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Should you have any queries, please contact Commercial@SmartDCC.co.uk

SCHEDULE 4

AGILE DEVELOPMENT METHODOLOGY

1. PURPOSE

1.1. This Schedule 4 sets out:-

1.1.1. the process for the development, delivery, agreement and management (including change) of the Detailed Requirements;

1.1.2. the roles and responsibilities of the Parties applicable to the Mobilisation Phase and Development Phase; and

1.1.3. the governance arrangements applicable to the Mobilisation Phase and Development Phase.

1.2. This Schedule 4 comprises the following parts:-

Part	Scope
Part A	Detailed Requirements
Part B	Agile Development Framework
Part C	Governance

PART A: DETAILED REQUIREMENTS

2. ITERATIVE DEVELOPMENT OF THE DRAFT DETAILED REQUIREMENTS

2.1. The DCC will refine and iteratively issue to the Contractor:

2.1.1. Functional Requirements;

2.1.2. draft detailed requirements; and/or

2.1.3. other design documentation,

to support ongoing development of the Services and these will be refined in collaboration with the Contractor.

2.2. Once the DCC believes it has an acceptable design scope for the delivery of the Services the DCC will issue to the Contractor a set of Detailed Requirements.

3. FINAL DETAILED REQUIREMENTS

3.1. On receipt of the Detailed Requirements from the DCC, the Contractor shall review and comment on the Detailed Requirements as soon as reasonably practicable (and no later than ten (10) Business Days after the date on which the Detailed Requirements are provided pursuant to Paragraph 2.2).

3.2. On receipt of the Contractor's comments the DCC shall, within five (5) Business Days of the date the comments are provided by the Contractor pursuant to Paragraph 3.1, review the Contractor's comments. The DCC may (at the DCC's sole discretion) amend the Detailed Requirements and re-issue to the Contractor.

3.3. Subject to Paragraph 3.4, the Detailed Requirements re-issued by the DCC (pursuant to Paragraph 3.2) or, if the Contractor does not raise any comments (pursuant to Paragraph 3.1), the Detailed Requirements provided pursuant to Paragraph 2.2 shall be the final Detailed Requirements for the purposes of this Agreement.

3.4. If the Contractor reasonably believes that the Detailed Requirements (or any part of them) would:-

3.4.1. materially and adversely affect the risks to the health and safety of any person;

3.4.2. require the Services to be performed in a way that infringes any Law; or

3.4.3. the Contractor demonstrates to the DCC's reasonable satisfaction that the Detailed Requirements are technically impossible to implement,

then the Contractor shall notify the DCC of such in writing together with its reasons for such within five (5) Business Days of receipt of the Detailed Requirements. The DCC may revise the Detailed Requirements to take into consideration the Contractor's comments and may re-submit revised Detailed Requirements to the Contractor for further review. In such case the Contractor shall review and provide comments in accordance with Paragraph 3.1. Either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

4. CHANGES TO THE DETAILED REQUIREMENTS

- 4.1. Any changes to the Detailed Requirements may be agreed and implemented pursuant to this Paragraph 4 without following the Variation Procedure provided that:-
 - 4.1.1. the change does not (at any time, including when fully implemented):-
 - (a) require a change to this Agreement; or
 - (b) impact the risk of the Contractor delivering the Services (including in accordance with the Project Plan); and
 - 4.1.2. both Parties agree that such change should be agreed and implemented pursuant to this Paragraph 4.
- 4.2. Either Party may request a change to the Detailed Requirements by submitting a written request to the other Party's Representative.
- 4.3. The Contractor shall inform the DCC in writing of any impact on the Services that may arise from the proposed change.

PART B: AGILE DEVELOPMENT FRAMEWORK

5. INTRODUCTION

- 5.1. The Contractor acknowledges and accepts that this Part B of Schedule 4 sets out the agile development framework applicable to the delivery of the Services to the DCC in the Mobilisation Phase and Development Phase.
- 5.2. The Contractor shall perform its roles, responsibilities, obligations and duties in a manner consistent with the agile development framework set out in this Schedule 4.

6. APPOINTMENT OF REPRESENTATIVES

- 6.1. Within two (2) Business Days of the Commencement Date the:
 - 6.1.1. DCC will appoint a DCC Team Leader; and
 - 6.1.2. Contractor will appoint a Contractor Representative.

7. PROJECT TOOLS

- 7.1. The Parties acknowledge and accept that the project tools to be used by the Parties to manage the delivery of the Services throughout the Development Phase shall include (as a minimum):-
 - 7.1.1. Product Vision;
 - 7.1.2. Contractor Approach; and
 - 7.1.3. Product Backlog,

("Project Tools").

8. PREFERRED METHOD OF ENGAGEMENT

- 8.1. Within five (5) Business Days of the Commencement Date the DCC and the Contractor shall meet to agree upon the preferred method of engagement. The Parties shall discuss, agree and set out in writing (as a minimum):-
 - 8.1.1. Product Vision;
 - 8.1.2. Contractor Approach;
 - 8.1.3. the approach to resource estimates, allocation and burn rates;
 - 8.1.4. the method by which quality is managed;
 - 8.1.5. the approach to collaboration and how the Parties communicate on progress and priority, which may be similar to the following:-
 - (a) the Contractor may inform the DCC via daily stand ups, escalations and issues that the DCC needs to facilitate resolutions, provide guidance or be made aware of;

- (b) the DCC Team Leader may similarly inform the Contractor of any changes to priority or new requirements that are to be added to the product backlog;
- 8.1.6. a profile of the Project Participants by role type and an agreement as to how the Parties will work:-
 - (a) the respective roles and responsibilities, level of dedication to the delivery of the Services and (where appropriate) criteria concerning requisite skills, experience and qualifications of the Project Participants;
 - (b) an agreement that the Contractor will use commercially reasonable efforts to maintain continuity of personnel in the roles of Project Participants; and
 - (c) an agreement that all queries or reasonable requests for information from the DCC to Project Participants will be sent via the Contractor Representative and responded to as soon as reasonably possible.
- 8.2. The Contractor Approach shall, as a minimum, set out a description of how:
 - 8.2.1. delivery of the DCC Requirements will be achieved;
 - 8.2.2. the forecasting of resources and the associated costs will be achieved, including a breakdown of time on-site / at base location;
 - 8.2.3. how progress and performance will be managed;
 - 8.2.4. how changes in scope, cost, progress and performance will be handled; and
 - 8.2.5. the coordination of delivery teams (including engaging other DCC Service Providers where appropriate) will be handled; and
 - 8.2.6. a description of the Project Tools and processes to be used which shall include:
 - (a) software development processes and toolsets; and
 - (b) testing, configuration and release management processes and toolsets, which shall include: (i) definition of done or equivalent; (ii) continuous integration approach; (iii) automated testing tools; and (iv) release note or equivalent for each formal software release.

9. INITIAL PRODUCT BACKLOG

- 9.1. An initial Product Backlog will be provided by the Contractor to the DCC within ten (10) Business Days of the Commencement Date.

10. ITERATIVE DEVELOPMENT PHASE PLAN

- 10.1. The Contractor shall prepare and maintain an iterative development phase plan which shall set out the Contractor's proposed plan for achieving an orderly, timely and co-ordinated delivery of all the Services in the Development Phase which shall, as a minimum, set out the Contractor's plan in respect of all Iterations to be undertaken in the six (6) weeks following the date of such plan ("**Iterative Development Phase Plan**").
- 10.2. The Contractor shall update and deliver an updated Iterative Development Phase Plan to the DCC no less than once a month.

11. ITERATIONS

- 11.1. The Representatives shall work collaboratively to agree the following in writing for each Iteration:-
 - 11.1.1. the length of the Iteration (in Business Days);
 - 11.1.2. the work to be undertaken (by reference to the Product Backlog);
 - 11.1.3. the Effort Cap to complete the work within the length of the Iteration;
 - 11.1.4. to the extent applicable, test plans (including all test success criteria and test exit criteria) pursuant to Paragraph 13; and
 - 11.1.5. any other requirements reasonably requested by the DCC.
- 11.2. Neither Party shall commence any work in respect of an Iteration until the items set out in Paragraph 11.1 have been agreed.
- 11.3. The Representatives may, at any time, agree a change to the items set out in Paragraph 11.1 provided that the change does not (at any time, including when fully implemented):-
 - 11.3.1. require a change to the Detailed Requirements;
 - 11.3.2. increase or decrease the Effort Cap by more than ten per cent (10%); or
 - 11.3.3. impact the risk of the Contractor delivering the Services (including in accordance with the Project Plan).

12. EFFORT CAPS

- 12.1. The Contractor Representatives shall notify the DCC Team Leader immediately on becoming aware that the Effort Cap may be insufficient to complete the work within the length of the Iteration.
- 12.2. In the event that the Effort Cap is, or likely to be, exceeded by greater than ten per cent (10%) the Contractor shall not continue with any work over the Effort Cap plus ten per cent (10%) without the written approval of the DCC Team Leader.
- 12.3. The Contractor shall not invoice the DCC for Man Days incurred over the Effort Cap plus ten per cent (10%) unless such was agreed in writing by the DCC Team Leader.

13. TESTING

- 13.1. In accordance with Schedule 17 (*Testing and Acceptance*), Testing and Acceptance activities will occur in all Phases as required by this Agreement.
- 13.2. There will be continuous Testing throughout the Mobilisation Phase and Development Phase which shall include (as a minimum):-
 - 13.2.1. SMSO Product Iterative Testing (SPIT);
 - 13.2.2. Systems Integration and Performance Testing (SIPT); and
 - 13.2.3. End to End Interface Testing (E2ET).
- 13.3. The Contractor will ensure that the necessary testing environments are configured and remain operational throughout the duration of the Mobilisation Phase and Development Phase.
- 13.4. Test plans (including all test success criteria and test exit criteria (in accordance with Paragraph 13.5)) shall be agreed pursuant to Paragraph 11.1.4;
- 13.5. SIPT and E2ET test exit criteria shall include (as a minimum):-
 - 13.5.1. all tests run, or any exceptions documented and agreed by the DCC;
 - 13.5.2. all test success criteria (as set out in the relevant test plan) achieved, or any exceptions documented and agreed by the DCC;
 - 13.5.3. the number and severity of any outstanding Testing Issue is at or below the target thresholds for severity and priority as agreed by the Parties or any exceptions documented and agreed by the DCC;
 - 13.5.4. a testing activity Completion Report issued by the DCC; and
 - 13.5.5. written approval to proceed in the form of an Authority to Proceed Certificate.

PART C: GOVERNANCE

14. PERFORMANCE MONITORING

- 14.1. This Paragraph 14 shall be read in conjunction with Schedule 5 (*Performance Measures and Monitoring*).
- 14.2. The Contractor shall provide the Project Delivery Report to the DCC within three (3) Business Days after the end of each month.
- 14.3. Without prejudice to Paragraph 3.3 of Schedule 5 (*Performance Measures and Monitoring*), the Project Delivery Report shall set out:-
 - 14.3.1. a report setting out the difference between the Effort Cap and actual effort incurred in respect of each Iteration completed in the last six (6) weeks;
 - 14.3.2. a forecast of the Effort Cap required for each Iteration to be undertaken in the six (6) weeks following the date of the Project Delivery Report;
 - 14.3.3. any dependencies information or resources needed from the DCC (or any of the DCC Service Providers);
 - 14.3.4. any risks, issues or assumptions identified and proposed mitigations;
 - 14.3.5. an assessment as to whether the detailed requirements in each product are defined by the DCC at a level of detail sufficient to support the Contractor's on-going design, build and test activities (due diligence) – should the assessment determine an issue the Contractor should raise it with the DCC;
 - 14.3.6. updates at the end of each iteration as to the unit test coverage;
 - 14.3.7. an update and commentary as to the Iteration Velocity, as per the definition in Schedule 5 (Performance Measures and Monitoring) Appendix 1, for each completed iteration's development performance; and
 - 14.3.8. an update and commentary as to the Iteration Effort Estimation Accuracy, as per the definition in Schedule 5 (Performance Measures and Monitoring) Appendix 1.
- 14.4. The Performance Review Meeting shall occur at monthly intervals during the Mobilisation and Development Phases at dates to be agreed by the Parties and shall be attended by the DCC Team Leader and the Contractor Representative.
- 14.5. The purpose of the Performance Review Meeting shall be to discuss the Performance Monitoring Report and for the Parties to discuss progress to date and to act as platform for issues escalation should the need arise.