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**SCHEDULE 1**  
**STATEMENT OF REQUIREMENTS**

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## 1. Introduction

- 1.1. This Schedule 1 sets out the Services that the Contractor must deliver pursuant to clause 8. Paragraphs 2-4 and Appendices A-D set out the Authority's requirements for Phase 1, Phase 2 and Extended Phase 2 (The "Authority's Requirements"). Appendix E sets out the Contractor's proposed solution to these requirements. The Contractor shall, except where the parties have agreed in accordance with the Contract to amend or augment the obligations set out in this Schedule 1, deliver the Authority's Requirements in accordance with the Contractor's solution set out in Appendix E, the project plan set out in Appendix F and the Contractor's presentation set out in Appendix G.
- 1.2. Without prejudice to the paragraph above, the following table sets out for reference, in respect of each of the Authority's Requirements, the provisions of the Contractor's solution as set out in Appendix E that are of most relevance to that requirement.

**Comparison Table - Statement of Requirements v Award Questionnaire**

	Statement of Requirements		Contractor Solution
1	Introduction		N/A
2 Statement of Requirements			
2.1-2.9	Overview of the Major Projects Leadership Academy	A1 A2 B1	Proposals for Design and Delivery Proposals for Academy Refinement and Development Approach to Phase 2 Delivery
2.10-2.16	Academy participants	A1 A2 B1	Proposals for Design and Delivery Proposals for Academy Refinement and Development Approach to Phase 2 Delivery
2.17-2.18	Academy Outcomes	A4	Proposals for Performance Monitoring Framework
2.19-2.29	Outputs – Phase 1	A1 A2	Proposals for Design and Delivery Proposals for Academy Refinement and Development

		A3 A4 A5 A6 A7  A8 A9 A10 A11 A12	Preparation for Competence Assessment Framework Proposals for Performance Monitoring Framework Proposals for Design of Permanent Secretaries and DG Workshops Proposals for Perm Sec and DG Workshop Refinement Proposed approach to Phase 1 Project management (including Attachment) Proposed approach to working with the Authority Proposed Risk Management Approach Quality management Proposed Delivery Team with detailed roles and responsibilities (including Attachment) Profile, Reputation and Demand
2.30- 2.36	Outputs – Phase 2 and Extended Phase 2	B1 B2 B3 B5 B6 B7 B8 B9 B10 B11 B12 B13 B14	Approach to Phase 2 Delivery Proposal for Tailored Development Support Approach to Continuous Improvement Proposal for Pass Fail Mechanisms Proposal for Alumni Membership Access to Recognised World Leaders (including Attachment) Accreditation Proposed approach to Phase 2 project management Proposed approach to working with the Authority Proposed Risk Management Approach Quality management Proposed Delivery Team with detailed roles and responsibilities (including Attachment) Profile, Reputation and Demand
2.37	Success Criteria	A4	Proposals for Performance Monitoring Framework
2.38	Key Milestones	A7	Proposed approach to Phase 1 Project management (including Attachment)
2.41- 2.42	Logistics	B4	Core Logistics of the Academy
2.43	Additional Services		N/A

2.44-2.50	Financial Constraints		N/A
2.51-2.58	Governance and Working Arrangement	A4 A7 A8 A12 B9 B10 B14	Proposals for Performance Monitoring Framework Proposed approach to Phase 1 Project management (including Attachment) Proposed approach to working with the Authority Profile, Reputation and Demand Proposed approach to Phase 2 project management Proposed approach to working with the Authority Profile, Reputation and Demand
3	Contract Monitoring	A4 A7 B9	Proposals for Performance Monitoring Framework Proposed approach to Phase 1 Project management (including Attachment) Proposed approach to Phase 2 project management
4	Exit Management		N/A
App A: Service Level Agreement			
1	Framework for Performance Monitoring	A4 A9 B11	Proposals for Performance Monitoring Framework Proposed Risk Management Approach – Phase 1 Proposed Risk Management Approach – Phase 2
2	Key Performance Indicators	A4	Proposals for Performance Monitoring Framework
3 & Table 1	Service Levels	A2 A4	Proposals for Academy Refinement and Development Proposals for Performance Monitoring Framework
App B	Summary Profile of Project Leader Academy Cohorts	A1 A2	Proposals for Design and Delivery Proposals for Academy Refinement and Development
App C	Initial List of subject Areas to be covered by the Academy	A1 A2	Proposals for Design and Delivery Proposals for Academy Refinement and Development
App D	Schedule of Activities and Milestones	A7 B9	Proposed approach to Phase 1 Project management (including Attachment) Proposed approach to Phase 2 project management

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### ***Government Major Projects Portfolio (GMPP)***

- 1.3. **Major Projects**<sup>1</sup> are defined as any Central Government<sup>2</sup> funded project or programme that requires HM Treasury approval during its life, as set out in Delegated Authority letters (from HM Treasury to the Accounting Officer of each government department), and/or is of special interest to the Coalition Government
- 1.4. From April 2011 all Major Projects are included in the **Government Major Projects Portfolio (GMPP)**. Some of them are of such significant scale and complexity that they would not be attempted by the private sector and may never have been attempted elsewhere in the world. Examples of projects currently listed in the GMPP are Crossrail, Universal Credit and the Nuclear Weapons Capability Sustainability Programme. There are currently around 200 projects on the GMPP, with a total value above £300 billion (whole life costs).
- 1.5 Each Major Project has a **Senior Responsible Owner (SRO)** who is the person ultimately accountable for its delivery, including ensuring that it meets its objectives and realises the expected benefits. They are often supported by a **Project Director** who is responsible, as the day to day agent of the SRO, for leading and managing the setting up of the project through to delivery of the new capabilities and realisation of benefits. Collectively the people fulfilling these roles on GMPP projects are the **Project Leader** target audience for the **Major Projects Leadership Academy** (the “Academy”).

### ***Major Project Leadership***

- 1.6 Essential to the success of Major Projects is their leadership, as distinct from their management. There are many very capable SROs and Project Directors working on GMPP projects; nevertheless, improving the leadership of Major Projects is a critical priority for the Government.

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<sup>1</sup> For simplicity, the word ‘project’ is used throughout this document to mean both projects and programmes.

<sup>2</sup> The term “Central Government” usually means Government Departments, and normally excludes the Devolved Administrations of Scotland, Wales and Northern Ireland. However, the Academy cohorts will also include Project Leaders from the “arms’ length bodies” (ALBs) accountable to their parent Departments for delivering GMPP projects, and from Non-Ministerial Public Bodies in England. ALBs include Executive Agencies and Non-Departmental Public Bodies (NDPBs). Over time, Major Project Leaders from the Devolved Administrations may be included in later cohorts.

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## 2. Statement of Requirements

### *Overview of the Major Projects Leadership Academy*

- 2.1. The Cabinet Office, represented by the **Major Projects Authority** (the 'Authority'), wishes to establish a **Major Projects Leadership Academy** (the 'Academy') and is seeking a Contractor to work flexibly and innovatively in partnership with the Authority to design the Academy, and subsequently deliver it to nominated Project Leaders.
- 2.2. The Contractor will be required to carry a distinct brand for the Academy within its operations, course content, and any promotional materials.
- 2.3. The Academy programme should be structured and designed around three modules, each of which will incorporate three primary themes, namely:
  - Major Project Leadership
  - Technical understanding of Major Project Delivery
  - Commercial Capability.
- 2.4. 'Major Project Leadership' should account for 50% of the Academy programme while 'Technical Understanding of Major Project Delivery' and 'Commercial Capability' should represent 25% each.
- 2.5. An initial list of subject areas to be included within course content under the primary themes is provided in Appendix C, but the Authority expects the Contractor to build on and around these areas when designing Academy content. All subject and competence areas are to be addressed specifically in relation to the **Project Leader role on Major Projects**; teaching the basics of leadership competence and of programme and project management methodologies is therefore outside the scope of the Academy.
- 2.6. There are three distinct phases to delivery of the Academy:
  - **Phase 1** involves the Contractor working collaboratively with the Authority to further develop and refine the Academy offer in respect of its content, structure and teaching/learning approach, including delivering the first module and designing and running a workshop for Permanent Secretaries and Directors General. **See Outputs – Phase 1 for more detail.** The Authority's responsibilities are defined in Schedule 3 within the bidder's pack.
  - **Phase 2** will be the delivery of the full Academy offer developed in Phase 1. **See Outputs – Phase 2 for more detail.**

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- **Extended Phase 2** will run from 25 January 2016 until 24 January 2019 and continue the delivery of the full Academy offer and the development and delivery of further workshops for senior officials.

2.7. The outcomes and outputs for the Academy are described in more detail in later sections of this Statement of Requirements. However, there are certain aspects which are fundamental.

**The Academy programme MUST:**

- a. Include an assessment of each individual's Major Projects Leadership experience and competences before entering and upon leaving the Academy, to a) identify and address learning and development priorities (**see Paragraph 2.33**), and to b) evidence each attendee's development as a result of completing the Academy programme (**see Success Criteria**).

For the purposes of this assessment, "competences" should be taken to include the skills, knowledge, attitudes and behaviours relevant to Major Project Leadership in Central Government - these are to be defined and agreed during Phase 1.

- b. Be designed for completion by each cohort of Project Leaders within 12 months of them commencing the programme.
- c. Contain a significant residential component to each module, to provide a strong sense of identity and an intense learning experience for each Project Leader cohort. **See Paragraph 2.20 for more detail.**
- d. Between the residential components, include action learning in peer groups of 5 to 10 Project Leaders to tackle real and current Major Project Leadership issues, and workplace learning activities focussed on addressing individual development priorities.
- e. Be taught by academics and Major Project practitioners from the chosen Contractor and by world-class Project Leaders<sup>3</sup> from the private and public sectors.
- f. Be approximately 60% practical and 40% theoretical:
  - 'Practical' shall be interpreted as meaning a predominance of cohort interaction through team member and case study exercises, supplemented by face-to-face exposure and access to world-class Project Leaders, the challenges and issues they face and their experiences in leading their projects.
  - 'Theoretical' shall be interpreted as meaning an academic approach to understanding the issues and challenges of leading Major Projects and the competences required to do so successfully.

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<sup>3</sup> For the purposes of this Statement of Requirements, "world-class Project Leaders" means people who have successfully and demonstrably led and delivered projects of a size, scale, complexity and risk that is comparable to those in the GMPP and/or who are credible high calibre role models for Project Leaders entering the Academy.

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- g. Have a cohort of approximately 25 Project Leaders who will test and help develop the Academy model in Phase 1. **See Paragraph 2.22 for more detail.**
  - h. In Phase 2 have a total of 50 Project Leaders entering the Academy programme each year, in two cohorts of 20 to 30 Project Leaders. Each cohort will have a minimum of 20 participants and a maximum of 30 participants, unless otherwise agreed by the parties. The cohort involved in Phase 1 will be the first cohort to start the full Academy programme in Phase 2. The Authority will give the Contractor notice of attendee numbers for each cohort at least 12 weeks in advance of the first programme event for that cohort, or in line with any other timeframe as the Authority and Contractor agree. If the number of attendees will be below 20 (or such other figure as may be agreed), the programme will be cancelled and the number of cohorts for that year will be adjusted downwards accordingly.
  - i. Include tailored coaching and mentoring of the first two cohorts, where this is required by individuals in addition to residential and peer-to-peer learning components to address their learning and development priorities, until they complete the Academy programme.
  - j. Include preparing each cohort completing the Academy programme to become mentors in order to cascade their learning and experience across the rest of the Major Project Leadership community in Central Government.
  - k. Include Pass/Fail hurdles during and at the end of the one year programme, via a range of assessment methods. **See Paragraph 2.27 for more detail.** In the case of a failure, the option for an individual to re-take components with a later cohort is first subject to Authority agreement. The facility for individuals to re-take is to be limited by the maximum cohort size agreed with the Authority.
  - l. Allow individual participants to complete the programme with the next cohort if, in exceptional circumstances, they are unable to attend a residential module or participate in other components of the programme – this option is first subject to Authority agreement for each individual and is to be limited by the maximum cohort size agreed with the Authority.
  - m. Include formal recognition for Project Leaders who successfully complete the Academy Programme. The Authority would ideally prefer that this becomes a formal educational accreditation within the lifetime of the Contract, subject to agreement with the Contractor. Accreditation discussions will continue during the Extended Phase 2 both on the APM accreditation of the programme and the award of a Certificate in Management Practice from the Contractor.
  - n. Include within the Academy costs the membership, for a minimum five year term, of a relevant cross-sector alumni network for all Project Leaders who successfully complete the Academy programme. **See Paragraph 2.35 for more detail.**
  - o. In Extended Phase 2 complete cohorts (up to cohort 15) under terms agreed in Phase 2. Thereafter, Extended Phase 2 will run two cohorts a year. Each new cohort will have a minimum of 29 participants and a maximum of 34 participants unless otherwise agreed by the Parties. If the cohort size is below 29, it will be cancelled. The cost per participant attending each cohort will reduce
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from **REDACTED** (inc. VAT) to **REDACTED** (inc. VAT). There will be no escrow facility for Cohort 16 onwards. Any surplus funds (i.e. where cohorts have more than 29 participants) the Authority and Contractor will offer a credit to the participating departments under a mechanism which will be agreed between the Parties.

- p. Offer participants who have caring responsibilities and cannot attend the full residential weeks, the flexibility to attend across cohorts.
  - q. Ensure that the Contractor provides support for one marketing event per year, with no cost to the Authority.
  - r. Ensure that the Contractor will lead on the work to identify the key teachings that would be appropriate for senior people (including Permanent Secretaries and Director Generals) who need to understand the major projects environment but are not eligible for the MPLA.
- 2.8. Whilst the Academy is principally concerned with the capability of Project Leaders themselves, it is also essential that the structures surrounding Major Projects are addressed to ensure they are better supported to succeed from the start. To that end during Extended Phase 2, the Academy will also develop and deliver a series of bespoke workshops for Permanent Secretaries and other equivalent senior officials; DGs and SROs not necessarily eligible for the full MPLA programme. The workshops will include the culture, operating environment etc. required for successful delivery of Major Projects.
- 2.9. The Contractor shall gather qualitative feedback on and lessons learned from each cohort and module, and shall use this information within continuous improvement and refinement of the Academy programme, thereby ensuring that the content and approach remains current, relevant and effective throughout the lifetime of the Contract. **See Key Milestones and Appendix D for more detail.**

#### ***Academy participants***

- 2.10. The vast majority of Major Project Leaders are now enrolled on the Academy. From Extended Phase 2 onwards the Authority estimates it will need around 60 to enrol for each of the 3 years.
- 2.11. Some analysis of this Project Leader community has been undertaken – **see Appendix B for a summary.**
- 2.12. The Contractor should note that the perceptions amongst Permanent Secretaries and potential Project Leader attendees of the Academy's quality and reputation are highly likely to influence actual uptake. The Contractor shall therefore work with the Authority to promote the Academy in order to ensure a sufficient demand of participants, within the **Financial Constraints** outlined below.

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- 2.13. The Academy is not an “open” course. Specific individuals will be nominated by their Departments to attend the Academy. No private individuals will be permitted to attend the course. Attendance shall always be subject beforehand to discussion with, and agreement by, the Authority.
  - 2.14. Project Leaders and their Permanent Secretaries must be given appropriate information in reasonable time about what they can expect from the Academy to inform their decision to attend and to enable their time to be booked. Normally three months’ notice will be required throughout Phase 2.
  - 2.15. The Contractor will be expected to refer to and build on relevant central competence frameworks and role definitions already widely in use across the Civil Service, to support participants to monitor and report their performance development within Civil Service-wide HR systems. The Contractor should not be constrained by these frameworks and definitions, however, because the Academy will necessarily enhance existing skills and build specialist Major Project Leadership skills over and above the core/generalist competences required of Senior Civil Servants.
  - 2.16. The Academy must also be flexible in its delivery, to accommodate different participant needs, particularly disabilities and carer responsibilities; for example, in exceptional circumstances individual attendees may need to travel to and from home during residential modules and, if reasonable notice is given to the Contractor, this arrangement should be accommodated and reflected in the cost of their attendance.

### ***Academy Outcomes***

- 2.17. The Academy’s primary outcome is **to transform the implementation of Government policy through world-class delivery of Major Projects**, by:
  - a. Returning Major Project Leadership capability to Whitehall.
  - b. Developing Project Leaders to become world-class at successfully delivering Major Projects.
  - c. Creating a cadre of world-class Project Leaders, formed into an expert support network.
  - d. Elevating the status of project leadership professionalism in Central Government.
  - e. Developing Permanent Secretary and Directors General ability to a) develop a corporate environment that supports successful Major Project delivery, b) improve the way in which their organisations optimise use of their valuable Project Leader resource and c) understand the importance of their own role in successful project delivery.

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- 2.18. The Contractor shall, at all times, operate the Academy to achieve the above outcomes, as well as the **Success Criteria** and the Service Level Targets and Key Performance Indicator Targets set out in **Appendix A**.

**Outputs – Phase 1**

- 2.19. The Authority envisages Phase 1 beginning in February 2012 and producing outputs in sufficient time so that Phase 2 can commence in October 2012.
- 2.20. The Contractor should, drawing on its experience, propose an appropriate length of all residential components, their scheduling across weekdays and weekends, and their combination with other forms of learning, in order to achieve the **Academy Outcomes** and the requirements specified under **Paragraph 2.7**. It is assumed that the residential components will require a minimum of 15 days, and that attendees will have a maximum of 30 days availability for face to face learning (both residential and non-residential) during the 12 months of the Academy programme, but this will be reviewed towards the end of Phase 1.
- 2.21. Phase 1 will involve close working with the Authority to identify and define in detail the competences required by Major Project Leaders in Central Government, against which Academy participants will be assessed.
- 2.22. Phase 1 will also involve close working with the Authority and a range of stakeholders (including a first cohort of Project Leaders – **see Paragraph 2.23 below**) to develop Academy proposals and programme content to address those skills needs before Phase 2 starts.
- 2.23. The Contractor must run the first module for the first cohort, incorporating all three primary themes to ensure that the breadth of Academy programme content has been explored and tested in Phase 1.
- 2.24. Phase 1 should also include work to begin to address the issues related to the corporate environment in which Major Projects operate. To this end Phase 1 should deliver a short (one day and a dinner) but challenging workshop to Permanent Secretaries and Directors General focussing on:
- Major Projects as the key enabler of successful delivery of Government policy and business change
  - How Major Projects behave
  - Commercial issues for Government Major Projects
  - Key features of being a Project Leader on a Government Major Project
  - Significance and demands of the Project Leader role
  - Corporate and cultural environments in which Major Projects tend to thrive or fail
  - What Project Leaders need from the Permanent Secretary and Directors General
  - How Permanent Secretaries can leverage change in their organisations to make Major Projects more successful

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- Creating a sense of esteem about project leadership, the Academy and those attending it.
- 2.25. Following their conclusion, the Contractor should evaluate both courses delivered in Phase 1, and work with the Authority to refine and improve the design and content of the full Academy programme and the Permanent Secretaries and Directors General workshop, based on the lessons learned, prior to entering Phase 2 - **see Key Milestones and Appendix D for more detail**. Written deliverables should include teaching methodologies as well as course content.
- 2.26. The Contractor will work with the Authority to co-design real Major Project case studies to contribute to the content of the Academy for Phase 2 and to help identify and address some of the specific challenges facing those leading Government Major Projects.
- 2.27. The nature of the Pass/Fail mechanisms during and at the end of the programme is subject to discussion and agreement with the Authority during Phase 1, but their primary objective will be to ensure that people who have completed the Academy programme are genuinely competent and credible as Major Project Leaders in Central Government. This is essential for achievement of the **Academy Outcomes**.
- 2.28. The Contractor shall, drawing on its experience, work with the Authority to develop and implement a framework to efficiently and effectively monitor and measure achievement of the **Academy Outcomes** and **Success Criteria** during the lifetime of the Contract and beyond. Where appropriate and cost effective, measures shall be built into the Contractor's pre-and post-programme assessment processes (**see Paragraph 2.33**) developed in Phase 1.
- 2.29. Phase 1 shall include a review of the performance monitoring arrangements in **Appendix A**. The Authority reserves the right, on the basis of this improved knowledge and understanding, to subsequently negotiate amendments to the performance monitoring arrangements outlined in Annex A. Such amendments may include, where appropriate and cost effective, the addition of KPIs, potentially related to aspects of the **Success Criteria**.

### ***Outputs – Phase 2***

- 2.30. Subject to paragraph 2.7(h), Phase 2 will be the delivery of the full Academy offer to the following groups:
- Delivery of the full Academy programme to the first cohort (2012/13) which is expected to include some or all of the Project Leaders who participated in Phase 1
  - Delivery of the full Academy programme to a second cohort (2012/13)
  - Delivery of the Academy programme to two cohorts per year (2013/14 and 2014/15)

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- Delivery of at least one further Permanent Secretary and Directors General workshop (2012/13), with the scope for additional workshops at the direction of the Authority – exact timing to be discussed but likely to be held after a cohort has started the programme, so that a gap analysis of the cohort's competence assessment can be discussed with Permanent Secretaries. Attendee numbers at this and any future such workshops are described in Paragraph 2.8.

### ***Outputs – Extended Phase 2***

- 2.30A Development and delivery of a series of bespoke workshops for Permanent Secretaries etc. Exact timing to be discussed between the Parties but the design work to be completed by May 2016 with the first pilot workshop delivered by September 2016.
- 2.31. The Contractor must provide a continual learning process supporting each cohort of Project Leaders over a period of 12 months, fulfilling the requirements in the **Overview of the Major Projects Leadership Academy** and **Academy Participants** sections above.
- 2.32. All programme components that take Project Leaders away from their offices must be scheduled not to coincide with those of other cohorts; the purpose of staggering cohort attendance is to minimise the impact on the GMPP of reduced Project Leader coverage at any one time.
- 2.33. The Contractor will assess each attendee's Major Project Leadership experience and competence before they begin the Academy and at the end of the programme. The Contractor will use these assessments to establish and agree with each Project Leader:
- Their learning priorities for their time in the Academy, including any mentoring and coaching requirements;
  - A tailored personal development plan to cover a two to three year period after completion of the programme;
- and to report cohort and overall attendee competence levels (and gaps) to the Authority before and after the programme.
- 2.34. The Contractor shall liaise with the Authority before committing to guest speakers, as for some topics the Authority may choose to provide its own guest speakers in addition to, or instead of, Contractor-provided guest speakers. Provision of appropriate speakers on a pro bono basis by either the Authority or the Contractor should be in the overall declared cost of the Academy - **see Financial Constraints**.
- 2.35. Project Leaders who successfully complete the Academy programme should be given:
- Formal recognition of their successful completion of the Academy (ideally in the form of an accreditation), subject to paragraph 2.7(m).
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- Membership of a relevant alumni network that enables the Government's cadre of Project Leaders to interact with private sector peers, academics and business leaders as part of their continuous professional development.

2.36. The Authority will establish a cross-Government networking group for Major Project Leaders, including all Project Leaders who are accepted onto the Academy programme. It is expected that the Contractor will on occasion be invited to attend and/or to speak at events organised by the Authority for this group. Reasonable attendance in connection with such events shall not be deemed an additional chargeable service. The Contractor shall, however, be entitled to recover expenses in line with the Expenses Provisions of the Pricing Schedule.

### ***Success Criteria***

2.37. Required Service Level Agreements and Key Performance Indicators for the Contractor's delivery of the Academy are listed in Appendix A. In addition there are Success Criteria for the difference made by the Academy programme, as follows:

- a. A measurable improvement in the competence of Project Leaders as a result of completing the Academy (calculated by a comparison of post-programme assessments against pre-programme baseline assessment).
- b. Academy alumni are genuinely competent and credible Project Leaders for the GMPP, and are perceived as such by their managers, peers, the project teams they lead, and the Authority.
- c. Evidence of a link between Academy alumni Major Project Leadership competence and the successful delivery of the Major Projects for which they are accountable.

These success criteria are indicative and possibly to be incorporated into the Key Performance Indicators in **Appendix A**, following review and agreement by the Contractor and the Authority at the end of Phase 1, for implementation in Phase 2. **See Paragraphs 2.28 and 2.29.**

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### **Key Milestones**

- 2.38. Subject to Contract award having taken place by end of January 2012, and to the extent that the Authority fulfils its responsibilities (as set out in Schedule 3) to enable the Contractor to comply, the Contractor shall ensure that it complies with the following milestones (the 'Key Milestones'). These are material to the Contract:

<b>Phase</b>	<b>Milestone</b>	<b>By When</b>
<b>Finalisation of Contract</b>	Sign Contract	End of January 2012
<b>Phase 1</b>	Design first module and test with first cohort	End of March 2012
	Design and run Permanent Secretary & Directors General workshop	End of March 2012
	Design, test and finalise competence and assessment framework for Major Project Leaders	End of August 2012
	Refine, design, and agree the full Academy offer including the programme content and schedule, all forms of learning, and pass/fail mechanisms	End of August 2012
	Evaluate and refine Permanent Secretary & Directors General workshop	End of September 2012
	Review, renegotiate and agree overall framework for performance monitoring (see Appendix A), including SLAs and KPIs	End of September 2012
<b>Phase 2</b>	Full rollout of Academy programme	October 2012
<b>Extended Phase 2</b>	Development of a series of bespoke workshops for Permanent Secretaries etc.	May 2016
	Delivery of a series of bespoke workshops for Permanent Secretaries etc.	First pilot workshop to be delivered by September 2016

- 2.39. In the event of Contract award being delayed, the Key Milestones shall be moved back by a period of time equal in duration to the delay.

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2.40. **Appendix D** provides more detail on the required schedule for Phase 1 and the indicative schedule for Phase 2. The delivery schedule for Phase 2 will be confirmed during Phase 1.



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## **Logistics**

2.41. The “hard” logistics<sup>4</sup> outputs required of the Contractor are as follows:

- a. Provision of promotional materials for the Authority’s use when recruiting Project Leaders onto the programme (subject to **Financial Constraints**).
- b. Provision of suitable working environments and equipment, accommodation, food and refreshments to speakers and attendees throughout the programme (unless otherwise agreed – see **Financial Constraints** section).

2.42. The “soft” logistics<sup>5</sup> outputs required of the Contractor are as follows:

- a. Advice to the Authority on the optimum selection and mix of cohort members during the Authority’s selection and confirmation process for each programme cohort.
- b. Timely provision of appropriate programme, module, and logistical information to all agreed attendees.
- c. Booking of attendees onto each face-to-face component, including accommodation and dietary requirements for residential components.
- d. Measurement of attendee satisfaction and learning outcomes after each module.
- e. Measurement of satisfaction with, and success of, the programme as a whole - from the perspectives of attendees and of those working with and for the attendees.
- f. All invoicing and credit control of Departments for programme fees for their attendees.

## **Additional Services**

2.43. In addition to the Contractor’s core role in delivering both Phases of the Academy, it shall also perform related ad hoc services, as instructed by the Authority, and to be priced in accordance with the provisions of the Phase 2 Charging Basis of the Pricing Schedule. The Authority shall have the right to ask for fixed prices on a case by case basis.

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<sup>4</sup> Hard logistics are tangible logistics such as venues.

<sup>5</sup> Soft logistics are delivered by a professional or administrative service.

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### **Financial Constraints**

- 2.44. The Contractor should ensure, in all aspects of planning, design and delivery of the Academy, that it is mindful of the backdrop of financial austerity and significant budget reduction in the public sector, including caps on travel and subsistence expenses and moratoria on marketing, consultancy and ICT expenditure.
- 2.45. The total aggregate value of this Contract from the Initial Contract Period to the end of Extended Phase 2 shall be in the range of £18.2m to £19.7m range (inclusive of VAT) and £15.2m to £16.5m (exclusive of VAT). Accordingly, the Contractor shall at all times ensure that its proposals for the Academy (to explicitly include a reasonable buffer for continuous improvement and Additional Services) can be delivered in full over the duration of the Initial Contract Period and Extended Phase 2 and to the specified estimated number of attendees, for an aggregate price that shall never exceed the upper maximum of £19.7m (inclusive of VAT) and £16.5m (exclusive of VAT). Furthermore, the Contractor shall at all times ensure that its proposals for the Academy comply with the Financial Constraints detailed herein, and should therefore operate to demonstrably minimise unnecessary or unjustifiable costs and 'gold-plating' (whether actual or perceived), so as to increase the likelihood of full and successful Academy delivery being achieved within the lower end of this price range.
- 2.46. Value for money is subject to significant pressures, and the Authority will therefore be paying close attention to the Contractor's fee structure and cost drivers, to ensure the Academy is built on a robust and sustainable cost base.
- 2.47. The Authority will expect to see appropriately moderate expenditure in all areas of the Academy, in particular on components that are not critical to achieving the **Academy Outcomes**, including the **Logistics** outputs.
- 2.48. Not used.
- 2.49. To minimise travel time and expenses, all face-to-face components of the programme should be delivered in venues within two hour's travel on public transport from a Zone 1 London station.
- 2.50. The Authority requires the opportunity to consider the cost implications of Contractor plans before any financial commitments are made by the Contractor on the Authority's behalf. Where applicable the Authority reserves the right to choose or require alternative arrangements for speakers, logistics, venues etc., if these can be provided more cost effectively by the Authority, and for this to be reflected in the overall cost of the Academy.

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### ***Governance and working arrangements***

2.51. This is a high-profile initiative, therefore:

- The Contractor must expect to work closely with the Authority and its stakeholders to promote, design and develop the Academy programme, and to regularly review its progress and performance.
- The Contractor should be aware that the National Audit Office may choose, at any time (although with reasonable notice given), to include exploration and analysis of the Academy in a Value for Money study. These normally require submission of key documents and interviews with key staff. Reasonable attendance in connection with NAO studies shall not be deemed an additional chargeable service. The Contractor shall, however, be entitled to recover expenses in line with the Expenses Provisions of the Pricing Schedule.
- The Contractor must be available to attend and support, on reasonable notice, Ministers and officials at events and briefings etc. This may also include being called to give evidence to the Public Accounts Committee. Reasonable attendance in connection with such events and briefings shall not be deemed an additional chargeable service. The Contractor shall, however, be entitled to recover expenses in line with the Expenses Provisions of the Pricing Schedule.

2.52. The Contractor shall principally be accountable to the Executive Director of the MPA, who is SRO for the Academy. The Executive Director will nominate an additional contact in the Authority with whom the Contractor will work on a day-to-day basis.

2.53. Further detail on the Authority's responsibilities is available in Schedule 3 of the bidder's pack.

2.54. The Executive Director of the MPA will report on Academy progress, and in exceptional circumstances will escalate, as appropriate.

2.55. All deliverables (and outputs) must be signed off by and agreed with the Authority. The Authority reserves the right, at its absolute discretion, to direct the Contractor to amend the provision or content of the Academy in any manner it reasonably deems necessary, save that such amendments do not bring the Contractor into disrepute.

2.56. For the avoidance of doubt and misunderstanding, and for audit trail purposes, the Contractor shall be required to apply:

- a. Formal Version Control arrangements throughout the design and development of all Academy programme components issued to the Authority and Academy attendees.
- b. Formal Change Control procedures for agreeing changes to any document or written agreement, which are to include before the change is agreed all the cost implications of a change requested by the Authority or proposed by the Contractor.

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- 2.57. The Contractor shall be required to ensure confidentiality in line with Government security policies, with regards to communications and dealings with the Authority, some content of Government case studies provided by the Authority (if protectively marked or if it should in any case be considered Confidential Information), and with regards to information disclosed verbally or in writing by attendees during the Academy programme. Any Contractor re-use, outside the Academy, of programme content provided by the Authority must be pre-agreed in writing by the Authority.
- 2.58. The Contractor and Authority shall work together at the conclusion of each module and programme to identify, particularly through discussion with participants, cross-Government learning and key messages, especially those relevant to the other work streams in the MPA's operating platform.

### **3. Contract Monitoring**

- 3.1. The Contractor shall submit, on a weekly basis, short written reports by email throughout Phase 1, identifying progress against project plan and highlighting risks and issues that require Authority attention or action.
- 3.2. The Contractor shall submit management information reports detailing compliance with Service Levels and Key Performance Indicators set out in the Service Level Agreement (Appendix A), in accordance with the reporting frequencies set out therein.
- 3.3. The Contractor shall submit one management report to the Authority before each cohort begins the programme, summarising the results of the pre-programme assessment of experience and competences. This must provide a baseline for the cohort against which improvements will be measured at the end of the programme.
- 3.4. The Contractor shall submit quarterly management information reports summarising for the preceding 3 calendar months:
- a. Each attendee's participation, including details of attendance at residential and face-to-face components, and status with regard to formally assessed work.
  - b. The number and estimated value of new Academy first tier sub-contracts that were awarded to small and medium enterprises (as defined by ERG).
  - c. The number of (new and existing) Academy first tier sub-contracts with small and medium enterprises (as defined by ERG) against which payments were made, and the aggregate value of those payments
  - d. The number of calendar days elapsed between receipt by the Contractor of a valid SME sub-contractor invoice and payment of the invoice in full.

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- e. The information in (b) and (c) expressed as percentages of *all* Academy first tier sub-contract numbers and value, as the context requires.
- 3.5. The Contractor shall submit one management information report following conclusion of each cohort's formal/structured learning, summarising attendee participation, improvement in cohort competence measured against the baseline, and pass/fail rates for individuals and for the cohort as a whole.
  - 3.6. Representatives of the Contractor (of suitable seniority) shall attend monthly business-as-usual performance review meetings throughout Phase 2. Attendance shall not be deemed an additional chargeable service. The Contractor shall, however, be entitled to recover expenses in line with the Expenses Provisions of the Pricing Schedule.
  - 3.7. Without prejudice to any other rights and remedies afforded to the Authority by the Contract, in the event of a persistent or serious failure to comply with one or more Service Levels and/or Key Performance Indicators, the Authority may require the representatives of the Contractor (of suitable seniority) to attend extraordinary remedial meetings, to identify causes of the failure, and to agree remedial action. No charges or expenses will be paid in relation to Contractor attendance at such meetings.

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#### **4. Exit Management**

- 4.1. In the 6 months preceding the expiry of the Contract for whatever reason, the Contractor shall provide reasonable support and assistance to the Authority to enable it to either wind down the Academy, or to transfer its delivery to a new Contractor.
- 4.2. The Contractor shall write out to all data subjects under the Academy Contract, notifying them of the change of Data Processor (where relevant), and offering opportunity to amend or delete their records from any datasets held. The Contractor shall perform the requested actions, and shall return any datasets (in agreed, reusable, structured electronic formats) to the Authority, and safeguarded by an industry-standard encryption tool.
- 4.3. The Contractor shall provide, in reusable industry-standard electronic formats, all materials to which the Authority has a licence, and all materials in which are vested the Authority's intellectual property rights.
- 4.4. Following confirmation in writing of the Authority's safe receipt of the materials owed to it under this Clause 4, the Contractor shall destroy all Authority intellectual property it holds.

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## Appendix A - Service Level Agreement

### 1. Framework for Performance Monitoring

- 1.1. The Authority is keen to promote continuous improvement. It will therefore periodically throughout the term, review Service Level Targets and Key Performance Indicator Targets, with a view to raising those Targets which are not demonstrably challenging the Contractor. Any such upwards revisions shall be reasonable, proportionate and, to the maximum extent possible, based on evidence of previous performance.
- 1.2. A revision to the Targets shall be effected by the Authority serving written notice to the Contractor, at least 3 months prior to the effective date of the revision. The Contractor shall have 10 Working Days to object to such an instruction (to include reasons and substantive evidence that the proposed amendment is unreasonable, disproportionate and/or unfounded on previous performance). If no objection is received within this timeframe, the instruction shall be presumed accepted. Where an objection is received, both parties shall commence good faith negotiations to agree any upwards revisions to the Targets. In the event of failure to agree, the Authority shall have the right to withdraw the instruction or initiate the Dispute Resolution procedures.
- 1.3. In monitoring and measuring successful delivery of the Academy against the **Academy Outcomes**, emphasis should be placed not just on satisfaction levels with the formal programme itself but additionally on measuring the demonstrable difference made to individual and cohort competence levels and to the way in which alumni are leading the Major Project/s for which they are accountable – see **Success Criteria**.
- 1.4. Failure to meet a Key Performance Indicator shall be deemed a material breach of Contract.

### 2. Key Performance Indicators (KPIs)

- 2.1. Phase 1 will be measured by:
  - a. Delivery of the Phase 1 **Key Milestones** according to the schedule under **Paragraph 2.38**
  - b. Fulfilment of the **Outputs – Phase 1**
  - c. Achievement of the **minimum Key Performance Indicators at 2.3 below**, for the pilot Major Project Leadership module and pilot Permanent Secretaries and Directors General workshop.

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2.2. The Contractor should put forward its initial proposals for methodologies to measure a suite of KPIs in relation to the **Success Criteria**, to be agreed with the Authority in Phase 1 for measuring Contractor performance in Phase 2. **These KPIs shall include those in 2.3 below.**

2.3. The following indicators shall be **minimum** Key Performance Indicators to be measured on a 'per cohort' and total Academy attendee basis throughout Phase 2:

- a. 80% of Academy attendees judging their experience to have been 'good' or better in satisfaction survey.
- b. 20% of Academy attendees judging their experience to have been 'excellent' in satisfaction survey.

2.4. The full set of KPI targets shall be agreed between the Contractor and the Authority by negotiation in Phase 1 for implementation in Phase 2.

### **3. Service Levels**

3.1. The Contractor shall perform the Services to comply with the Service Levels set out in Table 1.

3.2. The Contractor shall submit quarterly management information reports to the Authority detailing its compliance with the Service Levels, no later than 10 Working Days after the conclusion of each quarter of the Contract term as measured from its commencement date to cover the preceding 3 calendar months.

3.3. Where a Service Level Measure is expressed in terms of being within a specified number of Working Days, measurement of the number of Working Days shall commence from the day after the date on which the trigger event occurs and is notified to the Contractor in writing before 5pm on that day.



Table 1: Service Levels					
Ref	Service Level	Service Level Measure	Service Level Target	Reporting Frequency/ Period	Service Credit Severity
1	Availability of named Contractor representative during working hours.	<p>The Contractor's named representative shall be available to contact by the Authority during normal working hours (9am – 5pm; Monday to Friday excluding bank holidays).</p> <p>The definition of “available” shall include a same day call-back/email but excludes an “out of office” message.</p>	100%	Q	Minor
2	Query acknowledgement time	<p>All Authority representatives, Academy attendees and potential attendees, and representatives of their organisations, receive an acknowledgement of their query within:</p> <ul style="list-style-type: none"> <li>• 1 Working Day</li> <li>• 3 Working Days</li> </ul> <p>of the query having been received in writing via email.</p>	<p>85%</p> <p>100%</p>	Q	<p>1 day = Minor</p> <p>2 days = Significant</p>
3	Query resolution time	<p>All queries from Authority representatives, Academy attendees and potential attendees, and representatives of their organisations, are resolved from point of acknowledgement within:</p> <ul style="list-style-type: none"> <li>• 5 Working Days</li> <li>• 10 Working Days</li> </ul> <p>unless a longer timescale is formally agreed in advance with the Authority in writing via email.</p>	<p>90%</p> <p>100%</p>	Q	<p>5 days = Minor</p> <p>10 days = Significant</p>

Table 1: Service Levels					
Ref	Service Level	Service Level Measure	Service Level Target	Reporting Frequency/ Period	Service Credit Severity
4	Booking follow-up	<p>All attendees receive a “booking pack” to enable them to complete their booking within:</p> <ul style="list-style-type: none"> <li>• 1 Working Day</li> <li>• 3 Working Days</li> </ul> <p>of the Authority confirming their eligibility and contact details.</p>	80% 100%	Q	<p>1 day = Minor</p> <p>3 days = Significant</p>
5	Booking confirmation	<p>Following the attendee’s booking onto any specific course/module/event, the Contractor sends the attendee a “course information pack” (to include, as a minimum, confirmation of logistics information such as dates, venue, catering requirements, accommodation <i>etc.</i>; course overview, and any pre-course work) within:</p> <ul style="list-style-type: none"> <li>• 1 Working Day</li> <li>• 3 Working Days</li> </ul>	80% 100%	Q	<p>1 day = Minor</p> <p>3 days = Significant</p>
6	Compliance with project plan timeline as provided in the initial Contractor solution and subsequently refined and agreed with the Authority in Phase 1	<p>To the extent that it is reasonably within the Contractor’s control, it complies with all project plan dates within:</p> <ul style="list-style-type: none"> <li>• 0 Working Day tolerance (<i>i.e.</i> by deadline)</li> <li>• 5 Working Days tolerance</li> </ul> <p>unless a longer timescale is formally agreed in advance with the Authority in writing via email.</p> <p>Tolerances exclude <b>Key Milestones</b> which must be met.</p>	95% 100%	Q	<p>To deadline = Minor</p> <p>5 days = Significant</p>

Table 1: Service Levels					
Ref	Service Level	Service Level Measure	Service Level Target	Reporting Frequency/ Period	Service Credit Severity
7	Submission of management information reports.	<p>The Contractor submits all management information reports by the required deadline:</p> <ul style="list-style-type: none"> <li>• 0 Working Day tolerance (<i>i.e.</i> by deadline)</li> <li>• 3 Working Days tolerance</li> </ul>	<p>95%</p> <p>100%</p>	Q	<p>By deadline = Minor</p> <p>3 days = Significant</p>

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## Appendix B – Summary profile of Project Leader Academy cohorts

**Please note:** The points below are not selection criteria, but do reflect the nature of the current Project Leader community in Central Government.

- SROs and Project Directors of Major Projects on the GMPP, although these roles do vary across Departments.
- On some projects a relatively inexperienced SRO may have been deliberately matched with a strong Project Director, or (less often) vice versa – the way in which responsibilities, roles and boundaries are understood and managed will vary.
- Some Project Leaders will be working full-time on one Major Project (particularly Project Directors); others will hold the SRO role for potentially a number of Major Projects within their area of the business and will therefore consider it as one element of their day job rather than their primary role.
- All will be Senior Civil Servants (or the ALB equivalent - see Footnote 2) ranging from Deputy Director/SCS1/Grade 5 up to Director General (executive board member) and (on occasion for SROs) Permanent Secretary/Chief Executive.
- Age range – normally 40+
- Predominately male (this is the current situation but we will be looking to address this balance as we develop the Project Leader talent pool).
- Predominantly career public servants who have followed a variety of career paths, some coming from policy backgrounds, others being economists, strategists, ICT or finance experts. Some also have private sector experience.
- SROs are generally limited in formal programme/project management qualifications, and range in delivery experience from first time SROs to those with a significant track record.
- Project Directors are more likely to have a significant project delivery background but this should not be assumed.

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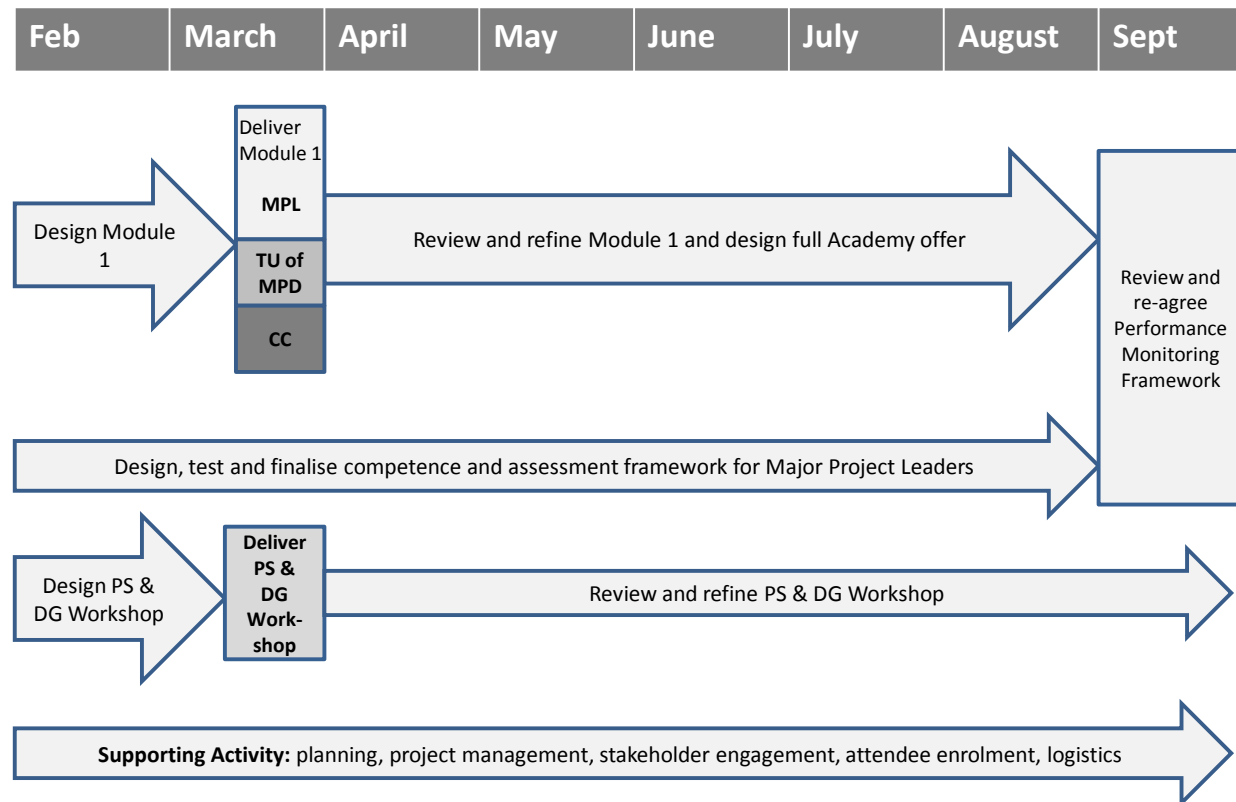
## **Appendix C – Initial list of subject areas to be covered by the Academy**

1. Leadership in complex cultural and structural environments.
2. Leadership and strategic thinking within a dynamic Major Project environment and how that differs from the requirements of leading a “business as usual” operation.
3. Fundamental personality and neurological characteristics that make leadership and decision-making a challenge.
4. Approaches to improving the likelihood of good project performance through leadership decisions and actions taken, especially during the start up and early stages of project activity. These include forecasting, risk identification, benchmarking, and target-setting.
5. How to use PPM products for decision-making purposes, and how to be able to challenge PPM specialists to deliver meaningful products that enable the SRO, as the guide and decision-maker of the project, to understand progress and make the right decisions.
6. The challenge of creating a sense of value from project governance, audit, assurance and reporting activities.
7. Similarities and differences in how Major Projects behave across the spectrum of policy delivery, public service delivery and business change.
8. The varying role of the Project Leader as the project moves from development into execution.
9. How the SRO and Project Director roles, and the individuals fulfilling them, can work together to provide the most effective leadership for a Major Project.
10. The challenges often felt by Project Leaders to translate their project understanding, opportunities and concerns into a language and form that relates to the broader business context, including broadening the risk conversation.
11. Analytical capability and diagnostic skills in the Major Project environment - making the truth visible and really challenging the viability of delivery within time, cost and quality parameters.
12. Preventative issue management and problem solving.
13. Strategic stakeholder relationship management in a complex political, cross-Government, multi-organisation, portfolio and programme delivery environment.
14. Strategic financial management during the lifecycle of a Major Project.
15. Strategic procurement, supplier, and contract management during the lifecycle of a Major Project.
16. The leadership challenges of realising the intended benefits and outcomes of a Major Project (which may have a lifecycle lasting many years) – from their definition through to embedding the business change required to deliver them, and ultimately measuring their achievement.

## Appendix D - Schedule of Activities and Milestones

**Acronym Key:** MPL = Major Project Leadership, TU of MPD = Technical Understanding of Major Project Delivery, CC = Commercial Capability

## Phase 1 Schedule of Activity and Milestones - 2012



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## Phase 2 Indicative Annual Schedule of Activity and Milestones (2 cohorts per year)

