has the right team structure with the roles and responsibilities needed to manage a world class and sustainable in-house Portfolio Management service.

3.2.3. Tooling Applications

- Development, configuration and deployment of the chosen ATC and Portfolio Management tooling application for the Portfolio which is embedded and utilised across the business, with clear automated processes in place.

Note: HMRC are responsible for and are currently in the process of selecting and procuring the ATC and Portfolio Management Tooling application and it is anticipated that it will be procured before the partner starts. Should the tooling not be procured in time the phased delivery outcomes will need to be realigned.

3.2.4. Capability

- Clearly defined capabilities and proficiencies are in place in the Portfolio to deliver the End-to-End Portfolio Management Capability.
- The skills gaps have been identified and filled by the Delivery Partner and the team are equipped and able to complete knowledge transfer from the current 3rd party partners and HMRC staff.

3.2.5. Increase Productivity & Efficiency

- The Portfolio has automated processes that provide a clear line of sight in real-time through effective tooling.
- The Portfolio has reduced the administrative effort of Programmes and Projects through smarter automation.

- The Portfolio has a clear line of sight and near real-time reporting, with a meaningful reduction in the administrative effort in collating and processing data.

3.2.6. Strategic Alignment

- Active, participative integration and forming part of the Transformation Group Senior Leadership Team (SLT).
- The relevant Leadership (aligned with the decision levels) team make effective 'early intervention' decisions and management of risks and issues through quality insight, data and information on in-flight delivery.

3.2.7. Governance

- The Portfolio has a defined and structured governance model to monitor, track and report across the Portfolio with clear points of escalation.

3.2.8. Management Information & Reporting

- The Portfolio is reporting against a defined set of MI reports that can be viewed across multiple platforms by internal and external stakeholders.

3.2.9. Performance Management

- The Portfolio has a defined service level and standards with clear reports and a defined set of KPI metrics for the Programmes and Portfolio.

3.3. Phase 2 & 3 Outcomes (to be aligned with the successful Delivery Partner)

3.3.1. Operation of the Portfolio

5. The portfolio can actively demonstrate improved management and control through:
 - Increased delivery confidence.
 - Increased success in milestone delivery and quality of delivery.
 - Reduced need for major prioritisation exercises in year.
 - Improve forecasting (with 5% tolerance).
 - Opportunities for financial and resource reallocation identified and agreed as they arise rather than through reprioritisation exercises.
 - A developed workforce that is proficient and capable, and able to deliver a world class innovative managed service.

3.3.2. Capability

- The Portfolio is a sustainable and professional organisation with the right people with the right skills and ability to deliver the in-house Portfolio management function.
- The skills gaps have been identified and filled by the Delivery Partner and the team are equipped and able to complete knowledge transfer from the Delivery Partner to the in-house team

3.3.3. Increase Productivity & Efficiency

- The in-house team has clearly defined roles and responsibilities and is operating to the standards, processes and KPI's.

- The Portfolio has increased the collaboration between the Programme and Portfolio and has the ability to address system and process improvements and act upon recommendations from the business.
- There is a better understanding of the role portfolio management plays across HMRC and projects.
- The portfolio is active and supportive in the creation and approval of business cases in readiness for their submission to formal approval boards. This includes assuring that the process of building a business case has been through the necessary design and strategic consideration so all options are explored and value for money offered.

3.3.4. Data Management

- Data management processes are implemented and defined in line with HMRC standards and controls, which HMRC Programmes and Projects can administer and support in-house.

3.3.5. Continuous Improvement

- A sustainable continuous improvement strategy is in place that supports the Portfolio to deliver an innovative and collaborative service.
- Continuous improvement processes and practices are developed and embedded across the business.
- The Portfolio has a team with the capability to drive and continue innovation and deliver further efficiencies post exit.

3.3.6. Strategic Alignment

- Clear articulation of decision-making parameters is defined between leadership teams Executive Committee (ExCom), Transformation Group and Portfolio Group.
- Develop and run a portfolio leadership team consisting of Transformation Group Finance, the seniors within the Delivery Partner, the Head of Professional Excellence (HOP) and the Director General of Transformation. This team shall ensure proactive management of risks through early involvement/intervention, providing the executive insight based on the data.
- A clear articulation of the way the portfolio integrates with teams across the whole of HMRC.

3.3.7. Governance

- A clear and articulated understanding of how the portfolio integrates with HMRCs wider governance.

3.3.8. Innovation

- Ability to identify and deliver innovative solutions to support the Portfolio's strategic objectives and deliver a forward-thinking delivery team.

3.3.9. Management Information and Reporting

- Portfolio team to be able to obtain and analyse the performance and status across all programmes and report to the executive.
- Programme Directors are able to obtain and analyse the performance and status across their programme and Projects and report to their appropriate governance boards.

3.3.10. Transition

The transition plan that supports the Portfolio through each Phase of the project to Steady state is defined and managed with:

- The resource to support the transition to a Portfolio Managed Service.
- The delivery of the Portfolio Management service.
- The recruitment, development and training of the HMRC in-house team is completed by the delivery partner prior to Exit.

3.3.11. Exit Strategy

- The Delivery Partner has a defined exit strategy and plan capturing all processes, procedures and services that will be returning to HMRC in-house team through formal documentation.
- The necessary Civil Service employed skills are in place and ready and able to take full leadership control when the Delivery Partner exits.

3.3.12. Performance Management

- Ability to analyse and audit the delivery success, status and data intelligence of Programmes.

3.3.13. Financial Management

6. The Portfolio has clear accountability and tracking on:

- Benefits realisation.
- Financial performance down to Programme level.
- A defined set of VFM criteria is in place tracking key business requirements such as the ROI against Business case, alignment to the Programme and Portfolio strategy and risk impact of change to IT infrastructure.
- The Programme and Portfolio can forecast effectively and manage to within 5% of Budget allocation in 2 years.

3.4. People Related Requirements

Potential Delivery Partner's staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract.

As a minimum, it is expected staff working on this contract are to be Prince2/MSP qualified. Recognised benefits management, risk management and change management training is also highly desirable.

The qualifications and experience should be clearly identified within the CVs of the proposed delivery team.

The Delivery Partner will be working alongside a team of approx. 15 HMRC staff, which should support much of the administrative/supporting activities. The Delivery Partner will be responsible for leading their work and performance. These numbers will be kept under-review particularly during Phase 1.

The Delivery Partner will work closely with other functions and teams in the Portfolio, such as HMRC led Finance, Affordability and Value for Money (VfM) function - a team consisting of around 17 HMRC staff.

3.5. Security

In delivering the service, the Delivery Partner must ensure that the standards, best practice guidelines and approaches that are required to protect UK government assets contained in the [Security Policy Framework](#) are adhered to.

Security and vetting requirements will be determined by the HMRC Security Information Business Partner on a case-by-case basis where additional clearance may be required. For the avoidance of doubt the Baseline Personnel Security Standard (BPSS) is the minimum standard.

3.6. Duration / Implementation Plan

The proposed start date for the assignment is targeted to be mid-June 2021.

The proposed duration of the assignment to conduct all the work and to deliver the outcome products is a maximum of 18-24 months.

The proposed end date for the Call-Off contract will therefore be end of December 2022.

There will be an option to extend the Call-Off for up to a maximum of 6 months.

The Delivery Partner will provide a Draft Implementation Plan, inclusive of milestones. Any changes to the plan must be agreed within 14 days of the contract commencement date.

Any changes to the baseline version of the Implementation Plan must be agreed by both parties in writing.

3.7. Reporting

The Delivery Partner will be expected to provide progress reports as agreed within the first two weeks of contract commencement, which will have a minimum monthly frequency. A Strategic Partnership Board will be set up that will include the rhythm, frequency and reporting requirements.

Monthly contract review meetings will be held between the Delivery Partner's Lead Partner and the Director of Transformation.

3.8. Continuous Improvement

To extract the greatest benefit for HMRC and ensure no duplication of work, there will be clear terms within the contract for the Delivery Partner to:

- Utilise/align with existing HMRC standards/frameworks where fit-for-purpose.
- If not, working with CCG TD and HMRC teams, develop artefacts that can then be incorporated within HMRC Central Change repository; and
- Ensure there is a transference of skills throughout and prior to close of contract.

The Delivery Partner will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.

The Delivery Partner should present new ways of working to the Authority during monthly Contract review meetings.

Changes to the way in which the Services are to be delivered must be brought to the Authority's attention and agreed prior to any changes being implemented.

3.9. Statement of Works (SoW's)

For Statement of Work packages required under the auspices of this Call-Off Contract, the following process will be used:

- HMRC will make a request in writing to the Delivery Partner to provide a proposal in a SoW format. The request will include a specification of requirements detailing the work needed, the outcomes required, and the date the Delivery Partners SoW proposal is required by.
- The Delivery Partner will provide the SoW proposal to HMRC, which will include a project plan of the milestones needed to deliver the outcomes.
- Upon receipt, HMRC will review the SoW proposal and reserves the right to request any changes to the SoW proposal as may be required to ensure the required outcomes will be delivered to HMRC's satisfaction.
- Once the final SoW proposal is agreed by both parties, HMRC will attach/include the SoW proposal as part of the Call-Off Contract documentation, using the formal Call Off Variation Form, (Schedule 12 of the Call Off Terms) where appropriate.

3.10. Social Value

Social Value criteria drawn from Procurement Policy Note 06/20 Taking Account of Social Value in the Award of Central Government Contracts will be included in the Quality questionnaire and evaluated accordingly.

On 1st January 2021, Procurement Policy Note (PPN) 06/20 launched a new model to deliver social value through government's commercial activities. The Authority will take account of the additional social benefits that can be achieved in the delivery of this Contract on Theme 2 - "Tackling economic inequality", using policy outcome "Create new businesses, new jobs and new skills".

More information can be found from *The Social Value Model link*.

MAC 2.1 The Delivery Partner shall create opportunities for entrepreneurship and help new organisations to grow, supporting economic growth and business creation.

Activities that demonstrate:

- Understanding of the level of small, medium and large organisations and Voluntary, Community and Social Enterprises and Mutual participation in the contract supply chain.
- Identification of opportunities to grow supplier diversity in the contract supply chain or in the location/community where the contract is performed, including SME and VCSE participation and new business creation.
- Engagement activities for potential new suppliers to the contract supply chain, prior to awarding subcontracts. Illustrative examples: advertising upcoming opportunities in accessible media; raising awareness of future opportunities to target audiences; meet the buyer events; awareness raising by guidance or events of how to tender effectively for public supply chain contracts.
- Measures to make the supply chain working environment conducive to a diverse range of suppliers and growing businesses, including but not limited to:
 - structuring the supply chain selection process in a way that ensures fairness (e.g., anti-corruption) and encourages participation by new and growing businesses.
 - advertising supply chain opportunities openly and to

ensure they are accessible to new and growing businesses, including advertising subcontracting opportunities on Contracts Finder.

- Ensuring accessibility for disabled business owners and employees.
- prompt payment.
- Illustrative examples: co-design and co-creation of services; collaborative performance management; appropriate commercial arrangements; inclusive working methods and use of inclusive technology; creating opportunities for entrepreneurship and helping new, small organisations to grow.

3.11. Location

Given the current restrictions due to COVID-19, the Delivery Partner will need to work virtually to begin with. The specifics of how this will be handled will be discussed with the Delivery Partner upon contract commencement.

Once measures have been relaxed the primary locations for the delivery of the Services are expected to be:

- Croydon 1, Ruskin Square, Dingwall Road, Croydon, Surrey, CR0 2WF

With occasional presence also required in:

- Portsmouth Lynx House, 1 Northern Road, Portsmouth, UK, PO6 3XA

The prime location will be confirmed and included in individual SoW's.

As part of the delivery, for example to conduct stakeholder workshops and meetings, it may be necessary for the Delivery Partner to travel to other HMRC sites upon request.

Where appropriate the Authority will authorise working from the Delivery Partner's premises.

HMRC will provide the relevant IT equipment (personal computer) to enable the Delivery Partner to deliver the service.

7. Charging Schedule

4.1. Pricing Structure

The pricing terms for the requirements outlined in the Section 3, will be based on a combination of a core team based on Time and Materials (T&M) and fixed price work packages; this will be up to maximum value of £6-7M over a maximum 18-24-month period.

Upon contract commencement fixed cost packages of work will be discussed and agreed with the successful Delivery Partner. Each SOW will be assigned a set cost to enable tracking.

The pricing structure will consist of the following elements contained in the Charging Schedule:

- Rate Card - effective for the full contract term which will be used to:

- Provide a comparison on the rates arrived at through the tender process compared against the standard MCF2 rates.
- Readily demonstrate how Value for Money (VfM) is being achieved through the use of the framework discounted rate card.
- Provide the pricing basis for determining the potential costs of any future work packages commissioned through this contract, where VfM can clearly be demonstrated.

Phase 1 Fixed Cost Breakdown to include a plan with costed milestones to arrive at an overall price for Phase 1 and an accompanying Resource Plan.

The charges shown in the implementation plan for delivering the milestones take precedent and act as the fixed pricing mechanism for invoicing purposes. The resource plan will allow HMRC to monitor that the resource detailed in the resource plan has generally been used for the delivery of the Phase 1 milestones.

Phase 1 is expected to be completed within a maximum of 3 months.

The Delivery Partners are also asked to provide Phase 2 and 3 proposed costs for delivery and exit within their written proposal responses and to enter this information on the Phase 2 and 3 Estimated Resource Plan Tab.

Costs for Phases 2 & 3 shall be subject to a fixed costing upon agreement of the detailed scope. This is expected to be within 10% of the proposed costs indicated in the bid.

The Delivery Partner will provide their charging proposal by completing the Pricing Template and uploading it into their response to the relevant question in HMRC's eSourcing portal, SAP Ariba.

4.2. Invoicing

Invoices must only be submitted upon completion of the milestones and/or following the monthly review at the amount to be charged for each milestone as detailed in the Implementation Plan.

Prior to invoicing, acceptance and approval must be sought from the HMRC employee responsible for managing and approving the work (the Work Manager) that the milestone has been completed.

Under no circumstances should the aggregated total value of invoices, including the proposed value of your final invoice, exceed the amount stated in the signed contract, unless additional work has subsequently been agreed in writing as a formal contract variation.

Invoicing will be conducted via HMRC's eTrading system provided by SAP Ariba.

4.3. Expenses

Expenses will not be payable if a Delivery Partner is invited to make a presentation as part of the tender process.

Given that most of the work should be able to be completed at HMRC's primary locations and at the Delivery Partner's own premises, additional Travel and Subsistence expenses will not be paid and must be accounted for as part of the base charge proposal.

Should excessive requests be made of the Delivery Partner to travel to other HMRC sites then Travel and Subsistence expenses will only be paid with the prior agreement of the HMRC Work Manager.

Any expenses agreed to by the HMRC Works Manager must be in compliance with HMRC travel & subsistence policy, which will be provided at the time of the request.

All other expenses/disbursements will be payable at the discretion of HMRC Work Manager. The Delivery Partner shall not incur any such expenses without the prior approval of the HMRC Work Manager. Any expense incurred by the Delivery Partner without prior approval shall not be reimbursed.

5. Commercial Terms

5.1. Terms & Conditions

Any contract entered into as a result of this RFP process will be under the auspices of the CCS Management Consultancy Framework, Contract ID RM6008, Terms & Conditions.

The "RM6008 MCF Call Off Order Form" template will be used to formalise and execute the contract and will include the framework Terms & Conditions.

5.2. Additional HMRC Specific Terms & Conditions

The Delivery Partner shall comply with the Authority's mandatory terms (Annex C). For the avoidance of doubt and contrary to any other provision relating to precedence of terms in the Call-Off Contract, the Authority's mandatory terms will supersede any other terms in the Call-Off Contract.

6. Tender Responses

6.1. Tendering Instructions

Delivery Partners responding to this RFP must ensure they have read, and understood, the Tendering Instructions (Annex D)

6.2. Procurement Timeline

The outline planned procurement timeline, which may be subject to change is:

ACTIVITY	DATES & TIMES
Publication of ITT. Notice inclusive of Launch of e-Sourcing event and clarification period commencement.	20/04/2021
Clarification period closes (" Tender Clarifications Deadline ")	26/04/2021 10:00am
Deadline for the publication of responses to Tender Clarification questions	27/04/2021
Deadline for submission of Tenders to the Authority (" Tender Submission Deadline ")	04/05/2021 11:30am

Commencement of Evaluation Process	04/05/2021
Potential Delivery Partner Clarification / Presentation Meetings	17/05/2021
Issue intention to award letters	03/06/2021
Expected execution (signature) date for Contract(s)	18/06/2021
Expected commencement date for Contract(s)	21/06/2021

6.3. Clarification / Presentation Meeting(s)

- 6.3.1. As referred to in the Tendering Instructions, HMRC reserves the right to request clarification with those applicants, where further clarification of their tender response is needed to ensure that all aspects of the contract requirements will be met.
- 6.3.2. Should Clarification/Presentation meetings be held these are expected to take place on 17/05/2021 and will be held virtually.
- 6.3.3. Delivery Partners will be required to present a summary of their written proposal and take clarification questions from the panel. Specific details and attendees will be communicated nearer the time. This stage will also provide an opportunity for the panel to meet the operational team and better understand the skills and expertise they will bring to the project.

6.4. Award Weighting Requirements

- 6.4.1. The award weightings to be used for this procurement will be announced in due course.
- Technical – 70%
 - Social Value – 10%
 - Cost – 20%

Tenders may be rejected where it is deemed that the proposed costs will exceed the maximum contract value.

6.5. Scoring Table

Scoring will be kept within bands and scores allocated will be in line with the scoring scheme contained in the table below:

Score	'Open' Question Criteria
100	<p>The response is excellent and completely relevant. The response is comprehensive, unambiguous and demonstrates an excellent understanding of, and meets, the requirements in all aspects, with no clarification required. The response is well thought out and/or provides.</p> <ul style="list-style-type: none"> • highly credible examples. • benefits; or • innovation.
80	<p>The response is good and highly relevant. The response indicates a good understanding of the requirements and provides sufficient detail across all areas. The response demonstrates how the requirements will be met in the main, which may require minor clarification only.</p>

60	The response is satisfactory and relevant. The response indicates a satisfactory understanding of the requirements in most aspects, although may lack detail in certain areas. The response suggests that the outline requirements would be met satisfactorily but some clarification may be required.
40	The response is limited and partially relevant. The response indicates partial understanding of the requirement. The response contains ambiguities or deficiencies, which suggests that the requirements could be met, but clarification would be required.
20	The response is poor and only partially relevant. The response addresses some aspects of the requirements but contains insufficient/limited detail or explanation. The response demonstrates only limited understanding of the requirement. The response contains ambiguities or deficiencies which suggest the requirements would not be met.
0	The response is not considered relevant. The response is unconvincing, flawed or otherwise unacceptable. Response fails to demonstrate an understanding of the requirement.

7. Request for Proposal Response

7.1. Response Format

- 7.1.1. RFP/Tender responses must be submitted electronically using the HMRC's eSourcing Portal.
- 7.1.2. Accessibility needs, which cover a range of disabilities, should be highlighted to HMRC at the earliest opportunity if it is felt that they may hinder the Tenders' ability to provide a response.
- 7.1.3. As part of the e-Sourcing event service providers are required to answer all the questions contained within the questionnaires.

7.2. Selection Questionnaire

- 7.2.1. In response to the Selection Questionnaire, the Service Provider must provide:
 - general organisation information.
 - confirmation that they will comply with HMRC's mandatory clauses; and
 - financial information to allow revenue compliance checks to be made.

7.3. Quality Questionnaire

- 7.3.1. In response to this questionnaire the Delivery Partner should prepare a formal proposal of no more than 20 single pages (minimum font size of 10) to include all appendices (cover page and CV's appendix excluded from page count).
8. The formal proposal should explain how the requirements will be met by providing the following information.
 - Technical Delivery (15%) - Your proposal should demonstrate how the overall requirement will be met. Demonstrating experience of delivering Similar Projects, detailing outcomes, benefits achieved, and Value-Added Innovation The response

should refer to relevant case studies, which should include a primary case study of no more than two pages indicating expertise of implementing a similar programme with similar organisations referenced by name or sector.

- Approach and methodology (25%) - Your proposal should demonstrate how you would approach the task, include proposed tools and methodologies to be used, how these have successfully been used in the past and the benefits they have brought to the customer. As indicated in the charging model schedule, as part of your 20-page proposal please provide an initial SOW (maximum 4 pages) to include an outline implementation plan for Phase 1 clearly highlighting the associated milestones and dependencies. Based on your previous experience, please also provide details of your approach and proposed costs for Phases 2 and 3 and the associated requirements. Please stipulate the anticipated timings for each phase within your response, including any overlap.
- Knowledge Management & Transfer (10%) – Your proposal should demonstrate your approach to knowledge management and transfer to build in-house capability and demonstrate effective methods of upskilling.
- Risk (10%) – Your proposal should demonstrate experience and understanding in the identification of key assumptions, dependencies, risks and issues with robust mitigation plans' as applicable to this requirement.
- Delivery Team (10%) - Your proposal should demonstrate your teams relevant experience to include CVs of no more than one page each), for each of the senior leads you intend to use on the assignment and provide a more general description and view of overall experience of the additional team members and support staff you intend to use to deliver the service.

9. We will work with the Service Provider to ensure we have the right level of seniority and experience to deliver the work.

On completion, the 20-page proposal and folder containing CV's will need to be submitted via the HMRC SAP/Ariba eSourcing portal by attaching it to the appropriate question within the Quality questionnaire.

7.4. Security

- 7.4.1. Completion of the provided Security Plan Questionnaire (Annex B) to be submitted via the HMRC SAP/Ariba eSourcing portal by attaching it to the appropriate question within the Quality Questionnaire (3.3.1)

7.5. Cost Effectiveness

Completion of the Charging Model document (Annex A), to be submitted via the HMRC SAP/Ariba eSourcing portal.

In the eSourcing event, once all the fields highlighted in Yellow are completed, the spreadsheet must be attached to question 3.4.1 and the Total Charge (all 3 phases) must be entered in response to question 3.4.2.1. Should any explanation need to be provided of your proposed charging then this should be provided in the comment box provided.

In the Cost Effectiveness questionnaire, all questions must be answered, and all information provided to ensure the eSourcing portal evaluation functionality can be fully utilised and final total pricing transferred into the contract.

There will be no opportunity to directly negotiate prices, so it is important that competitive pricing is used at the outset.

HMRC does reserve the right to clarify pricing as may be necessary.

8. Further information

8.1. Questions and Clarifications

Please send any clarification questions you have on this Request for Proposal via the eSourcing Portal using the 'Compose Message' field. In order to provide you with a comprehensive answer to your questions, HMRC request that all clarification questions are received by 10am on Monday 26th April 2021.

If for any reason the messaging system be unavailable, then all queries in relation to this Request for Proposal should be directed to the HMRC contact detailed in section 1 above.

Commercial Directorate co-ordinate all queries to ensure equity of treatment of all potential Contractors. Therefore, the business areas must not be contacted directly.

8.2. General Information

Documents, together with any requested attachments, should be submitted in a single WinZip-compatible file (identified with the potential provider's name). If the WinZip-compatible file exceeds 10MB the enclosed documents should be divided across a number of files such that each file is less than 10MB.

Instructions and guidance for completion of the on-line element are available from the help menus within the service provider's area of the portal.

If any part of your submission is incomplete, it may not be evaluated resulting in you being excluded from the process.

In your response to the requirements, please do not:

- a) reference your answers from one section to another, even where there is commonality.
- b) submit additional documentation with your response except where specifically requested.
- c) include publicity material of any kind, e.g., brochures and web references; or
- d) contain any inserted, pasted or embedded; pictures or documents (e.g., image files, Adobe Acrobat documents or other Word documents).

Any additional items where requested should be provided as separate files using the format specified e.g., MS Word, MS Excel, MS PowerPoint, Adobe Acrobat or jpeg formats; no other formats should be used.

Where a service provider exceeds the permitted number of attachments and/or any maximum page or word limits, HMRC may disregard any information provided which is over and above the permitted limit.

These instructions are designed to ensure that all service providers are given equal treatment. It is important therefore that you provide all the information asked for in the format and order specified.

Upon Contract Award Delivery Partners will be notified of the tender outcome by letter which will be issued electronically via HMRC's eSourcing portal, SAP Ariba.

Appendix B – Suppliers Response, including Pricing Arrangements and Key Staff

Appendix C – Phase 1 SOW

Appendix D - Mandatory Terms



AUTHORITY'S MANDATORY TERMS

- A. For the avoidance of doubt, references to 'the Agreement' mean the attached Call-Off Contract between the Supplier and the Authority. References to 'the Authority' mean 'the Customer' (the Commissioners for Her Majesty's Revenue and Customs).
- B. The Agreement incorporates the Authority's mandatory terms set out in this Appendix D
- C. In case of any ambiguity or conflict, the Authority's mandatory terms in this Appendix D will supersede any other terms in the Agreement.

1. Definitions

- | | |
|-------------------------|--|
| "Affiliate" | in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, that body corporate from time to time; |
| "Authority Data" | <p>(a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are:</p> <ul style="list-style-type: none">(i) supplied to the Supplier by or on behalf of the Authority; and/or(ii) which the Supplier is required to generate, process, store or transmit pursuant to this Agreement; or <p>(b) any Personal Data for which the Authority is the Controller, or any data derived from such Personal Data which has had any designatory data identifiers removed so that an individual cannot be identified;</p> |
| "Charges" | the charges for the Services as specified in the Charging Model Schedule. |

“Connected Company”	means, in relation to a company, entity or other person, the Affiliates of that company, entity or other person or any other person associated with such company, entity or other person;
“Control”	the possession by a person, directly or indirectly, of the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or otherwise) and “Controls” and “Controlled” shall be interpreted accordingly;
“Controller”, “Processor”, “Data Subject”,	take the meaning given in the GDPR;
“Data Protection Legislation”	<ul style="list-style-type: none"> (a) the GDPR, the Law Enforcement Directive (Directive EU 2016/680) and any applicable national implementing Laws as amended from time to time; (b) the Data Protection Act 2018 to the extent that it relates to processing of personal data and privacy; (c) all applicable Law about the processing of personal data and privacy;
“GDPR”	the General Data Protection Regulation (Regulation (EU) 2016/679);
“Key Subcontractor”	<p>any Subcontractor:</p> <ul style="list-style-type: none"> (a) which, in the opinion of the Authority, performs (or would perform if appointed) a critical role in the provision of all or any part of the Services; and/or (b) with a Subcontract with a contract value which at the time of appointment exceeds (or would exceed if appointed) ten per cent (10%) of the aggregate Charges forecast to be payable under this Call-Off Contract;
“Law”	any applicable Act of Parliament, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, exercise of the royal prerogative, enforceable community right within the meaning of section 2 of the European Communities Act 1972, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Supplier is bound to comply;
“Personal Data”	has the meaning given in the GDPR;
“Purchase Order Number”	the Authority’s unique number relating to the supply of the Services;
“Services”	the services to be supplied by the Supplier to the Authority under the Agreement, including the provision of any Goods;
“Subcontract”	any contract or agreement (or proposed contract or agreement) between the Supplier (or a Subcontractor) and any third party whereby that third party agrees to provide to the Supplier (or the Subcontractor) all or any part of the Services, or facilities or services which are material for the provision of the Services, or any

	part thereof or necessary for the management, direction or control of the Services or any part thereof;
“Subcontractor”	any third party with whom: <ul style="list-style-type: none"> (a) the Supplier enters into a Subcontract; or (b) a third party under (a) above enters into a Subcontract, or the servants or agents of that third party;
“Supplier Personnel”	all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Subcontractor of the Supplier engaged in the performance of the Supplier’s obligations under the Agreement;
“Supporting Documentation”	sufficient information in writing to enable the Authority to reasonably verify the accuracy of any invoice;
“Tax”	<ul style="list-style-type: none"> (a) all forms of tax whether direct or indirect; (b) national insurance contributions in the United Kingdom and similar contributions or obligations in any other jurisdiction; (c) all statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imports, contributions, levies or liabilities (other than in return for goods or services supplied or performed or to be performed) and withholdings; and (d) any penalty, fine, surcharge, interest, charges or costs relating to any of the above, <p>in each case wherever chargeable and whether of the United Kingdom and any other jurisdiction;</p>
“Tax Non-Compliance”	<p>where an entity or person under consideration meets all 3 conditions contained in the relevant excerpt from HMRC’s “Test for Tax Non-Compliance”, as set out in Annex 1, where:</p> <ul style="list-style-type: none"> (a) the “Economic Operator” means the Supplier or any agent, supplier or Subcontractor of the Supplier requested to be replaced pursuant to Clause 4.3; and (b) any “Essential Subcontractor” means any Key Subcontractor;
“VAT”	value added tax as provided for in the Value Added Tax Act 1994.

2. Payment and Recovery of Sums Due

2.1 The Supplier shall invoice the Authority as specified in Clause [insert correct document reference as per the Call-Off Contract] of the Agreement. Without prejudice to the generality of the invoicing procedure specified in the Agreement, the Supplier shall procure a Purchase Order Number from the Authority prior to the commencement of any

Services and the Supplier acknowledges and agrees that should it commence Services without a Purchase Order Number:

2.11 the Supplier does so at its own risk; and

2.12 the Authority shall not be obliged to pay any invoice without a valid Purchase Order Number having been provided to the Supplier.

2.2 Each invoice and any Supporting Documentation required to be submitted in accordance with the invoicing procedure specified in the Agreement shall be submitted by the Supplier, as directed by the Authority from time to time via the Authority's electronic transaction system.

2.3 If any sum of money is recoverable from or payable by the Supplier under the Agreement (including any sum which the Supplier is liable to pay to the Authority in respect of any breach of the Agreement), that sum may be deducted unilaterally by the Authority from any sum then due, or which may come due, to the Supplier under the Agreement or under any other agreement or contract with the Authority. The Supplier shall not be entitled to assert any credit, set-off or counterclaim against the Authority in order to justify withholding payment of any such amount in whole or in part.

3. Warranties

3.1 The Supplier represents and warrants that:

3.1.1 in the three years prior to the 15 March 2021, it has been in full compliance with all applicable securities and Laws related to Tax in the United Kingdom and in the jurisdiction in which it is established;

3.1.2 it has notified the Authority in writing of any Tax Non-Compliance it is involved in; and

3.1.3 no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Supplier's assets or revenue and the Supplier has notified the Authority of any profit warnings issued in respect of the Supplier in the three years prior to the 15 March 2021.

3.2 If at any time the Supplier becomes aware that a representation or warranty given by it under Clause 3.1.1, 3.1.2 and/or 3.1.3 has been breached, is untrue, or is misleading, it shall immediately notify the Authority of the relevant occurrence in sufficient detail to enable the Authority to make an accurate assessment of the situation.

3.3 In the event that the warranty given by the Supplier pursuant to Clause 3.1.2 is materially untrue, the Authority shall be entitled to terminate the Agreement pursuant to the Call-Off clause which provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

4. Promoting Tax Compliance

4.1 All amounts stated are stated exclusive of VAT, which shall be added at the prevailing rate as applicable and paid by the Authority following delivery of a valid VAT invoice.

4.2 To the extent applicable to the Supplier, the Supplier shall at all times comply with all Laws relating to Tax and with the equivalent legal provisions of the country in which the Supplier is established.

- 4.3** The Supplier shall provide to the Authority the name and, as applicable, the Value Added Tax registration number, PAYE collection number and either the Corporation Tax or self-assessment reference of any agent, supplier or Subcontractor of the Supplier prior to the provision of any material Services under the Agreement by that agent, supplier or Subcontractor. Upon a request by the Authority, the Supplier shall not contract, or will cease to contract, with any agent, supplier or Subcontractor supplying Services under the Agreement.
- 4.4** If, at any point during the Term, there is Tax Non-Compliance, the Supplier shall:
- 4.4.1** notify the Authority in writing of such fact within five (5) Working Days of its occurrence; and
 - 4.4.2** promptly provide to the Authority:
 - (a)** details of the steps which the Supplier is taking to resolve the Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors that it considers relevant; and
 - (b)** such other information in relation to the Tax Non-Compliance as the Authority may reasonably require.
- 4.5** The Supplier shall indemnify the Authority on a continuing basis against any liability, including any interest, penalties or costs incurred, that is levied, demanded or assessed on the Authority at any time in respect of the Supplier's failure to account for or to pay any Tax relating to payments made to the Supplier under this Agreement. Any amounts due under this Clause 4.5 shall be paid in cleared funds by the Supplier to the Authority not less than five (5) Working Days before the date upon which the Tax or other liability is payable by the Authority.
- 4.6** Upon the Authority's request, the Supplier shall provide (promptly or within such other period notified by the Authority) information which demonstrates how the Supplier complies with its Tax obligations.
- 4.7** If the Supplier:
- 4.7.1** fails to comply (or if the Authority receives information which demonstrates to it that the Supplier has failed to comply) with Clauses 4.2, 4.4.1 and/or 4.6 this may be a material breach of the Agreement;
 - 4.7.2** fails to comply (or if the Authority receives information which demonstrates to it that the Supplier has failed to comply) with a reasonable request by the Authority that it must not contract, or must cease to contract, with any agent, supplier or Subcontractor of the Supplier as required by Clause 4.3 on the grounds that the agent, supplier or Subcontractor of the Supplier is involved in Tax Non-Compliance this shall be a material breach of the Agreement; and/or
 - 4.7.3** fails to provide details of steps being taken and mitigating factors pursuant to Clause 4.4.2 which in the reasonable opinion of the Authority are acceptable this shall be a material breach of the Agreement;
- and any such material breach shall allow the Authority to terminate the Agreement pursuant to the Call-Off Clause which provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).
- 4.8** The Authority may internally share any information which it receives under Clauses 4.3 to 4.4 (inclusive) and 4.6, for the purpose of the collection and management of revenue for which the Authority is responsible.

5. Use of Off-shore Tax Structures

- 5.1** Subject to the principles of non-discrimination against undertakings based either in member countries of the European Union or in signatory countries of the World Trade Organisation Agreement on Government Procurement, the Supplier shall not, and shall ensure that its Connected Companies, Key Subcontractors (and their respective Connected Companies) shall not, have or put in place (unless otherwise agreed with the Authority) any arrangements involving the use of off-shore companies or other off-shore entities the main purpose, or one of the main purposes, of which is to achieve a reduction in United Kingdom Tax of any description which would otherwise be payable by it or them on or in connection with the payments made by or on behalf of the Authority under or pursuant to this Agreement or (in the case of any Key Subcontractor and its Connected Companies) United Kingdom Tax which would be payable by it or them on or in connection with payments made by or on behalf of the Supplier under or pursuant to the applicable Key Subcontract ("**Prohibited Transactions**"). Prohibited Transactions shall not include transactions made between the Supplier and its Connected Companies or a Key Subcontractor and its Connected Companies on terms which are at arms-length and are entered into in the ordinary course of the transacting parties' business.
- 5.2** The Supplier shall notify the Authority in writing (with reasonable supporting detail) of any proposal for the Supplier or any of its Connected Companies, or for a Key Subcontractor (or any of its Connected Companies), to enter into any Prohibited Transaction. The Supplier shall notify the Authority within a reasonable time to allow the Authority to consider the proposed Prohibited Transaction before it is due to be put in place.
- 5.3** In the event of a Prohibited Transaction being entered into in breach of Clause 5.1 above, or in the event that circumstances arise which may result in such a breach, the Supplier and/or the Key Subcontractor (as applicable) shall discuss the situation with the Authority and, in order to ensure future compliance with the requirements of Clauses 5.1 and 5.2, the Parties (and the Supplier shall procure that the Key Subcontractor, where applicable) shall agree (at no cost to the Authority) timely and appropriate changes to any such arrangements by the undertakings concerned, resolving the matter (if required) through the escalation process in the Agreement.
- 5.4** Failure by the Supplier (or a Key Subcontractor) to comply with the obligations set out in Clauses 5.2 and 5.3 shall allow the Authority to terminate the Agreement pursuant to the Clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause).

6 Data Protection and off-shoring

- 6.1** The Processor shall, in relation to any Personal Data processed in connection with its obligations under the Agreement:
- 6.1.1** not transfer Personal Data outside of the United Kingdom unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:
- (a)** the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with GDPR Article 46 or LED Article 37) as determined by the Controller;
 - (b)** the Data Subject has enforceable rights and effective legal remedies;

- (c) the Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Controller in meeting its obligations); and
 - (d) the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the processing of the Personal Data;
- 6.2** Failure by the Processor to comply with the obligations set out in Clause 6.1 shall allow the Authority to terminate the Agreement pursuant to the Clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).
- 7 Commissioners for Revenue and Customs Act 2005 and related Legislation**
 - 7.1** The Supplier shall comply with and shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data comply with the obligations set out in Section 18 of the Commissioners for Revenue and Customs Act 2005 ('CRCA') to maintain the confidentiality of Authority Data. Further, the Supplier acknowledges that (without prejudice to any other rights and remedies of the Authority) a breach of the aforesaid obligations may lead to a prosecution under Section 19 of CRCA.
 - 7.2** The Supplier shall comply with, and shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data comply with the obligations set out in Section 123 of the Social Security Administration Act 1992, which may apply to the fulfilment of some or all of the Services. The Supplier acknowledges that (without prejudice to any other rights and remedies of the Authority) a breach of the Supplier's obligations under Section 123 of the Social Security Administration Act 1992 may lead to a prosecution under that Act.
 - 7.3** The Supplier shall regularly (not less than once every six (6) months) remind all Supplier Personnel who will have access to, or are provided with, Authority Data in writing of the obligations upon Supplier Personnel set out in Clause 7.1 above. The Supplier shall monitor the compliance by Supplier Personnel with such obligations.
 - 7.4** The Supplier shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data sign (or have previously signed) a Confidentiality Declaration, in the form provided at Annex 2. The Supplier shall provide a copy of each such signed declaration to the Authority upon demand.
 - 7.5** In the event that the Supplier or the Supplier Personnel fail to comply with this Clause 7, the Authority reserves the right to terminate the Agreement with immediate effect pursuant to the clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause).

Annex 1

Excerpt from HMRC's "Test for Tax Non-Compliance"

Condition one (An in-scope entity or person)

1. There is a person or entity which is either: ("X")
 - 1) The Economic Operator or Essential Subcontractor (EOS)
 - 2) Part of the same Group of companies of EOS. An entity will be treated as within the same Group of EOS where that entities' financial statements would be required to be consolidated with those of EOS if prepared in accordance with *IFRS 10 Consolidated Financial Accounts*¹;
 - 3) Any director, shareholder or other person (P) which exercises control over EOS.
'Control' means P can secure, through holding of shares or powers under articles of association or other document that EOS's affairs are conducted in accordance with P's wishes.

Condition two (Arrangements involving evasion, abuse or tax avoidance)

2. X has been engaged in one or more of the following:
 - a. Fraudulent evasion²;
 - b. Conduct caught by the General Anti-Abuse Rule³;
 - c. Conduct caught by the Halifax Abuse principle⁴;
 - d. Entered into arrangements caught by a DOTAS or VADR scheme⁵;

¹ <https://www.iasplus.com/en/standards/ifrs/ifrs10>

² 'Fraudulent evasion' means any 'UK tax evasion offence' or 'UK tax evasion facilitation offence' as defined by section 52 of the Criminal Finances Act 2017 or a failure to prevent facilitation of tax evasion under section 45 of the same Act.

³ "General Anti-Abuse Rule" means (a) the legislation in Part 5 of the Finance Act 2013; and (b) any

future legislation introduced into Parliament to counteract tax advantages arising from abusive

arrangements to avoid national insurance contributions

⁴ "Halifax Abuse Principle" means the principle explained in the CJEU Case C-255/02 Halifax and others

⁵ A Disclosure of Tax Avoidance Scheme (DOTAS) or VAT Disclosure Regime (VADR) scheme caught by rules which require a promoter of tax schemes to tell HM Revenue & Customs of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Section 19 and Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Section 19 and Part 7 of the Finance Act 2004 and as

- e. Conduct caught by a recognised 'anti-avoidance rule'⁶ being a statutory provision which targets arrangements where either a main purpose, or an expected benefit, is to obtain a tax advantage or where the arrangement is not affected for commercial purposes. 'Targeted Anti-Avoidance Rules' (TAARs). It may be useful to confirm that the Diverted Profits Tax is a TAAR for these purposes;
- f. Entered into an avoidance scheme identified by HMRC's published Spotlights list⁷;
- g. Engaged in conduct which falls under rules in other jurisdictions which are equivalent or similar to (a) to (f) above.

Condition three (Arrangements are admitted, or subject to litigation/prosecution or identified in a published list (Spotlights))

3. X's activity in *Condition 2* is, where applicable, subject to dispute and/or litigation as follows:
 1. In respect of (a), either X:
 1. Has accepted the terms of an offer made under a Contractual Disclosure Facility (CDF) pursuant to the Code of Practice 9 (COP9) procedure⁸; or,
 2. Has been charged with an offence of fraudulent evasion.
 2. In respect of (b) to (e), once X has commenced the statutory appeal process by filing a Notice of Appeal and the appeal process is ongoing including where the appeal is stayed or listed behind a lead case (either formally or informally). NB Judicial reviews are not part of the statutory appeal process and no supplier would be excluded merely because they are applying for judicial review of an HMRC or HMT decision relating to tax or national insurance.
 3. In respect of (b) to (e), during an HMRC enquiry, if it has been agreed between HMRC and X that there is a pause with the enquiry in order to await the outcome of related litigation.
 4. In respect of (f) this condition is satisfied without any further steps being taken.
 5. In respect of (g) the foreign equivalent to each of the corresponding steps set out above in (i) to (iii).

extended to National Insurance Contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868 made under s.132A Social Security Administration Act 1992.

⁶ The full definition of 'Anti-avoidance rule' can be found at Paragraph 25(1) of Schedule 18 to the Finance Act 2016 and Condition 2 (a) above shall be construed accordingly.

⁷ Targeted list of tax avoidance schemes that HMRC believes are being used to avoid paying tax due and which are listed on the Spotlight website: <https://www.gov.uk/government/collections/tax-avoidance-schemes-currently-in-the-spotlight>

⁸ The Code of Practice 9 (COP9) is an investigation of fraud procedure, where X agrees to make a complete and accurate disclosure of all their deliberate and non-deliberate conduct that has led to irregularities in their tax affairs following which HMRC will not pursue a criminal investigation into the conduct disclosed.

For the avoidance of doubt, any reference in this Annex 1 to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time including any implementing or successor legislation.

Annex 2 Form

CONFIDENTIALITY DECLARATION

CONTRACT REFERENCE: [for Supplier to insert Contract reference number and contract date] ('the Agreement')

DECLARATION:

I solemnly declare that:

1. I am aware that the duty of confidentiality imposed by section 18 of the Commissioners for Revenue and Customs Act 2005 applies to Authority Data (as defined in the Agreement) that has been or will be provided to me in accordance with the Agreement.
2. I understand and acknowledge that under Section 19 of the Commissioners for Revenue and Customs Act 2005 it may be a criminal offence to disclose any Authority Data provided to me.

SIGNED:
FULL NAME:
POSITION:
COMPANY:
DATE OF SIGNATURE: