

Schedule 10 (Service Levels)

1. Definitions

- 1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Schedule 1 (*Definitions*):

"Critical Service Level Failure"	has the meaning given to it in the Award Form;
"Service Credits"	any service credits specified in the Annex to Part A of this Schedule being payable by the Supplier to the Buyer in respect of any failure by the Supplier to meet one or more Service Levels;
"Service Credit Cap"	has the meaning given to it in the Award Form;
"Service Level Failure"	means a failure to meet the Service Level Performance Measure in respect of a Service Level;
"Service Level Performance Measure"	shall be as set out against the relevant Service Level in the Annex to Part A of this Schedule; and
"Service Level Threshold"	shall be as set out against the relevant Service Level in the Annex to Part A of this Schedule.

2. What happens if you don't meet the Service Levels

- 2.1 The Supplier shall at all times provide the Deliverables to meet or exceed the Service Level Performance Measure for each Service Level.
- 2.2 The Supplier acknowledges that any Service Level Failure shall entitle the Buyer to the rights set out in Part A of this Schedule including the right to any Service Credits and that any Service Credit is a price adjustment and not an estimate of the Loss that may be suffered by the Buyer as a result of the Supplier's failure to meet any Service Level Performance Measure.
- 2.3 The Supplier shall send Performance Monitoring Reports to the Buyer detailing the level of service which was achieved in accordance with the provisions of Part B (Performance Monitoring) of this Schedule.
- 2.4 A Service Credit shall be the Buyer's exclusive financial remedy for a Service Level Failure except where:
- 2.4.1 the Supplier has over the previous (twelve) 12 Month period exceeded the Service Credit Cap; and/or
 - 2.4.2 the Service Level Failure:
 - a) exceeds the relevant Service Level Threshold;
 - b) has arisen due to a Prohibited Act or wilful Default by the Supplier;
 - c) results in the corruption or loss of any Government Data; and/or

- d) results in the Buyer being required to make a compensation payment to one or more third parties; and/or
- 2.4.3 the Buyer is also entitled to or does terminate this Contract pursuant to Clause 14.4 of the Core Terms (When the Buyer can end the contract).
- 2.5 Not more than once in each Contract Year, the Buyer may, on giving the Supplier at least three (3) Months' notice, change the weighting of Service Level Performance Measure in respect of one or more Service Levels and the Supplier shall not be entitled to object to, or increase the Charges as a result of such changes, provided that:
 - 2.5.1 the total number of Service Levels for which the weighting is to be changed does not exceed the number applicable as at the Start Date;
 - 2.5.2 the principal purpose of the change is to reflect changes in the Buyer's business requirements and/or priorities or to reflect changing industry standards; and
 - 2.5.3 there is no change to the Service Credit Cap.

3. Critical Service Level Failure

On the occurrence of a Critical Service Level Failure:

- 3.1 any Service Credits that would otherwise have accrued during the relevant Service Period shall not accrue; and
- 3.2 the Buyer shall (subject to the Service Credit Cap) be entitled to withhold and retain as compensation a sum equal to any Charges which would otherwise have been due to the Supplier in respect of that Service Period ("**Compensation for Critical Service Level Failure**"),

provided that the operation of this Paragraph 3 shall be without prejudice to the right of the Buyer to terminate this Contract and/or to claim damages from the Supplier for material Default.

Part A: Service Levels and Service Credits

1. Service Levels

If the level of performance of the Supplier:

1.1 is likely to or fails to meet any Service Level Performance Measure; or

1.2 is likely to cause or causes a Critical Service Failure to occur,

the Supplier shall immediately notify the Buyer in writing and the Buyer, in its absolute discretion and without limiting any other of its rights, may:

- 1.2.1 require the Supplier to immediately take all remedial action that is reasonable to mitigate the impact on the Buyer and to rectify or prevent a Service Level Failure or Critical Service Level Failure from taking place or recurring;
- 1.2.2 instruct the Supplier to comply with the Rectification Plan Process;
- 1.2.3 if a Service Level Failure has occurred, deduct the applicable Service Level Credits payable by the Supplier to the Buyer; and/or
- 1.2.4 if a Critical Service Level Failure has occurred, exercise its right to Compensation for Critical Service Level Failure (including the right to terminate for material Default).

2. Service Credits

- 2.1 The Buyer shall use the Performance Monitoring Reports supplied by the Supplier to verify the calculation and accuracy of the Service Credits, if any, applicable to each Service Period.
- 2.2 Service Credits are a reduction of the amounts payable in respect of the Deliverables and do not include VAT. The Supplier shall set-off the value of any Service Credits against the appropriate invoice in accordance with calculation formula in the Annex to Part A of this Schedule.

Annex A to Part A: Service Levels and Service Credits Table

Service Level Performance Criterion	Definition	Priority	Service Level Performance Measure	Service Level Threshold	Service Credit for each Service Period	Publishable KPI
Availability	See Paragraph 1 and 2 of Annex B to Part A.	N/A	99.9% <i>(24/7 365 days)</i>	97.5%	5% Service Credit gained for each percentage under the specified Service Level Performance Measure.	Yes
Fix Times	See Paragraph 4 of Annex B to Part A.	1 2 3 4	Up to 3 hours <i>(24/7 365 days)</i> Up to 8 hours <i>(24/7 365 days)</i> Up to 2 Working Days <i>(0830-1730)</i> Up to 5 Working Days <i>(0830-1730)</i>	Over 6 hours Over 24 hours Over 5 Working Days Over 10 Working Days	0.25% Service Credit gained per 1 minute over the specified Service Level Performance Measure and a further 0.25% Service Credit gained per 1 minute over the specified Service Level Performance Measure for P1 or P2 Service Incidents.	Yes
Supplier Helpdesk Response Times	See Paragraph 5 of Annex B to Part A.	N/A	Up to 10 mins <i>(7 days a week 0700-1900)</i>	Over 30 mins	0.25% Service Credit gained per 1 minute over the specified Service Level Performance Measure.	Yes
Problem Diagnosis Times	See Paragraph 6 of Annex		Provision to the Buyer of a report detailing the Root Cause Analysis of	Provision to the Buyer of a report detailing the Root Cause Analysis of	0.25% Service Credit gained per Working Day over the specified Service Level Performance Measure.	Yes

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	B to Part A.	1 & 2 3 4	the Problem and the proposed resolution within: 5 Working Days 10 Working Days 20 Working Days	the Problem and the proposed resolution within: 15 Working Days 30 Working Days 60 Working Days		
Defect Fix Times	See Paragraph 7 of Annex B to Part A.	1 & 2 3 4	For Service Incidents attributed to the Supplier System, the Supplier shall provide a Tested Package Fix within: 5 Working Days 10 Working Days 20 Working Days	For Service Incidents attributed to the Supplier System, the Supplier shall provide a Tested Package Fix within: 15 Working Days 30 Working Days 60 Working Days	0.25% Service Credit gained per Working Day over the specified Service Level Performance Measure.	Yes
Service Requests	See Paragraph 8 of Annex B to Part A.	N/A	Propose a course of action within 2 Working Days of receipt	Propose a course of action within 10 Working Days of receipt	0.25% Service Credit gained per Working Day over the specified Service Level Performance Measure.	Yes

[Example:

Where the Service Level Performance Measure is expressed as a percentage, the Service Credits shall be calculated on the basis of the following formula:

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Formula: x% (Service Level Performance Measure) - x% (actual Service Level performance)	=	x% of the Charges payable to the Buyer as Service Credits to be deducted from the next Invoice payable by the Buyer
Worked example: 98% (e.g. Service Level Performance Measure requirement for accurate and timely billing Service Level) - 75% (e.g. actual performance achieved against this Service Level in a Service Period)	=	23% of the Charges payable to the Buyer as Service Credits to be deducted from the next Invoice payable by the Buyer] 0.5% Service Credit per 1% SLA Service Credit = 11.5% of charges (capped at 10%).

1. AVAILABLE

1.1. The Services shall be “**Available**” when:

- (a) End Users are able to access and utilise all the functions of the Services; and
- (b) the Supplier is able to process the Buyer Data and to provide any required reports within the timescales set out in the Specification (as measured on a 24 x 7 basis).

2. SERVICE AVAILABILITY

2.1. Availability shall be measured as a percentage of the total time in a Service Period, in accordance with the following formula:

$$\text{Service Availability \%} = \frac{(MP - SD) \times 100}{MP}$$

where:

MP = total number of minutes, excluding permitted maintenance, within the relevant Service Period; and

SD = total number of minutes of service downtime, excluding permitted maintenance, in the relevant Service Period.

2.2. When calculating Availability in accordance with this Paragraph 2:

- (a) Downtime arising due to permitted maintenance that is carried out by the Supplier shall be subtracted from the total number of hours in the relevant Service Period; and
- (b) Service Credits shall accrue if:
 - (i) any downtime occurs as a result of emergency maintenance undertaken by the Supplier; or
 - (ii) where maintenance undertaken by the Supplier exceeds those set out in the maintenance schedule in any Service Period.

4 INCIDENT FIX TIMES The “**Fix Time**” of a Service Incident is the period from the time that the Service Incident has been reported to the Supplier to the point of its Resolution and “**Resolution**” means in relation to a Service Incident either:

- (a) the root cause of the Service Incident has been removed and the Services are being provided in accordance with the Specification and Service Levels; or
- (b) the Buyer has been provided with a workaround in relation to the Service Incident deemed acceptable by the Buyer.

4.2. Fix Times for Priority 1 and Priority 2 Service Incidents shall be in Operational Hours.

4.3. Fix Times for Priority 3 Service Incidents and Priority 4 Service Incident shall be measured in Normal Working Hours.

Worked example: if the Normal Working Hours for a fault are 0830-1730, then the clock stops measuring Fix Time at 1730 in the evening and restarts at 0830 the following day.

4.4. The Supplier shall measure Fix Times as part of its service management responsibilities and report periodically to the Buyer on Fix Times as part of the Performance Monitoring Report.

4.5. For the purposes of this Paragraph 4, the following expressions shall have the meanings set opposite them below:

“Operational Hours”

operational hours are when the Supplier System is Available.

For the Live Environment this is 24 hours a day, 7 days a week with no exceptions for public holidays, but excluding periods of permitted maintenance agreed at least 5 Working Days in advance.

For the Pre-Production Environments provided for the Buyer’s use for training or testing, then the operational hours are Normal Working Hours;

“Priority 1 Service Incident” (P1)

a Service Incident which, in the reasonable opinion of the Buyer:

- (a) constitutes a loss of the Service which prevents a large group of End Users from working;
- (b) has a critical impact on the activities of the Buyer;
- (c) causes significant financial loss and/or disruption to the Buyer;
- (d) results in any material loss or corruption of Buyer Data;
- (e) constitutes a Breach of Security which has the potential to cause the degradation of Services for all End Users; or
- (f) causes or is likely to cause significant reputational impact to the Buyer and/or severely damages or is likely to damage public confidence in the Government;

Non-exhaustive examples:

- a loss of power to a data centre causing failure of Services;
- a failure of the Services to provide End User authentication service;
- a failure to access duty and incident roster data causing delays to staff resource deployment;
- a failure to access data on staff contact details and last known location causing inability to track and ensure staff health, safety and wellbeing; or
- a failure to access data for assets causing delays to deployment of equipment;

“Priority 2 Service Incident” (P2)

a Service Incident which, in the reasonable opinion of the Buyer has the potential to:

- (a) have a major (but not critical) adverse impact on the activities of the Buyer and no workaround acceptable to the Buyer is available;
- (b) cause a financial loss and/or disruption to the Buyer which is more than trivial but less severe than the significant financial loss described in the definition of a Priority 1 Service Incident; or
- (c) be categorised as a Breach of Security which is serious but not critical and which has the potential to impact a business group of End Users, disrupt non-essential services, breach network security policy, or adversely affect the reputation of Government bodies and services.

Non-exhaustive examples:

- corruption of organisational database tables;
- loss of ability to update Buyer Data;
- loss of ability to create and edit incident rosters, causing delays in deployment of staff resource during incidents; or
- loss of ability to deploy Buyer owned equipment enforcing the use of hire equipment;

“Priority 3 Service Incident” (P3)

a Service Incident which, in the reasonable opinion of the Buyer has the potential to:

- (a) have a major adverse impact on the activities of the Buyer which can be reduced to a moderate adverse impact due to the availability of a workaround acceptable to the Buyer;
- (b) have a moderate adverse impact on the activities of the Buyer; or
- (c) to be categorised as a Breach of Security which is not critical or serious and which can be handled by local IT and security offices. These Service Incidents do not typically impact IT services such as unsuccessful denial-of-service attacks or the majority of network monitoring alerts;

Non-exhaustive example:

- a loss of access to dashboards and reporting functionality to support understanding of staff and asset resilience and situational awareness, resulting in poorer decision making and increasing risks to Buyer staff and the public during incidents;

- a loss of access to mutual aid asset requirements, delaying deployment of equipment resulting in damage to properties;

“Priority 4 Service Incident” (P4)

a Service Incident which, in the reasonable opinion of the Buyer has the potential to have a minor adverse impact on the provision of the Services to End Users.

Non-exhaustive example:

- inability to access data for a single customer;
- spelling error; or
- misalignment of data on screen display.

5. SUPPLIER HELP DESK RESPONSE TIMES

- 5.1. Measurement of the Supplier’s Help Desk response times will be based on the time taken for a Supplier’s Help Desk operative to answer a call or respond to an automated request (e.g. via email or fully integrated into the Buyer’s ITSM Toolset) during the Supplier Help Desk Hours. Calls receiving an automated response or calls placed into a queuing system shall be deemed not to have been answered.
- 5.2. The Supplier shall monitor the Help Desk response times and shall provide the results of such monitoring to the Buyer in accordance with the provisions of Part B of this Schedule.
- 5.3. The times given are for this Service Level Performance Measure from when they receive notification. Any delays introduced as a result of tickets not being raised to the Supplier’s Helpdesk from the Buyer’s Help Desk or other support function are not counted as part of this Service Level Performance Measure.

6. PROBLEM DIAGNOSIS TIMES

- 6.1. Measurement of problem diagnosis will be based on the time taken for the Supplier to enter a Problem in the ITSM Toolset (manually or otherwise) to the completion of a Root Cause Analysis.
- 6.2. The Supplier shall monitor the Problem diagnosis times and shall provide the results of such monitoring to the Buyer in accordance with the provisions of Part B of this Schedule.
- 6.3. For the purposes of this Paragraph 6, the following expressions shall have the meanings set opposite them below:

“Root Cause Analysis” a method of problem solving used for identifying the root causes of Service Incidents or Problems.

7. DEFECT FIX TIMES

- 7.1. For the purposes of this Paragraph 6, the following expressions shall have the meanings set opposite them below:

“Tested Package Fix” an update provided by the Supplier to rectify a Defect in the Supplier System which:

- (a) fully resolves the root cause of the Defect;
- (b) does not generate another Supplier attributable Defect;

- “Defect”**
- (c) does not generate a Defect that could have been reasonably foreseen; and
 - (d) does not generate a Defect in the systems of the Buyer or Other Suppliers that could have been reasonably foreseen;
- (a) any error or failure of code within the software which causes the Supplier System to malfunction or to produce unintelligible or incorrect results;
 - (b) any failure of the Supplier System to provide the performance, features and functionality specified in the Buyer Requirements; or
 - (c) any failure of the Supplier System to operate in conjunction with or interface with any other systems in order to provide the performance, features and functionality in the Specification.

8. SERVICE REQUESTS

- 8.1. The Supplier shall measure and record all fulfilment times for all Service Requests. For the purposes of calculating the performance of the Supplier in their fulfilment of Service Requests, the Supplier shall calculate the fulfilment time for each Service Request based on the time taken from the receipt of the Service Request by the Supplier until fulfilment of the Service Request by the Supplier.

Part B: Performance Monitoring

1. Performance Monitoring and Performance Review

- 1.1 Within twenty (20) Working Days of the Start Date the Supplier shall provide the Buyer with details of how the process in respect of the monitoring and reporting of Service Levels will operate between the Parties and the Parties will endeavour to agree such process as soon as reasonably possible.
- 1.2 The Supplier shall provide the Buyer with performance monitoring reports ("**Performance Monitoring Reports**") which shall contain, as a minimum, the following information in respect of the relevant Service Period just ended:
 - 1.2.1 for each Service Level, the actual performance achieved over the Service Level for the relevant Service Period;
 - 1.2.2 a summary of all failures to achieve Service Levels that occurred during that Service Period;
 - 1.2.3 details of any Critical Service Level Failures;
 - 1.2.4 for any repeat failures, actions taken to resolve the underlying cause and prevent recurrence;
 - 1.2.5 the Service Credits to be applied in respect of the relevant period indicating the failures and Service Levels to which the Service Credits relate; and
 - 1.2.6 such other details as the Buyer may reasonably require from time to time.
- 1.3 The Parties shall attend meetings to discuss Performance Monitoring Reports on a Monthly basis as part of the Operational Boards (set out in Schedule 13 (Contract Management)).
- 1.4 The Supplier shall provide to the Buyer such documentation as the Buyer may reasonably require in order to verify the level of the performance by the Supplier and the calculations of the amount of Service Credits for any specified Service Period.

2. Satisfaction Surveys

- 2.1 The Buyer may undertake satisfaction surveys in respect of the Supplier's provision of the Deliverables. The Buyer shall be entitled to notify the Supplier of any aspects of their performance of the provision of the Deliverables which the responses to the Satisfaction Surveys reasonably suggest are not in accordance with this Contract.