Crown Commercial Service

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

701553595

PROVISION OF CONSULTANCY SUPPORT TO DEVELOP AN EFFICIENCY PROGRAMME WITHIN THE ROYAL NAVY

Call Off Order Form for Management Consultancy Services

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

12/08/2013

**FRAMEWORK SCHEDULE 4**

**701553595 CALL OFF ORDER FORM**

PART 1 – 701553595 CALL OFF ORDER FORM

SECTION A

This Call Off Order Form is issued in accordance with the provisions of the Framework Agreementfor the provision of **RM6008 Management Consultancy Framework 2 (MCF2), Lot 3 (Complex and Transformation Consultancy Services)**  dated **28 April 2021**.

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 Template Call Off Order Form and the Call Off Terms.

|  |  |
| --- | --- |
| Order Number | **701553595** |
| From | **MINISTRY OF DEFENCE** **("CUSTOMER")** |
| To | **OLIVER WYMAN LIMITED****("SUPPLIER")** |
| Date  | **28 April 2021** **("DATE")** |

SECTION B

1. call off contract period

|  |  |
| --- | --- |
|  | **Commencement Date**: 20 May 2021 |
| * 1.
 | **Expiry Date**: 27 Jul 2021 |

1. Services

|  |  |  |
| --- | --- | --- |
| 2.1.  | **Services required**: **Services required/****Statement of Requirement (SoR)**:  | As per Statement of Requirements |

1. PROJECT Plan

|  |  |  |
| --- | --- | --- |
| **3.1.**  | **Project Plan**:  | As per Statement of Requirements |
|

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Milestone** | **Deliverables** | **Duration** | **Milestone Date** | **Customer Responsibilities** | **Milestone Payments** | **Delay Payments** |
| \*Please see full SoR |

 |

1. contract performance

|  |  |  |
| --- | --- | --- |
| **4.1.**  | **Standards**: | As Per Statement of Requirements |
| **4.2** | **Service Levels/Service Credits**:Not applied | Not applicable. |
| **4.3** | **Critical Service Level Failure**:Not applied | Not applicable. |
| **4.4** | **Performance Monitoring:** Not applied | Not applicable. |
| **4.5** | **Period for providing Rectification Plan:**   | In Clause 39.2.1(a) of the Call Off Terms*.* |

1. personnel

|  |  |  |
| --- | --- | --- |
| **5.1** | **Key Personnel**:  | As Per Statement of Requirements |
| **5.2** | **Relevant Convictions**: | Clause 28.2 of the Call Off Terms |

1. PAYMENT

|  |  |  |
| --- | --- | --- |
| **6.1** | **Call Off Contract Charges**  | The maximum costs are subject to a limit of liability of £428,400.00 (ex VAT). |
| **6.2** | **Payment terms/profile**  | 1. The maximum costs are subject to a limit of liability of £428,400.00 (ex VAT). 2. Payment will be invoiced in accordance with the agreed conditions and grades stipulated within the contract.3. A payment requisition will be raised within CP&F.4. Each invoice shall include a detailed breakdown of work completed in accordance with the SOR and confirmed in CP&F. 5. Invoices will be submitted monthly in arrears based on days worked.  |
| **6.3** | **Reimbursable Expenses**:  | IAW CCS Base Location. Maximum day rate is inclusive of travel to base location. Travel claims only for travel incurred attending additional pre-authorised related locations. |
| **6.4** | **Customer billing address:**  | Navy Command Leach Bldg,HMS EXCELLENT,Whale Island,PO2 8BY |
| **6.5** | **Call Off Contract Charges fixed for:** | Contract duration.  |
| **6.6** | **Supplier periodic assessment of Call Off Contract Charges**  | Not Applicable |
| **6.7** | **Supplier request for increase in the Call Off Contract Charges**  | Not Permitted |

1. LIABILITY and insurance

|  |  |  |
| --- | --- | --- |
| **7.1** | **Estimated Year 1 Call Off Contract Charges:** | *The maximum costs are subject to a limit of liability of £428,400.00 (ex VAT).* |
| **7.2** | **Supplier’s limitation of Liability:** | Refer to Clause 37 MCF2- Call Off Terms. |
| **7.3** | **Insurance:** | Refer to Clause 38 MCF2- Call Off Terms. |

1. TERMINATION and exit

|  |  |  |
| --- | --- | --- |
| **8.1** | **Termination on material Default**: | In Clause 42.2.1(c) of the Call Off Terms. |
| **8.2** | **Termination without cause notice period:** | Clause 42.7 of the Call Off Terms.  |
| **8.3** | **Undisputed Sums Limit**: | In Clause 43.1.1 of the Call Off Terms. |
| **8.4** | **Exit Management:**   | Not applied. |

1. supplier information

|  |  |  |
| --- | --- | --- |
| **9.1** | **Supplier's inspection of Sites, Customer Property and Customer Assets:** | Not applicable. |
| **9.2** | **Commercially Sensitive Information**: |  |

1. OTHER CALL OFF REQUIREMENTS

|  |  |  |
| --- | --- | --- |
| **10.1** | **Recitals**  | Recital A |
| **10.2** | **Call Off Guarantee (Clause 4 of the Call Off Terms):** | Not Required |
| **10.3** | **Security**: |  |
| **10.4** | **ICT Policy:** | ICT Policy to be provided on commencement of work. |
| **10.6** | **Business Continuity & Disaster Recovery**: | Not applied |
| **10.7** | **NOT USED** |  |
| **10.8** | **Protection of Customer Data**  | Clause 35.2.3 of the Call Off Terms |
| **10.9** | **Notices**  | **Customer’s postal address and email address:**Navy Command Commercial TeamNavy Command HQLeach Bldg,HMS EXCELLENT,Whale Island,PortsmouthHampshirePO2 8BY Navy Commercial:Navycomrcl-sourcing@mod.gov.uk**Supplier’s postal address and email address:** |
| **10.10** | **Transparency Reports** | In Call Off Schedule 13 (Transparency Reports). |
|  |
| **10.11** | **Alternative and/or Additional Clauses from Call Off Schedule 14 and if required, any Customer alternative pricing mechanism:** | Not applied. |
| **10.12** | **Call Off Tender**: | In Schedule 16 (Call Off Tender) |
| **10.13** | **Publicity and Branding (Clause 36.3.2 of the Call Off Terms)** | Clause 36.3.2 of the Call Off Terms |
| **10.14** | **Staff Transfer** | Not applicable. |
| **10.15** | **Processing Data** | Call Off Schedule 17 |
|  |
| **10.16** | **MOD DEFCONs and DEFFORM**Call Off Schedule 15 | *Guidance Note: Consider Call Off Schedule 15 (MOD DEFCONs and DEFFORMs). If DEFCONs or DEFFORMs are required, populate the table below.*  |
| **The following MOD DEFCONs and DEFFORMs form part of this Call Off Contract:** DEFCONs

|  |  |  |
| --- | --- | --- |
| DEFCON No | Version | Description |
| DEFCON 76 | Edn 12/06 | Contractor’s Personnel at Government Establishments |
| DEFCON 611 | Edn 02/16 | Issued Property |
|  |  |  |
|  |  |  |

DEFFORMs

|  |  |  |
| --- | --- | --- |
| DEFFORM No | Version | Description |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

 |

**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 |  |

|  |  |
| --- | --- |
|  | **CONTRACT REFERENCE: 701553595****PRICING SCHEDULE** |

The following table format is to be used in providing your bid, the rates that are used in this table will be those that are used in the delivery of the requirement and will form the contracted rates. All prices shall be submitted in Great British Pounds Sterling (£). Pricing cannot exceed your maximum framework prices. **All pricing shall be exclusive of VAT.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Grade** | **Max Man Day Rate** | **(A) Tendered Man Day Rate** | **(B) Man Day Qty** | **Total Grade Price****(A) X (B)** |
| Director/Partner |  |  |  |  |
| Managing Consultant |  |  |  |  |
| Principal Consultant |  |  |  |  |
| Senior Consultant |  |  |  |  |
| Consultant |  |  |  |  |
| Junior Consultant |  |  |  |  |
| **Total** | **£** |

**REDACTED Statement of Requirements**

**Navy Command Efficiency programme - Statement of Requirement**

**Statement of Requirement Summary:**

1. NCHQ is seeking to place a consultancy contract to:

1. De-risk the successful delivery of existing efficiency targets (total: >£513m).
2. Identify issues with the existing cost base;
3. Provide alignment between MOD Head Office transformation metrics and RN Transformation metrics.
4. Review 2\* area forecasts, methodology, assumptions and ways of working.

**Background – Contracting Authority**

2. This work is led by Navy Command Headquarters, within the Ministry of Defence. The purpose of Navy Command Headquarters is to set and assure Royal Navy strategy, policies and processes and to act as its primary accounting function.

**Requirement**

**Scope of requirement**

3. The requirement is to support NCHQ through provision of strategic advice, design support, commercial and cross-sector best-practice, and change management input.

**Reporting**

1. There will be weekly progress reviews to assess progress and sign off against milestones, and ad hoc reporting as required.

**Continuous improvement**

1. The Supplier will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.
2. The Supplier should present new ways of working where necessary to the Authority following the periodic charter reviews after a clear assessment of deliverables has been conducted.
3. 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.

**Quality**

1. The Supplier will be subject to a periodic Contract management review whereby it will be expected the Supplier to maintain a quality of deliverable to the Authority’s satisfaction.

**Price**

1. Prices are to be submitted excluding VAT.

**Staff and Customer Service**

1. The Authority requires the Potential Provider to provide a sufficient level of resource throughout the duration of the Contract to consistently deliver a quality service to all Parties.
2. Potential Provider’s staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract.
3. The Potential Provider shall ensure that staff understand the Authority’s vision and objectives and will provide excellent customer service to the Authority throughout the duration of the Contract.

**Payment**

1. Payment will be triggered by Authority acceptance of successfully completed milestones. The Supplier should define the proposed payment schedule in their bid.
2. Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.

**Location**

1. The location of the delivery of services will be Navy Command Headquarters, Portsmouth.

**Financial Value Statement:**

The Business Case seeks approval for £0.515M (Inc VAT) of External Assistance funding to develop a programme of TLB Efficiencies for the Royal Navy with consultancy support.

Navy Command has an agreed target, set by previous SDSR’s, to deliver £3.7bn/10 years of efficiencies. Our current projection (Q3 20/21) reports a £513M shortfall against this target, £66M of this is in year 1 (FY21/22). This work is not only about identifying efficiencies within our current programme or operating model, but is also about creating a culture of efficiency and cost consciousness that underpins everything we do within the RN.

Oliver Wyman (OW) will undertake the work through a Single Source approach; this is due to the unique experience OW have with Defence/ the RN, having recently undertaken reviews of the Defence Efficiency programme and Navy Transformation. This prior knowledge puts them in optimum position to seamlessly commence in an urgent timeframe.

This consultancy support will provide External Assistance that is well placed (by experience, credibility and recent involvement with Defence and RN programmes) to commence work immediately and assist us in developing an efficiency programme. Following this Direct Award, DD NEST and DD Fin will undertake an urgent exploration of any enduring requirement for external support and, if necessary, initiate a competitive commercial process immediately.