

Dated

2010

(1) NORTH EAST LINCOLNSHIRE COUNCIL

(2) BALFOUR BEATTY WORKPLACE LIMITED

Reporting and Review
Schedule 17

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SERVICE REVIEW FRAMEWORK

1. Definitions

The provisions of **clause 1.1** (Definitions) of the Agreement shall also apply to this Schedule 17.

2. Monthly and Quarterly Performance Reviews

2.1 Subject to paragraph 2.2, each month the Partner shall carry out a comprehensive and detailed Performance Review of the Services which shall meet the objectives stated in **clause 24.4.2** (Performance Reviews) of the Agreement and shall be carried out on the basis of the detailed requirements of this Schedule 17 (Reporting and Review).

2.2 The Partner shall not be obliged to undertake the first monthly Performance Review until the month that follows completion of the 90 Day Plan. The first Quarterly Performance Review, carried out in accordance with **paragraph 2.6**, shall capture information relating to the first 3 (three) months' service. Nothing in this Schedule 17 shall detract from the Partner's obligations to satisfy the Council's external reporting obligation.

2.3 The Council acknowledges that in undertaking the Performance Reviews, the Partner may not have access to all necessary resources and information that the Partner requires in order to fully consider its performance in accordance with **clause 24.4** (Performance Reviews) and this Schedule 17 (Reporting and Review) as it is reliant, to a certain degree, on the publication of Third Party information. The Partner shall, therefore, comply with its obligations under **clause 24.4** (Performance Reviews) and this Schedule 17 (Reporting and Review) with reference to the information available to it at the time that such Performance Review is to be carried out. The Partner shall use reasonable endeavours to obtain such information it requires from the relevant Third Party and shall report to the Council on its progress in obtaining the same and, where such information is obtained, on the content of such Third Party information in the report for the month that follows the publication of such Third Party information.

2.4 The format of each report to be provided by the Partner pursuant to this Schedule 17 (Reporting and Review) shall be agreed between the parties (acting in good faith) prior to the date upon which the first report is due. Any subsequent change to the format of the reports during the Term shall be made by agreement of the parties.

2.5 By the fifteenth (15th) Business Day (or such longer period as is agreed between the parties) of each month following completion of a Performance Review, the Partner shall submit to the Council a comprehensive and detailed written report

of the outcome of the Performance Review carried out in accordance with **clause 24.4.2** (Performance Reviews) of the Agreement and **paragraph 2.1**, which report shall contain:

- 2.5.1 a status report of the progress of any Projects being undertaken by the Partner and a register of the Changes agreed under this Agreement;
- 2.5.2 the results of the measurement of the Partner's performance of the Services against the Service Levels;
- 2.5.3 an overview and explanation of the process undertaken by the Partner in carrying out the assessment including the timing of each element of the process and the method of collecting all information used in generating the report;
- 2.5.4 where relevant, any further significant issues surrounding service performance which are not covered by the matters referred to in **paragraph 2.5.2** and ways in which such issues have been addressed;
- 2.5.5 any other matters reasonably requested by the Council in relation to the Services; and
- 2.5.6 the Partner's proposal for dealing with the outcome of the Performance Review including the action which the Partner proposes to take in order to improve its performance in the areas which have been identified as requiring improvement together with the timescales for taking that action and relevant information to enable the Council to assess the actions identified as necessary in previous Performance Reviews.

The Partner shall ensure that each report clearly shows the results of each monthly Performance Review carried out such that the Council can evaluate the monthly performance trend.

- 2.6 No later than 15 (fifteen) Business Days (or such longer period as is agreed between the parties) after the end of each Quarter the Partner shall submit to the Council a comprehensive and detailed written report based upon the last 3 (three) monthly Performance Reviews (which, for the avoidance of doubt, shall include the report on the immediately preceding month's service) for the Quarterly review meeting. The first Quarterly report shall include content on the first three (3) months' of service in accordance with paragraph 2.2. The purpose of the Quarterly report is to provide a strategic overview of the Partner's performance over the previous 3 (three) months. The report shall contain an action plan setting out proposals for Projects and/or any Changes (including detail on the likelihood of success thereof and with relevant timescales in relation thereto). The Partner shall not be required to undertake a Quarterly Performance

Review nor prepare an accompanying report in the month that an Annual Performance Review is due in accordance with **paragraph 3** below.

3. **Annual Performance Reviews**

3.1 At the end of each Financial Year the Partner shall carry out a comprehensive and detailed review of the provision of the Services by or on behalf of the Partner in the Year up to the Review Date (including a review of the performance of relevant parts of the Partner's organisation carrying out the Services and any sub-contractors). Such review shall take account of the relevant Service Development Plan and compare the objectives in the Service Development Plan with the actual provision of the Services.

3.2 No later than 30 (thirty) Business Days (or such longer period as is agreed between the parties) after the start of the Financial Year the Partner shall submit to the Council a comprehensive and detailed written report of the outcome of the Annual Performance Review, such report to contain:-

3.2.1 an explanation of the process undertaken by the Partner in carrying out the review;

3.2.2 results of the review of performance against the Services Levels in the Services Schedules (Schedules 27 to 30) and Schedule 13 (Price Performance Mechanism) and generally, including an analysis of trends and reasons for trends;

3.2.3 a detailed and transparent tracking of any proposed incremental improvements and any other changes to the Service Level Agreement, against each relevant area of the existing Service Level Agreement which is being supplemented, varied or replaced, such improvements shall be also set out in more detail in the Service Development Plan;

3.2.4 a full summary of improvements agreed within the monthly and Quarterly Performance Reviews, and the results of any actions taken to date;

3.2.5 a status report on the progress and completion of any Projects undertaken by the Partner in that Year and details of work undertaken by the Partner in relation to proposals for Projects in that Year, which information shall also be set out in Service Development Plan;

3.2.6 a summary of savings and benefits achieved over the previous Year in relation to Projects and Core Service;

3.2.7 a financial review of the total amounts paid by the Council under this Agreement including a breakdown of amounts paid for Core Services,

Projects, Changes and any other amounts paid by the Council to the Partner; and

- 3.2.8 without prejudice to any service improvement or other actions taken as a result of the monthly and Quarterly Performance Reviews, set out the action which the Partner proposes to take in order to improve its performance in the areas for improvement identified by the Annual Performance Review together with the timescales for taking that action.

4. **Outcome of Performance Reviews**

- 4.1 The provisions of **clause 24.5** (Quarterly, Annual and Project Performance Review Reports) of the Agreement shall apply.
- 4.2 If the Council rejects the outcome of the report or if it disagrees with the proposed application of Service Credits the matter shall be referred at the application of either the Council or the Partner to the Dispute Procedure in accordance with **clause 46** (Disputes Procedure) of the Agreement.