



UK Debt Management Office
MATLAB Support Year 7
Tessella Annual Support Proposal

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1 Introduction

The UK Debt Management Office (DMO) has asked Tessella to provide a proposal to provide an additional year of support for a number of tools developed by DMO and The Mathworks in MATLAB which Tessella have been supporting over past years.

This document presents our understanding of your support requirements, and details both the services we propose to meet them and how we will deliver those services.

This proposal covers a 1-year support contract; in the future we would be happy to discuss the basis on which this support could be extended to further years. Where DMO has requirements for stand-alone enhancements to their software, we would be pleased either to perform them within the scope of this contract, if budget allows, or to quote for them separately, either on a fixed price or time and materials basis.

This project is Commercial in Confidence and all aspects of the project are subject to the Non Disclosure agreement signed by Tessella on 20 May 2011.

We are also pleased to offer an additional optional activity, which if taken would enable the DMO to access additional support to tackle future proofing issues.

2 Requirements

2.1 System description

DMO has a requirement to support and maintain three tools:

- Yield Curve Tool (YCT)
- Portfolio Simulation Tool (PST)
- PST-VAR

The three tools are understood to consist of the software and associated files provided to Tessella via FTP on 1 June 2011, together with changes made since then by Tessella, and changes made by DMO which have been provided to Tessella. As well as the comments in the code, the tools are described through help files (html files supplied with the code) which include an overview of each tool, tutorials, installation notes, descriptions of GUIs, and documents for formulae. There is also a design document for the YCT (P910-Design-v1) prepared by The Mathworks.

2.2 Support requirements

DMO requires a professional and reliable support service to provide:

- The resolution of software issues that arise during the support period
- Maintenance of software documentation
- Performance in accordance with defined service levels
- Carry out enhancements
- Carry out small development projects.

2.3 Constraints

All Tessella staff who work on the project or have access to the DMO tools will be security cleared to SC level if required by DMO.

3 Services to be provided

3.1 Support activities

Tessella will undertake on-call maintenance and on-demand support for the three tools (YCT, PST and PST-VAR), as well as any additional development/enhancement work as requested.

Support will be provided via email and telephone. Any travel to DMO's offices which is requested by DMO will be charged at cost.

3.2 Supported items

The following items will be maintained and supported by the service:

- Source code¹
- Configuration data such as report templates and example data files
- User Guide (html help files)²
- Installation scripts

Master versions of these items will be maintained by DMO in a DMO-hosted Git repository.

3.3 Service levels

3.3.1 Period of operation

We will commence the Support and Maintenance service on receipt of your order and provide it for 12 months unless otherwise agreed. The service will be available during UK office hours (08:30 – 17:30) on working days excluding English Bank Holidays and the period between Christmas and New Year.

3.3.2 Priority level of requests

In order for us to provide an appropriate response, we need you to indicate a seriousness level when reporting a problem or requesting an enhancement, by using one of the following categories:

- **Critical:** A problem that causes a total or significant failure endangering business.
- **Urgent:** A problem that limits full operational service without corrections to specific areas of operation. The problem has a significant business impact.
- **Routine:** A problem that does not prevent the use of a facility in operational service, or for which a locally identified cure or circumvention is available. Problems in this category do not need immediate attention, but require agreement of a delivery date for a fix.

¹ DMO sometimes use the MATLAB compiler to create compiled code; the executables thus produced are not specifically included in the list of supported items, but at request from DMO we will endeavour to provide any necessary assistance in this area.

² Note that we have not investigated the extent to which the existing help files match the current version of the software. Should discrepancies be discovered, these could be resolved at DMO's option through the standard support processes.

3.3.3 Service levels and response times

Tessella will respond to all requests raised in the agreed manner within the following defined timescales:

	Acknowledge Request	Start Work
Critical Request	2 service hours	1 service day
Urgent Request	2 service hours	2 service days
Normal Request	2 service days	N/A

The timescales are based on the priority level of the request. Over the year 2015-16, we achieved our SLAs on 98.8% of incidents raised.

The terms "service hours" and "service days" mean a period of time within the agreed hours of operation.

3.3.4 Complaints and escalation

In the unlikely event of a complaint, please contact the Tessella ACI Manager, Martin Waller, without delay. He will immediately attempt to resolve the issue and will report the complaint internally in accordance with our quality procedures. Tessella receives very few customer complaints but each one is recognised as an opportunity to improve our service. All complaints are handled formally and are routed through the management chain to the Managing Director.

3.4 Initiation and delivery of the service

3.4.1 Service initiation

This support service is currently ongoing, so no specific service initiation tasks are required.

3.4.2 Capability maintenance

On an ongoing basis, throughout the support period, we will maintain our ability to provide the required standard of support by

- **Managing and maintaining the support environment.** The Tessella development environment will be tested to confirm they are performing as expected.
- **Providing support team continuity training.** The support team will carry out continuity training to maintain their knowledge of the system, and new staff will be added to the team as required

3.4.3 Project management

The Tessella team will work under the management of a Project Manager who will be responsible for service delivery and quality matters.

The Project Manager also provides the prime point of contact for communications relating to the support contract and is responsible for:

- **Reporting.** The Tessella Project Manager will provide monthly reports outlining the work carried out in the previous month, a breakdown of effort on a task by task basis, and if appropriate on the performance of the service against the agreed service levels.
- **Regular review meetings.** The Tessella Project Manager will arrange review meetings as required with the superintending officer. These will usually be over the telephone. These meetings provide an opportunity to review the service that we provide and to discuss any suggestions for improving the system.

4 Client dependencies

4.1 Raising support requests

To ensure that only legitimate support requests are passed on to Tessella, it is important that incidents and enhancement requests are submitted only by nominated client personnel who are authorised to agree expenditure by Tessella against the project budget.

Incidents and support requests should be raised by email to dmo.support@tessella.com. Critical incidents can also be raised by telephone to 01235 546 612.

4.2 Other dependencies

Support can only be provided efficiently if the client and Tessella staff work effectively together, and the Tessella support staff have access to all the information and facilities they need. To ensure this we need you to provide the following:

Delivery Day	Dependency
Support contract kickoff	Provide Tessella with any changes to the list of authorised users
As required throughout the support contract	Access to user raising bug, user community representative, system administrators, etc
As required throughout the support contract	Access to up-to-date software, for example taking into account any updates made by DMO or third parties

Throughout the project we would like to be able to ask questions of key members of your staff outside of the normal review and progress meetings, for example, to seek clarification of the problems and proposed solutions.

4.3 Scheduling of support activities

Tessella's support work will be carried out as required by DMO according to a prioritised work list. Consequently it is important that you prioritise all requests and inform the Tessella Project Manager of any changes in priority that may occur.

5 Financial proposal

Tessella is pleased to offer to perform the above work for the following price:

- Fixed price element to cover capability maintenance for a period of 12 months: £6,000.
- On-demand support as requested by DMO. [REDACTED]
[REDACTED] Support time will be charged on an hourly basis, with a minimum spend of 80 hours and a limit of liability for the year of £24,000.
- Total LOL is therefore £30,000

This proposal is valid for three months from the date of issue.

Beyond the present proposal, Tessella would be pleased to continue supporting DMO into future years.

6 Payment Plan

The following payment plan is suggested:

- Start of contract: £6,000 Fixed Price element
- Monthly in arrears based on support given

7 Additional Option

We also understand that DMO may wish to explore alternative strategies to simple ongoing maintenance of the existing systems. This might involve a larger development activity or a business case preparation activity. Whilst a few days preparatory activity can be part of the work in the main service, these activities will need to be tackled separately.

Typical activities could involve:

- Assistance to help DMO prepare an internal business case for a major upgrade (or replacement of Matlab with code written in other languages). An upgrade could then be implemented in FY 2018-19
- Testability Improvements. The current code is tightly coupled with the user interface and database. This requires a large amount of scripted and unscripted manual testing. For a more effective implementation, the algorithms should be isolated and prepared so that they can be subjected to automated testing.

The price for this Option is proposed to be:

- Additional LOL of £30,000

[REDACTED]

[REDACTED]

[REDACTED]

Activities under this option will only be started after written approval of the DMO representative. Invoicing will be monthly in arrears. For avoidance of doubt there is no fixed price element to this option.



Document Information

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[REDACTED]	V1.R1.M2	3-August-2017	Addition of Option
[REDACTED]	V1.R1.M3	16 August 2017	Corrected date for current rate