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SCHEDULE 4.1

IMPLEMENTATION

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SCHEDULE 4.1 – IMPLEMENTATION

1. BACKGROUND

This Schedule 4.1 contains provisions relating to Network Deployment, Testing, the Implementation Plan and the Project Plan.

2. GENERAL SUPPLIER OBLIGATIONS

2.1 In addition to its obligations set out in Clause 10 and the requirements for Network Deployment set out in the Service Requirements and elsewhere in this Contract, the Supplier shall:

- 2.1.1 perform Network Deployment in accordance with the Implementation Plan and the Project Plan so as to Achieve each Milestone by the associated Milestone Date;
- 2.1.2 perform such activities, functions and services as are necessary to perform Network Deployment in accordance with the Implementation Plan and the Project Plan;
- 2.1.3 perform Testing in accordance with paragraph 7, the Test Strategy, the Implementation Plan and the Project Plan;
- 2.1.4 be responsible for the overall management of Network Deployment, the Implementation Plan and the Project Plan;
- 2.1.5 appoint an appropriately qualified single point of contact who shall be responsible for Network Deployment and identified as Key Personnel;
- 2.1.6 identify and manage the resolution of any problems encountered in relation to Network Deployment in order to ensure the timely and effective completion of each task; and
- 2.1.7 develop and adhere to appropriate risk mitigation and contingency plans (copies of which shall be provided to the Authority).

3. MILESTONES

3.1 Subject to Clauses 5.5, 19 and 59, the Supplier shall ensure that each Milestone is Achieved on or before the associated Milestone Date in accordance with the procedure set out in paragraph 6.

3.2 The Milestone Achievement Criteria for each Milestone type are set out in Appendix 1.

4. IMPLEMENTATION PHASES

Network Deployment is comprised of Phases. Each Phase is a set of activities which are designed to facilitate the delivery of Network Deployment to enable availability of Wholesale Access Products and Services in the Coverage Area. The Phases and Milestones are detailed in the Implementation Plan.

5. IMPLEMENTATION PLAN AND PROJECT PLAN

- 5.1 The Implementation Plan and the Project Plan shall be maintained in accordance with this paragraph 5.
- 5.2 At the Effective Date:
- 5.2.1 the Implementation Plan has been agreed by the Parties and is set out at Appendix 2; and
 - 5.2.2 the first version of the Project Plan has been agreed by the Parties and its document reference is set out at Appendix 2.
- 5.3 No later than twenty (20) Working Days (or such alternative period as agreed by the Parties in writing, reflecting the number and duration of the applicable Phase(s)) prior to the planned start date for each Phase, the Supplier shall provide to the Authority for approval an updated draft Project Plan providing supplementary plan content (in accordance with paragraph 5.4).
- 5.4 The Supplier shall ensure that the Project Plan comprises, at a minimum for the then current and next Phase, such planning data as is reasonably necessary to provide identification and notice of the Deployed Service activities in order to support the practical operation of this Contract and tracking of the progress of the Deployed Services. The Project Plan may also set out supplementary planning data for Phases beyond the next Phase but only to such degree as the Supplier can reasonably forecast at that point in time. The Project Plan, and each Phase update in accordance with paragraph 5.3, must be consistent with the then current version of the Implementation Plan.
- 5.5 As soon as reasonably practicable after receipt of a draft Project Plan pursuant to paragraph 5.3 and in any event within ~~ten (10)~~ Working Days of such receipt, the Authority shall notify the Supplier that it either:
- 5.5.1 approves the draft Project Plan, in which case it shall (subject to paragraph 5.8) become the Project Plan for the purpose of this Contract; or
 - 5.5.2 requires the draft Project Plan to be amended and/or developed further (along with a brief explanation of the areas requiring amendment or further development).
- 5.6 If the draft Project Plan requires further amendment and/or development pursuant to paragraph 5.5.2, the Supplier shall, taking into account any reasonable comments provided by the Authority, resubmit to the Authority for approval a further version of the draft Project Plan as soon as practicable and in any event within five (5) Working Days after receiving the Authority's notice under paragraph 5.5.2. The Supplier shall produce such number of revised drafts of the Project Plan as the Authority may reasonably require until such time as the Project Plan is agreed.
- 5.7 The procedure set out at paragraphs 5.5 and 5.6 shall apply to the revised version of the Project Plan provided under paragraph 5.6 and any subsequent draft versions produced thereafter.
- 5.8 Changes to the Implementation Plan and the Project Plan shall be dealt with as follows:
- 5.8.1 Any amendment to the Implementation Plan must be agreed by the Parties in accordance with the Change Control Procedure.
 - 5.8.2 Any update to the Project Plan may be agreed in writing by suitably authorised representatives of each Party without recourse to the Change

Control Procedure, provided such amendments remain consistent with the then current Implementation Plan. Until such agreement is obtained, the then currently agreed Project Plan shall continue to apply.

5.8.3 The Supplier shall establish an appropriate version control procedure so as to ensure that the agreed version of the Project Plan is made available to the Authority at all times.

5.9 The Supplier shall upon reasonable request provide the Authority with reasonable 'read only' access to its detailed project management plan (which it is anticipated would comprise further levels of detail beyond that required for the Project Plan) as part of the project governance arrangements under this Contract.

6. MILESTONE ACHIEVEMENT PROCEDURE

6.1 The procedure described in this paragraph 6 shall apply to the Achievement of each Milestone.

6.2 The Supplier shall not less than ten (10) Working Days prior to the Milestone Date for each Milestone provide the Authority with an initial Milestone Achievement Report and on the Milestone Date provide the Authority with the final Milestone Achievement Report which (in each case) details the extent of the Supplier's Achievement of the relevant Milestone.

6.3 The Supplier shall ensure that the initial and final versions of each Milestone Achievement Report contain sufficient evidence to enable the Authority to verify the extent of the Achievement of the Milestone.

6.4 The Authority shall within ten (10) Working Days of receipt of each final Milestone Achievement Report either:

6.4.1 issue a Milestone Achievement Certificate confirming that the relevant Milestone has been Achieved; or

6.4.2 notify the Supplier in writing that the Authority considers that the relevant Milestone has not been Achieved and provide supporting reasons.

6.5 If the Authority notifies the Supplier in accordance with paragraph 6.4.2 then, without prejudice to the Authority's rights and remedies under this Contract in relation to the Achievement of Milestones, the Parties shall as soon as practicable meet to discuss the Achievement of the relevant Milestone and (subject to paragraph 6.7) agree an appropriate course of action which may include compliance with the Remedial Plan Process. Unless the Authority elects to issue a conditional Milestone Achievement Certificate in respect of an M1 Milestone in accordance with Clause 18, the Authority shall issue a Milestone Achievement Certificate only if the Parties agree that the relevant Milestone has been Achieved.

6.6 In the event that the Parties fail to agree whether or not the relevant Milestone has been Achieved then the matter shall be treated as a Dispute which the Parties shall attempt to resolve in accordance with the Dispute Resolution Procedure.

6.7 The Supplier shall not be entitled to submit an invoice to the Authority for a Milestone Payment (in accordance with Schedule 5.1 (Milestone Payments and Claims Procedure)) until such time as the relevant Milestone has been Achieved and the Authority has issued a Milestone Achievement Certificate in respect of the relevant Milestone.

7. TESTING

7.1 The Supplier shall undertake Testing in accordance with this paragraph 7 and the Service Requirements.

7.2 Any Testing shall be without prejudice to the Authority's rights and remedies set out elsewhere in this Contract and the passing of any Test shall not relieve the Supplier from complying with its other obligations in this Contract.

7.3 Test Strategy

7.3.1 The version of the Test Strategy agreed at the Effective Date, and containing full details of the testing (where applicable) of each Milestone type and full details for how each Milestone testing procedure will apply to each applicable Phase of the Supplier Solution, is set out in Appendix 4.

7.3.2 The Test Strategy shall include:

- (a) an overview of how Testing shall be conducted in relation to the Implementation Plan and the Project Plan;
- (b) the Test Success Criteria for each applicable Test;
- (c) the process to be used to capture and record Test results and Test issues and a procedure for the resolution of Test issues;
- (d) the method for mapping the expected Test results to the Test Success Criteria;
- (e) the names and contact details of the Authority's and the Supplier's Test representatives; and
- (f) a high level identification of the resources required for Testing, including facilities, infrastructure, personnel and/or the third party involvement in the conduct of the Tests.

7.3.3 No later than 20 Working Days prior to the planned start date for a Phase, the Supplier shall provide to the Authority for approval an updated Test Strategy (to the extent such updates are required taking into account the existing content of the Test Strategy) providing full details for that Phase in accordance with paragraph 7.3.2.

7.3.4 As soon as reasonably practicable and in any event within five (5) Working Days of receipt the Authority shall notify the Supplier that it either approves the updates to the draft Test Strategy (in which case it shall become the Test Strategy for the purpose of this Contract) or, acting reasonably, requires the draft Test Strategy to be amended and/or developed further (in which case the Supplier shall provide such revised drafts as is necessary, taking into account any reasonable comments provided by the Authority, until the Test Strategy is approved by the Authority). The Authority's approval of any Test Strategy shall not be unreasonably withheld or delayed.

7.4 Test Attendance

7.4.1 The Supplier shall notify the Authority when any Test Item is in such state, form and completeness as to be ready for Testing. The Supplier shall give such notice at least five (5) Working Days prior to the date for commencing the applicable Testing.

- 7.4.2 The Authority shall be entitled but is not obliged to attend any Test. Where the Authority has notified the Supplier in writing providing not less than three (3) Working Days prior to commencement of the Test that it wishes to attend a particular Test, the Supplier shall facilitate such attendance. Subject to the Supplier's compliance with this paragraph 7.4, the Authority's non-attendance at a Test shall not prevent completion of the Test by the Supplier.

APPENDIX 1 – MILESTONE ACHIEVEMENT CRITERIA

MILESTONE TYPE	MILESTONE ACHIEVEMENT CRITERIA
Milestone Type 0: Survey and Detailed Design Completion	<p>There shall be one Milestone M0 allocated to each Phase:</p> <p><u>Outcomes:</u></p> <ul style="list-style-type: none"> (i) Completion of detailed Supplier Solution design; (ii) Completion of detailed implementation planning; (iii) Closure of Survey Assumptions, <p>for the scope of the applicable Milestone M0 (as such scope is specified in the Implementation Plan) and in accordance with the Service Requirements.</p> <p><u>Supporting evidence:</u></p> <ul style="list-style-type: none"> (a) confirmation of completion of the Post-Effective Date Surveys for this Milestone (as specified in the Project Plan); (b) output data from Post-Effective Date Surveys; (c) an update (pursuant and subject to Clause 5.5 and paragraph 15 of Schedule 5.1 (Milestone Payments and Claims Procedure)) to the Supplier Solution taking into account the information identified through the Post-Effective Date Surveys and the applicable express Survey Assumptions, including any updates to the detail of: <ul style="list-style-type: none"> a. the Project Model; b. the Implementation Plan; c. the Project Plan; d. the Speed and Coverage Template, (d) per premise estimated Access Line Speeds for Wholesale Access Products and Services across the scope of this Milestone (as specified in the Implementation Plan), together with a set of agreed release management guidelines.
Milestone Type 1: Network Build	<p>There shall be one or more Milestone M1 allocated to each Phase:</p> <p><u>Outcomes:</u></p> <p>Implemented and operationally ready deployed Network for the scope of this Milestone (as specified in the Implementation Plan) and in accordance with the Service Requirements.</p> <p><u>Supporting evidence:</u></p> <ul style="list-style-type: none"> (a) Copies of 'As-built' documentation (and/or, if agreed by the Parties in writing, all reasonable access to that documentation) for the applicable Network infrastructure. Any such 'As built' documentation shall contain an updated inventory of infrastructure assets and locations sufficient to comply with corresponding State Aid and public

MILESTONE TYPE	MILESTONE ACHIEVEMENT CRITERIA
	<p>sector subsidy requirements;</p> <p>(b) Confirmation from the Supplier that the applicable Tests (supporting the Milestone outcomes noted above) have been successfully completed in accordance with the Test Strategy;</p> <p>(c) Test data (e.g. Ethernet tests, optical tests) available to the Authority on request, evidencing that the applicable Tests have been successfully completed in accordance with the Test Strategy; and</p> <p>(d) Issued Milestone Achievement Certificate for the corresponding Milestone M0 for the corresponding Phase.</p>
<p>Milestone Type 2: Availability of Wholesale Access Products and Services</p>	<p>There shall be one or more Milestone M2 allocated to a Phase, or across multiple Phases:</p> <p><u>Outcomes:</u></p> <p>Wholesale Access Products and Services are made available:</p> <p>(i) in the applicable part of the Coverage Area;</p> <p>(ii) against the specified minimum volume of End User Premises for that Milestone;</p> <p>(iii) at the specified Access Line Speed ranges within the Speed and Coverage Template,</p> <p>for the scope of this Milestone (as specified in the Implementation Plan) and in accordance with the Service Requirements. This shall include:</p> <p>(1) the establishment of an operational business to business (B2B) system (comprising part of the Supplier's OSS/BSS), providing Retail Service Providers the ability to access Wholesale Access Products and Services;</p> <p>(2) that the End User Premises which can be provisioned (if a Retail Service Provider orders corresponding Wholesale Access Products and Services) with retail broadband products and services by Retail Service Providers include as a minimum those premises specified for this Milestone;</p> <p>(3) the Access Line Speed ranges for the End User Premises in (2) above meet or exceed the Access Line Speed ranges agreed in the Speed and Coverage Template,</p> <p>for the scope of this Milestone (as specified in the Implementation Plan) and in accordance with the Service Requirements.</p> <p><u>Supporting evidence:</u></p> <p>(a) Confirmation from the Supplier that the applicable Tests (supporting the Milestone outcomes noted above) have been successfully completed in accordance with the Test Strategy;</p> <p>(b) detailed test data demonstrating proof of full functionality of the Supplier's B2B system for access by Retail Service Providers;</p>

MILESTONE TYPE	MILESTONE ACHIEVEMENT CRITERIA
	<p>(c) detailed test data showing at least one available Wholesale Access Product and Service available to Retail Service Providers through the B2B system;</p> <p>(d) detailed data evidencing that the End User Premises which can be provisioned (if a Retail Service Provider orders the corresponding Wholesale Access Product and Service) with retail broadband products and services by Retail Service Providers include as a minimum those premises specified for this Milestone. Such data to include address point and postcode data by premise and Access Line Speed by premise; and</p> <p>(e) issued Milestone Achievement Certificates for the applicable Milestone M0(s) and M1(s) corresponding to this Milestone.</p>
Milestone Type 3 End User Take Up	<p>There shall be one or more Milestone M3 at defined stages of planned cumulative End User Take-up:</p> <p><u>Outcomes:</u></p> <ul style="list-style-type: none"> (a) Required level of cumulative Take-up of Basic Broadband and Superfast Broadband at End User Premises on the Network, achieving the level set out below in accordance with the Service Requirements. (b) the Supplier's Take-up for End User Premises in the Coverage Area meets or exceeds a maximum of 30% of the Supplier's forecast Take-up (as shown in the Project Model) (e.g. if the forecast Take-up is 20%, the Take-up percentage would be 6%) to a maximum of 10% expressed in number of End User Premises – in accordance with the Milestone M3 breakdown set out in the Implementation Plan. <p><u>Supporting evidence:</u></p> <ul style="list-style-type: none"> (a) evidence, based on a OSS/BSS data, that the required minimum threshold of End User Premises Take-up has been achieved; (b) identification of the corresponding Qualifying Capital Expenditure; and (c) data demonstrating the Take-up concerned is consistent with its definition in Schedule 1 (Definitions).

APPENDIX 2 –

APPENDIX 3 – FORM OF MILESTONE ACHIEVEMENT CERTIFICATE

MILESTONE ACHIEVEMENT CERTIFICATE

MILESTONE REFERENCE [•]

SUPPLIER			
Supplier signs below to confirm its understanding that Milestone has been achieved:			
Role	Name (print)	Signature	Date
Supplier Manager	Project		

AUTHORITY			
Authority signs below to confirm its understanding that Milestone has been achieved:			
Role	Name (print)	Signature	Date
Authority Manager	Project		
Authority Quality Manager (if applicable)			

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