# Call-Off Schedule 14 (Service Levels)

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

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| **“Critical Service Level Failure”** | has the meaning given to it in the Order Form; |
| **"Service Credits"** | Not used |
| **"Service Credit Cap"** | has the meaning given to it in the Order 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. |

1. **What happens if you don’t meet the Service Levels**
   1. The Supplier shall at all times provide the Deliverables to meet or exceed the Service Level Performance Measure for each Service Level.
   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.
   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.
   4. A Service Credit shall be the Buyer’s exclusive financial remedy for a Service Level Failure except where:
      1. the Supplier has over the previous (twelve) 12 Month period exceeded the Service Credit Cap; and/or
      2. the Service Level Failure:
         1. exceeds the relevant Service Level Threshold;
         2. has arisen due to a Prohibited Act or wilful Default by the Supplier;
         3. results in the corruption or loss of any Government Data; and/or
         4. results in the Buyer being required to make a compensation payment to one or more third parties; and/or
      3. the Buyer is entitled to or does terminate this Contract pursuant to Clause 10.4 (CCS and Buyer Termination Rights).
   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:
      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. 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
      3. there is no change to the Service Credit Cap.
2. **Critical Service Level Failure**

On the occurrence of a Critical Service Level Failure:

* 1. any Service Credits that would otherwise have accrued during the relevant Service Period shall not accrue; and
  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. is likely to or fails to meet any Service Level Performance Measure; or
  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. 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;
    2. instruct the Supplier to comply with the Rectification Plan Process;
    3. if a Service Level Failure has occurred, deduct the applicable Service Level Credits payable by the Supplier to the Buyer; and/or
    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).

1. **Service Credits**
   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. 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 the calculation formula in the Annex to Part A of this Schedule.

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

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| Service Levels | | | | |
| No. | Service Level Performance Criterion | Key Indicator | Service Level Performance Measure | Service Level Threshold |
| 1. | Timely and accurate billing of the Buyer | Invoices to be provided by the Supplier, containing no material inaccuracies; no later than one week following the end of each calendar month/acceptance of deliverables by the Buyer | at all times (100%) | At least 90% of the time |
| 2. | Statement of work response lead-times | The provision of a statement of work proposal by the Supplier following the receipt of a written specification of requirements from the Buyer | Within 7 calendar days | Within 10 calendar days |
| 3. | Mobilisation | The amount of time taken by the Supplier to commence delivery of a statement of work following receipt of the Buyer’s written agreement to the Supplier’s statement of work proposal | Within 3 calendar days | Within 5 calendar days |
| 4. | Reporting | The provision of all reports in accordance with the reporting frequency stated within the statement of requirements | All reports provided at stated intervals | Reports provided up to 3 working days following stated intervals |
| 5. | Knowledge Transfer Feedback (survey intervals to be agreed between the parties) | Feedback from Buyer staff on the efforts made by the Supplier to transfer knowledge and upskill Buyer staff | 80% of survey respondents agree that Supplier is making active efforts to share its knowledge | 70% of survey respondents agree that Supplier is making active efforts to share its knowledge |

# Part B: Performance Monitoring

1. **Performance Monitoring and Performance Review**
   1. The Supplier shall provide the Buyer with performance monitoring reports ("**Performance Monitoring Reports**") within five working days of the end of each month, beginning one month after the Call-Off Start Date. Each report shall cover, as a minimum, the following information in respect of the relevant Service Period just ended:
      1. for each Service Level, the actual performance achieved over the Service Level for the relevant Service Period;
      2. a summary of all failures to achieve Service Levels that occurred during that Service Period;
      3. details of any Critical Service Level Failures;
      4. for any repeat failures, actions taken to resolve the underlying cause and prevent recurrence;
      5. such other details as the Buyer may reasonably require from time to time.
   2. The Parties shall attend meetings to discuss Performance Monitoring Reports ("**Performance Review Meetings**") on a Monthly basis. The Performance Review Meetings will be the forum for the review by the Supplier and the Buyer of the Performance Monitoring Reports. The Performance Review Meetings shall:
      1. take place within one (1) week of the Performance Monitoring Reports being issued by the Supplier at such location and time (within normal business hours) as the Buyer shall reasonably require;
      2. be attended by the Supplier's Representative and the Buyer’s Representative; and
      3. be fully minuted by the Supplier and the minutes will be circulated by the Supplier to all attendees at the relevant meeting and also to the Buyer’s Representative and any other recipients agreed at the relevant meeting.
   3. The minutes of the preceding Month's Performance Review Meeting will be agreed and signed by both the Supplier's Representative and the Buyer’s Representative at each meeting.
   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**
   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.