

CONTRACT MANAGEMENT

1. AUTHORISED REPRESENTATIVES

1.1 The Authority's initial Authorised Officer: Head of Environment Services

1.2 The Contractor's initial Representative: Regional Director (London)

2. AUTHORISED REPRESENTATIVES

2.1 There shall be three tiers to the management of this Contractual Agreement:

(a) A Contract Partnership Board, the "Contract Partnership Board", shall be established as a strategic forum for Contract improvement and development. The Contract Partnership Board shall meet formally on a quarterly basis (or more frequently if the parties agree) and it will be expected that senior management from the Authority and the Contractor will attend, and the membership of which shall be in accordance with paragraph 2.2 of this Schedule;

(b) A Contract Management Group, the "Contract Management Group", shall be established as a forum for Contract management and direction. The Contract Management Group shall meet formally on a monthly basis and it will be expected that service-level management from the Authority and the Contractor will attend, and the membership of which shall be in accordance with paragraph 2.6 of this Schedule; and

(c) A Contract Operations Group, the "Contract Operations Group", shall be established as a forum for addressing and resolving day-to-day service issues affecting the Contract. The Contract Operations Group shall establish day-to-day liaison between the parties and meet formally on a weekly basis. The members of the Contract Operations Group shall be nominated by the Authority's Authorised Officer and the Contractor's Representative, and the membership of which shall be in accordance with paragraph 2.8 of this Schedule.

2.2 The Contract Partnership Board shall comprise:

(a) three representatives of the Authority including Executive Director Supporting Communities, Director of Place Management and Head of Environment Services; and

(b) three representatives of the Contractor including Regional Director (London), General Manager and Senior Contract Manager.

2.3 The members of the Contract Partnership Board shall be nominated by the Authority and the Contractor, which must include at least three representatives of the Authority and at least three representatives of the Contractor. The Authority shall provide the chair, who shall also have a casting vote. The Cabinet Member for Sustainability and Environment (Camden Council) shall attend as required but shall have no voting rights.

2.4 The Contract Partnership Board shall meet quarterly (or more frequently if the parties agree) and meetings shall take place at such location and time (within normal working hours) as the Authority shall reasonably require (unless otherwise agreed in advance).

2.5 The Contract Partnership Board, shall, at its quarterly meeting:

- (a) discuss and review performance trends as part of quarterly summaries of the Performance Report, in accordance with section 3 of this Schedule and the Service Report, in accordance with section 4 of this Schedule;
- (b) receive and approve the Annual Service Report, in accordance with section 5 of this Schedule and the Annual Service Improvement Plan, in accordance with section 6 of this Schedule;
- (c) arrange the Joint Efficiency Review, in accordance with the Annual Price Review in section 11 of Schedule 4, Payment and Performance;
- (d) commission, receive, consider and implement proposals in relation to improving Services, including but not limited to those provided by the Contractor in accordance with clause 10 (Continuous Improvement and Best Value) of the Conditions of Contract;
- (e) use recognised techniques to identify and where possible, reduce or design out inefficiencies, and make improvements to the delivery of the Services;
- (f) provide a forum for joint strategic discussion and consideration of all aspects of this Contractual Agreement, including approval of any revised Communications and Engagement strategies;
- (g) act as the first tier in the Dispute Resolution Procedure, in accordance with clause 35 of the Conditions of Contract; and
- (h) any other matters agreed by the Board as appropriate for discussion.

2.6 The Contract Management Group shall comprise:

- (a) three representatives of the Authority including Head of Environment Services, Environmental Services Manager and Borough Monitoring Manager; and
- (b) three representatives of the Contractor including General Manager, Senior Contract Manager and a Contract Manager.

2.7 The Contract Management Group shall meet monthly within 10 Working Days of the end of each month (unless otherwise agreed in advance) to:

- (a) review and agree the content of the Performance Report and the Service Report;

- (b) review and resolve any issues associated with the monthly invoice submitted by the Contractor in accordance with clause 27 of the Conditions of Contract and section 2 of Schedule 4, Payment and Performance;
- (c) review and agree performance trends which shall be included in the quarterly summaries of the Performance Report and the Service Report;
- (d) resolve escalated issues by the Contract Operations Group; and
- (e) review operational developments and opportunities for income generation.

2.8 The Contract Operations Group shall comprise:

- (a) four representatives of the Authority including Borough Monitoring Manager and Senior Area Monitoring Officers; and
- (b) four representatives of the Contractor including Contract Managers and Environmental Managers.

2.9 The Contract Operations Group shall encourage frontline and supervisory staff to actively resolve service issues and contribute to continuous service improvement by providing a suitable forum for bringing forward the underlying causes of health and safety issues, new ideas and better ways of working. The Authority's contract monitoring officers will report day-to-day local service issues to the Contractor through the Management Information System, and such issues will be included in the Performance Report submitted by the Contractor to the Authority's Authorised Officer. The Contract Operations Group will work from the Performance Report to enable a focus on the relevant issues.

3. PERFORMANCE REPORT

3.1 Within 10 Working Days of the end of each month, the Contractor shall provide a Performance Report, the "Performance Report", to the Authority's Authorised Officer through the monthly Contract Management Group which summarises the performance by the Contractor against each of the Key Outcome Targets (KOTs) for that month just ended and contain a summary of all the Service Failures.

3.2 The parties agree that the monthly Performance Report shall provide a key source of evidence for the calculation of the Contractor's monthly invoice and shall provide the evidence for the calculation of the Performance Deductions, Other Deductions and the Variable Items Payment in accordance with Schedule 4, Payment and Performance. The parties agree that the Performance Report shall also provide a key source of evidence for the identification of a Service Breakdown.

3.3 The Performance Report shall be in a PDF format and contain:

- (a) Performance Deductions:

- (i) for each Specific Service Default Deduction, the actual performance achieved over the relevant month, the Service Failures and the Deductions to be applied; and
- (ii) for each Other Service Default Deduction, a summary of the Service Failures to meet any requirement of this Contract for which the Authority intends to apply a deduction,

in accordance with Schedule 4, Payment and Performance:

(b) Service Failure:

- (i) which Service Failures remain outstanding and progress in resolving them;
- (ii) the cause of the relevant Service Failure and the action being taken to reduce the likelihood of recurrence;
- (iii) the status of any outstanding recovery plan processes, including whether or not a recovery plan has been agreed, and where a recovery plan has been agreed, a summary of the Contractor's progress in implementing that recovery plan; and
- (iv) for any repeat Service Failures, actions taken to resolve the underlying cause and prevent recurrence,

(c) and such other details as the Authority's Authorised Officer may reasonably require from time to time.

- 3.4 The publication of the Performance Report shall be compatible with the submission of the monthly invoice to the Authority to enable a verification of Performance Deductions and Other Deductions to be made prior to the payment obligation being triggered.
- 3.5 The Performance Report shall be reviewed and its contents agreed by the parties at the next Contract Management Group meeting.
- 3.6 The Authority shall be entitled to raise any additional questions and/or request any further information from the Contractor regarding any information in the Performance Report.
- 3.7 At the end of each quarter, the Contractor shall provide a summary of the previous monthly Performance Reports for that quarter just ended, which shall be reviewed and agreed by the Contract Management Group at the meeting preceding the Contract Partnership Board, in accordance with paragraph 2.5 of this Schedule.

4. SERVICE REPORT

- 4.1 Within 10 Working Days of the end of each month, the Contractor shall provide a Service Report, the "Service Report", to the Authority's Authorised Officer through the monthly Contract Management Group which contains information relating to the performance of the Services and this Contractual Agreement more generally over that month just ended.
- 4.2 The Service Report shall be in a PDF format and contain:
- (a) financial indicators, including the Business Recycling and Waste Service;
 - (b) performance against all KOTs, supported by ward-based information to illustrate local KOT performance;
 - (c) performance and trends towards achievement of the Contract Targets;
 - (d) other service performance indicators (which are not KOTs) such as but not limited to:
 - (i) workforce matters, including but not limited to absenteeism, staff turnover, agency usage and training/volunteering hours;
 - (ii) health and safety indicators, including but not limited to the number of RIDDOR accidents/incidents by category, the number of near misses, failure to rectify any reported minor safety issues, worksafe observations and the results of proactive monitoring;
 - (iii) education and engagement activities, including but not limited to community clean-ups, focus group meetings, education sessions for local schools and community groups; and
 - (iv) compliments and good news stories suitable for publicity and promotional use.
- 4.3 The Service Report shall be reviewed and its contents agreed by the parties at the next Contract Management Group meeting.
- 4.4 The Authority shall be entitled to raise any additional questions and/or request any further information from the Contractor regarding any information in the Service Report.
- 4.5 At the end of each quarter, the Contractor shall provide a summary of the previous monthly Service Reports for that quarter just ended, which shall be reviewed and agreed by the Contract Management Group at the meeting preceding the Contract Partnership Board, in accordance with paragraph 2.5 of this Schedule.

5. ANNUAL SERVICE REPORT

5.1 Within 20 Working Days of the end of each Contract Year, the Contractor shall provide an Annual Service Report, the “Annual Service Report”, to the Authority’s Authorised Officer which contains information relating to the performance of the Services and this Contractual Agreement more generally over that Contract Year just ended.

5.2 The Annual Service Report shall be in a PDF format and contain:

- (a) Statement from Senior Contract Manager
- (b) Statement from Client
- (c) Operational Structure
 - (i) Partnership Structure
- (d) Annual Contract Targets
- (e) Key Outcome Targets
 - (i) Waste Collection
 - (ii) Cleansing
 - (iii) Customer Services
 - (iv) Container Management
 - (v) Health and Safety
 - (vi) Winter Service
 - (vii) Fleet
 - (viii) Staffing
- (f) Deductions and Corrections
 - (i) Annual Contract Targets
 - (ii) Key Outcome Targets
 - (iii) Variable Work
 - (iv) Business Recycling and Waste - Statement of Net Profit Margin
 - (v) Excess Profit Share Deduction
 - (vi) Annual Incentive Payment

6. ANNUAL SERVICE IMPROVEMENT PLAN

6.1 Within 20 Working Days of the end of each Contract Year, the Contractor shall provide an Annual Service Improvement Plan, the “Annual Service Improvement Plan”, to the Authority’s Authorised Officer which contains information relating to the proposed operational and contractual improvements to the Services for the next Contract Year and beyond.

6.2 The Annual Service Improvement Plan shall be in a PDF format and contain:

- (a) Statement from Senior Contract Manager
- (b) Statement from Client

(c) Annual Contract Targets

(d) Key Outcome Targets

- (i) Waste Collection
- (ii) Cleansing
- (iii) Customer Services
- (iv) Container Management
- (v) Health and Safety
- (vi) Winter Service
- (vii) Fleet
- (viii) Staffing

(e) Additional Performance Areas

- (i) Management Approach, MIS and Technology
- (ii) Communications, Local Relationships and Economic Impact
- (iii) Cross-Service Working
- (iv) Commercialisation and Growth

(f) Improvement Plan Approvals Register

7. PERFORMANCE RECORDS

7.1 The Contractor shall keep appropriate records and documents (including staff records, timesheets, training programmes, staff training records, supplier accreditation records, complaints received etc.) in relation to the Services being delivered. The records and documents of the Contractor shall be available for inspection by the Authority and/or their nominee(s) at any time and the Authority and/or their nominee(s) may make copies of any such records and documents.

7.2 In addition to the requirement in paragraph 7.1 of this Schedule to maintain appropriate records and documents, the Contractor shall provide to the Authority such supporting documentation as the Authority may reasonably require in order to verify the level of the performance of the Contractor and the calculations of the amount of Performance Deductions and Other Deductions for any specified period.

7.3 The Contractor shall ensure that the Performance Report, the Service Report, including any variations or amendments to them, any reports and summaries produced in accordance with this Schedule and any other records or documents reasonably required by the Authority are available to the Authority online and are capable of being printed.

8. PERFORMANCE VERIFICATION

8.1 The Authority reserves the right to verify, or procure the verification of, the Contractor's performance of its obligations against the KOTs, and reporting of the same to the Authority, under this Contractual Agreement.