SCHEDULE 3

PERFORMANCE LEVELS

Schedule 3 (*Performance Levels*)

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Available"	has the meaning given in KPI 1 of Part A of Schedule 3, Annex 1;
"**Continuous Improvement Plan**"	has the meaning given in Paragraph 1.1.1(b) of Part B;
"Device"	means a Fitted or Non-Fitted Device;
"End User"	any person authorised by the Authority to use the IT Environment and/or the Services;
"Head Service Level Target"	means those targets identified as "Head" in Annex 1 Part A of this Schedule;
"Non-Available"	in relation to the IT Environment or the Services, that the IT Environment or the Services are not Available;
"Performance Monitoring Report"	has the meaning given in Paragraph 1.1.1(a) of Part B;
"Performance Review Meeting"	the regular meetings between the Supplier and the Authority to manage and review the Supplier's performance under this Contract, as further described in Paragraph 1.5 of Part B;
"Repeat KPI Failure"	has the meaning given in Paragraph 3 of Part A;
"Root Cause Analysis"	the process of discovering the root causes of Problems or Incidents (as applicable) in order to identify appropriate solutions;
"Service Availability"	shall be calculated in respect of each Performance Indicator as set out in the column titled "Key Performance Indicator (Basis of calculation)" in Part B of Annex 1;
"Service Desk"	the single point of contact service desk set up and operated by the Supplier for the purposes of this Contract; and
"Service Downtime"	any period of time during which any of the Services are not Available.

Part A: Performance Indicators and Service Credits

1 PERFORMANCE INDICATORS

1.1 Annex 1 sets out the Key Performance Indicators and Subsidiary Performance Indicators which the Parties have agreed shall be used to measure the performance of the Services by the Supplier.

1.2 The Supplier shall monitor its performance against each Performance Indicator and shall send to the Authority a report detailing the level of service actually achieved in accordance with Part B.

1.3 Service Points, and therefore Service Credits, shall accrue for KPI Failures and shall be calculated in accordance with Paragraphs 2, 3 and 4.

2 SERVICE POINTS

2.1 If the level of performance of the Supplier during a Service Period achieves the Target Performance Level in respect of a Key Performance Indicator, no Service Points shall accrue to the Supplier in respect of that Key Performance Indicator.

2.2 For each KPI, the Target Performance Level is identified in the column titled "Severity Levels" in Part A of Annex 1.

2.3 If the level of performance of the Supplier during a Service Period is below the Target Performance Level in respect of a Key Performance Indicator, Service Points shall accrue in respect of that Key Performance Indicator as set out in Paragraph 2.4.

2.4 The number of Service Points that shall accrue in respect of a KPI Failure shall be, subject to paragraph 3, the applicable number in respect of each KPI as set out in in the column titled "Service Points" in Part A of Annex 1 depending upon the severity of the KPI Failure as set out in the column titled "Severity Level" in Part A of Annex 1.

3 REPEAT KPI FAILURES AND RELATED KPI FAILURES

Repeat KPI Failures

3.1 If a KPI Failure occurs in respect of the same Key Performance Indicator in any two of three Measurement Periods, on a rolling basis, the second (and where applicable, third) such failure shall be a "**Repeat KPI Failure**".

3.2 The number of Service Points that shall accrue to the Supplier in respect of a KPI Failure that is a Repeat KPI Failure shall be calculated as follows:

SP = P x 2

where:

SP = the number of Service Points that shall accrue for the Repeat KPI Failure; and

P = the applicable number of Service Points for that KPI Failure calculated in accordance with Paragraph 2.4.

3.3 Below are worked examples in respect of Service Points:

Example 1

In respect of KPI1:

Service Availability Severity Levels		Service Points
"Target Performance Level"	99.95%	0
Minor KPI Failure:	99.90% - 99.94%	1
Serious KPI Failure:	99.85% - 99.89%	2
Severe KPI Failure:	99.80% - 99.84%	3
KPI Service Threshold:	below 99.80%	4

3.4 If the Supplier achieves Service Availability of 99.93% in a given Measurement Period, it will incur a Minor KPI Failure for KPI1 in that Measurement Period and accordingly accrue 1 Service Point.

3.5 If, in the subsequent two Measurement Periods, it achieves Service Availability of 99.83%, it will incur a Severe KPI Failure Measurement Period and accordingly accrue 3 Service Points in each Measurement Period.

3.6 In addition, as the subsequent two Measurement Periods are Repeat KPI Failures, in each Service Period this amount is doubled and so the Supplier will incur 6 Service Points for the failure (i.e. SP = 3 x 2) in each Service Period.

Example 2:

In respect of KPI2

Head Service Level Target	Service Availability Severity Levels		Service Points
P1 95% within 4 hours P2 95% within 8 hours P3 95% within 3 Working Days P4 95% within 5 Working Days	**"Target Performance Level"**	95%	0
	Minor KPI Failure:	94.0% - 94.9%	1
	Serious KPI Failure:	93.0% - 93.9%	2
	Severe KPI Failure:	92.0% - 92.9%	3
	KPI Service Threshold: below 92.0%		4

3.7 If the Supplier has received 100 Incidents in a Service Period of which:

3.7.1 25 were P1 and in turn of which 23 were resolved within four (4) hours

3.7.2 25 were P2 and in turn of which 24 were resolved within eight (8) hours

3.7.3 25 were P3 and in turn of which 24 were resolved within three (3) days

3.7.4 25 were P4 and in turn of which 22 were resolved within five (5) days

then the Supplier has resolved 93 Incidents of 100 Incidents within the Head Service Level Target and as such the Suppliers performance is 93% (93/100 * 100) which is a Serious KPI Failure and 2 Service Points accrue.

3.8 If, in the subsequent Measurement Periods, it achieves the Target Performance Level of 95%, no Service Points accrue.

3.9 In in the next subsequent Measurement Period, it achieves 94%, this would be a Minor KPI Failure and accordingly accrue 1 Service Point, but as the failure is a Repeat KPI Failure (having occurred twice in three Measurement Periods), this amount is doubled and so the Supplier will incur 2 Service Points for the failure (i.e. SP = 1 x 2).

4 SERVICE CREDITS

4.1 Paragraph 3.2 of Part C of Schedule 15 (*Charges and Invoicing*) sets out the mechanism by which Service Points shall be converted into Service Credits.

4.2 The Authority shall use (among other things) the Performance Monitoring Reports provided pursuant to Part B to verify the calculation and accuracy of the Service Credits (if any) applicable to each Service Period.

Part B: Performance Monitoring

1 PERFORMANCE MONITORING AND PERFORMANCE REVIEW

1.1 Introduction

1.1.1 Within ten (10) Working Days of the end of each Service Period, the Supplier shall provide:

(a) a report to the Authority Representative which summarises the performance by the Supplier against each of the Performance Indicators as more particularly described in Paragraph 1.2 (the "**Performance Monitoring Report**"); and

(b) a report created by the Supplier to the Authority Representative which summarises the Supplier's performance both over the previous year and the Supplier's intention to improve service delivery and performance, as more particularly described in Paragraph 1.3 (the "**Continuous Improvement Plan**").

1.2 Performance Monitoring Report

1.2.1 The Performance Monitoring Report shall be in such format as agreed between the Parties from time to time and contain, as a minimum, the following information:

Information in respect of the Service Period just ended

(a) for each Key Performance Indicator and Subsidiary Performance Indicator, the actual performance achieved over the Service Period, and that achieved over the previous 3 Measurement Periods;

(b) a summary of all Performance Failures that occurred during the Service Period and why;

(c) the severity level of each KPI Failure which occurred during the Service Period and whether each PI Failure which occurred during the Service Period fell below the PI Service Threshold;

(d) which Performance Failures remain outstanding and progress in resolving them;

(e) for any Material KPI Failures or Material PI Failures occurring during the Service Period, the cause of the relevant KPI Failure or PI Failure and the action being taken to reduce the likelihood of recurrence;

(f) the status of any outstanding Rectification Plan processes, including:

(i) whether or not a Rectification Plan has been agreed; and

(ii) where a Rectification Plan has been agreed, a summary of the Supplier's progress in implementing that Rectification Plan;

(g) for any Repeat KPI Failures, actions taken to resolve the underlying cause and prevent recurrence;

(h) the number of Service Points awarded in respect of each KPI Failure;

(i) the Service Credits to be applied, indicating the KPI Failure(s) to which the Service Credits relate;

(j) the conduct and performance of any agreed periodic tests that have occurred, such as the annual failover test of the Service Continuity Plan;

(k) relevant particulars of any aspects of the Supplier's performance which fail to meet the requirements of this Contract;

(l) financial indicators including:

(i) Delay Payments paid or payable;

(ii) costs incurred by the Supplier as relating to compensation for the purposes of Paragraph 2 of Part C of Schedule 15 (*Charges and Invoicing*);

(iii) Forecast Contingency Costs incurred or likely to be incurred;

(iv) additional costs payable as relate to Allowable Assumptions;

(m) such other details as the Authority may reasonably require from time to time; and

Information in respect of previous Service Periods

(n) a rolling total of the number of Performance Failures that have occurred over the past six Service Periods;

(o) the amount of Service Credits that have been incurred by the Supplier over the past six Service Periods;

(p) the conduct and performance of any agreed periodic tests that have occurred in such Service Period such as the annual failover test of the Service Continuity Plan;

(q) performance against its obligation to pay its Sub-contractors within thirty (30) days of receipt of an undisputed invoice;

(r) performance against its obligation to pay its Unconnected Sub-contractors within sixty (60) days of receipt of an invoice;

(s) Milestone trend charts and associated data, showing operational and contractual performance of the overall programme;

(t) sustainability indicators, for example net zero carbon, waste minimisation or performance to support a circular economy;

(u) social value;

Information in respect of the next Quarter

(v) any scheduled Service Downtime and Updates that has been agreed between the Authority and the Supplier for the next Quarter; and

Complaints

(w) complaints made against the Service to the Authority, including:

(i) Details of the complaint;

(ii) Date and time complaint received;

(iii) Complaint resolution and outcome; and

(iv) Date and time of resolution.

1.3 **Continuous Improvement Plan**

(a) The Supplier shall submit to the Authority, within 8 weeks of the anniversary of the Contract Award, a Continuous Improvement Plan. The Continuous Improvement Plan shall, as a minimum, consist of the following sections:

(b) A review of the previous year's service, consisting:

(i) a summary of annual performance against Schedule 3;

(ii) operational successes;

(iii) operational areas of improvement;

(iv) lessons learnt;

(v) summary of Service Credits applied;

(vi) Service Credit relief that has been granted and which had been applied for and denied;

(vii) implementation of any EDM and impact on performance;

(viii) impact of any staffing issues;

(ix) whether the Service Continuity Plan had to be invoked at any point and the impact on performance;

(x) financial performance and profit share (if profit share is still applicable;

(c) The Supplier's business plan for the year ahead, consisting:

(i) operational priorities;

(ii) performance improvement plan;

(iii) operational improvement plan;

(iv) quality assurance plan;

(v) staff recruitment & training;

(vi) any organisational restructure & move/loss of premises;

(vii) developments with technology relevant to the Services or services similar to the Services;

(viii) response to stakeholder feedback;

(ix) response to political & legislative developments;

(x) having previously agreed Availability plans with the Authority, Availability plans for all Business Services and Technical Services.

1.4 The Performance Monitoring Report and Continuous Improvement Plan shall be reviewed and its contents agreed by the Parties at the next Performance Review Meeting held in accordance with Paragraph 1.5.

1.5 **Performance Review Meetings**

1.5.1 The Parties shall attend performance meetings on a monthly basis (unless otherwise agreed) to review the Performance Monitoring Report. The Performance Review Meetings shall (unless otherwise agreed):

(a) commence with an initial review by the Authority within ten (10) Working Days of the Performance Monitoring Report being submitted by the Supplier, including discussion with the Supplier as required;

(b) take place at such location and time (within normal business hours) as the Authority shall require (unless otherwise agreed in advance); and

(c) be attended by the Supplier Representative and the Authority Representative.

1.5.2 The Authority shall be entitled to raise any additional questions and/or request any further information from the Supplier regarding any KPI Failure and/or PI Failure.

2 PERFORMANCE RECORDS

2.1 The Supplier shall keep appropriate documents and records (including Service Desk records, Devices asset log, staff records, timesheets, training programmes, staff training records, goods received documentation, supplier accreditation records, complaints received etc) in relation to the Services being delivered. Without prejudice to the generality of the foregoing, the Supplier shall maintain accurate records of call histories for a minimum of six (6) years following completion of the Monitoring Requirement and provide prompt access to such records to the Authority upon the Authority's request. The records and documents of the Supplier shall be available for inspection by the Authority and/or its nominee at any time and the Authority and/or its nominee may make copies of any such records and documents.

2.2 In addition to the requirement in Paragraph 2.1 to maintain appropriate documents and records, the Supplier shall provide to the Authority such supporting documentation as the Authority may reasonably require in order to verify the level of the performance of the Supplier both before and after each Measurement Period and the calculations of the amount of Service Credits for any specified period.

2.3 The Supplier shall ensure that the Performance Monitoring Report, the Continuous Improvement Plan (as well as historic Performance Monitoring Reports and historic Continuous Improvement Plans) and any variations or amendments thereto, any reports and summaries produced in accordance with this Schedule and any other document or record reasonably required by the Authority are available to the Authority on-line and are capable of being printed.

3 PERFORMANCE VERIFICATION

3.1 The Authority reserves the right to verify:

3.1.1 the Availability of the IT Environment;

3.1.2 the Services; and/or

3.1.3 the Supplier’s performance under this Contract against the Performance Indicators,

including by sending test transactions through the IT Environment or otherwise.

3.2 Where the Supplier neglects or is unable to submit a Performance Monitoring Report on time for a Service Period, the Authority shall assume that all KPI Target Performance Levels have failed (meaning the lowest level of performance) and treat its calculation and application of Service Credits accordingly.

Annex 1: Key Performance Indicators and Subsidiary Performance Indicators

Part A: Key Performance Indicators and Subsidiary Performance Indicators Tables

The Key Performance Indicators and Subsidiary Performance Indicators that shall apply to the Operational Services and the Key Performance Indicators relating to Social Value are set out below:

1 Key Performance Indicators

No.	Service Component	Key Performance Indicator (Basis of calculation)	Frequency of Measurement	Head & Tail Service Level Target Descriptors	Severity Levels	Service Points	Service Points Applied To	Publishable Performance Information
MDSS KPI 1	Systems & Logistics	REDACTED	Monthly	**Head:** 99.95% **Tail:** N/A	Target Performance Level: 99.95%	0	Head SLT	Yes
					Minor KPI Failure: 99.90% - 99.94%	1		
					Serious KPI Failure: 99.85% - 99.89%	2		
					Severe KPI Failure: 99.80% - 99.84%	3		
					KPI Service Threshold: below 99.80%	4		

No.	Service Component	Key Performance Indicator (Basis of calculation)	Frequency of Measurement	Head & Tail Service Level Target Descriptors	Severity Levels	Service Points	Service Points Applied To	Publishable Performance Information
MDSS KPI 2	Systems & Logistics	REDACTED	Monthly	**Head:** P1 95% within 4 hours P2 95% within 8 hours P3 95% within 3 days P4 95% within 5 days	Target Performance Level: 95%	0	Head SLT	Yes
					Minor KPI Failure: 94.0% - 94.9%	1		
					Serious KPI Failure: 93.0% - 93.9%	2		
					Severe KPI Failure: 92.0% - 92.9%	3		
					KPI Service Threshold: below 92.0%	4		
				Tail: P1 100% within 12 hours				

No.	Service Component	Key Performance Indicator (Basis of calculation)	Frequency of Measurement	Head & Tail Service Level Target Descriptors	Severity Levels	Service Points	Service Points Applied To	Publishable Performance Information
		REDACTED		P2 100% within 24 hours P3 100% within 10 days P4 100% within 20 days				

2 Subsidiary Performance Indicators

No.	Service Component	Subsidiary Performance Indicator	Frequency of Measurement	Head & Tail Service Level Target Descriptors (each the Target Performance Level)	SPI Reporting Against	Publishable Performance Information
MDSS SPI 1	Systems & Logistics	REDACTED	Monthly	**Head:** P1 95% within 30 mins P2 95% within 30 mins P3 95% within 0.5 day P4 95% within 1 day **Tail:** P1 100% within 1 hour P2 100% within 1 hour P3 100% within 1 day P4 100% within 2 days	Head and Tail SLT	No
MDSS SPI 2	Systems & Logistics		Quarterly	**Head:** 95% within 5 Working Days **Tail:** N/A	Head SLT	No

No.	Service Component	Subsidiary Performance Indicator	Frequency of Measurement	Head & Tail Service Level Target Descriptors (each the Target Performance Level)	SPI Reporting Against	Publishable Performance Information
		REDACTED				
MDSS SPI 3	Systems & Logistics		Monthly	**Head:** 80% **Tail:** N/A	Head SLT	Yes

No.	Service Component	Subsidiary Performance Indicator	Frequency of Measurement	Head & Tail Service Level Target Descriptors (each the Target Performance Level)	SPI Reporting Against	Publishable Performance Information
MDSS SPI 4	Systems & Logistics	REDACTED	Half yearly	**Head:** 95% **Tail:** N/A	Head SLT	No

MDSS SPI 5	Social Value	REDACTED	Quarterly	**Head:** 100% **Tail:** N/A	Head SLT	Yes
MDSS SPI 6	Systems & Logistics		Monthly	**Head:** 99.95% **Tail:** N/A	Head SLT	No

		REDACTED				

MDSS SPI 7	Systems & Logistics	REDACTED	Monthly	**Head:** 99.95% **Tail:** N/A	Head SLT	No

Part B: WORKED EXAMPLES

REDACTED

REDACTED