



Ongo Group

Contract Management and Monitoring Framework

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<u>Version No.</u>	<u>Purpose/Changes</u>	<u>Approval Date</u>	<u>Approved By</u>	<u>Suggested Review Date</u>
2.0	Full Review	October 2021	ELT	July 2024
1.0	New Framework	July 2017	ELT	July 2020

PART 1 - General

1. Statement Of Intent

At Ongo, value for money must be achieved in all contracts entered into. It is a requirement that value for money is demonstrated through delivering positive outcomes for the relevant departments and service users concerned (including tenants). It is the responsibility of contract managers to ensure that effective contract management is taking place in order to achieve value for money and the required outcomes.

2. Contracts Register

All contracts held by Ongo Partnership and its subsidiaries need to be included on Ongo's corporate **contracts register** which can be found on the Procurement & VFM departmental page of the Intranet. The register details all the important information we **MUST** record to comply with legislation and regulation and meet our corporate governance obligations.

3. The Contract Manager

The contract manager is an Ongo employee named as the contract supervisor, contract lead, or person responsible for the delivery of all services and performance under the terms of a particular contract or agreement. Contract management includes supplier liaison and supplier management.

The Contract Manager acknowledges and agrees that:

- They will ensure that Ongo fulfils its duties under the Health and Safety at Work Act in relation to the safety of contract work under their control
- They will follow the **contract management procedure** (see part 2) at all times during the life of each contract they manage
- Contract management meetings will be held between the parties representatives at regular intervals throughout the life of the contract
- Contract management reviews shall be arranged for the upcoming year on a rolling annual basis
- Contract management reviews and meetings shall be properly recorded in writing with any areas for improvement / action points duly noted and kept in the contract folder
- They will challenge the performance of the service and always ensure compliance with the service specification
- Information made available by the contract provider shall be scrutinised, analysed and challenged as necessary
- The contract manager should be informed of any issues with regard to the performance and/or conduct of a contract provider to ensure compliance with the contract specification, escalating to the Procurement & VFM team where necessary at the earliest opportunity so they can support as appropriate

Part 2 – The Contract Management Procedure

This procedure should be followed to help carry out contract management activities for any contract(s) you may be assigned as the contract manager.

4. The Contract Manager's Responsibilities

- Update the Procurement & VFM team with any contract details so that the contracts register can be updated/amended (where applicable)
- Ensure that each contract you manage has an allocated contract number from the Procurement & VFM Department (i.e. **0123/OH**)
- Using a risk based approach, liaise with the Health and Safety team to ensure risk assessments and method statements are suitable and sufficient (Appendix 1) and ensure sufficient on site monitoring of health and safety arrangements is in place throughout the duration of the contract
- Send the Procurement & VFM team copies of any updated or amended contracts you manage and keep a copy of such yourself in an individual departmental contracts folder
- Hold regular contract review meetings as agreed in the contract using the Ongo standard [Contract Management Review Meeting Agenda](#). All contract management meetings should be documented in writing and minutes held in your Contract folder and stored on Pentana where relevant as they can aid with contract performance management and may be subject to audit at any time
- Annually check and obtain copies of relevant company insurances of suppliers and service providers, and inform the Procurement & VFM Department of the latest expiry date for recording on the contracts register. Please ensure you keep copies of all current and past insurance documents in your contract folder
- Annually check the financial standing of the supplier(s) and inform the Procurement & VFM team of the new score so they can amend the contract register. Details of how to do the financial checks can be found below (**Part 2; Section 5**)
- Annually check any relevant industry standards or training certifications related to the contract needs, requesting updated documentation where necessary
- Ensure any contractor specific documentation, (i.e. - policies, method statements, risk assessments, and emergency plans) are kept up to date and saved in your Contract folder and on Pentana where relevant
- Conduct any appropriate inspections, and monitor any Service Level Agreements (SLA's) or Key Performance Indicators (KPI's) as agreed in the contract and record in the Contract folder and on Pentana where relevant
- Monitor any management information reports requested from the supplier or specified in the contract, and keep a copy in the Contract folder or on Pentana where relevant
- Notify the Procurement & VFM team if you become aware of any relevant prosecutions against the supplier
- Notify the Procurement & VFM team of any serious non-performance and service failures

- Ensure any contract variations are authorised, using the [Contract Variation Approval Form](#), in line with the requirements of the [Procurement & Tendering Procedures](#)
- Notify the Procurement & VFM team of any mutually agreed amendments to annual costs for the contract which should be in line with the initial terms of the contract
- Ensure all contract extensions are valid and in-line with the agreed contract Terms & Conditions. Extensions to contracts should be made in agreement with the Procurement & VFM team and made only via the completion and authorisation of a [Contract Extension Approval Form](#) signed by the relevant Head of Service and / or Director as defined for your business area
- Note the end date of the contract and notify the Procurement & VFM team, giving sufficient time, when you wish to initiate a re-procurement taking into account any termination clauses
- Conduct a post contract performance review, record this, keep a copy in the Contract folder and on Pentana where relevant, and notify the Procurement & VFM team with details of this. The review should include how well the contract was delivered, its performance, what worked well and what could have worked better, i.e. compliments, incidents, late delivery, quality issues, complaints
- It is imperative that the Procurement & VFM team is notified of any service failure or any serious issues relating to a contract as soon as identified so we can support you accordingly within the correct contractual processes and procedures
- Check supplier details. In the event that any supplier details have changed (e.g. company name, address, banking arrangements, or named point of contact for BACS, etc.), a [Change of Supplier Details Form](#) **MUST** be completed and submitted to the Procurement & VFM team for authenticating and processing on T1 accordingly

5. **Checking The Supplier**

Conducting certain checks on a supplier enables Ongo to identify any early warning signs of situations which may cause difficulties for contracts in the future. Issues such as financial difficulty, bad debt, adverse legal action (e.g. CCJs), or failings in maintaining professional accreditations, as well as poor health and safety performance in terms of enforcement actions or prosecutions; are all issues which can often be detected by undertaking regular due-diligence checks and which otherwise may lead to contract failures.

These checks are all carried out at the time of contract award or prior to contract renewal, however circumstances change and as such, the same checks need to be undertaken at regular intervals (at least annually) over the course of a contracts life span.

It is also important that contract managers and operational staff look out for any warning signs relating to potential contract issues; for example high levels of staff turnover, major shortfalls in service, or requests for early payments.

There are also checks that need to be done on certain, specified contracts to ensure the supplier remains low risk and able to work on our behalf.

Health and Safety

Enforcement actions. The HSE provides a public register of:

- Health and Safety convictions (up to 10 years old)
- Health and Safety enforcement actions (up to 5 years old)

The register is available to all at: <https://www.hse.gov.uk/enforce/convictions.htm>

Risk Assessments / Safe Systems of Works (SSoW).

In terms of contractors, membership of registeredSSIP schemes and /or accreditation with ISO 45001 can give reassurance during the due diligence process, however a task specific risk assessment must be requested, reviewed and agreed before the start of works. Contract managers must consult with the Health and Safety team to assist in the review of risk assessments for higher risk works.

Insurance and Contract Specific Certificates/Accreditations

There are two ways to check insurances or certificates annually:

- 1) For contractors - log on to <https://earlyadopter/constructionline.co.uk> click on “Admin” on the left hand side and create yourself a new user profile. You can then search the suppliers name and download all the relevant information including insurances and certificates.
- 2) For all other suppliers (“goods” or “services”) please request copies of all relevant insurances from the supplier directly.
Insurances required include:
 - Public Liability Insurance
 - Employers Liability Insurance
 - Professional Indemnity Insurance (where relevant)
 - Products Liability (where relevant)

Copies of all insurance certificates obtained should be saved in your Contracts folder as they may be audited at any time. You must also notify the Procurement & VFM department of the latest expiry dates so they can update the Contracts Register accordingly.

Checking the Financial Standing of the Supplier

In order to be able to check the financial standing of suppliers; Ongo subscribe with Experian Business Express.

In order to access this service, the Procurement and VFM team will provide you with the log-in details to access by following the link below:

Website: [Experian Business Express](#)

All queries in relation to supplier management should be directed to the Procurement & VFM Department at procurement@ongo.co.uk

6. Contract Management Meetings

Contract management review meetings should be undertaken at regular intervals as indicated in the contract (i.e. monthly / quarterly, bi-annually) with as a **minimum** an annual review. Frequency of meetings should be discussed and agreed between the parties at the initial contract implementation meeting or prior to contract commencement.

In some cases review meetings may be undertaken as a desktop review with any risks identified resulting in an online or face to face contract management meeting to be arranged between Ongo and the provider at the earliest convenience.

Ongo may however request a contract management meeting with the provider at any time in addition to the agreed schedule or may increase / decrease the frequency of contract management reviews and / or meetings if any concerns are identified:

Standard agenda items to be discussed during the contract management meetings should include (but not be limited to) the following:

- Supplier Details (any changes to company name, address, banking arrangements, points of contact, etc.)
- IR35 checks – any changes to company structure, registration with Companies House, changes in working relationship or service delivery, or any other changes which may make the agreement with service provider subject to the HMRC Off-Payroll Working Rules. *If in doubt, a CEST check should be carried out in order to check the employment status of a worker or company engaged by you* - Check employment status for tax - GOV.UK (www.gov.uk)
- Contract delivery / compliance
- Contractor registration details (check certificates)
- Insurance & financial information (check certificates)
- Management information & reports
- Service Levels & Key Performance Indicators
- [Issues log](#)
- Risk log (appendix 2)
- Health & Safety issues / updates
- Quality assurance issues / updates

Additional 'Annual Review' Agenda Items

- Annual business / action plan
- Annual review of health and safety performance, including analysis and review of any agreed inspections / monitoring visits
- Evidence of positive outcomes staffing, recruitment & retention
- Partnering / stakeholder relationships
- Evidence of service improvements made
- Efficiency gains or savings
- Business Continuity Plan
- Training matrix
- Social value updates (community developments / VFM / added value)

It is also a requirement for the provider to submit copies of any policies and procedures as and when requested at any time.

Where possible, the provider shall be issued with an agenda prior to any contract management meeting an example of which can be found here: [Standard Agenda](#). The suggested standard agenda items are also subject to change throughout the duration of the contract.

The purpose of the contract review meeting shall be to consider the provider's ability to continue to deliver the contract requirements and whether it is compliant with the contract specification and terms and conditions, as well as to determine whether any variations are required to the contract. Where this occurs it is the Ongo contract manager's responsibility to complete a Contract Variation Approval form (see hyperlink above) and obtain the necessary internal authorisation required prior to forwarding to the Procurement & VFM team.

7. Responsibilities Of The Provider

The provider refers to the service/works provider or supplier with whom Ongo has 'contracted' with to deliver under the terms of a particular contract or agreement. Requirements are often stipulated within a specification or scope of works. The provider's responsibilities are outlined below:

- The provider shall at all times co-operate with the processes of Ongo for monitoring, evaluation and quality audit in whatever way reasonably requested, and shall provide copies of any documents that are reasonably requested by Ongo
- The provider shall demonstrate through its own quality assurance system that it continually reviews and improves the standards of contract delivery to show that it has a commitment to providing quality goods, services or works to Ongo and ensuring positive outcomes are achieved. This may be determined by the following methods:
 - seeking the views of all users (including tenants)
 - ensuring that the goods, services or works delivered comply with the contract requirements and are effective, efficient and deliver positive outcomes
 - checking that all records are properly maintained and updated
 - regular monitoring and evaluation of complaints/concerns, in addition to the requirements of the Provider's complaints procedure
 - holding as a minimum an annual service review of performance and satisfaction
- The provider shall maintain regular communication with the Ongo contract manager, assigned contract lead, or nominated contract supervisor in whatever way reasonably required by Ongo
- The provider shall allow Ongo's key personnel or his/her representative reasonable access to the premises where the goods, services or works are

- provided from upon request, including access to all documents relating to the performance of the relevant contract
- The provider shall make available relevant data or information concerning service users (including tenants) immediately on request from Ongo at any time throughout the contract duration
 - Ongo retains the right to confidentially canvass the views of all service users (including tenants) in relation to the Contract provision at any time throughout the contract duration
 - The provider shall send to Ongo management information as stated in the contract in a timely and professional manner at the agreed intervals as discussed with the Ongo contract manager

An example of suggested standard monitoring information can be found below in **Table A** and amended to fit the needs of the relevant Contract as required:

Table A

Quantitative Information	Frequency & Method
Specific 1 - Volume and type of services provided for period	Monthly electronically or website link
Specific 2 - Value of services provided for period	Monthly electronically or website link
Generic 1 - Summary of notifiable incidents	Quarterly electronically or website link with notes and explanations
Generic 2 - Staffing Changes <ul style="list-style-type: none"> • Number of new staff relevant to the contract • Number of staff leaving relevant to the contract 	Quarterly electronically or website link with notes and explanations
Generic 3 - Number of Complaints <ul style="list-style-type: none"> • Received • Resolved within 28 days • Upheld • Awaiting outcome (at period end) 	Quarterly electronically or website link with notes and explanations
Generic 4 - Volume of services covered by agency or temporary staff during the period	Quarterly electronically or website link with notes and explanations
Generic 5 - Number of service user reviews / audits conducted	Quarterly electronically or website link with notes and explanations
Generic 6 - Details of any training courses attended by Staff	Quarterly electronically or website link with notes and explanations
Generic 7 - Details of and community developments / social value activities or improvements	Quarterly electronically or website link with notes and explanations



Appendix 1

CONTRACT MANAGEMENT AND MONITORING FRAMEWORK

Guidance relating to ‘A Risk Based Approach’

Contract Managers of “works” contracts and some “service” contracts must consult with the Health and Safety team when managing contract works with the following risks:

- Work at height
- Work involving excavations
- Demolition work
- Work with potential exposure to Asbestos
- Work involving the extensive use of power tools
- Work involving hazardous substances and materials
- Lone working

Consultation with the Health and Safety team will allow support to be given to the Contract Manager to ensure all health and safety risk assessments and safe systems of work are suitable, sufficient and appropriate to the task. The Health and Safety team will also give guidance on the frequency and arrangements of Contractor health and safety inspections and monitoring (if appropriate).

This guidance applies to Contractors with or without membership to a registered SSIP scheme and / or accreditation with ISO 45001

Appendix 2

Contractor Risk Log

Name of Contract		Last Reviewed Date		Overall Risk Level (H/M/L)
Contract Manager		Next Review Date		

ID	Risk Description	Cause	Effect	Value at Risk	Priority H/M/L	Owner	Actions Required	Due Date	Current Status