

# **2009 Census Rehearsal Evaluation Contract Management**

January 2010

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## 2009 Rehearsal – Contract Management

### 1. Definition and scope for rehearsal

The purpose of contract management is to allow parties to the contract to meet their obligations and deliver the goods/service required from the contract to meet the defined performance requirements.

With the complexity of the 2011 Census Programme, there are a number of various contracted services provided by different contractors/service providers. Contract management should ensure proactive relationship management, anticipating future needs and reacting to issues that arise. Its aim is to manage relationships, delivery of value for money and measure costs/benefits against risks.

It should also ensure suppliers/service providers meet the defined performance criteria whilst ensuring continuous process and performance improvement throughout the life of the contract.

Some of the contracts are of greater value and criticality within the programme. Some of these have also been tailored to deliver services specific to the census and therefore require greater resources applied to the contract management process..

For the rehearsal, the contracted services were:

- printing, Paper Data Capture and Coding (PDCC), and Internet Services (CACI (UK) Ltd) – contract covers 2011 Census;
- logistics (Royal Mail Parcelforce) – contract covers 2011 Census;
- field staff supplies (Brand Addition);
- postal services (Royal Mail) – contract will cover 2011 Census;
- field offices (Scottish Government & Lews Castle College);
- publicity, branding and communications (The Gate and Barkers); and
- Gaelic translation (Cânan).

### What was tested

The highest value contracted services for the rehearsal were with CACI (UK) Ltd and Royal Mail Parcelforce as these contracts cover both the 2009 rehearsal and 2011 Census services. Lessons learnt during the evaluation process can be applied to the management of their contracts as we move forward to 2011, therefore these were the focus for the Contract Management team in the 2009 rehearsal.

CACI (UK) is our prime contractor for both rehearsal and the full census in 2011 and their contract covers by far the most complicated and widest set of services to deliver and is therefore the highest value contract.

All elements listed below were tested for these two contracts:

- contract administration;
- contract relationships;

- delivery timetables;
- service delivery management;
- subjective assessment;
- systems integration;
- value for money; and
- contract adherence.

**What could not be tested**

The Royal Mail Postal Services was not in force for the rehearsal due to the negotiation procedure, and we worked successfully with Royal Mail under a letter of intent which was not evaluated in this process.

The other contracts listed above were not evaluated during the rehearsal because of the scope/size of the services they provided for the rehearsal. Contract management involvement was at a lower level for these contracts than that envisaged for 2011

## 2. Evaluation findings

- Pre – determined evaluation points

### 2.1 CACI (UK) Ltd

**Note:** CACI(UK) Ltd. were responsible for delivery of several functional areas- namely Printing of all paper materials, Internet services, Paper Data Capture and all Coding services. Where appropriate these have been evaluated individually.

Description	Success Criteria	Outcome	Recommendation	Timeframe
1) Contract administration	<p><b>a)</b> Accessibility of information when required for the decision making process with focus on change control.</p> <p><b>b)</b> Change control target set initially at a seven day turn around for agreement of change requests.</p>	<p><b>a)</b> Information required for decision making was generally available to the relevant parties. The change control process did work well, with CACI(UK) reacting quickly in their assessment of change requests. However, there were some issues around delays with the final sign-off process within General Register Office for Scotland (GROS).</p> <p><b>b)</b> The seven day turn around was seldom achieved, the main issue was around the formal 'sign off'. The majority of the technical impact assessments took up to 14 days, with the exception of a few very complex changes.</p>	<p><b>a)</b> Processes to remain as was, but streamline the final sign-off</p> <p><b>b)</b> Revise change control turn-around timetable to 14 days.</p>	By October 2009

Description	Success Criteria	Outcome	Recommendation	Timeframe
<p><b>2) Contract relationships</b></p>	<p>Measured for openness, honesty and constructiveness, including that any issues/problems are identified and resolved early.</p>	<p><b>a) General:</b> All issues/problems were raised and discussed very early, and in an open manner. Initially many of the issues needed to be escalated to the CACI Programme Manager but that was recognised as a bottleneck. Also there was an over reliance on the subcontractors by the prime contractor, who were deemed subject matter experts.</p> <p><b>b) Internet:</b> GROS worked closely with both subcontractors but all parties needed to refer contractual issues to the main service provider who wasn't always in attendance.</p> <p><b>c) Printing:</b> Direct relationship with print subcontractor worked really well. They were receptive and readily offered solutions to issues. Some issues raised around the interface between them and the logistics service provider, mainly regarding the systems employed.</p> <p><b>d) PDCC:</b> Again very receptive to change. However, accommodation of some unscheduled development caused issues further down the line. Also the complexity of the project and</p>	<p><b>a)</b> The service provider needs to allow a greater level of responsibility to be taken on by their staff. This has happened to some degree, with staff having greater responsibility for delivery issues. Budgetary control still with Programme Manager.</p> <p><b>b)</b> Main service provider is now leading all the Integrated Project Teams (IPTs) which has resolved this issue.</p> <p><b>c)</b> An Interface IPT, where all contractors could discuss and agree their interfaces was setup, and is now working well.</p> <p><b>d)</b> Agreement at executive board level has now been made to ensure that the timetable is adhered to by both parties. The rehearsal</p>	<p>Immediately</p> <p>August 2009</p> <p>July 2009</p> <p>Immediately</p>

Description	Success Criteria	Outcome	Recommendation	Timeframe
		associated services only became clear during the actual rehearsal itself.	has clearly been a valuable learning process for the service provider and 2011 Census plans will be built upon the lessons learned.	
<b>3) Delivery timetables</b>	To meet defined rehearsal milestones, subsequently reviewed for performance and achievement to feed into 'lessons learned'.	<ul style="list-style-type: none"> <li>• <b>General:</b> In general milestones were met, but some milestones were moved. This was in line with the contractual 'remedial plan' process;</li> <li>• <b>Internet:</b> No issues, all milestones met;</li> <li>• <b>Printing:</b> No issues, all milestones met; and</li> <li>• <b>PDCC:</b> The timetable and milestones were pushed back (through the contract change process) and the revised contracted milestone delivery dates were met.</li> </ul>	No change: The changes to the milestones did allow GROS to check the 'remedial plan' process in the contract. This worked well and through Joint Contract Management Team (JCMT)/Joint Technical Management Team (JTMT), we will continue to monitor milestones and identify possible delays ahead of time.	
<b>4 ) Service delivery management</b>	Approved management processes and procedures are in place and have been adhered to throughout the rehearsal.	Service delivery was managed through weekly progress meetings and although the reporting mechanism changed to fit in with the IPT structure, it has worked well.	No change: Continue with existing structure.	
<b>5) Subjective assessment</b>	Was the Service Provider able to be flexible in changing to meet the customer	<b>a) General:</b> GROS requirements were changeable given the number of assumptions set out in the Statement of Requirements (SoR)	<b>a) No change:</b> Some additional resource has been added to the team, and both parties now need	



Description	Success Criteria	Outcome	Recommendation	Timeframe
	<p>requirements as they change throughout the rehearsal?</p>	<p>and in the contract. The service provider was very flexible, in trying to accommodate these changes, and in some areas overly flexible, which placed additional pressure on their delivery teams – see (2) above. This pressure was thought to be mainly due to a set number of resources which they had originally allocated to the project and the minimal time they had to develop rehearsal systems. This left them with little contingency to accommodate change although they were willing to do so.</p> <p><b>b) Internet:</b> Both subcontractors were also very accommodating, but most of the staff involved were very technically focussed and the planning process was challenging. This was recognised as an issue and the main service provider ensured that their project manager also attended the IPT meetings.</p> <p><b>c) Printing:</b> Were accommodating where they could be, but some changes, or perceived changes to requirements did cause issues. These were mainly around the warehousing and the 'picking &amp;</p>	<p>to be aware of impact on timetable of change. See (2) above</p> <p><b>b) No change:</b> The introduction of both a dedicated Project Manager and further technical assurance staff have been well received by GROS.</p> <p><b>c) No change:</b> GROS need to be wary to avoid changes which could overload the print subcontractor..</p>	

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		<p>packing' which are not the print subcontractor's core business. They also seem to be operating at around full capacity to accommodate the census requirements.</p> <p><b>d) PDCC:</b> Very flexible, and in some instances this led to additional risk as they took on changes which gave them resourcing and timetabling issues in their willingness to accommodate – see (2) above.</p>	<p><b>d)</b> No change.</p>	
<p><b>6) Systems integration</b></p>	<p>How well were systems implemented across each contract and sub-contract?</p>	<p><b>a) General:</b> Subcontractors integrated reasonably well.</p> <p><b>b)</b> The main issue was that the prime contractor and the subcontractors were unable to use 'Team Room', which is the secure repository GROS developed for the sharing of documentation with contractors. This made the secure transfer of documents more onerous than was necessary.</p> <p><b>c)</b> Also an issue around labelling between the print contractor and logistics. Work around developed for</p>	<p><b>a)</b> Recommendation already implemented i.e. prime contractor leading and attending all IPT's.</p> <p><b>b)</b> Identify and implement an alternative secure data repository solution.</p> <p><b>c)</b> More investigation &amp; work required by IT staffs to implement solution</p>	<p>March 2009</p> <p>March 2010</p> <p>March 2010</p>

Description	Success Criteria	Outcome	Recommendation	Timeframe
		rehearsal.		
7) Value for Money	Were the services delivered to expected standards within budget?	Yes. Despite the tight timetable and a number of further developments, overall service levels were met and the rehearsal was delivered within budget, as most of the changes were absorbed within the original costs. GROS retained the right within the contract to benchmark any changes against industry standards if it felt that the costs for any changes were excessive. GROS did not deem this to be necessary for the services, and developments, delivered for the rehearsal, which it considered still provided value for money.	No change: Continue with existing monitoring arrangements of service levels against budget.	
8) Contract adherence	How far did the service provider deviate from what was originally defined in the SoR?	Very little deviation from the original SOR response. Main change was with regards to the site and subcontractor for the warehousing element of the Paper Data Capture operations, which was brought under direct prime contractor control. All changes were approved through the change control process. Very few, and only minor deviations occurred.	No Change: Continue with existing arrangements.	

## 2.2 Royal Mail Parcelforce (PF)

Description	Success Criteria	Outcome	Recommendation	Timeframe
1) Contract administration	Accessibility of information when required for the decision making process	<p><b>a)</b> Information required was readily available, even before the contract was finalised.</p> <p><b>b)</b> Change control process worked well, but was not fully utilised by both parties as there was the facility to use the 'ad hoc' services for additional services. Main change was the removal of the Contract Initiation Document (CID) which was not agreed due to the late finalising of the contract .</p>	<p><b>a)</b> No change: Processes to remain as was.</p> <p><b>b)</b> No change: Change control process worked well, but CID needs to be agreed for 2011.</p>	January 2011
2 ) Contract relationships	Measured for openness, honesty and constructiveness, including that any issues/problems are identified and resolved early.	<p><b>a)</b> Relationships very good from outset. The contractor was cooperative, open and flexible in meeting our requirements. The service provider worked collaboratively with GROS prior to actually signing the contract, including carrying out some operational services.</p>	<p><b>a)</b> No change: Recommend continue to take an integrative approach.</p>	Ongoing
3) Delivery timetables	To meet defined rehearsal milestones, subsequently reviewed	<p><b>b)</b> All milestones met. With the exception of the Detailed Implementation Plan (DIP) which was</p>	<p><b>b)</b> No change.</p>	Autumn 2010

Description	Success Criteria	Outcome	Recommendation	Timeframe
	for performance an achievement to feed into 'Lessons Learned'.	due to late signing of contract.		
<b>4) Service delivery management</b>	Approved management processes and procedures are in place and have been adhered to throughout the rehearsal.	<p><b>a)</b> Achieved in many areas of services in terms of operational service delivery.</p> <p><b>b)</b> Unexpected absence of key personnel caused significant issues throughout the early stages of the rehearsal as there was little evidence of succession planning by the contractor for interim replacement of resource.</p>	<p><b>a)</b> Focus on jointly agreeing plans, processes and procedures and schedules early on.</p> <p><b>b)</b> The contractor will have a dedicated team aware of all contract requirements. Business Continuity plans shall cover succession planning.</p>	<p>January 2010</p> <p>January 2010</p>
<b>5) Subjective assessment</b>	Was the service provider able to be flexible in changing to meet the customer requirements as they change throughout the rehearsal?	Achieved. A number of requirements had been overlooked by GROS and the contractor was flexible/adaptable in meeting the requirements that were revised as we progressed through the rehearsal.	GROS needs to ensure that the service provider has a better definition and understanding of requirements at an early stage for 2011.	Immediately
<b>6) Systems integration</b>	How well were systems implemented across each contract and sub-contract?	<b>a)</b> Initial intentions were to label individual boxes of addressed materials for outbound delivery from print sub contractor, but a revised solution had to be developed which worked for all parties.	<b>a)</b> Pallets to be labelled for outbound delivery, but individual boxes will be labelled on inbound collections from field offices.	Start of 2010,

Description	Success Criteria	Outcome	Recommendation	Timeframe
		<p><b>b)</b> Systems implemented well in most cases. Some further work required for labelling issues for 2011.</p> <p><b>c)</b> One instance of subcontractor barcode scanning device failure during the final Census Coverage Survey (CCS) collection in Stornoway.</p>	<p><b>b)</b> Series of workshops required to agree the most appropriate labelling solutions.</p> <p><b>c)</b> Better focus on Business Continuity Disaster Recovery (BCDR) planning for mitigation of future failures.</p>	
<p><b>7) Value for Money</b></p>	<p>Were the services delivered to expected standards within budget?</p>	<p><b>a)</b> Achieved. However a number of changes in service requirements that were overlooked during development of the SoR and the contract have lead to some additional charges.</p> <p><b>b)</b> Intermittent deliveries / collections to &amp; from pick and pack depot) resulted in extra ad-hoc delivery costs outwith those costed for in service provider 's original response.</p>	<p><b>a)</b> More formal clarification of collections/deliveries required, given the introduction of a pick and pack depot within GROS for 2011.</p> <p><b>b)</b> Working closely with service provider in agreeing the revised requirements for 2011</p>	<p>Immediately</p>

<b>Description</b>	<b>Success Criteria</b>	<b>Outcome</b>	<b>Recommendation</b>	<b>Timeframe</b>
8) Contract adherence	How far did the Service Provider deviate from what was originally defined in the SoR?	There was some deviation, but the deviation was the result of changes to the requirements which the service provider was able to adapt and accommodate the new requirements.	The agreed changes will remain in place for 2011, so we need to engage with the service provider to re-align requirements for 2011.	March 2010