

Attachment 5 – Statement of Work Template

Statement of Work (01)

This Statement of Work (“SOW”) is entered into as of 20/10/22 (“SOW Effective Date”) by and between HMRC (“Buyer”) and Deloitte LLP (“Supplier”) pursuant to the terms of the Contract (HMRC SAP Strategy and Design Services), consisting of the Order Form and the Call Off Terms.”

1. Statement of Works (SOW) Details

Upon execution, this SOW forms part of the Contract (reference below).

The Parties will execute a SOW for each set of Buyer Deliverables required. Any ad-hoc Deliverables requirements are to be treated as individual requirements in their own right and the Parties should execute a separate SOW in respect of each, or alternatively agree a Variation to an existing SOW.

All SOWs must fall within the Services Specification and provisions of the Contract.

The details set out within this SOW apply only in relation to the Deliverables detailed herein and will not apply to any other SOWs executed or to be executed under this Contract, unless otherwise agreed by the Parties in writing.

- 1.1. **Date of SOW:** 20/10/2022
- 1.2. **SOW Title:** Initial assessment
- 1.3. **SOW Reference:** SOW01
- 1.4. **Call-Off Contract Reference:** SR997838165
- 1.5. **Buyer:** HMRC
- 1.6. **Supplier:** Deloitte LLP
- 1.7. **SOW Start Date:** 20/10/2022
- 1.8. **SOW End Date:** 05/01/2023
- 1.9. **Duration of SOW:** 11 weeks
- 1.10. **Service Period:** October 2022 – December 2022
- 1.11. **Key Personnel (Buyer):** [REDACTED]
- 1.12. **Key Personnel (Supplier):** See table at 3.5
- 1.13. **Subcontractors:** N/A

2. Contract Specification – Deliverables Context

2.1. SOW Deliverables Background: This ‘initial assessment’ requirement is the first Statement of Works under the SAP Strategy and Design Service contract.

HMRC CDIO SAP Practice strategic aim is to build an internal ‘intelligent client’ SAP capability, with the people, processes, expertise and technology to manage and assure the SAP delivery pipeline within HMRC.

This Statement of Work will set out the deliverables and responsibilities that contribute to the overall delivery of the CDIO SAP Practice which support and progress the design and assurance of SAP delivery projects and programmes.

2.2. Delivery phase(s):

- Phase 1 – Rapid Assessment (duration 4 weeks)

Activity: Conduct an assessment of HMRC’s people, processes, and tools.

- Phase 2 – High Level Target Operating Model (TOM) Design (duration 7 weeks)

Activities: Using findings from the Rapid Assessment phase, create High Level Functional Designs to build the SDS Centre of Excellence (CoE), and Co-Develop a Roadmap to develop a Case for Change.

2.3. Overview of Requirements: The Supplier must conduct an initial timeboxed assessment of HMRC SAP Strategy & Design Services (SDS) Function across people, processes & tools and provide the following to help define the SDS roadmap:

- 1) Target Operating Model for the SAP Strategy & Design Service
- 2) Full training plan including a Capability Build Plan and Knowledge Transfer Plan
- 3) Documentation of Governance Processes and Control Mechanisms
- 4) GAP analysis of HMRC Capability
- 5) Document and Provide guidance on integration

3. Buyer Requirements – SOW services

3.1. SOW services: As detailed within ‘2.2 Delivery Phases’

3.2. SOW Milestones

Milestone Ref	Milestone Description	Acceptance Criteria	Due Date
MS01	Rapid Assessment – provide evidence of completed assessment and findings, in a format to be agreed between Buyer and Supplier, for example	Written, as per 3.7	Week 4

	<p>via:</p> <ul style="list-style-type: none"> • MS Word, • PowerPoint, or • Presentation <p><i>(list not exhaustive)</i></p>		
MS02	<p>Production of the High Level Functional Design – provide evidence of HLF D document produced, following the Rapid Assessment phase.</p> <p>Format to be agreed between Buyer and Supplier, for example via:</p> <ul style="list-style-type: none"> • MS Word, • PowerPoint, or • Presentation <p><i>(list not exhaustive)</i></p>	Written, as per 3.7	Bi-weekly reviews between Buyer and Supplier & Completion of Milestone by week 11
MS03	<p>Creation of the Roadmap to co-develop Case for Change – provide evidence of the creation of the Roadmap document.</p> <p>Format to be agreed between Buyer and Supplier, for example via:</p> <ul style="list-style-type: none"> • MS Word, • PowerPoint, or • Presentation <p><i>(list not exhaustive)</i></p>	Written, as per 3.7	Bi-weekly review between Buyer and Supplier & Completion by week 11

3.3. Delivery Plan:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

3.4. Dependencies: N/A

3.5. Supplier resource plan:

Role	Named Resource	Deployment	Phase	SFIA
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]		[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

3.6. SOW Standards: The scope of delivery outlined in this SOW will comply with the standards and policy documents referenced in the Call Off Order Form and Call Off Terms.

3.7. Acceptance criteria: The acceptance criteria, at HMRC's discretion, shall be that the Deliverables materially conform to the specifications and descriptions as below:

HMRC will review each deliverable from the Supplier and any material deficiency in the deliverable that is identified by HMRC during a period of 10 business days after delivery will be immediately notified to the Supplier in writing (By Email or otherwise). In the event that a material deficiency is duly notified during such period, Supplier shall within 10 business days remedy the deficiency and resubmit the deliverable for further acceptance review.

3.8. Performance Management:

No.	Key Performance Indicator Title	Definition	Measurement Period	Frequency of reporting	Performance calculation	Severity Levels	Service Points
KPI-1	Deliverables delivered on time	Percentage of initial draft deliverables delivered on time as set out in the Detailed Implementation plan to an acceptable quality.		Monthly	N/A	Target Performance Level: >=N/A Minor KPI Failure: N/A Serious KPI Failure: N/A Severe KPI Failure: N/A KPI Service Threshold: < N/A	0 1 2 3 4
KPI-2	Provision of revised Deliverables	Where a deliverable has been rejected by the Buyer, the Supplier shall return the revised deliverable by the revised deliverable due date as stated by the Buyer upon rejection of the deliverable. This due date shall be no less than 5 working days from notification of the Buyers rejection, and shall be at nil cost, as per the terms of this SOW01 agreement. A revised deliverable is therefore defined as a deliverable that has been rejected by the Buyer.		Monthly	N/A	Target Performance Level: >=N/A Minor KPI Failure: N/A Serious KPI Failure: N/A Severe KPI Failure: N/A KPI Service Threshold: < N/A	0 1 2 3 4

3.9. Service Levels and Service Credits

N/A

Service Credit Cap

N/A

Critical Service Level Failure

N/A

3.10. Additional Requirements:

Annex 1 – Where applicable, this Annex will set out the data Processor / Controller arrangements applicable to this Statement of Work.

3.11. Milestone and Delay Payments

N/A

3.12. Service Charges (if applicable)

N/A

3.13. Risk Register

Risk Number	Risk Name	Description of Task	Timing	Likelihood	Impact (£)	Impact (description)	Mitigation (description)	Cost of Mitigation	Post-mitigation impact (£)	Owner

3.14. Early Termination Fee

N/A

3.15. Key Supplier Personnel:

Key Role	Key Staff
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

3.16. SOW Reporting Requirements:

Further to the Supplier providing the reporting detailed in Attachment 3 of the Order Form (Transparency Reports) the Supplier shall also provide the following additional reporting under and applicable to this SOW only:

No reporting, other than what is specified within Attachment 3 (Transparency Reports) of the Call Off Order Form, in relation to this specific SOW, is required.

4. Charges

4.1. Contract Charges:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

4.2. Reimbursable Expenses

HMRC Travel and Subsistence Policy can be found at Attachment 8 of the Order Form

Authorisation of reimbursable expenses will be at Buyer discretion and as per HMRC T&S policy found at Attachment 8 of the Order Form. The Buyer reserves the right to refuse a claim for Reimbursable Expenses where the claim does not comply with the HMRC T&S Policy.

5. Signatures and Approvals

For and on behalf of the Supplier

Name: [REDACTED]

Title: [REDACTED]

Date: 04 October 2022

Signature: [REDACTED]

For and on behalf of the Buyer

Name: [REDACTED]

Title: [REDACTED]

Date: 04 October 2022

Signature: [REDACTED]

SOW Annex 1 Processing, Personal Data and Data Subjects

At the time of drafting SOW01, the processing of personal data is not in scope. Therefore, Annex 1 is not applicable.

This SOW Annex 1 shall be completed by the Buyer, where applicable, who may take account of the view of the Supplier, however the final decision as to the content of this SOW Annex 1 shall be with the Buyer at its absolute discretion.

1. The contact details of the Buyer's Data Protection Officer are: *[Insert Contact details]*.
2. The contact details of the Supplier's Data Protection Officer are: *[Insert Contact details]*.
3. The Supplier shall comply with any further written instructions with respect to processing by the Buyer.
4. Any such further instructions shall be incorporated into this SOW Annex 1

Description	Details
Identity of the Controller and Processor	The Parties acknowledge that for the purposes of the Data Protection Legislation, the Buyer is the Controller and the Supplier is the Processor in accordance with Clause 18 of the Contract.
Subject matter of the processing	<i>[This should be a high level, short description of what the processing is about i.e., its subject matter of the contract. Example: The processing is needed in order to ensure that the Supplier can effectively deliver the contract to provide a service to members of the public.]</i>
Duration of the processing	<i>[Clearly set out the duration of the processing including dates]</i>
Nature and purposes of the processing	<i>[Please be as specific as possible, but make sure that you cover all intended purposes. The nature of the processing means any operation such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of data (whether or not by automated means) etc. The purpose might include employment processing, statutory obligation, recruitment assessment etc.]</i>
Type of Personal Data being Processed	<i>[Examples here include name, address, date of birth, NI number, telephone number, pay, images, biometric data etc.]</i>
Categories of Data Subject	<i>[Examples include: Staff (including volunteers, agents, and temporary workers), customers/ clients, suppliers, patients, students / pupils, members of the public, users of a particular website etc.]</i>

Annex 2

Performance Management

11 DEFINITIONS

In this Schedule, the following definitions shall apply:

“Key Performance Indicator”	the key performance indicators set out in section 3.8 Performance Management of this SOW;
“KPI Failure”	a failure to meet the Target Performance Level in respect of a Key Performance Indicator;
“Measurement Period”	in relation to a Key Performance Indicator or Subsidiary Performance Indicator, the period over which the Supplier’s performance is measured (for example, a Service Period if measured monthly or a 12 month period if measured annually);
“Minor KPI Failure”	shall be as set out against the relevant Key Performance Indicator in section 3.8 Performance Management of this SOW;
“Performance Monitoring Report”	has the meaning given in Paragraph 1.1(a) of Part B;
“Repeat KPI Failure”	has the meaning given in Paragraph 3.1 of Part A;
“Serious KPI Failure”	shall be as set out against the relevant Key Performance Indicator in section 3.8 Performance Management of this SOW;
“Service Charges”	the periodic payments made in accordance with Section 4. Charges of this SOW;
“Service Credit Cap”	(a) in the period of 12 months from this SOW Start Date , [N/A%] of the SOW Charges; and (b) during the remainder of the Term, [N/A] of the Service Charges paid and/or due to be paid to the Supplier under this Contract in the period of 12 months immediately preceding the Service Period in respect of which Service Credits are accrued;
“Service Credits”	credits payable by the Supplier due to the occurrence of 1 or more KPI Failures,

	calculated in accordance with Part A of this Annex;
“Service Period”	a calendar month, save that: <ul style="list-style-type: none"> (a) the first service period shall begin on the SOW Start Date and shall expire at the end of the calendar month; and (b) the final service period shall commence on the first day of the calendar month in which this SOW expires or terminates and shall end on the expiry or termination of the Term;
“Service Points”	in relation to a KPI Failure, the points that are set out against the relevant Key Performance Indicator in 7. Performance Management of this SOW;
“Severe KPI Failure”	shall be as set out against the relevant Key Performance Indicator in section 3.8 Performance Management of this SOW;
“Social Value”	the social, economic or environmental benefits set out in the Suppliers ITT Response
“Subsidiary Performance Indicator”	the performance indicators set out in section 3.8 Performance Management of this SOW;
“Target Performance Level”	the minimum level of performance for a Performance Indicator which is required by the Buyer, as set out against the relevant Performance Indicator in section 3.8 Performance Management of this SOW.

PART A: PERFORMANCE INDICATORS AND SERVICE CREDITS

NOT APPLICABLE

~~1 PERFORMANCE INDICATORS~~

~~1.1 Section 3.8 Performance Management of this SOW sets out the Key Performance Indicators and Subsidiary Performance Indicators which the Parties have agreed shall be used to measure the performance of the Services by the Supplier.~~

~~1.2 The Supplier shall monitor its performance against each Performance Indicator and shall send the Buyer a report detailing the level of service actually achieved in accordance with Part B.~~

~~1.3 Service Points, and therefore Service Credits, shall accrue for any KPI Failure and shall be calculated in accordance with Paragraphs 2, 3 and 4.~~

~~2 SERVICE POINTS~~

~~2.1 If the level of performance of the Supplier during a Service Period achieves the Target Performance Level in respect of a Key Performance Indicator, no Service Points shall accrue to the Supplier in respect of that Key Performance Indicator.~~

~~2.2 If the level of performance of the Supplier during a Service Period is below the Target Performance Level in respect of a Key Performance Indicator, Service Points shall accrue to the Supplier in respect of that Key Performance Indicator as set out in Paragraph 2.3.~~

~~2.3 The number of Service Points that shall accrue to the Supplier in respect of a KPI Failure shall be the applicable number as set out in section 3.8 Performance Management of this SOW depending on whether the KPI Failure is a Minor KPI Failure, a Serious KPI Failure or a Severe KPI Failure, unless the KPI Failure is a Repeat KPI Failure when the provisions of Paragraph 3.2 shall apply.~~

~~3 REPEAT KPI FAILURES AND RELATED KPI FAILURES~~

~~3.1 Repeat KPI Failures~~

~~If a KPI Failure occurs in respect of the same Key Performance Indicator in any two consecutive Measurement Periods, the second and any subsequent such KPI Failure shall be a "Repeat KPI Failure".~~

~~The number of Service Points that shall accrue to the Supplier in respect of a KPI Failure that is a Repeat KPI Failure shall be calculated as follows:~~

$$~~SP = P \times 2~~$$

~~where:~~

~~SP = the number of Service Points that shall accrue for the Repeat KPI Failure; and~~

~~P = the applicable number of Service Points for that KPI Failure as set out in section 3.8 Performance Management of this SOW depending on whether the Repeat KPI Failure is a Minor KPI Failure, a Serious KPI Failure, a Severe KPI Failure or a failure to meet the KPI Service Threshold.~~

~~4 SERVICE CREDITS~~

~~4.1 Service Credits shall be calculated by reference to the number of Service Points accrued in any one Service Period pursuant to the provisions of section 3.8 Performance Management of this SOW.~~

~~For each Service Period:~~

~~the Service Points accrued shall be converted to a percentage deduction from the Service Charges for the relevant Service Period on the basis of one point equating to a 1% deduction in the Service Charges; and~~

~~the total Service Credits applicable for the Service Period shall be calculated in accordance with the following formula:~~

~~Total Service Credits = [(Total Service Points for KPI1) + (Total Service Points for KPI2) + (Total Service Points for KPI3)...] * 1% * Service Charges~~

~~4.2 Service Credits are a reduction of the Service Charges payable in respect of the relevant Services to reflect the reduced value of the Services actually received and are stated exclusive of VAT.~~

~~4.3 Service Credits shall be shown as a deduction from the amount due from the Buyer to the Supplier in the invoice for the Service Period immediately succeeding the Service Period to which they relate.~~

~~4.4 The Buyer shall use the Performance Monitoring Reports provided pursuant to Part B, among other things, to verify the calculation and accuracy of the Service Credits (if any) applicable to each Service Period.~~

PART B: PERFORMANCE MONITORING

1 PERFORMANCE MONITORING AND PERFORMANCE REVIEW

- 1.1 Within 10 Working Days of the end of each Service Period, the Supplier shall provide:
- (a) a report to the Buyer Representative which summarises the performance by the Supplier against each of the Performance Indicators as more particularly described in Paragraph 1.2 (the “**Performance Monitoring Report**”); and
 - (b) a report created by the Supplier to the Buyer’s senior responsible officer which summarises the Supplier’s performance over the relevant Service Period as more particularly described in Paragraph 1.3 (the “**Balanced Scorecard Report**”).
- 1.2 The Performance Monitoring Report shall be in such format as agreed between the Parties from time to time and contain, as a minimum, the following information:
- (a) for each Key Performance Indicator and Subsidiary Performance Indicator, the actual performance achieved over the Service Period
 - (b) a summary of all KPI Failures that occurred during the Service Period;
 - (c) the severity level of each KPI Failure which occurred during the Service Period;
 - (d) which KPI Failures remain outstanding and progress in resolving them;
 - (e) the number of Service Points awarded in respect of each KPI Failure;
 - (f) the Service Credits to be applied, indicating the KPI Failure(s) to which the Service Credits relate
 - (g) such other details as the Buyer may reasonably require from time to time
- 1.3 The Balanced Scorecard Report shall be presented in the form of an online accessible dashboard and, as a minimum, shall contain a high level summary of the Supplier’s performance over the relevant Service Period, including details of the following:
- (a) the Target Performance Levels achieved;
 - (b) performance against its obligation to pay its Sub-contractors within thirty (30) days of receipt of an undisputed invoice;
 - (c) Milestone trend chart, showing performance of the overall programme;
 - (d) sustainability and energy efficiency indicators, for example energy consumption and recycling performance; and
 - (e) Social Value (as applicable)
- (f) such other details as the Buyer may reasonably require from time to time.