

## [1.2] Exit

Explain how you will effectively exit from delivery of all service lines on contract termination and how you will work with the incoming supplier/s to ensure a safe handover of services in line with DWP requirements.

You must cover IT, Recruitment and Training, and Estate areas separately and ensure that the various requirements are met including Management Information, IT and Telephony capability. Your response should cover the period twelve months prior to contract end or to the operational end for each and all service lines.

You should address all the areas below:

- Identify key associated risks and assumptions including your critical dependencies;
- Detail the challenges identified within the service requirements which would impact successful exit and how you will monitor and correct any issues that may arise;
- A proposed critical path detailing key milestones and timescales for activities including start and end dates for exit tasks associated with all service lines;
- A narrative rationale to support the proposed exit of all service lines, including critical dependencies;
- Which organisation is responsible for each activity (e.g. DWP, Prime, Sub-contractor, incoming supplier/s);
- Contingency planning for fluctuating levels of work and business continuity planning;
- Your process for the management of recruitment, training and attrition during this period;
- Your risk management processes for Exit; and an Exit Risk and Assumptions Log (with mitigation actions required and likelihood and impact of the risk materialising);
- Your process on Exit for the secure retention/destruction of call recording in line with DWP requirements;
- Your proposals for the handing back of any updated training products and other key products used in the delivery of the services.

**Please upload the following attachments** in support of your response to this question in Microsoft Excel or PDF format. A page limit does not apply to your Exit Implementation Plan or Exit Risk and Assumption Log. The documents should be clearly named;

- **“Supplier Name” Exit Plan Package A/B** (as appropriate)
- **“Supplier Name” Exit Risk and Assumptions Log Package A/B** (as appropriate)

<b>Supplier Name</b>	<i>Serco Limited</i>	<b>Package</b>	<i>B</i>
----------------------	----------------------	----------------	----------

**Identify key associated risks and assumptions including your critical dependencies;** A risk and assumptions log is provided in the Serco Exit Risk and Assumptions Log Package B. Critical dependencies that we have on the Authority and/or new supplier are listed in Table 1 below:

Table 1 – Dependencies that Serco has on the Authority, with impacts {redacted}

**Detail the challenges identified within the service requirements which would impact successful exit and how you will monitor and correct any issues that may arise;** Maintaining service levels – Serco will continue its existing intraday management approach until contract end to achieve service levels. We will do this by daily monitoring of intraday management and the use of proven techniques, {redacted} Staff performance – we understand the importance of staff engagement and will endeavour to redeploy staff to other contracts. This incentivises staff to continue delivering a good service. {redacted}. Recruitment/Staff Attrition – {redacted}. Alignment of plans/ assumptions/ dependencies between Serco and new provider – we commit to working with the Authority and the new provider to ensure all plans, assumptions and dependencies are fully understood, communicated, monitored and managed. We will do this through a tight governance framework consisting of joint planning meetings, weekly progress meetings, daily monitoring of plan progress and communication of progress and timely engagement to ensure key milestones are delivered to plan. TUPE – we will agree a positive approach (including consideration of parallel consultation if required) for access to staff to complete TUPE activity, with the objective of achieving a safe landing of our people and service to the new supplier.

**A proposed critical path detailing key milestones and timescales for activities including start and end dates for exit tasks associated with all service lines;** Our milestone plan (Serco Limited Exit Plan Package B) details the critical path and key milestones for our exit strategy. We will engage the Authority up to 12 months before termination in line with contractual requirements. For exit planning purposes, we have assumed that the contract will end in July 2021. This will be followed by a three month phased transition period to minimise risk to DWP.

**A narrative rationale to support the proposed exit of all service lines, including critical dependencies;** We will exit the contracted service lines in line with industry best practice and our proven methodology to manage a seamless exit to the Authority or new service provider. A recent example of this process is the successful exit {redacted} Our exit approach will involve the transfer of service delivery responsibility either back to the Authority or to a new service provider. The sole aim of the exit is to ensure no service disruption, through a clearly defined and well managed set of activities aimed at transferring responsibility for the service, with no impact on service levels. The approach we will use in the exit of 'Package B' service lines will include: {redacted}

**Which organisation is responsible for each activity (e.g. DWP, Prime, Sub-contractor, incoming supplier/s);** The exit plan details which organisation will be responsible for the delivery of each activity. The exit strategy plan will be implemented by a skilled Serco Exit Team; {redacted}. The Exit Team will work with the Authority's project team and the new service provider to deliver activities in line with the approved plan. Responsibility for task completion will be agreed upon notification being given of the contract end. The proposed exit roles and responsibilities are:

The Serco {redacted} – responsible for the preparation and delivery of the exit. They will liaise with the Authority and new service provider regarding the content of the plan, its ongoing review and subsequent implementation. {redacted}. New service provider Transition Manager – the new supplier must nominate a Transition Manager to work with Serco and the Authority to manage the exit process. Authority Project Manager – the Authority must nominate a Project Manager to work with Serco and the new supplier to manage and govern the exit process. New service provider transition team – the new supplier must provide a team of appropriate specialists corresponding to each of the work streams in Serco's exit plan. These specialists will be

required to receive, manage, verify and process the information provided by Serco as part of service hand over.

The Serco exit transition team will conduct activities in the following work streams: Transition exit and governance management; property/ estate management; assets transfer, including all service delivery documentation, technology related assets, work environment equipment and supplies owned by the service delivery organisation; knowledge handover, e.g. process manuals and documentation; Human Resources; and commercial and financial, including all agreements existing between Serco and the Authority, financial documentation, reporting etc.

Each of these work streams will be led by a specialist whom will liaise with the relevant Authority or new service provider contact for that area. {redacted}

**Contingency planning for fluctuating levels of work and business continuity planning;**

Serco's {redacted} will maintain existing planning processes and work with the Authority to create an effective staff profile. Serco has proven operational procedures to support fluctuating levels of work. All our operational staff are {redacted}. The Exit Team will {redacted} conduct a sensitivity analysis to understand the likely impact of changes throughout the exit. If it is necessary to invoke the business continuity plan, we will transfer calls to other Serco sites {redacted}.

**Your process for the management of recruitment, training and attrition during this period;**

There is a risk of higher attrition within the business as the contract end approaches. {redacted} Our management and exit teams will work {redacted} to maintain staff levels until contract end in line with any agreed dual running plans. {redacted}.

**Your risk management processes for Exit; and an Exit Risk and Assumptions Log (with mitigation actions required and likelihood and impact of the risk materialising);**

We have provided a risk and assumptions log (Serco Limited Exit Risks and Assumptions Log Package B). We will use our full risk management process for the exit of the service, {redacted}.

Throughout the full contract lifecycle, risks are identified and allocated a risk owner, a sponsor and have detailed mitigations. Each risk is scored on likelihood and impact, providing a comparative score. {redacted}. Responsibility for the management of the risk log and mitigating actions will continue to sit with the Customer Service Manager, {redacted}, until contract end.

**Your process on Exit for the secure retention/destruction of call recording in line with**

**DWP requirements;** Media used to store sensitive Authority data will be securely disposed of when it reaches end of life (in accordance with HMG Information Assurance Standard No 5) {redacted}. If file transfer is required, Serco will work with the Authority/ new provider to provide a reliable and autonomous process that transfers PGP encrypted files to and from the Authority. This solution will provide a secure data transfer from end-to-end, the schedule for which will be mutually agreed.

**Your proposals for the handing back of any updated training products and other key products used in the delivery of the services.** We will return all service line material to the Authority. A service catalogue will be created and transferred to the new service provider prior to handover. This is the responsibility of the new service provider but we recognise the importance of knowledge transfer at this stage and our role in the training of the new team. We will work with the Authority to agree reasonable terms for access to service delivery staff for knowledge transfer purposes during exit transition, balancing the competing requirements of effective knowledge transfer and maintaining service levels up to the point of transfer. We will ensure the continuity of service throughout the exit process, and will establish a sustainable operation for future delivery. If requested by the Authority, Serco will consider providing on-going support and other ancillary assistance to the new service provider for an agreed period after transfer of the services.