

TO BE COMPLETED AFTER CONTRACT AWARD

Waste Treatment and Disposal Contract 2019

Tender Ref: DN399330

Dorset Waste Partnership (DWP)

and

[Insert Contractor Name]

**Contract Management Plan
(CMP)**

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1. Introduction

The CMP provides a tool for defining contract management processes used by DWP and [Insert Contractor name] for the provision of the TaD contract. This document encompasses all contractual relationships with the supplier, details of which are shown under section 2.

The main objectives of this document are to provide:

- A definition of supplier and organisation responsibilities as defined in schedules one and two of the contract.
- A point of reference for the current management of the services, governance process, KPI measurement, reporting tools and risk assessment; and
- A clear and current definition of the services and service levels provided by the supplier.

Document owner: This document is owned by the contract manager who is responsible for ensuring that it is maintained.

Document review: The contract manager reviews the CMP with key stakeholders on a regular basis to ensure that it continues to reflect the services required and provided. Where changes to existing services or processes are identified and subsequently approved, the CMP will be amended to ensure its currency.

The main drivers for changes will come from variation requests from stakeholders, the supplier, sourcing and associated KPI updates. The processes for managing these different types of variations are described in section 11.

Document changes: Changes to the CMP are made by the contract manager and recorded in the contract variation area in section 11. The CMP should be modified to reflect particular contract arrangements and may include such matters as incentive arrangements, warranties management, release mechanisms and communication arrangements.

Document use: This CMP does not replace the contract. It serves as an appendix to the contract. The CMP is the primary reference document in the routine management of the services provided by the supplier to the organisation. This reflects the organisation's desire to build meaningful relationships with the supplier and to ensure the contract provides the value envisaged by both parties at the start of the contractual relationship.

2. Contract Scope

- 2.1 The Contractor will undertake the Services in respect of the Material Categories allocated to the Contractor in Schedule 9 (Selected Services) and manage their mutual integration and the integration of each of them with other Services and other Waste management and/or disposal services procured or performed by the Authority.
- 2.2 The Contractor shall:
 - 2.2.1 provide, manage, develop and operate the Facilities for the management of Contract Waste in accordance with the Technical Requirements;
 - 2.2.2 accept, in the manner prescribed in this Core Specification, the Waste Acceptance Protocol, the relevant Material Category Specification(s) and the SDP, all Contract Waste which is delivered to a Delivery Point and which satisfies the Technical Requirements;
 - 2.2.3 identify and segregate, in the manner prescribed in this Core Specification, the Waste Acceptance Protocol and the SDP, any Objectionable Waste and/or Prohibited Waste which is delivered to a Delivery Point;
 - 2.2.4 manage all waste in accordance with the waste hierarchy and principals of the circular economy;
 - 2.2.5 achieve the levels of Disposal Diversion required by the relevant Material Category Specification(s) to ensure the waste is Treated;
 - 2.2.6 perform any ancillary services in respect of Objectionable Waste and/or Prohibited Waste which are set out in this Core Specification, the SDP and/or the Waste Acceptance Protocol;
 - 2.2.7 procure the transportation of all Contract Waste which is accepted by the Contractor at a Delivery Point to a Treatment Facility or Disposal Facility; and
 - 2.2.8 transport and either Treat or Dispose of any Treatment Residues in accordance with this Core Specification and the SDP.

3. Pricing model

This section details the pricing structure of the contract— Please refer to contract Schedule four – Payment Mechanism and attached contract rates.

3.1 Payment terms

Payments shall be made in full accordance with clause 21 of the contract –**“THE MONTHLY SERVICES PAYMENT”**.

The Contractor shall submit a single invoice to the Authority in arrears within five (5) Business Days of the end of each month during the Services Period.

3.2 Insurances

All insurances, bank guarantees and liability provisions in the contract are listed below:

[Include details of insurances, bank guarantees and liability provisions in contract.]

[insurance type]

[insurance company and policy number]

[limit of liability.]

[expiry date and review dates]

[record management location of insurance paper – including custodian of documentation]

The insurance review process is conducted during management meetings. Details on management meetings are included in section 6.

4. Relationship structure

The contact information of responsible persons associated with this contract is listed below.

Table 1: Key contact information

DWP				
Name	Title	Address	Phone	Email
Ian Manley	Contracts Team Leader	DWP HQ	01305 228669	i.manley@dorsetwastepartnership.gov.uk
Natalie Besant	Contracts Officer	DWP HQ	01305 221315	N.J.Besant@dorsetwastepartnership.gov.uk
Anna Beech	Contracts Officer	DWP HQ	01305 225467	a.beech@dorsetwastepartnership.gov.uk
Jason Jones	Group Manager Commissioning	DWP HQ	01305 225180	j.jones@dorsetwastepartnership.gov.uk
[Insert Contractor Details]				
Name	Title	Address	Phone	Email

5. Meetings

This section contains a summary of the purpose, attendees (as per the list in table 2), frequency and format of various contract meetings. The meetings proposed below are a guide to the types of meetings that you might arrange to manage the contract. Adjust the table as needed.

Table 2: Meeting schedule

Meeting	Purpose	Supplier attendees	Organisation attendees	Frequency	Meeting elements
Executive meeting	To discuss information to support decision-making at the executive level	Proprietor/CEO, Strategic Manager and Operations Manager	Director, Head of Strategy, Finance Manager, Group Manager and DCC Procurement Rep.	Annual or as required	<ul style="list-style-type: none"> • Supplier and contract information for segments strategic, high risk and critical to business contracts; • Key financials; • Key performance data; • Escalated issues; and • High (and extreme) risks
Mgmt. meeting	To discuss information to support management level decisions	Strategic Manager and Operations Manager	Group Manager Commissioning and Contracts Team Leader	Six-monthly or as required	<ul style="list-style-type: none"> • Review performance against KPIs • Review operational issues and establish action plan • Review insurances to ensure currency • Agree any process/policy changes • Identify events that may impact service • Identify if any penalties or bonuses apply
Operations meeting	To review current operational status of contract and determine whether improvements required	Operations Managers	Contracts Team Leader and Contracts Officers	Bi-monthly or as required	<ul style="list-style-type: none"> • Review status • Review KPIs • Identify/review issues and areas for management attention • Review change requests and manage change control process

6. Transition management

[To be updated based on SDP submission]

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7. Key performance indicators (KPIs)

7.1 Objectives

The objectives of formulating KPIs are to:

- document and manage the key measures of performance for the operational services to enable the supplier to focus on the operational deliverables that are important to the organisation;
- set goals for performance for both parties which reflect the need to deliver the agreed KPIs and the interdependencies between the parties in meeting KPIs; and
- provide a mechanism for calculating service debits/credits or liability share arrangements for suboptimal performance against KPIs or for awarding bonuses that may be payable for excellence.

7.2 Contract KPIs

Treatment & Disposal Contract Key Performance Indicators									
1	2	3	4	5	6	7	8	9	10
KPI No	Key Performance Indicator	Contract Reference	Details	Performance Failure	Monitoring Period	Reporting Frequency	Resolution Period	Performance Points	Rectification Period
Reporting									
1	Monthly Service Report	Clause 12, 15 / Core Spec 13	The Contractor shall provide monthly performance reports to the Authority within five Business Days of the end of each month	Failure to provide monthly performance within five Business Days of the End of Each month	Monthly	Monthly	1 day	1 per occurrence	1 day
2	Non Contract Waste as Contract Waste or End Destination Info????	Core Spec 4	To ensure all contract waste is received and measured in accordance with the specification and that onward destination is made available to the authority.	Reporting non contract waste as contract waste. Failure to provide Duty of Care End Destination information within the prescribed time frame when requested by the authority	Daily	Monthly	1 day	2 per occurrence	1 day
Facilities Availability									
3	Operation of Facilities	Clause 6.1/ Core Spec 17.1	Ensuring all Facilities are open and available in accordance with the Core Specification and SDP	Failure to have facilities available in accordance with the specification and SDP	Daily	Monthly	n/a	5 per occurrence	1 day
4	Turnaround Times	Core Spec 17.4	The Contractor shall ensure that the average Turnaround Time for all vehicles delivering Contract Waste to a Site in any Contract Month shall be no more than 20 minutes. In no circumstances shall the Turnaround Time for a vehicle delivering Contract Waste be more than 40 minutes: A vehicle Turnaround Time will be measured from the moment a Authority vehicle weighs in over the weighbridge until the point it weighs out over the weighbridge of the Delivery Point.	Average turn around time is greater than 20 minutes for all vehicles over a calendar month. Or a single vehicle turnaround time is greater than 40 minutes.	Monthly	Monthly	n/a	1 per occurrence	1 month
5	Contingency Facilities	Core Spec 19	The Contractor is required to make arrangements for the diversion of vehicles or Contract Waste away from any Primary Delivery Point, Primary Disposal Facility or Primary Treatment Facility to a Contingency Delivery Point, Contingency Disposal Facility or Contingency Treatment Facility, in the event that the Contractor is unable to accept or process Contract Waste at the relevant Primary Delivery Point, Primary Disposal Facility or Primary Treatment Facility	Failure to provide contingency delivery point or processing facility	Daily	Monthly	n/a	10 per occurrence	1 day
Performance									
6	Disposal Diversion	Core Spec 2.2.5 & relevant Material Category Specification(s)	To achieve the levels of Disposal Diversion required by the relevant Material Category Specification(s) to ensure the waste is Treated	Failure to achieved levels of Disposal Diversion over one contract year	Monthly	Annually	n/a	10 per occurrence	1 month
7	Contribution toward recycling and composting	Material Category Specification(s)	To achieve the levels of Recycling and Composting required by the relevant Material Category Specification(s) and as detailed in the SDP	Failure to achieved levels of recycling and composting performance over one contract year	Monthly	Annually	n/a	10 per occurrence	1 month
Service Delivery Plan (SDP)									
8	Changes to SDP	Core Spec 8.3	All changes in the SDP to be agreed in writing with the Authority	Failure to notify and agree changes in writing with the Authority	Monthly	Monthly	3 days	5 per occurrence	1 day
9	Waste Acceptance Protocol	Core Spec 2.2 , Waste Acceptance Protocol & Relevant Material Category	Accept, identify and segregate waste in accordance with the Core Specification, Waste Acceptance Protocol and relevant Material category Specification	Failure to Accept, identify and segregate waste in accordance with the Core Specification, Waste Acceptance Protocol and relevant Material category Specification	Daily	Monthly	1 day	1 per occurrence	1 day
Health & Safety									
10	Risk Assessments	Core Spec 14.	The Contractor shall carry out detailed health and safety risk assessments for all working practices on the Site(s) used for the purposes of this Contract. These risk assessments shall be such that safe working practices are adopted, monitored and controlled by the Contractor at all times and will be reviewed at an appropriate frequency dependant on the nature and significance of any risks identified. Copies of all subsisting health and safety risk assessments shall be provided by the Contractor within 10 Business Days following the Commencement Date and copies of any reviews and/or updates of such health and safety risk assessments shall be provided to the Authority throughout the Contract Period as soon as reasonably practicable following their production.	Failure to adopt, monitor and control work activities via risk assessment or failure to report any update in risk assessments to the Authority in writing	Monthly	Monthly	1 day	3 per occurrence	1day

7.3 KPI reporting

KPI reports are created and adapted to reflect meeting schedule requirements and ad-hoc reporting requirements. Reports can be compiled using the supplier scorecard and minutes from meetings. The report should track specific service failures with actions discussed in the supplier meeting and minuted for action or monitoring in subsequent supplier meetings.

These provide a formal record of actual performance levels provided to the organisation over the previous period for all KPIs. The reporting includes the KPIs and the following information:

- areas of service issues or failures and immediate actions taken to minimise the impact to customers in the event of a service failure;
- areas where issues have been resolved;
- planned actions to prevent further occurrences of similar problems—both from the supplier and the organisation;
- additional actions discussed;
- value-added services provided;
- continuous improvement activities undertaken by the supplier; and
- other information about significant events affecting the supplier.

The contract manager reviews the reports and escalates internally where necessary.

8. Savings/benefits tracking

Benefits tracking (price monitoring and compilation of other quantitative and qualitative data) takes place each quarter. The contract manager develops and manages the benefits/savings tracking framework, and will:

- specify which benefits tracking method will be used; and
- communicate the contract baseline for price and non-price benefits and how incremental changes will be measured, for example:
 - how often benefits will be measured (usually quarterly); and
 - how data will be verified and analysis conducted.

Benefits Monitoring Plan

Project Title	
Contract Reference	
Version No	Author
Date	
Version History	

Benefits Profile								
Benefit number	Benefit Description	OBA Link	Benefit owner	Benefit Measurement	Expenditure	Saving Value	Review date	Realised?
1.								
2.								
3.								
4.								
5.								
6.								

Benefit Measurement	Definition
Cost Avoidance	Action taken to reduce future costs, for example, price protection
Cashable	Cashable savings are those savings that are reflected on budgets
Non-Cashable	Improved outcomes "more for your money"

9. Escalation process

The purpose of the escalation process is to achieve an overview of:

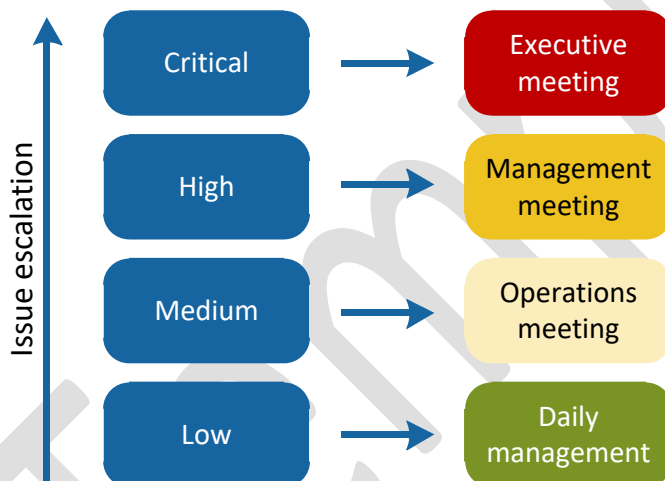
- the escalation process;
- those involved and their tasks; and
- responsibilities and deadlines.

Log all problems and queries regarding the services provided by the supplier issues log. The contract manager owns the issues log. Issues could come from the organisation, third party providers, supplier personnel or through the reporting process.

Each issue is logged in the issues log with a responsible party assigned to manage the issue. If issues are not resolved in the required timeframe they are escalated to the supplier account manager and contract manager via the management and executive meetings to oversee/escalate as per the escalation process flow in Figure 1 below.

Issues are escalated based on the priority given to the issue in the issues log and relate to the level of escalation required for the issue as illustrated in Figure 1.

Figure 1: Escalation process flow



As the issue priority escalates it is escalated to a different management level to resolve. Note: an issue can be immediately classed as 'critical' and raised to the executive meeting if required. Once issues are resolved their resolution is logged in the issues log.

9.1 Process responsibilities

The organisation's contract manager and the supplier contractor manager sponsor the process.

9.2 Escalation process flow

The following defines the escalation process flow:

- If task owners cannot resolve an issue within [x] days, the issue is escalated to the operations meeting group. The issue is set out in the minutes and included on the agenda of the operations meeting;
- If members of the operations meeting cannot resolve an issue after referral, the issue is escalated within five days to the management meeting group. The issue is set out in the minutes and included in the agenda of the management meeting;
- If members of the management meeting cannot resolve an issue after referral, the issue is escalated within three days to the executive meeting group. The issue is set out in the minutes and included in the agenda of the executive meeting; and
- The executive meeting group has final responsibility to resolve any matters escalated to it. The executive meeting group is called together on an annual basis or as required to resolve service issues.

10. Risk management

This relationship is subject to a risk assessment and supplier segmentation during the sourcing process. The supplier segment is [insert segment data]. As such the supplier is regarded as [close to core/high risk/strategic].

A risk assessment was completed during contract segmentation. A copy of the risk assessment is included in appendix [insert appendix number] [attach a copy of the completed risk segmentation tool].

The contract manager is responsible for reviewing the risk assessment, in particular to assess any changes to the supplier's financial health, disaster recovery plans, or other risk categories identified as moderate to high in impact or likelihood. This review takes place at least once a year, and preferably more frequently for key and critical suppliers.

See attached Risk Assessment.

11. Contract variation

Use the contract variation process to assess all contract variations. This process ensures all proposed variations are subject to hierarchical consideration, particularly around key elements of:

- historical performance;
- business needs;
- technical specification; and
- commercial impact.

It also includes the requirement to review:

- pricing;
- associated KPIs;
- risk; and
- organisational financial and procurement delegations.

Policy must be followed with regard to any variation involving a change of risk, term or contract value—particularly with regard to delegated authorities and authorisation.

11.1 Contract variation process

The following form should be completed in the event of any contract variation.

CONTRACT VARIATION PROPOSAL

Contract Title	
Requested by	
Dorset Contract Manager	
Proposal Change Date	
Contract Period	
Variation Title	
Variation Number <i>(Contract specific)</i>	

The contractor and the authority entered into a contract for the provision of the above mentioned Goods/Services for the contract period stated. The following provides information on the change request and the impact of the change.
Refer to the financial scheme of delegation

Reason for proposed change, select option	Variation Reason	If other, please specify
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Full details for proposed change <i>Complete with full details for proposal for change</i>	
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Impact of change for Dorset County Council (or other partners) <i>What is the impact for the authority? Costs increased?</i>	
--	--

Impact of change for Supplier <i>What is the impact for the authority? Cost increased?</i>	
--	--

Change Accepted <i>(Contract Manager to delete as appropriate)</i>	Change Declined <i>(Contract Manager to delete as appropriate)</i>
Reason	

Dorset Authorisation (Refer to Scheme of Delegation)			
	Date	Signature	Name / Position
Contract Manager			
Head of Service			
Finance			

Supplier Authorisation			
	Date	Signature	Name / Position
Supplier Manager			
Other			

12. Scheme of Delegation

[Update with Dorset Council Scheme of Delegation Information following award]

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13. Annual Contract Management Tasks

- Checking of Accounts
- Checking Insurance
- Completion of Supplier Management Score Card
- Review of contract issues log
- Review of Contract Risk Assessment
- Check contract succession arrangements

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