HM Revenue & Customs

HMRC Tier 3 Model ICT Contract
Version 2.0 (April 2019)

SCHEDULE 6.1 | Implementation

Schedule 6.1 | Implementation

DEFINITIONS

In this Schedule, the following definitions shall apply:

"Detailed Implementation Plan",	means the plan prepared in accordance with paragraph 3.2 of this Schedule 6.1 (*Implementation*);
"Implementation Plan",	the Outline Implementation Plan and the Detailed Implementation Plan as described in this Schedule 6.1 (*Implementation*);
"Implementation Services Commencement Date"	Means 09/08/2021;
"Operational Board"	has the meaning given to it in Schedule 8.1 (*Governance*);
"Outline Implementation Plan"	means the plan in the form set out at Annex 1 of this Schedule 6.1 (*Implementation*);
"Supplier Implementation Team"	has the meaning given to it at paragraph 5.1(a) of this Schedule 6.1 (*Implementation*);
"Supplier's Implementation Manager"	has the meaning given to it at paragraph 5.1(b) of this Schedule 6.1 (*Implementation*);

1 INTRODUCTION

1.1 This Schedule:

(a) defines the process for the preparation and implementation of the Outline Implementation Plan and Detailed Implementation Plan;

(b) identifies the Milestones (and associated Deliverables) including the Milestones which trigger payment to the Supplier of the applicable Milestone Payments following the issue of the applicable Milestone Achievement Certificate; and

(c) sets out the reporting requirements, governance and management of the Implementation Plan.

1.2 The following documents form part of this Schedule:

(a) Annex 1: Outline Implementation Plan;

(b) Annex 2: Minimum Set of Implementation Components;

(c) Annex 3**Error! Reference source not found.**: Responsibilities of the Supplier Implementation Team.

1.3 The Supplier shall:

(a) use all reasonable endeavours to minimise the risk of Delay in accordance with Clause 6 and/or to service performance during Implementation, including the provision of additional resources to carry out the Implementation Plan at the Supplier's own cost;

(b) comply with its obligations under the Outline Implementation Plan, the Detailed Implementation Plan, and this Schedule **Error! Reference source not found.** (*Implementation*), and the Supplier shall be responsible for the costs associated with any failure by the Supplier to comply with such obligations. Any issue arising from the Supplier's performance of its obligations shall be escalated for resolution at the Operational Board.

1.4 NOT USED

2 OUTLINE IMPLEMENTATION PLAN

2.1 All changes to the Outline Implementation Plan shall be subject to the Change Control Procedure provided that the Supplier shall not attempt to postpone any of the Milestones using the Change Control Procedure or otherwise (except in accordance with Clause 31 (*Authority Cause*)).

2.2 The Outline Implementation Plan is described in Annex 1 and contains a summary of the transition Milestones, Deliverables and due dates.

3 APPROVAL OF THE DETAILED IMPLEMENTATION PLAN

3.1 The Supplier shall submit a draft of the Detailed Implementation Plan to the Authority for approval within 10 Working Days of the Effective Date. The Supplier shall ensure that the Detailed Implementation Plan is developed in accordance with the requirements set out in the Outline Implementation Plan.

3.2 The Supplier shall ensure that the draft Detailed Implementation Plan:

(a) incorporates all of the Milestones and Milestone Dates set out in the Outline Implementation Plan;

(b) includes (as a minimum) the Supplier's proposed timescales in respect of the following for each of the Milestones:

(i) the completion of any Deliverable;

(ii) the completion of any design activity;

(iii) the completion of any build activity;

(iv) the completion of any Testing to be undertaken in accordance with Schedule 6.2 (*Testing Procedures*); and

(v) the completion of any deployment or transition activity;

(c) clearly details all the steps required to implement the Milestones to be achieved up to and including the Milestone Post Implementation aftercare complete, in conformity with the Authority Requirements;

(d) incorporates as a minimum the set of components required to implement the activities of the Implementation Plan as set out in Annex 2 (*Minimum Set of Implementation Components*);

(e) clearly outlines the required roles and responsibilities of both Parties, including staffing requirements;

(f) is produced using a software tool as specified, or agreed by the Authority;

(g) clearly details all the Supplier's dependencies on the Authority in order to complete the activities under the Detailed Implementation Plan;

(h) all the Supplier's assumptions in setting out the activities and timescales in the Detailed Implementation Plan; and

(i) complies with the requirements of Schedule 11 (*Collaboration*).

3.3 Prior to the submission of the draft Detailed Implementation Plan to the Authority in accordance with Paragraph 3.1, the Authority shall have the right:

(a) to review any documentation produced by the Supplier in relation to the development of the Detailed Implementation Plan, including:

(i) details of the Supplier's intended approach to the Detailed Implementation Plan and its development;

(i) copies of any drafts of the Detailed Implementation Plan produced by the Supplier; and

(ii) any other work in progress in relation to the Detailed Implementation Plan; and

(b) to require the Supplier to include any reasonable changes or provisions in the Detailed Implementation Plan.

3.4 Following receipt of the draft Detailed Implementation Plan from the Supplier, the Authority shall:

(a) review and comment on the draft Detailed Implementation Plan as soon as reasonably practicable; and

(b) notify the Supplier in writing that it approves or rejects the draft Detailed Implementation Plan no later than 5 Working Days after the date on which the draft Detailed Implementation Plan is first delivered to the Authority.

3.5 If the Authority rejects the draft Detailed Implementation Plan:

(a) the Authority shall inform the Supplier in writing of its reasons for its rejection; and

(b) the Supplier shall then revise the draft Detailed Implementation Plan (taking reasonable account of the Authority's comments) and shall re-submit a revised draft Detailed Implementation Plan to the Authority for the Authority's approval within 5 Working Days of the date of the Authority's notice of rejection. The provisions of Paragraph 3.4 and this Paragraph 3.5 shall apply again to any resubmitted draft Detailed Implementation Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

3.6 If the Authority approves the draft Detailed Implementation Plan, it shall replace the Outline Implementation Plan from the date of the Authority’s notice of approval.

4 UPDATES TO AND MAINTENANCE OF THE DETAILED IMPLEMENTATION PLAN

4.1 Following the approval of the Detailed Implementation Plan by the Authority:

(a) the Supplier shall submit a revised Detailed Implementation Plan to the Authority every 2 weeks starting 1 month from the Effective Date until the Operational Service Commencement Date;

(b) without prejudice to Paragraph 4.1(a), the Authority shall be entitled to request a revised Detailed Implementation Plan at any time by giving written notice to the Supplier. The Supplier shall submit a draft revised Detailed Implementation Plan to the Authority within 5 Working Days of receiving such a request from the Authority (or such longer period as the Parties may agree provided that any failure to agree such longer period shall be referred to the Dispute Resolution Procedure);

(c) any revised Detailed Implementation Plan shall (subject to Paragraph 4.2) be submitted by the Supplier for approval in accordance with the procedure set out in Paragraph 3; and

(d) the Supplier's performance against the Implementation Plan shall be monitored at meetings of the Operational Board (as defined in Schedule 8.1 (*Governance*). In preparation for such meetings, the Supplier shall provide to the Authority not less than 5 Working Days in advance of each meeting of the Operational Board:

(i) the current Detailed Implementation Plan; and

(ii) any reports as specified in the Detailed Implementation Plan.

4.2 Save for any amendments which are of a type identified and notified by the Authority (at the Authority's discretion) to the Supplier in writing as not requiring approval, any material amendments to the Detailed Implementation Plan shall be subject to the Change Control Procedure provided that:

(a) any amendments to elements of the Detailed Implementation Plan which are based on the contents of the Outline Implementation Plan shall be deemed to be material amendments; and

(b) in no circumstances shall the Supplier be entitled to alter or request an alteration to any Milestone Date except in accordance with Clause 31 (*Authority Cause*).

4.3 Any proposed amendments to the Detailed Implementation Plan shall not come into force until they have been approved in writing by the Authority.

5 RESOURCE COMMITMENTS AND CHARGES

5.1 The Supplier shall:

(a) coordinate and provide sufficient and appropriately skilled resources to carry out the Supplier's obligations under this Schedule including the responsibilities set out in Annex **Error! Reference source not found.** (*Responsibilities of the Supplier Implementation Team*) ("**Supplier Implementation Team**");

(b) appoint an individual Supplier Personnel in accordance with Clause 14 with the responsibility for managing the Supplier's obligations under this Schedule and provide written notification of such appointment to the Authority within 2 weeks of the Effective Date ("**Supplier's Implementation Manager**").

5.2 The Supplier's activities for carrying out its obligations set out in this Schedule shall be charged on a Time and Materials basis in accordance with the rate card set out at Annex 2 of Schedule 7.1 (*Charges and Invoicing*) and payable as part of a Milestone Payment in accordance with Schedule 7.1 (*Charges and Invoicing*).

6 IMPLEMENTATION OF THE DETAILED IMPLEMENTATION PLAN

6.1 The Supplier shall plan, prepare for and carry out the Implementation activities in accordance with this Schedule, and shall:

(a) comply with the Detailed Implementation Plan;

(b) deliver as a minimum, the set of components required to implement the activities of the Implementation Plan as set out in Annex 2 (*Minimum Set of Implementation Components*);

(c) be responsible for overall management of the activities under the Detailed Implementation Plan in order to ensure the timely completion of each task and Milestone;

(d) carry out the Detailed Implementation Plan without causing any disruption to the Authority's business operations unless:

(i) the Supplier has procured the Authority's agreement in writing no less than 6 weeks prior to the associated disruption; or

(ii) if the Supplier is unable to provide 6 weeks' notice of such disruption to the Authority, the Supplier has notified the Authority as soon as possible upon becoming aware of the disruption and the Authority has agreed to such disruption through the Fast-Track Change Procedure;

(e) not take any step (expressly or implicitly or directly or indirectly by itself or through any other person) to dissuade or discourage any employees engaged in the provision of the Services from transferring their employment from the Authority to the Supplier.

6.2 Readiness Review

(a) Supplier shall cooperate with and assist the Authority in carrying out readiness reviews for the Implementation 2 weeks prior to the Operational Service Commencement Date in order to satisfy key Authority stakeholders that the relevant Services can be transferred to the Supplier without impact on business operations ("**Readiness Reviews**").

(b) As part of the Readiness Review the Operational Board shall agree a recovery plan to remedy the issues identified by the Readiness Review that have significant impact on business operations.

(c) The Parties shall define and agree the conditions which form the basis of the Readiness Review reports 10 Working Days after the Effective Date.

6.3 Third Parties

(a) The Supplier shall cooperate with and provide assistance to the Authority and any relevant third party in order to achieve the transition of Services in accordance with this Schedule and Schedule 11 (*Collaboration*).

6.4 Disputes

(a) The Parties shall escalate any Disputes arising from the Implementation Plan to the Operational Board, and the Supplier shall provide to the Authority within 2 Working Days of its request all documentation relevant to the Dispute that is available at that time. Where the Operational Board has been unable to resolve such Dispute, the Parties shall follow the Dispute Resolution Procedure and the Parties agree to use the Expedited Dispute Timetable.

6.5 Reporting

(a) The Supplier shall provide to the Authority progress reports on a weekly basis, including an executive dashboard, against the Detailed Implementation Plan, which will set out:

(i) the current status of the implementation activities;

(ii) the Supplier's progress against all Milestones and other activities set out in the Detailed Implementation Plan, any delays to the Detailed Implementation Plan and anticipated remedial activities in respect of such delay;

(iii) the actual and anticipated delays to the Detailed Implementation Plan as a result of any failure or delay by the Authority as set out in Schedule 3 (*Authority Responsibilities*), the impact of such failures on the Supplier and the associated mitigation actions taken by the Supplier; and

(iv) the actual and anticipated risks and issues (including the RAID log as set out in Paragraph 6.8(a)(i), the impact or likely impact of such risks and issues on the Detailed Implementation Plan and the associated mitigation actions being taken by the Supplier.

(b) The Supplier shall promptly (and in any event, no later than 5 Working Days prior to the relevant governance meeting) provide the Detailed Implementation Plan and all other progress reports required in accordance with the Detailed Implementation Plan and all such other reports as the Authority may reasonably request.

(c) The Supplier shall create and maintain a shared document repository, in a form acceptable to the Authority (acting reasonably) that can be accessed by both Parties for the deposit of documentation related to and produced as part of the Detailed Implementation Plan and such other documents as may be agreed with the Authority. A document naming convention, as agreed with the Authority, will be used to ensure version control is used for all documents.

6.6 Security and Safety

(a) The Supplier shall carry out its obligations under this Schedule in compliance with all applicable site safety and security procedures of the Authority and the Incumbent Supplier to the Authority (as applicable) and in accordance with the relevant provisions of the Agreement.

6.7 Service Documentation

(a) Prior to the Operational Service Commencement Date, the Supplier shall provide to the Authority operational and service delivery documentation, including its operations manual, defining how the Supplier will deliver the Services. This documentation shall include a description of all the operational and service management processes, procedures and tools which will be used by the Supplier in delivering the Services.

(b) NOT USED

6.8 Risks, Assumptions, Issues and Dependencies (RAID) Management

(a) The Supplier shall:

(i) maintain a RAID log which sets out any risks, assumptions, issues and dependencies in carrying out the Detailed Implementation Plan, including risk mitigation strategies, preventive measures and contingency plans for rapid recovery from the occurrence of such risks and issues;

(ii) identify and promptly report to the Authority upon becoming aware of any risks, assumptions, issues and dependencies in carrying out the Detailed Implementation Plan;

(iii) create and maintain (based upon consultation with and engagement of the Authority) a RAID management plan which will clearly list all technical, commercial, delivery, financial and legal risks, assumptions, issues and dependencies that impact the Parties and the Detailed Implementation Plan. The RAID management plan shall be created by the Supplier within 1 month of the Effective Date and provided to the Authority fortnightly; and

(iv) develop contingency plans for each identified risk and any risks that are categorised as 'High Impact and High Likelihood'. Such contingency plans shall be developed within 5 Working Days of being categorised and reported as 'High Impact and High Likelihood' risks and shall be provided to the Authority upon request.

7 ACHIEVEMENT OF MILESTONES

7.1 The Supplier's achievement of the Milestones set out in the Detailed Implementation Plan shall be assessed in accordance with Schedule 6.2 (*Testing Procedures*).

8 GOVERNMENT REVIEWS

8.1 The Supplier acknowledges that the Services may be subject to Government review at key stages of the project. The Supplier shall cooperate with any bodies undertaking such review and shall allow for such reasonable assistance as may be required for this purpose within the Charges.

ANNEX 1: OUTLINE IMPLEMENTATION PLAN

Milestone	Deliverables (*bulleted list showing all Deliverables (and associated tasks) required for each Milestone*)	Duration (*Working Days*)	Milestone Date	Authority Responsibilities (*if applicable*)	Link to ATP/CPP
Integration	• System/Application Specifications • Interface Specifications • Implementation Strategy and Plan • Risk and Issues Management Plan • Service Management Plan				
Live service	• Risk and Issues Management • Service Management Plan				

ANNEX 2: MINIMUM SET OF IMPLEMENTATION COMPONENTS

Implementation component	Description
Implementation management	To set up and manage the Implementation Phase of the Supplier, based on industry standard good practice project and programme management frameworks.
Data management	To perform the detailed data discovery of Service(s) and to manage and maintain the data from service transfer.
Governance	To implement governance for the Detailed Implementation Plan (for instance, the organisational forums) as detailed in Schedule 8.1 (*Governance*) and Schedule **Error! Reference source not found.** (*Implementation*), to enable the management of the relationship between the Supplier and the Authority from Contract Start.
Communication	To plan, prepare and implement an effective communication approach from Implementation Services Commencement Date, as jointly agreed by the Supplier and the Authority.
Third Party Contracts	As specified in Schedule 4.4 (*Third Party Contracts*) and Schedule 5 (*IPR*), to novate service contracts, and to obtain the right to use for all identified in-scope 3rd party software licences.
Demand management	To develop processes and tools that enable the Supplier to manage all service requests.
Post Contract Verification	To undertake the detailed discovery to validate assumptions in the contractual documentation and to prepare a final report to agree and approve all Changes prior to the defined period specified in the Agreement.

Implementation component	Description
Operating model and service design	To design and deliver the operating model for service provision including (as a minimum): process, organisation, location, data, applications, tooling, technology and commercials.
Finance	To set up all the processes defined in the Agreement, Schedule 7.1 (*Charges and Invoicing*) and Schedule 7.5 (*Financial Reports and Audit Rights*) that the Supplier and the Authority shall use to provide financial information, ensuring the accurate and timely billing and payment for the Service(s).
Contract management	To implement processes and procedures to effectively manage the contract from the Operational Services Commencement Date, and handle queries, issues and Changes as they arise during the Term.
Asset management	To take responsibility for the Incumbent Supplier's asset management solution and continue to operate it.
Reporting	Ensure the continued production of reports as specified in Schedule **Error! Reference source not found.** (*Implementation*) and Schedule 8.2 (*Reports and Records*) in order to support Governance and operations.
Service continuity management	To perform gap analysis and report, agree and align the changes necessary to ensure no disruption to service throughout the transfer of Service(s).
Quality management	To provide assurance to the Supplier and the Authority that the Supplier’s Deliverables are complete, have met their quality criteria and the agreed processes have been observed.
Security management	To report, agree and align the activities necessary to ensure system security is maintained or enhanced during Implementation, as specified in Schedule 2.4 (*Security Management*).

Implementation component	Description
User account provisioning	To set up infrastructure and user accounts including access rights to tools and applications needed for each role.
Test and Assurance	To provide evidence that the Supplier Solution as designed and developed is suitable for the delivery of the Service(s) and meets the Authority requirements.
Implementation readiness	To assess the state of Supplier readiness for a successful transfer and ongoing end to end provision of Service(s).
Cutover and Day 1 Experience	Over the weeks prior to the transfer of Service(s), to plan and prepare for a smooth transfer of the Service(s) from the Incumbent Supplier to the Supplier. On day of transfer of Service(s), to implement the cutover plan and transfer the Service(s) to the Supplier.
Post Implementation aftercare	To plan and implement support arrangements for the period following transfer of Service(s). To resolve issues arising from the transfer of Service(s).

ANNEX 3: RESPONSIBILITIES OF THE SUPPLIER IMPLEMENTATION TEAM

The Supplier's Implementation Team shall be responsible for:

(a) execution of the agreed Detailed Implementation Plan and associated activities and deliverables;

(b) management of the Detailed Implementation Plan and resources and activities pertaining to planning, management and control;

(c) communicating with and reporting to the Authority in accordance with the Detailed Implementation Plan;

(d) monitoring, reporting and managing risks as set out in this Schedule;

(e) ensuring compliance with the Supplier's obligations under this Agreement; and

(f) planning and conducting the Readiness Reviews.