

ANNEX AL – CONTRACT EFFICIENCIESTable 1 – Efficiencies

Description	Tasking Value	Minimum Required Annual Percentage Saving	Achieved Annual Efficiency Saving	Achieved Percentage Saving
Total Tasking (Call-Off and Variable) Contract Year 1		5%		
Total Tasking (Call-Off and Variable) Contract Year 2		5%		
Total Tasking (Call-Off and Variable) Contract Year 3		5%		
Total Tasking (Call-Off and Variable) Contract Year 4		5%		
Total Tasking (Call-Off and Variable) Contract Year 5		5%		
Total Tasking (Call-Off and Variable) Option Year 6		5%		
Total Tasking (Call-Off and Variable) Option Year 7		5%		
Total Tasking (Call-Off and Variable) Option Year 8		5%		
Total Tasking (Call-Off and Variable) Option Year 9		5%		
Total Tasking (Call-Off and Variable) Option Year 10		5%		
Total Reduction				

Notes:

- Minimum Total Tasking must be £750K for efficiency targets to apply.
- Call off is agreed as Maximum price at the start of year, where the efficiency is taken into account.
- The Authority may choose to direct efficiency savings to other call-off activities not scoped at the outset.
- If minimum annual percentage savings are not achieved by MLS, the final monthly Call-Off payment will be reduced to account for the missed efficiency saving. Payment will be affected at the end of each contractual year and the final invoice reduced as necessary.
- The efficiencies achieved through Contract years 1 - 5 shall be used to indicate VfM and assist the Authority in ascertaining whether they will take up option years.