



Attachment 3 – Statement of Requirements

Contract Reference: 122-38875

Advanced data integration and analysis software

Office of Financial Sanctions Implementation (OFSI)

Big Data and Analytics (RM6195, Lot 2)

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1. PURPOSE

- 1.1 HM Treasury's Office of Financial Sanctions Implementation (OFSI or 'the Buyer') requires advanced data integration and analysis software [Redacted]

2. BACKGROUND TO THE BUYER

- 2.1 HM Treasury is the government's economic and finance ministry, maintaining control over public spending, setting the direction of the UK's economic policy and working to achieve strong and sustainable economic growth. OFSI, which forms part of HM Treasury, implements financial and other sanctions in the UK.
- 2.2 OFSI has been operational since March 2016 and has quickly established itself as a world-leader in financial sanctions, a key area of financial, foreign and national security policy. It leads on the implementation of UN and UK financial sanctions and domestic terrorist asset freezing, providing a high-quality service to the private and charitable sectors, and guidance to help them follow the law. [Redacted] OFSI has important partner relationships in the regulated financial services sector and is an integral part of the sanctions community worldwide.

3. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

- 3.1 [Redacted]

4. DEFINITIONS

Expression or Acronym	Definition
OFSI	Office of Financial Sanctions Implementation
NCSC	National Cyber Security Centre
API	Application programming interface
[Redacted]	[Redacted]
SC	Security Check
GDPR	General Data Protection Regulation

5. SCOPE OF REQUIREMENT

- 5.1 Data enrichment and integration (mandatory)-[Redacted]
- 5.2 Visualisation and analysis (mandatory) [Redacted]

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- 5.3 Technical, security and prior experience (mandatory): OFSI requires software which complies with HMT technical, security and other relevant requirements (including GDPR **[Redacted]**)
- 5.4 Automated analysis and AI capabilities (optional): **[Redacted]**
- 5.5 Proof-of-concept (mandatory): the Supplier must provide a short proof-of-concept (POC) which allows OFSI to explore the proposed solution and refine the requirement. Upon completion of the successful delivery of the POC phase, OFSI will work with the successful provider and agree the arrangements for converting the successful POC into an annual contract.
- 5.6 Ideally, the service is required for a period of two years. Service into the second year will be subject to a further budgetary approval during year one and following the successful delivery of the proof-of-concept phase.
- 5.7 Delivery (mandatory): OFSI requires the Supplier to deliver against the milestones outlined in section 7.

6. THE REQUIREMENT

6.1 Data enrichment and integration:

6.1.1 **[Redacted]**

6.2 Data visualisation and analysis:

6.2.1.1 **[Redacted]**

6.3 Automated analysis and AI:

6.3.1 **[Redacted]**

6.4 Users and training:

6.4.1 **[Redacted]**

6.4.2 User training for all main users. Additional sessions to cater to new joiners.

6.5 Technical:

6.5.1 Preference for a solution which ensures rapid implementation while adhering to HMT IT, security and other relevant requirements, including GDPR.

6.6 Security:

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6.6.1 See section 16 for security requirements.

6.7 Proof-of-concept:

6.7.1 OFSI requires the Supplier to deliver a short proof-of-concept to allow OFSI to explore the Supplier's proposed solution and refine the requirement. Upon its completion, OFSI will decide whether to convert the proof-of-concept into an annual contract under which the Supplier would deliver against the full requirement.

6.7.2 The proof-of-concept should be limited in scope to allow for timely delivery. **[Redacted]**

6.7.3 The proposed timeframe for the proof-of-concept phase is one month. If necessary, the successful supplier shall extend the proof-of-concept phase as required by OFSI.

6.7.4 The Supplier should have a functioning proof-of-concept in place by end December 2023. Prior to this, the Supplier should have completed all necessary scoping and consultation with OFSI and other HMT stakeholders. The Supplier will ensure that the proof-of-concept aligns with HMT infrastructure and meets security requirements.

6.7.5 The Supplier will provide OFSI staff with the training and technical support required for the proof-of-concept phase.

6.7.6 **[Redacted]**

6.7.7 If the Supplier fails to meet KPIs for the proof-of-concept, OFSI retains the right to not convert the proof-of-concept into an annual contract.

Contract extension:

- 6.7.8 If the Supplier meets all the performance measures for the annual contract, OFSI retains the right to extend the service into a second year, subject to funding availability.

6.8 Other:

- 6.8.1 **[Redacted]**
- 6.8.2 Knowledge transfer and upskilling: the Supplier should commit to upskilling OFSI staff. The Supplier should keep a detailed log of 'lessons learned' from a technical and project delivery perspective to be transferred to OFSI both prior to the end of Proof-of-concept and full contract.
- 6.8.3 The Supplier should be aware that OFSI is subject to Freedom of Information Act and Data Subject Access requests. The Supplier should have solutions to ensure compliance with these requests in a timely fashion.

7. KEY MILESTONES AND DELIVERABLES

7.1 The following Contract milestones/deliverables shall apply:

Milestone/Deliverable	Description	Timeframe or Delivery Date
1	Pre-proof-of-concept engagement and scoping	By end October 2023
2	Proof-of-concept	By end December 2023
3	Post-proof-of-concept review	By mid-January 2023
4	Conversion to annual contract	By end January 2023
5	Define and agree service levels for annual contract	By end January 2023
6	Solution meeting the full requirement operational	By end March 2024
7	Review performance against requirements	Quarterly from start of annual contract
8	Ongoing training, IT and other technical support	Until March 2025

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8. MANAGEMENT INFORMATION/REPORTING

- 8.1 Standard management information reporting. The ability for an administrator to review workflows.

9. VOLUMES

- 9.1 [Redacted]

10. CONTINUOUS IMPROVEMENT

- 10.1 The Supplier will be expected to continually improve the way in which the required services are to be delivered throughout the contract duration.
- 10.2 The Supplier should identify and present any new and beneficial ways of working to OFSI staff during review meetings.
- 10.3 Changes to the way in which the Services are to be delivered must be brought to the Buyer's attention and agreed prior to any changes being implemented.

11. SOCIAL VALUE & SUSTAINABILITY

- 11.1 Procurement of a solution meeting the requirement as outlined above would align with the Public Services (Social Value) Act 2012 by tackling economic inequality.
- 11.2 The solution shall tackle economic inequality by increasing supply chain resilience and capacity. In particular, the solution will: support innovation and disruptive technologies throughout the supply chain to deliver lower cost and/or higher quality goods and services; and support the development of scalable and future-proofed new methods to modernise delivery and increase productivity.
- 11.3 The supplier should refer to Procurement Policy Note (PPN) 06/20 for further guidance:
- 11.4 The supplier shall meet the applicable Government Buying Standards applicable to deliverables which can be found online at:

<https://www.gov.uk/government/publications/procurement-policy-note-0620-taking-account-of-social-value-in-the-award-of-central-government-contracts>

<https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>

12. QUALITY

- 12.1 ISO/IEC 27006:2007 accreditation is considered advantageous for this requirement. Potential Providers should state whether they hold any relevant

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independent security related certification or accreditation and, where they have, provide documentary evidence of that certification or accreditation, setting out very clearly why it is relevant to this requirement.

- 12.2 The specialist support provided by the successful supplier should be of a high standard with key quality outputs forming part of the delivery of the requirement. Specific quality expectations will be agreed as part of supplier mobilisation post contract award.

13. PRICE

- 13.1 The total budget for the proof-of-concept and first year of service shall not exceed £350,000 excluding VAT.
- 13.2 OFSI is currently applying for funding to cover the potential continuation of service into a second year.
- 13.3 Specialist advisory services rendered during the proof-of-concept and annual contract should form part of the overall budget. Any additional advisory or technical solution fees would need to be agreed in advance with OFSI.
- 13.4 Prices are to be submitted via the e-Sourcing Suite Attachment 4 – Price Schedule excluding VAT and including all other expenses relating to Contract delivery.

14. STAFF AND CUSTOMER SERVICE

- 14.1 The Supplier shall provide a sufficient level of capable resource throughout the duration of the contract to consistently deliver a high-quality service.
- 14.2 The Supplier's staff assigned to the contract shall have the relevant qualifications and experience to deliver the contract to the required standard.
- 14.3 The Supplier shall ensure that staff understand the Buyer's vision and objectives and will provide excellent customer service to the Buyer throughout the duration of the contract.

15. SERVICE LEVELS AND PERFORMANCE

- 15.1 The Supplier shall provide a sufficient level of capable resource throughout the duration of the Contract to consistently deliver a high-quality service.
- 15.2 The Supplier's staff assigned to the contract shall have the relevant qualifications and experience to deliver the contracted service to the required standard.
- 15.3 The supplier must provide an escalation point to resolve any issues with the availability of the service.
- 15.4 In the event of termination of the contract the Supplier must provide a complete copy of all data and documents held within the system in a format and timescale that is acceptable to the Buyer and which will be agreed during contract

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mobilisation. Once this transfer has been validated by the Buyer, the Supplier must ensure that its copies of all the data and documents are deleted.

15.5 The Buyer will measure the quality of the Supplier's delivery by:

KPI/SLA	Service Area	KPI/SLA description	Performance Target	Service Credits (each service period)
Proof of Concept				
1	Innovation	The Supplier should demonstrate the ability of the solution to deliver against the requirement through an annual contract. During the proof-of-concept, the Supplier will suggest new ways of working and work collaboratively with OFSI to refine the full requirement as needed.	OFSI user survey undertaken at the end of proof-of-concept. 80% of responses should be 'satisfactory' or above (poor, unsatisfactory, satisfactory and excellent).	0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure
2	Quality	[Redacted] The Supplier will demonstrate an ability to rapidly implement a solution meeting the full requirement with minimal burden on OFSI and HMT staff.	OFSI user survey undertaken at the end of proof-of-concept. 80% of responses should be 'satisfactory' or above (poor, unsatisfactory, satisfactory and excellent).	0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure
3	Engagement	The Supplier will work collaboratively with OFSI, HMT and other Suppliers, including external experts, as needed to deliver the proof-of-concept.	OFSI user survey undertaken at the end of proof-of-concept. 80% of responses should be 'satisfactory' or above (poor, unsatisfactory, satisfactory and excellent).	0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure
4	Commercial	The Supplier will deliver the proof-of-concept within a budget agreed in advance with OFSI.	100%	
5	Delivery	The Supplier will deliver the proof-of-concept by end December 2023. The suggested timeframe for the proof-of-concept is one month. The Supplier will extend the proof-of-concept if required by OFSI.	100%	
Annual Service/Contract				
		To be agreed following successful delivery of the proof-of-concept phase.		

16. SECURITY AND CONFIDENTIALITY REQUIREMENTS

16.1 [Redacted]

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- 16.2 Suppliers must be able to demonstrate compliance with the [Government Security Policy Framework](#) and that they have appropriate IT, physical, personnel and procedural security measures in place to prevent any unauthorised access to, or leakage of, data collected as part of this contract, and to prevent it being shared with any unauthorised third parties. Such security measures should comply with the requirements of the ISO27001 standard as a minimum and the Buyer would wish to see evidence of that compliance, e.g., in the form of current ISO 27001 certification.
- 16.3 Any IT systems used by Suppliers to meet the Buyer's requirement must comply with [National Cyber Security Centre \(NCSC\)'s 10 Steps to Cyber Security](#) and with the [NCSC's Cloud Security Principles](#). The Supplier should also hold NCSC's Cyber Essentials Plus certification and provide the Buyer with evidence of this.
- 16.4 Any IT systems that would be deployed by Suppliers to meet any part of the requirement must be subjected to periodic (at least annual) independent penetration testing and any significant vulnerabilities identified as part of the penetration testing must be remediated with timeframes agreed with the Buyer.
- 16.5 The Supplier should describe how, in order to ensure that reliance isn't placed solely on annual penetration testing to identify and address vulnerabilities, they might perform regular vulnerability scans on the component devices of the IT infrastructure and how they would ensure that any significant vulnerabilities identified by those scans are remediated as soon as possible.
- 16.6 Where any IT systems used by Suppliers to meet any part of the requirement need to generate any emails, the Supplier must be able to ensure that encryption and anti-spoofing measures can be applied to the emails which comply with the following guidance:
- <https://www.gov.uk/guidance/securing-government-email>
- 16.7 Suppliers are expected to demonstrate they have appropriate physical security measures in place in any premises used to store/process the Buyer's data. As above such physical security measures should comply with the requirements of ISO27001 as a minimum. Any data centres used by the Supplier to meet the Buyer's requirement must hold current ISO27001 certification and be UK based.
- 16.8 Any Supplier staff or sub-contractors should have [National Security Vetting](#) to SC level.
- 16.9 **[Redacted]**
- 16.10 Suppliers shall ensure that any suspected or actual security breaches related to Buyer's data/information are reported to the Buyer immediately. Where any actual security breaches have been identified, Suppliers shall, as soon as

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reasonably practicable, provide to the Buyer a report setting out the details of the security breach, including an impact assessment, a root cause analysis and of the steps taken to address the breach.

- 16.11 Full compliance with the [Data Protection Act \(DPA\) 2018](#) and the General Data Protection Regulation (GDPR) is essential.

17. PAYMENT AND INVOICING

- 17.1 Payment can only be made following satisfactory delivery of pre-agreed certified products and deliverables.
- 17.2 Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.
- 17.3 Invoices should be submitted to: InvoiceQueries@hmtreasury.gov.uk.
- 17.4 Insert any specific requirements the Supplier must adhere to in relation to your organisation's purchase to pay process.

18. CONTRACT MANAGEMENT

- 18.1 Attendance at Contract Review meetings shall be at the Supplier's own expense.

19. LOCATION

- 19.1 OFSI is based primarily at 1 Horse Guards Road, London, SW1A 2HQ. The Supplier should provide a solution which can be used by OFSI and HMT staff working at other offices and working remotely in accordance with HMT guidelines.