Area 4 interim Construction Works Framework

Scope

Annex 16

Quality Management

SCOPE FOR

CONSTRUCTION WORKS FRAMEWORK

ANNEX 16

CONTENTS AMENDMENT SHEET

Amend. No.	Revision No.	Amendments	Initials	Date
0	0	Tender Issue	LP	04/05/20

LIST OF CONTENTS

1. QUALITY MANAGEMENT

1.1. Introduction & Background

1.1.1 This Annex details the requirements which the *Client* requires the *Supplier* to adopt in the development, maintenance and improvement of its Quality Management System.

1.1.2 The *Supplier* operates a quality management system, which will comply with ISO9001 before the end of the Mobilisation Period and will gain certification to ISO9001 by a third party accreditation body (accredited by UKAS or other body recognised by the *Client*) within one year of the date of award of the framework contract.

1.1.3 The *Contractor* will also implement processes to ensure continuous improvement in terms of improving the effectiveness and efficiency of the quality management system in accordance with the requirements in ISO9004 and also good industry practice before the end of the Mobilisation Period.

1.1.4 Capitalised terms in this Annex which are not defined in the contract have the meanings given in BS EN ISO 9000:2015.

1.1.5 The *Clients* authorised contract person is either the *Client's Representative* at a framework contract level or *Service Manager* at a Work Order Contract level.

1.1.6 Both the *Supplier's* Health & Safety and Environmental Management Systems as required by Framework Information, Annexes 13 and 27 respectively, forms part of the *Supplier's* Quality Management System as defined in this Annex 16.

1.1.7 The requirements include definition of the overall Processes and Procedures which enable service delivery by the *Client* and *Supplier*s to the Customer. The *Supplier's* Quality Management System includes Processes, Procedures and other control documents as appropriate to enable them to deliver their Services in accordance with the contract.

1.1.8 The development, maintenance and improvement of the Quality Management System are the responsibility of the *Supplier.*

1.1.9 The use of a Quality Management System provides assurance to the *Client* regarding the consistency, competency and appropriateness of the service offered by the *Supplier.* The Quality Management System demonstrates how the *Supplier* meets the *Client's* requirements.

1.1.10 The *Supplier* operates its Quality Management system from the date of award of the framework contract using documented quality Processes and Procedures for carrying out each operation which forms part of the Service.

1.1.11 The *Supplier* will not deliver any part of the service, unless the relevant quality Process and/or Procedure has been approved by the *Client Representative* (or *Service Manager*).

1.1.12 The *Supplier's* Quality Management System will exhibit:

- Consistency and Repeatability,
- Personal Accountability,
- Assured Delivery and Performance.

1.1.13 The *Supplier's* Quality Management System will include the *Supplier's* Quality Policy Statement as required by the contract and BS EN ISO 9000:2015, which clearly articulates the organisations commitment to:

- providing a quality assured service which delivers the requirements in the contract,
- supporting the development, implementation and maintenance of the *Supplier's* Quality Management System, and
- continually provide maximum customer satisfaction.

1.1.14 The *Supplier's* Quality Plan incorporates the Promises Statement and is sufficiently detailed to demonstrate how the *Supplier* will deliver the requirements of the framework contract, any Work Order Contract and also each of the commitments in the Promises Statement.

1.1.15 The *Supplier* keeps a controlled copy of the Quality Plan available for inspection by the *Client* and its representatives, including but not limited to *Client Representative* (or *Service Manager*) at all times.

1.1.16 The *Client Representative* (or *Service Manager*) notifies the *Supplier* if it considers that the Quality Plan does not comply with the requirements of the contract. Following such notification the *Supplier* reviews the Quality Plan and reports to the *Client Representative* setting out its proposed changes. If the *Client Representative* accepts the proposals, the Quality Plan is changed.

1.1.17 A revision to the Quality Plan accepted by the *Client* is not a compensation event.

1.1.18 If the *Supplier* fails to comply with its quality management system, the *Supplier* accrues Quality Management Points from the date when the failure is identified in accordance with **Table 3 – Quality Table**. The number of Quality Management Points is reduced in accordance with the table.

1.2. Consistency and Repeatability

1.2.1. The *Client:*

- operates a significant number of contracts, with different *Supplier*s, having individual and varying Quality Management Systems,
- operates its own Quality Management System and the *Supplier's* Quality Management System should align with this,
- requires consistency in approach to the structure and operation of the varying Quality Plans across different service contracts, in order that performance can be reviewed and benchmarked from a common perspective, and that the required level of performance can be repeated through the adoption of stable best practice Process designs.

1.3. Personal Accountability

1.3.1. The *Client* requires that:

- senior managers operating at Director level within the *Supplier*'s organisation take personal accountability for the design and performance of the *Supplier*'s Processes and Procedures at the enterprise and local level,
- all work carried out by the *Supplier* can be traced back, in relation to any performance issue, to an individual named senior person within the *Supplier*'s management team,
- Processes within the Quality Management System area assigned the level of ownership and personal accountability as detailed in Section 3.

1.4. Assured Delivery and Performance

1.4.1. The *Client* requires that:

- wherever possible, activities within the *Suppliers* Processes are cross referenced to any relevant detailed activity notes or procedures and that these Activity Notes and procedures are included within the *Supplier's* Quality Management System, this may include references to the *Supplier's* Quality Management System,
- the *Supplier* provides a clear and simple structure in its Quality Plan that allows both itself and the *Client* to easily drill down through a defined hierarchy of controlled documents and records, in order to gain assurance that the required performance can be delivered and risks can be avoided.

2. AUDITS

2.1. Levels of Audit

2.1.1. There are various levels of audit applicable to the framework contract or the Works Order Contracts let from the framework contract:

- *Supplier's* Internal Audit,
- Service Quality Audit carried out by the *Client*,
- Contract Assurance Regime audit carried out by the *Client*.
- Additional Audits carried out by the *Supplier or Client.*

2.2. Internal Audit

2.2.1. The *Supplier* must supply an audit programme to the *Client* and provision should be made for the attendance of the *Client* at these audits. All internal audit reports and action plans must be submitted to the *Client* within one week of completion.

2.2.2. The *Supplier's* internal audits are made against Processes or Procedures that form part of the Quality Management System.

2.2.3. The *Supplier* carries out a programme of internal audits in accordance with the requirements of ISO 9001 and the Quality Management System.

2.3. Service Quality Audit

2.3.1. The *Client* will undertake Service Quality Audits as part of its assurance regime. These are reviews that assess the way the Processes and Procedures are used and seek to establish the level of conformance, compliance and performance against the *Supplier's* Quality Management System,

2.3.2. Service Quality Audits are undertaken by the *Client's* regional team or other persons nominated by the *Client Representative* (or *Service Manager*)

2.3.3. The *Client* may carry out Service Quality Audits following the outcome of a Service Quality Audit, however, they may also be undertaken if an area of concern with compliance, performance or service quality is identified,

2.3.4. Service Quality Audits are examinations of the conformance to Processes, Procedures and requirements to assess how successfully the Processes and Procedures within the *Supplier's* Quality Management System have been implemented. These audits are also intended to judge the effectiveness of the *Supplier's* Quality Management System in achieving the performance levels that are required by the framework contract or Work Order Contracts.

2.3.5. The *Supplier* allows access at any time within working hours to any place where it or any subcontractor carries out any work that relates to the contract for the *Client Representative* (or *Service Manager*) to carry out audits, to inspect work and materials and generally to investigate whether the *Supplier* is performing its obligations under the contract. The *Supplier* provides all facilities and assistance necessary to allow such audits and inspections to be carried out.

2.3.6. The *Client* may carry out audits from time to time to verify that the *Supplier* is taking the actions detailed in the HSMM Action Plan. The *Supplier* allows access at any time within working hours to any place where it or any subcontractor carries out any work under the framework contract or any Package Contract for the *Client* to carry out such audits. The *Supplier* provides all facilities and assistance necessary to allow such audits to be carried out.

2.4. Contract Assurance Regime Audits

2.4.1. The *Client* undertakes Contract Assurance Regime audits at intervals of six months at the relevant locations, including but not limited to site, operational depots and all head and local offices.

2.4.2. Any Nonconformities identified during audit should be raised and managed in accordance with Section 4.

2.5. Additional Audits

2.5.1. The *Client Representative* (or *Service Manager*) may instruct the *Supplier* or a nominated third party to undertake additional audits when the number of Quality Management Points exceeds 25 as defined in Section 5.

2.5.2. The *Client Representative* (or *Service Manager*) may instruct the *Supplier* to undertake additional audits or the *Client* may undertake additional audits when the number of Quality Management Points exceeds 25 as defined in Section 5.

2.5.3. The *Client Representative* (or *Service Manager*) decides the location, frequency and extent of additional audits,

2.5.4. Specialist advisers, including but not limited to business analysts may be required to be engaged to determine the root cause of Nonconformities.

2.5.5. The *Supplier* pays all the costs of any additional audits, including the costs of any specialist advisers.

3. PROCESS DESIGN AND OWNERSHIP

3.1. Process Design

3.1.1. The design of Processes and Procedures for inclusion to the Quality Management System the following must be incorporated:

- The *Supplier's* Quality Management System will comply with the quality Process model shown in **Figure 1** to ensure alignment with the *Client's* Quality Management System,
- Inputs, Outputs and Objectives from the Process Data Sheets are to be included in the Process,
- Swim lanes to demonstrate the responsibilities and accountability of the persons carrying out the activities are to be included,
- No swim lanes for *Client* activities, however, Hold Points will be used where *Client* approval is required to proceed. Hold Points must be shown in red and have a clear documented release mechanism and named persons accountable,
- Stage Gates to be used where a *Supplier* internal approval is required to proceed, to be shown in Amber,
- Process flow chart to be capable of being read as stand-alone products but must have accompanying activity notes,

- Any links to other Quality Management System documentation must be clearly identifiable.

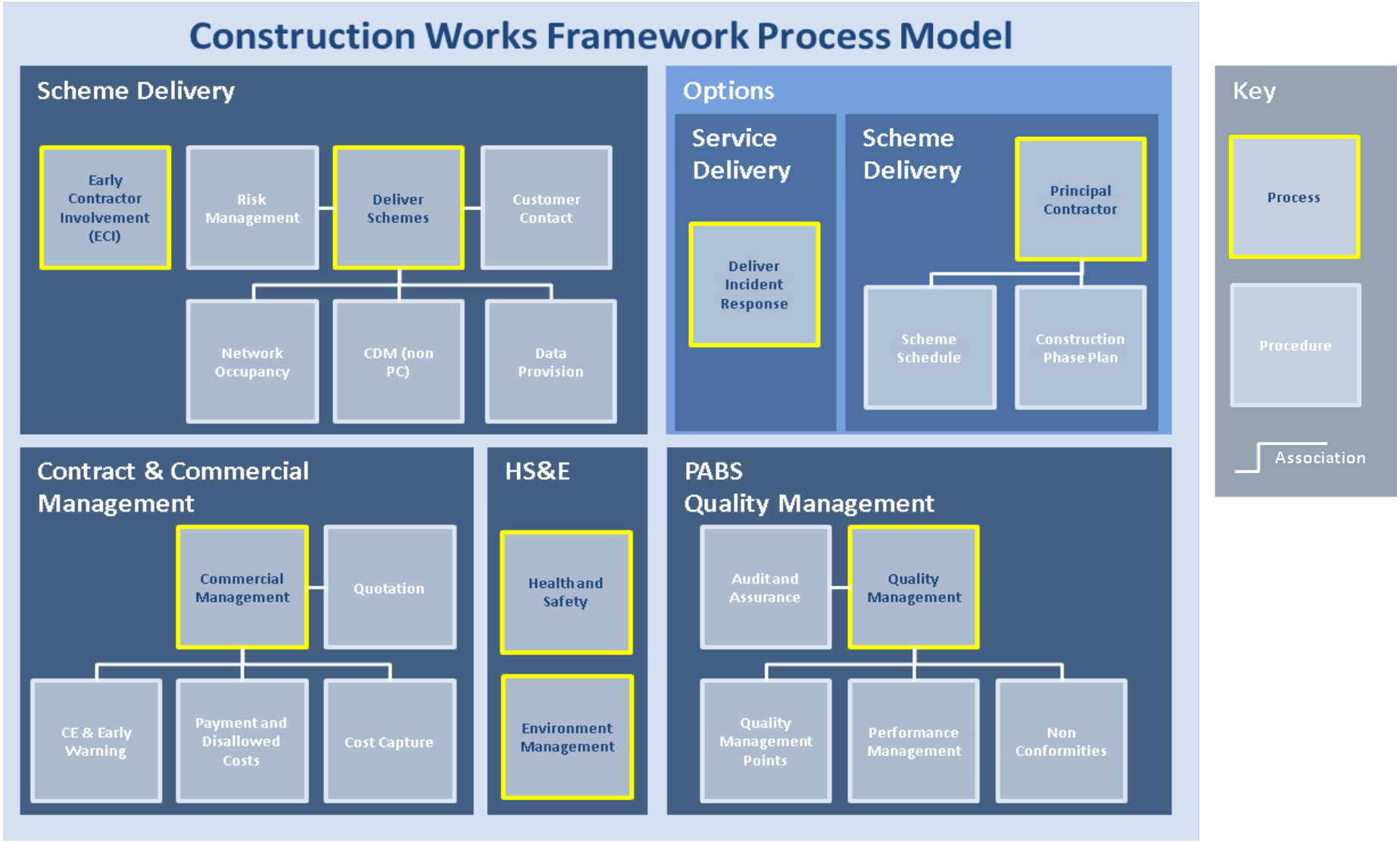
3.1.2. An example of a suitable process design is shown in **Figure 2**.

3.2. Process Ownership

3.2.1. Three levels of process ownership should exist for the *Supplier's* Quality Management System. These are;

- **Executive Owners** - a senior manager responsible for providing strategic direction, governance and accountability for the way the *Supplier's* Quality Management System, or portions of the system function,
- **Design Owners** - an 'operational manager' responsible for the design of the processes and procedures within the *Supplier's* Quality Management System. These owners control the content,
- **Implementation Owners** - the member of the *Supplier's* team responsible for the implementation of the process or procedure for the *service*.

3.3. **Construction Works Framework Process Model (Figure 1)**



3.4. Process and Procedure Purpose & Objectives (Table 1).

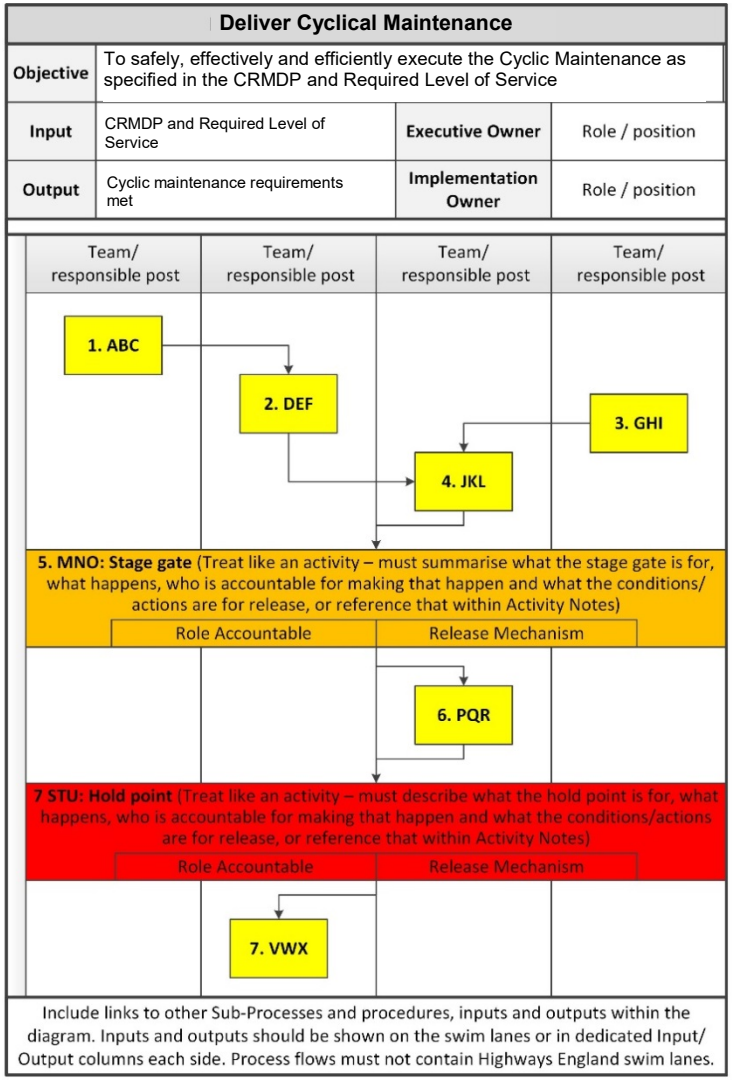
Scheme Delivery		Purpose / Objective	Inputs	Outputs
Process	Early Contractor Involvement (ECI)	To provide technical advice during scheme development and design that supports the selection of the technical solution, constructability, network occupancy planning and cost planning.	Instruction. Project scope & design work to-date.	Updated design and development products.
Process	Deliver Schemes	To efficiently manage and construct defect free works as designed and planned including the mitigation of risk and the avoidance of site changes.	Instruction. Scope. Pre-construction Information Detailed Design	Scheme Completion. Health and Safety File.
Procedure	Risk Management	To identify, analyse, track, mitigate and project manage risk.	Risks	Risks Managed
Procedure	Network Occupancy	To establish that the network occupancy provision for the scheme is compatible with the technical solution, construction methodology and is deliverable.	Scope. Design. Construction Methodology. Network Occupancy Provision	Validated / accepted / optimised network occupancy provision
Procedure	CDM (non PC)	To effectively discharge the responsibilities of the *Contractor* under CDM 2015.	Scheme information. Design. Pre-construction information.	CDM duty discharged
Procedure	Data Provision	To provide asset information resultant from scheme delivery to the *Employer*.		Asset information provided. As build information shared.
Procedure	Customer Contact	To support the employer in ensuring scheme communications are consistent.	Customer query. Customer contact	Response. Correspondence logged.
Performance, Assurance and Business Services		**Purpose / Objective**	**Inputs**	**Outputs**

Process	Quality Management	To measure and audit performance and to improve performance to a level of contract compliance. To reduce cost and cycle times whilst maintaining quality. To generate efficiency improvements.	Quality Management System/. Contract Requirements. Performance Requirements	Efficiencies. Improvements. Effective Processes. Performance Measures. Business Information.
Procedure	Audit and Assurance	To deliver process compliance, identify non-conformities and ensure consistent delivery of service. To build a suitable regime of audit and assurance.	Quality Management System. Known Issues / Areas for Improvement.	Audit Findings. Remedial Actions. Performance Information.
Procedure	Quality Management Points	To manage, administer and respond to quality management points.	Quality Table. Contract Requirements.	Improved Quality Management.
Procedure	Performance Management	To ensure collation and submission of Performance Measurement Data and relevant ownership of metrics.	Performance data requirements. Performance measures. CPF.	Performance Data. Business Information.
Procedure	Non-Conformities	To manage Nonconformities and ensure they are communicated escalated, resolved and learned from.	Nonconformity.	Corrective Actions. Action Plans.
Contract and Commercial Management		**Purpose / Objective**	**Inputs**	**Outputs**
Process	Commercial Management	To build a collaborative commercial relationship with Highways England and the *Contractor's* suppliers that is mutually beneficial.	Commercial Arrangements. Contracts. Legislation.	
Procedure	Quotation	To build a contractually compliant quotation for works under the framework.	Schedule of rates. Contract. Instruction. Scope	Quotation
Procedure	Cost Capture	To provide the cost capture information to the client as required	Instructions.	Cost Capture Data.

		under the contract.	Requirements.	
Procedure	Payments and Disallowed Costs	To provide the necessary substantiation for payments in a timely, clear and efficient manner.	Instruction(s). Scopes.	Evidence. Invoice(s)
Procedure	Compensation Events and Early Warnings	To make, respond to and effectively manage change under the contract.	Change / Prospect of Change	Change Managed.
Health, Safety and Environment				
Process / Management System	Health and Safety	To work in a manner this is consistent with regulation, legislation, statutory responsibilities and best practice. In meeting the requirements of OHSAS 18001, the *Contractor* will have produced a management system. Appropriate visibility of this system is required.		
Process / Management System	Environmental Management	To work in a manner this is consistent with regulation, legislation, statutory responsibilities and best practice. In meeting the requirements of ISO 14001, the *Supplier* will have produced a management system. Appropriate visibility of this system is required.		

Options		**The 'optional' processes and procedures are related to the functions that may be performed by the *Supplier*. These processes and procedures are mandatory only when the scope described within the purpose or objective is part of the service being provided.**		
Service Delivery		**Purpose / Objective**	**Inputs**	**Outputs**
Process	Deliver Incident Response	To return the network to normal operations through asset repair and rectification.	Incident. Instruction. Incident Response Plans.	Incident Clearance. Network Restored.
Scheme Delivery		**Purpose / Objective**	**Inputs**	**Outputs**
Process	Principal Contractor	To fully discharge the responsibilities of the Principal Contractor, co-ordinating scheme delivery safely and effectively.	CDM 2015.	CDM 2015 Principal *Supplier* duties discharged.
Procedure	Scheme Schedule	To develop, maintain and deliver the scheme implementation schedule, working collaboratively with other parties involved with the scheme.	Scope. Pre-construction information. Design. Scheme Plans.	Integrated scheme implementation schedule.
Procedure	Construction Phase Plan	To develop and deliver the construction phase plan for the works as Principal Contractor.	Scope. Pre-construction information. Design. Scheme Plans.	Accepted Construction Phase Plan (CPP)

3.5. Sample format of 'swim-lane' Process flowchart and Activity Notes (Figure 2)



Deliver Cyclical Maintenance	Date
	Page 1 of 1

Objective	To safely, effectively and efficiently execute the Cyclic Maintenance as specified in the CRMDP and Required Level of Service
Input	Cyclic and Reactive Maintenance Delivery Plan and Required Level of Service
Output	Cyclic maintenance requirements met
Executive Process Owner	Role or position
Implementation Owner	Role or position
Activity 1	**ABC**
Abc (Detailed description of Activity 1)……also can refer to Procedure XXX (method statements, forms, registers etc.)	
Activity 2 etc	**DEF**
Def……	
Activity 5	**MNO**
Stage gate	Treat like an activity – must describe what the Stage Gate is for, what happens, who is accountable for making that happen and what the conditions/actions are for release.
…….	
Activity 6	**PQR**
……..	
Activity 7	**STU**
Hold point	Treat like an activity - must describe what the hold point is for, what happens, who is accountable for making that happen and what the conditions/actions are for release.
Stu……	
Activity 8	**VWX**
……	

4. NONCONFORMITY AND CORRECTIVE ACTION

4.1. Requirements

4.1.1. The purpose of this section is to describe the minimum requirements to be fulfilled by the *Supplier* when submitting reports and registers in connection with Nonconformities and corrective actions,

4.1.2. The reporting of Nonconformities to be in accordance with **Table 2**, including adding them to the register and submission monthly to the *Client*.

4.1.3. All corrective actions require a specific plan. The *Supplier* submits to the *Client Representative* (or *Service Manager*) for acceptance a plan setting out the corrective and preventative action that it proposes to take to deal with the Nonconformity.

4.1.4. Within one week of the *Supplier* submitting the corrective action plan, the *Client Representative* (or *Service Manager*) either accepts the proposals in the plan or notifies the *Supplier* of the reason for not accepting it. Possible reasons for not accepting the proposed corrective action plan is that:

- it does not specify the actions required to ensure that Nonconformities do not recur,
- it does not comply with the contract,
- the time for completing the corrective and preventative action is unreasonable, or
- it will hinder the *Client* or Others.

4.1.5. If the *Client Representative* (or *Service Manager*) does not accept the proposed action plan, the *Supplier* submits a revised proposal to the *Client Representative* for acceptance within one week.

4.1.6. The requirements stated in the **Table 2** below are the minimum requirements of the relevant quality document. The *Supplier* or the *Client* may add to these from time to time.

Table 2 - Quality Document Coverage

Ref	Item	Item Coverage
1	**Nonconformities**	
1.1	**Report**	Within three working days from the identification of a Nonconformity the *Supplier* prepares a brief report covering as a minimum: • Unique reference for the Nonconformity • A brief description stating which requirement is not being fulfilled and in what way • The effect both current and potential • The likely cause i.e. what aspect of the Quality Plan or service delivery is not functioning properly

Ref	Item	Item Coverage
1.2	**Register**	The *Supplier* keeps an up to date register of Nonconformities covering as a minimum: • Unique reference, • Date of Identification, • Identification method for example through performance management, by testing or by Audit etc., • Date of corrective action report, • Date Nonconformity corrected (i.e. confirmed as such by the *Client Representative*), • Traffic light type notation, o Red – indicates Nonconformity identified but no corrective action report prepared – also where corrective action not complete by planned date, o Amber – Correction action report prepared and action in progress and within planned parameters, o Green – Corrective action complete and accepted by the *Client Representative*. The *Supplier* enters the Nonconformity on to the register within three working days from its identification.
2	**Corrective Action**	
2.1	**Corrective Action Plan**	Within seven working days from the identification of a Nonconformity the *Supplier* issues a corrective action plan covering as a minimum: • Unique reference of the Nonconformity. • Description – this could be as per the Nonconformity report or expanded. • Details of the corrective action proposed. • Categorisation of the Nonconformity into high, medium or low risk. • For high and medium risk an analysis of the root cause(s) of the Nonconformity commensurate with risk i.e. what is the evidence-based underlying truth about what is causing the Nonconformity to occur. • What aspect of the Quality Plan needs to be addressed i.e. which of the *Supplier's* processes is not performing as required. • What the corrective action will address, for example is it a process design that needs changing or is it an execution issue (i.e. that requires additional training, tools etc.) • For high and medium risk a detailed action plan,

Ref	Item	Item Coverage
		commensurate with risk, with planned correction date and milestones – the plan should contain named individuals for the actions and for high risk the plan should nominate the relevant executive process owner from the *Supplier* to take overall accountability for the plan. A brief action plan is required for low risk. • Method of reporting progress to the *Client Representative.* • The method to be used to signify successful correction of the Nonconformity to allow that to be recorded on the register. Any envisaged circumstance that will allow the *Client Representative* to confirm the correction. • Adjustments to be made to the Quality Plan or service delivery in order to prevent recurrence of the Nonconformity.

5. QUALITY TABLE

5.1. Quality Points

5.1.1. Quality Management Points accrue for the failures listed in **Table 3** whether identified by the *Supplier*, the *Client* or the relevant certification body. Quality Management Points accrue at the package (Work Order Contract) level of the framework contract.

5.1.2. Quality Management Points accrue from the:

- date of identification, or.
- date of the audit if raised in an audit, or
- *Client Representative's* (or *Service Manager's)* instruction.

5.1.3. If the *Supplier* fails properly to accrue Quality Management Points, the *Client Representative* (or *Service Manager)* instructs the *Supplier* to accrue Quality Management Points.

5.1.4. The *Supplier* maintains a Quality Management Point Register of the number of Quality Management Points in effect, showing when Quality Management Points accrue and are removed. This is to be submitted to the *Client Representative* (or *Service Manager)* on a monthly basis as a minimum.

5.1.5. If the number of Quality Management Points in effect at any time is more than 25 points, the *Supplier* and the *Client Representative* (or *Service Manager)* meet within one week to consider ways of reducing the number of Quality Management Points in effect to 25 or less and to avoid accruing further Quality Management Points. The *Supplier* submits a report to the *Client Representative* (or *Service Manager)* within one week of the meeting setting out:

- the actions agreed at the meeting, and
- any other actions which the *Supplier* proposes to take immediately to reduce the number of Quality Management Points in effect to 25 or less and to avoid accruing further Quality Management Points.

5.1.6. If the *Client Representative* (or *Service Manager)* does not accept the *Supplier*'s proposals or the *Supplier* does not take the agreed actions, the *Client Representative* (or *Service Manager)* serves a quality warning notice on the *Supplier*. Within one week of receipt of the quality warning notice, the *Supplier* submits a report to the *Client Representative* (or *Service Manager)* setting out the actions which the *Supplier* has taken and what further or alternative actions it proposes to take to reduce the number of Quality Management Points in effect to 25 or less.

5.1.7. Until the number of Quality Management Points in effect is reduced to 25 or less, the *Supplier* takes the actions detailed in its reports and submits weekly update reports to the *Client Representative* (or *Service Manager)* setting out the actions it has taken, the results of those actions and the actions which are still to be taken by it.

5.1.8. Following the issue of a quality warning notice and until the number of Quality Management Points in effect is reduced to 25 or less, the *Supplier* will be subjected to the consequences as defined in the Z Clauses, Z18.1.

5.1.9. A failure to

- take actions to reduce the number of Quality Management Points in effect to 25 or less, or
- comply with a corrective action plan that has been accepted by the *Client*

is treated as a substantial failure by the *Supplier* to comply with the obligations under any Work Order Contract and entitles the *Client* to terminate the framework contract with immediate effect.

5.2. The Quality Table

5.2.1. The Quality Management Points are shown in **Table 3** below.

5.2.2. Quality Management Points accrue at the package (Work Order Contract) level of the framework contract.

Table 3 – Quality Table

Failure		Quality Management Points	Period of effect
1	No Quality Manager in post	25	Until *Client Representative* (or *Service Manager)* is notified of the appointment of the Quality Manager
2	Failure to have a complete Quality Management System in place and operating	15	Until *Supplier* submits the Quality Management System to the *Client Representative* (or *Service Manager).*
3	Failure to identify a Nonconformity	5 per Nonconformity	2 months
4	Failure to raise a Nonconformity report in accordance with this Annex after a Nonconformity has been identified	5 per Nonconformity	6 months
5	Failure to raise a corrective action plan in accordance with this Annex after a Nonconformity has been reported	5 per Nonconformity	6 months

Failure		Quality Management Points	Period of effect
6	Failure to rectify a Nonconformity in the time set out in a corrective action plan. *(see note 1 below)*	5 per Nonconformity	Until a *Supplier's* audit confirms the Nonconformity is rectified and has been verified as completed by the *Service Manager.*
7	Failure to correct the Quality Management System in the manner set out in a corrective action plan *(see note 1 below)*	10 per failure	Until a *Supplier's* audit confirms the Nonconformity is rectified and has been verified as completed by the *Service Manager.*
8	Failure to prevent repeat Nonconformities	5 per repeat Nonconformity	6 months
9	Failure to implement recommendations in an *Client's* audit report **(see note 1 below)**	5 per recommendation	Until recommendations have been implemented and accepted by the *Service Manager.*
10	Failure to carry out a planned internal audit	15 per audit	Until completed audit report is received by the *Service Manager.*
11	Carrying out work without release of hold point	10 per item	6 months
12	Failure to make records available for inspection by the *Service Manager.*	10 per failure	Until the records are made available
13	Failure to allow access for *Client* audits (excluding audits of the HSMM Action Plan)	10 per failure	Until access is allowed
14	Failure to notify the *Service Manager* of change to Processes and Procedures	5 per failure	6 months
15	Nonconformity identified during *Client* Audit of the Quality Management System. High risk as determined by the *Service Manager.*	5 per nonconformity raised	Until nonconformity has been verified completed by the *Client Representative* (or *Service Manager).*

Failure		Quality Management Points	Period of effect
16	Failure by *Supplier* to accrue Quality Management Points that should have been accrued or where the *Supplier* has been instructed to accrue Quality Management Points by the *Service Manager.*	The number of Points that should have been accrued	The period applicable to the failure that should have accrued Points
		PLUS	
		An additional number of Points equivalent to the Points that should have been accrued	6 months from the actual accrual date of the Quality Management Points that should have been accrued
17	Failure to have a complete Health and Safety Maturity Matrix (herein termed HSMM) Action Plan in place and operating as required by this contract	25	Until audit confirms that HSMM Action Plan complete and operating
18	Failure to update HSMM Action Plan as required	10	Until audit confirms that HSMM Action Plan updated
19	Failure to take an action detailed in the HSMM Action Plan **(see note 2 below)**	10	Until failure corrected
20	Failure to allow the *Service Manager* access for audits of the HSMM Action Plan	25 per failure	Until access is allowed

Note 1: For this failure additional Quality Management Points equal to the number already accrued for the failure are accrued at each audit until a *Supplier's* audit confirms that rectification/correction/implementation/action has taken place and this is accepted by the *Client Representative (or Service Manager).*

Note 2: For these failures additional Points are accrued at each audit until an audit confirms that correction has taken place.

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