

Key Performance Indicators

Definitions

Failure	Means a failure to meet the KPIs for the provision of the Services in accordance with the Statement of Requirements
KPI or Key Performance Indicator	Means the performance standards set out in the Schedule of Requirements under each heading and also set out in the table at Appendix 1 to this schedule (Schedule 03-KPI)
Quarterly Service Payment	Shall have the meaning given to that term in paragraph 1 of Part 1 of this schedule (Schedule 03-KPI)
Quarterly Invoice Amount	Shall have the meaning given to that term in paragraph 3 of Part 1 of this schedule (Schedule 03-KPI)
Service Credit	Shall mean the deductions to be made from the Quarterly Service Payment in accordance with Part 2 of this schedule (Schedule 03-KPI)
Service Failure Point	Shall mean the points to be accrued by the Contractor in accordance with Part 2 of this schedule (Schedule 03-KPI)
High Priority Fault	Expected functionality, as defined in the original statement of requirements cannot be achieved resulting in the training mission not meeting the expected outcome.
Medium Priority Fault	Expected functionality, as defined in the original statement of requirements, can be achieved with a user accepted work-around.
Low Priority Fault	Expected Functionality, as defined in the original statement of requirements, can be achieved but a functional or cosmetic issue is identified that indirectly impacts training and does not meet the original, intended and accepted design. This definition applies to functionality and content, as defined within the original statement of requirements but excludes COTS functionality and content

Part 1 – Quarterly Payments

- 1) The Authority shall pay the Quarterly Service Payment to the Contractor in consideration of the provision by the Contractor of the Services. The Quarterly Service Payment in any given Contract Year shall be as set out in the tables below (excluding VAT).
- 2) Quarters (Q) shall be defined as the following:
- (A) Q1 – 1st April through to 30th June
 - (B) Q2 – 1st July through to 30th September
 - (C) Q3 – 1st October through to 31st December
 - (D) Q4 – 1st January through to 31st March

SOR Line Item	Description	Date Period	Amount (£) (Quarterly Service Payment – Firm)
1	Year 1 Qtr 1: Provision of DVS 2 Enterprise Licences	20 th April 2022 – 30 th June 2022	[REDACTED-COMMERCIALLY SENSITIVE]
1	Year 1 Qtr 2: Provision of DVS 2 Enterprise Licences	1 st July 2022 – 30 th September 2022 (subject to completion of LSD and IOC being achieved)	[REDACTED-COMMERCIALLY SENSITIVE]
1	Year 1 Qtr 3: Provision of DVS 2 managed service support	1 st October 2022 – 31 st December 2022	[REDACTED-COMMERCIALLY SENSITIVE]
1	Year 1 Qtr 4: Provision of DVS 2 managed service support	1 st January 2023 – 31 st March 2023	[REDACTED-COMMERCIALLY SENSITIVE]
1	FOC declared	1 st January 2023 – 31 st March 2023	[REDACTED-COMMERCIALLY SENSITIVE]
2	Year 2 Qtr 1: Provision of DVS 2 managed service support	1 st April 2023 – 30 th June 2023	[REDACTED-COMMERCIALLY SENSITIVE]
2	Year 2 Qtr 2: Provision of DVS 2 managed service support	1 st July 2023 – 30 th September 2023	[REDACTED-COMMERCIALLY SENSITIVE]
2	Year 2 Qtr 3: Provision of DVS 2 managed service support	1 st October 2023 – 31 st December 2023	[REDACTED-COMMERCIALLY SENSITIVE]
2	Year 2 Qtr 4: Provision of DVS 2 managed service support	1 st January 2024 – 31 st March 2024	[REDACTED-COMMERCIALLY SENSITIVE]
3	Year 3 Qtr 1: Provision of DVS 2 managed service support	1 st April 2024 – 30 th June 2024	[REDACTED-COMMERCIALLY SENSITIVE]

3	Year 3 Qtr 2: Provision of DVS 2 managed service support	1st July 2024 – 30th September 2024	[REDACTED-COMMERCIALLY SENSITIVE]
3	Year 3 Qtr 3: Provision of DVS 2 managed service support	1st October 2024 – 31st December 2024	[REDACTED-COMMERCIALLY SENSITIVE]
3	Year 3 Qtr 4: Provision of DVS 2 managed service support	1st January 2025 – 31st March 2025	[REDACTED-COMMERCIALLY SENSITIVE]
SOR Line Item	Description	Date Period	[REDACTED-COMMERCIALLY SENSITIVE]
4	Year 4 Qtr 1: Provision of DVS 2 managed service support	1st April 2025 – 30th June 2025	[REDACTED-COMMERCIALLY SENSITIVE]
4	Year 4 Qtr 2: Provision of DVS 2 managed service support	1st July 2025 – 30th September 2025	[REDACTED-COMMERCIALLY SENSITIVE]
4	Year 4 Qtr 3: Provision of DVS 2 managed service support	1st October 2025 – 31st December 2025	[REDACTED-COMMERCIALLY SENSITIVE]
4	Year 4 Qtr 4: Provision of DVS 2 managed service support	1st January 2026 – 31st March 2026	[REDACTED-COMMERCIALLY SENSITIVE]
5	Year 5 Qtr 1: Provision of DVS 2 managed service support	1st April 2026 – 30th June 2026	[REDACTED-COMMERCIALLY SENSITIVE]
5	Year 5 Qtr 2: Provision of DVS 2 managed service support	1st July 2026 – 30th September 2026	[REDACTED-COMMERCIALLY SENSITIVE]
5	Year 5 Qtr 3: Provision of DVS 2 managed service support	1st October 2026 – 31st December 2026	[REDACTED-COMMERCIALLY SENSITIVE]
5	Year 5 Qtr 4: Provision of DVS 2 managed service support	1st January 2027 – 31st March 2027	[REDACTED-COMMERCIALLY SENSITIVE]

SOR Line Item	Description	Date Period	Amount (£) (Quarterly Service Payment – Fixed)
7	Year 6 Qtr 1: Provision of DVS 2 managed service support	1st April 2027 – 30th June 2027	[REDACTED-COMMERCIALLY SENSITIVE]
7	Year 6 Qtr 2: Provision of DVS 2 managed service support	1st July 2027 – 30th September 2027	[REDACTED-COMMERCIALLY SENSITIVE]
7	Year 6 Qtr 3: Provision of DVS 2 managed service support	1st October 2027 – 31st December 2027	[REDACTED-COMMERCIALLY SENSITIVE]
7	Year 6 Qtr 4: Provision of DVS 2 managed service support	1st January 2028 – 31st March 2028	[REDACTED-COMMERCIALLY SENSITIVE]
9	Year 7 Qtr 1: Provision of DVS 2 managed service support	1st April 2028 – 30th June 2028	[REDACTED-COMMERCIALLY SENSITIVE]
9	Year 7 Qtr 2: Provision of DVS 2 managed service support	1st July 2028 – 30th September 2028	[REDACTED-COMMERCIALLY SENSITIVE]
9	Year 7 Qtr 3: Provision of DVS 2 managed service support	1st October 2028 – 31st December 2028	[REDACTED-COMMERCIALLY SENSITIVE]
9	Year 7 Qtr 4: Provision of DVS 2 managed service support	1st January 2029 – 31st March 2029	[REDACTED-COMMERCIALLY SENSITIVE]
11	Year 8 Qtr 1: Provision of DVS 2 managed service support	1st April 2029 – 30th June 2029	[REDACTED-COMMERCIALLY SENSITIVE]
11	Year 8 Qtr 2: Provision of DVS 2 managed service support	1st July 2029 – 30th September 2029	[REDACTED-COMMERCIALLY SENSITIVE]
11	Year 8 Qtr 3: Provision of DVS 2 managed service support	1st October 2029 – 31st December 2029	[REDACTED-COMMERCIALLY SENSITIVE]
11	Year 8 Qtr 4: Provision of DVS 2 managed service support	1st January 2030 – 31st March 2030	[REDACTED-COMMERCIALLY SENSITIVE]

- 3) In respect of any given calendar month, the Contractor shall deduct from the Quarterly Service Payment the Service Credits, as agreed or determined following the provision by the Contractor of the performance monitoring report(s) in accordance with Condition 9.1 of the Contract and Schedule 04 (MI). Following the deduction of the Service Credits the total amount payable by the Authority in respect of that month shall be the Quarterly Invoice Amount.
- 4) No Service Credits will be deducted from the Quarterly Service Payment in respect of the first

calendar month of the Contract Period. If any Service Credits are accrued by the Contractor in the last calendar month of the Contract Period, the amount of those Service Credits may be set off by the Authority against any sums due from the Authority to the Contractor or may be recoverable by the Authority from the Contractor as a debt.

- 5) The performance sentencing committee will be conducted in accordance with Condition 9.1.2 of the Contract
- 6) The Contractor shall submit to the Authority an invoice in accordance with DEFCON 522 which shall show the Quarterly Invoice Amount; and where applicable reductions in accordance with paragraph 3 above.

Part 2 – Service Levels & Service Credits

- 1) The Service Credits which shall be deducted from the Quarterly Service Payment in accordance with paragraph 3 of Part 1 above shall be calculated in accordance with the paragraphs below in this Part 2 of this schedule (Schedule 03-KPI). Each Service Credit shall have a value of 0.5% of the Quarterly Service Payment.

Service Credits & Service Failure Points

- 2) In the event of a Failure by the Contractor in meeting the KPI's defined under Appendix 1 of this schedule (Schedule 03-KPI), the Contractor shall incur:-

- (A) one or more Service Credits; and/or
- (B) one or more Service Failure Points;

in the amounts set out in Appendix 1 (Key Performance Indicators) of this schedule (Schedule 03-KPI) subject to paragraph 3 below.

Service Credit Ceiling

- 3) The Contractor shall not in any given month be subject to the deduction of Service Credits which have a value in excess of 12% of the Quarterly Service Payment.

Persistent Failures

- 4) Should the Contractor incur a total of eight (8) or more Service Credits associated with the same KPI or KPIs, over a period of three (3) consecutive calendar months, the value of said Service Credits shall be doubled from that calendar month forward. Service Failure Points shall accrue during this period at the usual rate (and for the avoidance of doubt shall not be doubled). The incurring of double value Service Credits in respect of the recurring failure(s) shall continue until such time as there has been a further period of three (3) consecutive calendar months in which the total number of Service Credits accrued has been less than six (6).
- 5) Should the Contractor incur a total of eight (8) or more Service Credits associated with the same KPI or KPIs, over a period of three (3) consecutive calendar months, the Contractor shall provide the Authority with a Rectification Plan that shall as a minimum:
 - (A) specify the steps that the Contractor proposes to take to rectify and avoid any recurrence of such Performance Deductions;
 - (B) the programme of activity and timescales for rectifying the cause of such Performance Deductions; and
 - (C) be in sufficient detail for it to be properly evaluated by the Authority.

- 6) If the Authority considers that the draft Rectification Plan provided by the Contractor under paragraph 5 is unacceptable in that:
- (A) it is insufficiently detailed to be properly evaluated;
 - (B) the programme and timescales proposed in it are not acceptable; and/or
 - (C) it is unlikely to sufficiently rectify the cause of such Failures and / or Performance Deductions,

the Authority shall as it considers appropriate, specify a period of time for the Contractor to revise the draft Rectification Plan.

- 7) Where a Rectification Plan is agreed by the Authority, the Contractor shall carry it out in accordance with its provisions including any timescales specified in it (or, where no timescales are so specified, in accordance with such timescales as the Authority may require).
- 8) The Contractor shall provide to the Authority, in accordance with the timescales specified in the Rectification Plan (or, where no timescales are so specified, in accordance with such timescales as the Authority may require):
- (A) regular updates on the implementation of the Rectification Plan; and
 - (B) evidence of the implementation of the Rectification Plan,

and shall, if required by the Authority and at the Contractor's expense, take all necessary steps to enable the Authority to monitor the implementation of the Rectification Plan.

- 9) Where the Contractor accrues more than three hundred and twenty-five (325) Service Failure Points in a rolling three (3) calendar month period this shall constitute a Contractor Default and the Authority shall have the right to terminate the Contract in accordance with Condition 7.2 of the Contract.

Part 3 – KPI Exception

- 1) KPI exceptions shall be considered for any PDS activities, including Capability Sustainment and/or experimentation. The Contractor shall be entitled to request extenuating circumstances, at the discretion of the Authority, against the relevant provisions of this Agreement. This would only be considered applicable for KPIs K1c and K1d until the capability has been formally accepted by the Authority.

Key Performance Indicators (KPI's)

Number	KPI	Service Credits (SC) / Service Failure Points (SFP)
K1a	The Contractor shall upon receipt of a major or minor failure, confirm to the initiator of the failure that the failure report has been received and assigned a priority including the distribution of any known workarounds, within Two (2) Business Day of submission.	Ten (10) SFP per Business Day late Three (3) SC per Business Day late
K1b	The Contractor shall facilitate an ISC where the Contractor and the Authority shall agree the user rating of major/minor and agree the Contractors priority rating of the reported major or minor failures. Any fault deemed to be incorrectly triaged by the sentencing committee and completed in a greater triage time will result in the application of SC and SFP. The Triage Process shall be agreed upon at the first QPM	Ten (10) SFP per incorrectly triaged fault. Three (3) SC per incorrectly triaged fault.
K1c	The Contractor shall rectify the high priority faults, including the distribution of updates to users, within Fifteen (15) Business Days of the end of the Contractor Triage phase.	Ten (10) SFP per Business Day late Three (3) SC per Business Day late
K1d	The Contractor shall fix Medium Priority faults, including the distribution of updates to users, within Thirty (30) Business Days of the end of the Contractor Triage phase.	Ten (10) SFP per Business Day late Three (3) SC per Business Day late
K1e	The Contractor shall rectify the low priority fault at the next update period as agreed with Authority as per the last QPM.	Ten (10) SFP for not including in next update Three (3) SC for not including in next update

Number	KPI	Service Credits (SC) / Service Failure Points (SFP)
K2a	<p>DVS 2 Portal Availability</p> <p>The Contractor shall ensure the DVS 2 Portal is available Twenty Four (24) hours Seven (7) days a week with a maximum weekly downtime of 3 hours.</p> <p>24x7 = 168 hours a week</p> <p>Sav= System Availability Sup=System Uptime Sdo = System Downtime ($Av=Sup/Sup+DT$)</p> <p>Uptime =24 hours per day Seven (7) days a week. Sav =98% as defined in the SRD Sup = 168 = (24 hours x 7 days this per week) Sdo = 3 hours</p> <p>$Sav = (168/(168+3))*100 = 98.25\%$</p>	Three (3) SC per 2% below 98%
K2b	<p>The Contractor shall ensure that within a Seven (7) day period starting every Sunday the DVS 2 Portal will not exceed Five (5) downtime events. The Downtime events shall be defined as Contractor alerted maintenance periods and/or complete loss of DVS 2 Portal System Availability.</p>	Three (3) SC per additional downtime event
K3	<p>Management Information</p> <p>The Contractor shall provide all management information in accordance with Schedule 4 to the Contract – MI Schedule.</p>	<p>Ten (10) SFP per Business Day late</p> <p>Two (2) SC per Business Day late</p>
K4	<p>Social Value KPI</p> <p>The Authority has selected as the most impactful result of this procurement: - Social Value Theme 1: COVID-19 Recovery Policy Outcome: Help local communities to manage and recover from the impact of COVID-19:</p> <p>i.Model Award Criteria (MAC) 1.1 'Creation of employment, re-training and other return to work opportunities for those left unemployed by COVID-19, particularly new opportunities in high growth sectors';</p> <p>ii.MAC 1.3: Support for organisations and businesses to manage and recover from the</p>	Three (3) SC per Business Day late

Number	KPI	Service Credits (SC) / Service Failure Points (SFP)
	<p>impacts of COVID-19, including where new ways of working are needed to deliver services;</p> <p>iii. MAC 1.4: Support for the physical and mental health of people affected by COVID-19, including reducing the demand on health and care services.</p> <p>The Contractor shall provide the Authority with the Social Value Management Information defined in accordance with Schedule 4 to the Contract – MI Schedule</p>	

- 2) The Contractor shall provide the following methods throughout the life of the contract to report the measurement and reporting of KPI 4 within a progressive and staged approach:

Appendix 2 Social Value

Table 1: 'MAC' Metrics - definitions & measures

MAC 1.1	Number of full-time equivalent (FTE) employment opportunities created under the contract, by UK region, for those who were made redundant due to COVID-19. Measured by: total percentage of full-time equivalent (FTE) employed under the contract, as a proportion of the total FTE contract workforce.
MAC 1.3	Number of full-time equivalent (FTE) employment opportunities created under the contract, by UK region, within the supply chain for this contract. Measured by: total percentage of full-time equivalent (FTE) employed under the contract, as a proportion of the total FTE supply chain workforce.
MAC 1.4a	Number of all companies in the supply chain under the contract to have implemented the 6 standards in the Mental Health at Work Commitment (MHAWC). Measured by: Number of all companies in the supply chain under the contract to have implemented the 6 standards in the MHAWC.
MAC 1.4b	Percentage of all companies in the supply chain under the contract to have implemented the 6 standards in the Mental Health at Work Commitment. Measured by: Percentage of all companies in the supply chain under the contract to have implemented the 6 standards in the MHAWC.

Table 2: 'MAC' Metrics - rating reporting

		MAC 1.1 Metric				MAC 1.3 Metric				MAC 1.4b Metric			
	Rating*	3	2	1	0	3	2	1	0	3	2	1	0
Qtr.	Year(s)												
Jun-Aug	2022	6%	4%	2%	below 2%	6%	4%	2%	below 0.5%	25%	20%	15%	below 15%
Sep-Nov	2022	7%	5%	3%	below 3%	7%	5%	3%	below 1.0%	30%	25%	20%	below 20%
Dec-Feb	2022-23	8%	6%	4%	below 4%	8%	6%	4%	below 1.5%	35%	30%	25%	below 25%
Mar-May	2023	9%	7%	5%	below 4%	9%	7%	5%	below 2.0%	40%	35%	30%	below 30%
Jun-Aug**	2023	10%	8%	6%	below 6%	10%	8%	6%	below 2.5%	45%	40%	35%	below 35%

*As per Authority's ratings: 3 = Good; 2 = Approaching target; 1 = Requires improvement; 0 = Inadequate.

** Following quarters will use the ratings in the row Jun-Aug 2023.

- 1) The Authority shall be entitled to apply Service Credits where the Quarterly Minor Failures falls within one of the Performance Bands in accordance with the following table:

Performance Indicator	Status (Combined score from each MAC)	Service Credits
Green	9	0
	6-8	0
Amber	3-5	1
Red	<3	3

Table 4: Performance Indicators and Deductions for KPI 4