

- 2.2.2.6. excluding the cost of any other item address in paragraph 2.3.3 (Ad-hoc Charges).
 - 2.2.3. For hard copy notification or correspondence letters, the Service Provider shall use:
 - 2.2.3.1. branded envelopes as provided by the Authority; and
 - 2.2.3.2. paper for letters in accordance with paragraph 2.3.2.4.
 - 2.2.4. Where the Service is terminated in accordance with Clause 34 (Breach and Termination of Contract) or ceases in accordance with Clause 36 (Handback of Services) the associated Fixed Charges shall be calculated on pro-rata basis based on the number of days in the applicable Period in which the Service has ceased to be provided by the Service Provider.
 - 2.2.5. The Scheme Management fee shall be payable from the Service Commencement Date.
 - 2.2.6. The Service Provider and the Authority, together, may undertake a time and motion study to assess the quantity of work required to undertake Scheme Management. The study shall be not sooner than six (6) months after the Final Service Transition Date, and where required and acting reasonable, come to an agreement of any amendments to the Charge in paragraph 2.2.1, in the event the demand differs by a margin of more than 15%, where the initial price is based on two (2) Full Time Equivalent personnel's.
- 2.3. Variable Charges**
- 2.3.1. **Call handling**
 - 2.3.1.1. Call handling shall be charged on a pence per minute (“ppm”) basis.
 - 2.3.1.2. Call handling includes any inbound, outbound and transfer calls.
 - 2.3.1.3. The call handling Charges shall not include and the Service Provider shall not be entitled to charge for time an Agent is in Wrap Time or not engaged in a call, and only includes Agent Talk Time.
 - 2.3.1.4. The call handling Charges shall be inclusive of all costs associated with the provision of the Services of the Contract, excluding Charges detailed in paragraph 2.1, 2.2, 2.3.2, 2.3.3, 2.3.3 and 2.5.
 - 2.3.1.5. The call handling minutes shall be aggregated and the Service Provider shall invoice the Authority based on the agreed volumes in accordance with paragraph 8 of Schedule 8 (Service Management) and apply the volume discount as detailed in Table 1 (Call handling) on a Periodic basis.
 - 2.3.1.6. The call handling price banding is based on the aggregated call volumes received by the Service Provider under this Contract in each period of 13 Periods during the Term (“**Contract Year**”). The first Contract Year shall commence on the Service Commencement Date, and the last Contract Year shall end on the Expiry Date, and may be fewer than 13 reporting Periods.
 - 2.3.1.7. When a volume discount is triggered by the number of minutes exceeding a threshold in accordance with Table 1 below, the new

discounted rate shall apply only to the number of minute above the threshold and will not apply retrospectively to the minutes below that.

2.3.1.8. Call handling Charges shall be prorated to the second.

2.3.1.9. The Parties shall undertake a Periodic reconciliation of the call volumes and applicable Charges.

Table 1: Call handling

	(annual)	Rates £ pmm
[Redacted]		

2.3.2. Correspondence

2.3.2.1. Correspondence Charges relate to the activity of LCHS correspondence and shall be charged on a price per transaction (“ppt”) basis.

2.3.2.2. Correspondence items in Table 2 shall not include the Scheme Management correspondence items detailed in paragraph 2.2.2.1.

2.3.2.3. The Authority shall provide envelopes for enclose of letters, in accordance with paragraph 9.1 of Schedule 4 (Service Scope Specification).

2.3.2.4. The Service Provider shall use 100 gsm Evolution Business type A4 paper or equivalent for letters.

2.3.2.5. Postage shall be charged in accordance with paragraph item 1 of Table 4 of this Schedule.

2.3.2.6. The Service Provider and the Authority, together, may undertake a time and motion study to assess the quantity of work required to undertake LCHS correspondence. The study shall be not sooner than six (6) months after the Final Service Transition Date, and where required and acting reasonable, come to an agreement of any amendments to the Charge(s) in Table 2 below, in the event the demand differs by a margin of more than 15%, where the initial price is based on an average of 450 seconds.

Table 2: Correspondence

	Price Cost
[Redacted]	

2.3.3. Key Fulfilment

- 2.3.3.1. Key Fulfilment shall be Charged on a price per transaction basis of each Welcome Pack sent.
- 2.3.3.2. The Key Fulfilment Charges do not include cost of postage or cost of printing, which shall be charged separately in accordance with Table 4.
- 2.3.3.3. Key Fulfilment (Table 3) Charges shall include all costs associated with the issue, encoding of up to four (4) Keys and dispatching the Welcome Pack, in accordance with paragraph 10 of Schedule 4 (Service Scope Specification) and as outlined in the process document (Fulfil Key request) as listed in Appendix 1 (Process Document Register) of Schedule 4 (Service Scope Specification).
- 2.3.3.4. The Key Fulfilment transactions shall be aggregated and the Service Provider shall invoice the Authority based on the agreed volumes in accordance with paragraph 8 of Schedule 8 (Service Management) and apply the volume discount as detailed in Table 3 (Key Fulfilment) on a Periodic basis.
- 2.3.3.5. The Key Fulfilment price banding is based on the aggregated Key Fulfilment volumes undertaken by the Service Provider under this Contract in each period of 13 Periods during the Term ("**Contract Year**"). The first Contract Year shall commence on the Service Commencement Date, and the last Contract Year shall end on the Expiry Date, and may be fewer than 13 reporting Periods.
- 2.3.3.6. When a volume discount is triggered by the number of Key Fulfilments exceeding a threshold in accordance with Table 3 below, the new discounted rate shall apply only to the number of Key Fulfilments above the threshold and will not apply retrospectively to the Key Fulfilments below that.

Table 3: Key Fulfilment

2.4. Ad-hoc Charges

- 2.4.1. Postage Charges shall not include and the Service Provider shall not be entitled to charge for any mark-up.
- 2.4.2. The Service Provider may only invoice the Authority up to the same value as the equivalent applicable charge which Royal Mail UK would charge at the time of when the postage was charged to the Service Provider.
- 2.4.3. The Authority shall provide DSA Maps and envelopes for enclose of DSA Maps, in accordance with paragraph 9.1 of Schedule 4 (Service Scope Specification).

2.4.4. The Charges for item 3, 4, 5 & 6 shall be in accordance with Appendix 9 (Welcome Pack and promotional flyer specification) of Schedule 4 (Service Scope Specification).

2.4.5. Item 7 shall be for email statement request sent in accordance with process document (Statement request) of Appendix 1 (Process Document Register) of Schedule 4 (Service Scope Specification)

Table 4:

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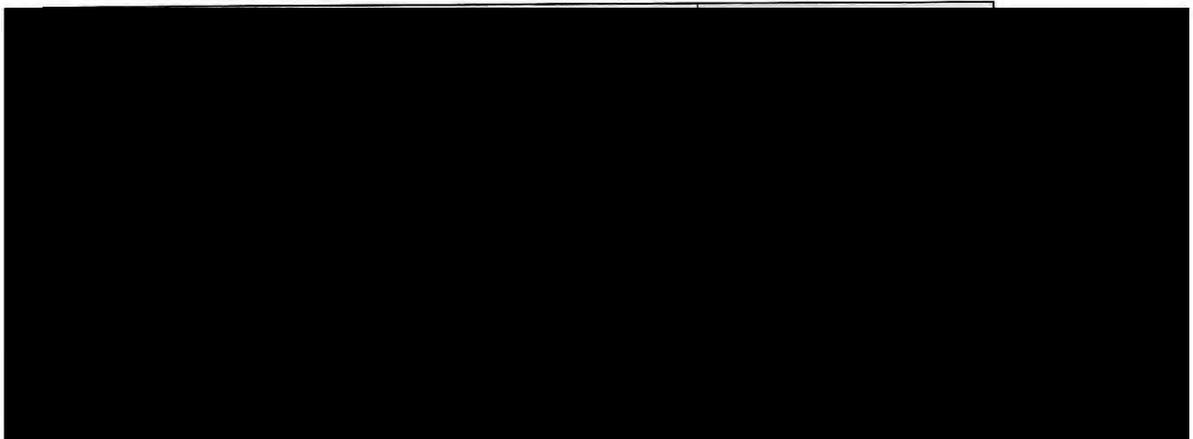
2.5. Transition

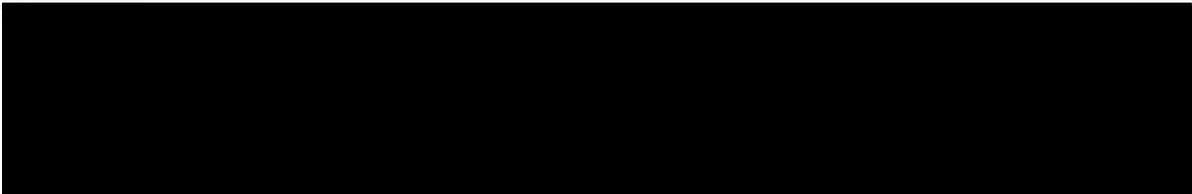
2.5.1. Transition Charges shall be chargeable upon successful delivery of specific Transition Milestone.

2.5.2. The Transition Charges detailed in Table 5 shall reflect the Charges associated with the Transition Milestone Dates as detailed in the Service Provider's Transition Plan as detailed in Appendix 2 (High-level Transition Plan (Contacts handling) of Schedule 3 (Transition); and

2.5.2.1. shall be inclusive of all costs associated with the transition and mobilisation (including initial training of Service Provider Personnel) of the Services of the Contract, excluding any Charges detailed in paragraphs 2.1, 2.2, 2.3.3 and 2.3.3 of this Schedule.

Table 5: Transition (Contact handling)

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2.6. Service Provider Personnel

2.6.1. Service Provider Personnel daily rates shall be used to cost Variations of the Contract, where applicable.

2.6.2. In accordance with paragraphs 3.2 of Schedule 9 (Form of Variation), the Service Provider Personnel day/hourly rate shall not exceed the rates detailed in Table 6 (Service Provider Personnel Charges).

Table 6: Service Provider Personnel

3. Indexation

3.1. The Service Provider acknowledges and agrees that it shall not be permitted at any time to increase the Charges or any part thereof to account for any indexation of the Charges, including (without limitation) any indexation based on the Consumer Price Index and/or the Retail Price Index.

4. NOT USED

8 SCHEDULE 8 - SERVICE MANAGEMENT

Defined Terms

In this Schedule, unless the context indicates otherwise the following expressions shall have the following meanings:

“Authority Change Manager”	the person appointed by the Authority to manage the Authority’s change control process and the Change Advisory Board;
“Average Speed to Answer” or “ASA”	the average time to answer calls calculated within the parameters set in item 1 of Appendix 1 (Service Levels) of Schedule 8 (Service Management);
“Average Talk Time” or “ATT”	the average Talk Time calculated within the parameters set in item 3 of Appendix 1 (Service Levels) of Schedule 8 (Service Management);
“Category 1 Major Incident”	shall have the meaning given in Appendix 3 (Major Incident List) of this Schedule;
“Change Advisory Board”	means the committee chaired by the Change Manager and attended by the Authority Change Manager that reviews Change Requests;
“Change Management”	has the meaning set out in paragraph 4.2.1 of this Schedule;
“Change Manager”	shall have the meaning given in paragraph 4.2.3 of this Schedule;
“Change Request”	means a proposal to implement a Change;
“Dashboards”	shall have the meaning given in paragraph 3.1.1 of this Schedule;
“Disaster”	an action, omission, circumstance or event that may cause a loss of the Service Provider’s ability to provide the Services or any of them;
“Docking Station Availability Map” or “DSA Map”	a map depicting locations of Docking Stations;
“Emergency Change”	a Change that is required immediately to either prevent or restore a service affecting outage;
“Grace Period”	Shall have the meaning given in paragraph 4 of Appendix 1 of this Schedule;

“Level 1 Help Desk”	means the technical help desk provided by the RCC Contractor;
“Major Incident”	means an incident described in Appendix 3 (Major Incident List) as amended from time to time;
“Major Incident Categories”	the categories of Major Incidents which are detailed in Appendix 3 (Major Incident List) of this Schedule;
“Major Incident List”	means the lists of Incidents and Disasters contained in Appendix 3 (Major Incident List) to this Schedule as may be amended from time to time in accordance with paragraph 5 of this Schedule;
“Major Incident Report”	shall have the meaning given in paragraph 6.7.1 of this Schedule;
“Payment Period”	At the end of each 4-week period (or such other period as may be specified in accordance with Clause 11.1)
“Preparedness Tests”	shall have the meaning given in paragraph 6.6.1 of this Schedule;
“Problem Management”	the process used to determine the root cause of one or more Incidents and to develop workarounds and/or permanent fixes in order to minimise the frequency and/or impact of the Incidents;
“Problem Report”	a report issued as part of the investigation of a Problem which would include a summary of the Problem, related Incidents, root cause analysis, workaround and permanent resolutions;
“Problem”	the cause of one or more Incidents;
“RCC Contractor”	means Cubic Transportation Services Limited, or such other person as the Authority notifies the Service Provider is the Authority’s RCC Contractor from time to time;
“Service Bonus”	A measure of the addition to the Charges due to the Service Provider’s performance bettering the specified Service Level and/or other performance criteria;
“Service Credit”	a measure of the reduction to the Charges due to the Service Provider’s performance for failing to meet the specified Service Level and/or other performance criteria;

“Service Day”	the hours for which the services are required from the Service Provider, as defined in Schedule 4 (Service Scope Specification);
“Service Performance Report”	shall have the meaning given in paragraph 8.2 of this Schedule;
“Service Provider Site”	shall mean any building used by the Service Provider to carry out the Services (or any of them) required under the Contract.

1. Overview

1.1. Scope and Purpose

- 1.1.1. This Schedule sets out the scope and requirements in respect of the management, performance monitoring and reporting for the delivery of the Services.
- 1.1.2. The management of the Service comprises of:
 - 1.1.2.1. provision of all Service Management and other activities set out in this Schedule;
 - 1.1.2.2. managing and delivering Changes; and
 - 1.1.2.3. providing management information and service reporting as set out in Appendix 2 (Service Performance Report).
- 1.1.3. Where this Schedule sets out the requirements for the Service Provider to deliver the Services, these Services shall be provided by the Service Provider to the Authority with effect from the relevant Transition Milestone Dates as set out in the High-Level Transition Plan and/or the Detailed Transition Plan within Schedule 3 (Transition).

1.2. Service Management

- 1.2.1. The Service Provider's responsibilities for the management of the Services ("**Service Management**") shall include but are not limited to:
 - 1.2.1.1. meeting the Service Levels as specified in Appendix 1 (Service Levels);
 - 1.2.1.2. Identify scenarios, plan, and test processes and procedures for Major Incidents and respond quickly and effectively in order to minimise or prevent impact to end users and Authority Personnel;
 - 1.2.1.3. providing detailed reports and attending regular meetings on the performance of the Services against agreed performance targets and implementing corrective action and service improvement plans where necessary as set out in paragraphs 4 (Change Management) and 5 (Major Incident Management) and;
 - 1.2.1.4. Incident and Major Incident reporting.

2. General Requirements

2.1. Performance Measurement

- 2.1.1. Where a Service Level is specified in Appendix 1 (Service Levels), the Service Provider's failure to meet such Service Level will result in the application of Service Credits as set out in the relevant part of that Appendix. Where specifically provided for in Appendix 1 (Service Level) better performance than some Service Levels may, where explicitly stated to do so, result in Service Bonuses being payable.
- 2.1.2. Where the Service Provider can demonstrate to the Authority's satisfaction that a single Incident has directly resulted in the Service Provider's failure to meet multiple Service Levels as a result of which

multiple sets of Service Credits have been applied, the Parties agree that only the highest value single set of Service Credits shall be applied in that instance.

- 2.1.3. Where a performance level is expressed as a "target only" and/or "for information purposes only" these are measures which the Service Provider shall endeavour to achieve and is required to report actual performance against; however, Service Credits and/or (where applicable) Service Bonuses will not be applicable.

3. Dashboards

3.1. Overview

- 3.1.1. The Authority requires a dynamic means of monitoring the Service by way of a near real-time visual reporting tool which provides an indication of how the Services are being delivered by the Service Provider as against the Service Levels (the "Dashboards").
- 3.1.2. For some Services, the Authority may require the Service Provider to develop and maintain a Dashboard or Dashboards, and section 3.2 below specifies the requirements. Appendix 4 specifies which Dashboards the Authority will provide and which (if any) Dashboards the Service Provider is to provide.

3.2. Requirements

- 3.2.1. The Service Provider shall provide and maintain the Dashboards in accordance with the requirements set out in Appendix 4 (Dashboard Requirements).
- 3.2.2. Each Party shall, at its own expense, provide for itself the necessary equipment and access configuration to display the Dashboards at their own premises.
- 3.2.3. The Service Provider shall report to the Authority on any Incidents affecting the ability of the Authority to connect to or publish the Dashboards.
- 3.2.4. The Service Provider shall provide a Dashboard solution that does not require any additional investment in software, licensing, or infrastructure by the Authority.
- 3.2.5. The Service Provider shall provide any requisite training to the Authority in order to navigate and make use of the Dashboards.

4. Change Management

4.1. Overview

- 4.1.1. Change Management is required to ensure that any Changes made to the Services have been appropriately communicated, assessed, tested and follows a standard process for delivery.
- 4.1.2. This section sets out the requirements of the Service Provider for the management of Changes.

4.2. Requirements

- 4.2.1. From the Service Commencement Date, the Service Provider shall implement and operate robust processes to facilitate, manage and successfully implement (as appropriate) Change (“**Change Management**”).
- 4.2.2. The Service Provider shall adhere to the Authority’s Change Management process, and follow its requirements including submitting a Change Request form (the format to be approved by the Authority) where required.
- 4.2.3. The Service Provider shall nominate an appropriate individual to be responsible for such Change Management (the “**Change Manager**”).
- 4.2.4. The Service Provider shall provide evidence, when requested, to Assure the Authority that Changes have been suitably assessed and tested and will have no detrimental effects on the performance or availability of the Service.
- 4.2.5. In the event of an Emergency Change, the Service Provider shall use reasonable endeavours to contact and co-ordinate with the Authority Change Manager regarding the proposed resolution, including attending in person or by phone any emergency Change Advisory Board meeting convened. Where the Authority Change Manager is unavailable and the Emergency Change is required to immediately resolve an Incident then the Service Provider shall contact the Authority service desk referencing the Incident.

5. Incident Management

5.1. Overview

- 5.1.1. The aim of Incident management is to restore the Service to the end user as quickly as possible, often through a work around or temporary fixes, rather than through trying to find a permanent solution.
- 5.1.2. This section sets out the requirements of the Service Provider for the management of Incidents that are not classified as Major Incidents.

5.2. Requirements

- 5.2.1. The Parties shall agree a process for the management of Incidents prior to the Service Commencement Date.
- 5.2.2. The Service Provider shall report incidents as follows:
 - 5.2.2.1. if the Incident meets the criteria of a Major Incident from paragraph 5 (Major Incident Management) then the Service Provider shall manage the Major Incident in accordance with paragraph 6 (Major Incident Management);
 - 5.2.2.2. if the incident is a fault with equipment which the Authority has advised the Service Provider is managed by the RCC Contractor, notify the RCC Contractor’s Level 1 Help Desk of the fault and obtain a reference number;
 - 5.2.2.3. if the incident is not a Major Incident nor on RCC Contractor managed equipment, notify the Authority of the Incident to the Authority’s Contact Centre operations team via the procedure advised to the Service

Provider by the Authority from time to time, and obtain a reference number; and

5.2.2.4. perform tests, if required, and contact the Authority to confirm the Service has been restored.

5.2.3. The Service Provider shall ensure that Incidents are handed over effectively from one Service Provider Personnel to another at the end of shift or when the original Service Provider Personnel has finished their shift.

5.2.4. The Service Provider shall, upon agreement with the Authority, schedule and implement the workaround required to restore the Service and apply Change Management if requested by the Authority.

6. Major Incident Management

6.1. Overview

6.1.1. The objectives of Major Incident management are to ensure that:

6.1.1.1. the Authority is assured that a failure of any part of the Services will be recovered and all will be brought back into service with the minimum disruption to end users;

6.1.1.2. the integrity of the Services will be maintained as far as possible during any Major Incident; and

6.1.1.3. where practical, the Service Levels will be maintained during any Major Incident.

6.1.2. This section sets out the requirements for the Service Provider to develop and maintain plans for the management of Major Incidents and recovery of the Services after such events.

6.1.3. The Service Provider acknowledges and agrees that Major Incident management in respect of the Services is fully dependent upon the Major Incident Plan, and that it is necessary for the Service Provider to ensure the continuity and the provision of the Services pursuant to the terms of this Contract in all circumstances, events and scenarios, including in respect of and following a Major Incident.

6.2. Requirements

6.2.1. The Service Provider shall prepare, submit and maintain the following documents in accordance with the provisions of this Schedule:

6.2.1.1. prepare, submit and maintain the Major Incident Plan;

6.2.1.2. review and maintain the Major Incident List; and

6.2.1.3. prepare and submit Major Incident Reports.

6.3. Major Incident Plan preparation and implementation

6.3.1. The Service Provider shall within 10 Business Days following the Contract Commencement Date, provide to the Authority for Assurance a draft Major Incident Plan, which will adapt the Service Provider's own disaster recovery plan to address, as a minimum those requirements in respect of it set out in this paragraph 6.

- 6.3.2. The Authority shall review and comment on the draft Major Incident Plan as soon as reasonably practicable. Following such review, the Authority shall, acting reasonably and in good faith, Assure or reject the draft Major Incident Plan no later than 10 Business Days after the date on which the draft Major Incident Plan is delivered to the Authority.
- 6.3.3. If the Authority rejects the draft Major Incident Plan, the Authority shall inform the Service Provider in writing of its reasons for the rejection. The Service Provider shall then revise the draft Major Incident Plan (taking account of the Authority's reasonable comments) and shall re-submit a revised draft Major Incident Plan to the Authority for the Authority's Assurance within 10 Business Days of the date of the Authority's notice of rejection. The provisions of paragraph 6.3.2 and this paragraph 6.3.3 shall apply again to any resubmitted draft Major Incident Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.
- 6.3.4. The Service Provider shall maintain in accordance with good industry practice and comply with the Major Incident Plan at all times and be able to implement the Major Incident Plan in accordance with its terms at any time.
- 6.3.5. The Major Incident Plan shall, as a minimum, include:
- 6.3.5.1. an introduction describing the purpose and structure of the Major Incident Plan and how to use the Major Incident Plan;
 - 6.3.5.2. the overall strategy for ensuring business and service continuity (and for responding to a Major Incident) in respect of the Services;
 - 6.3.5.3. a risk and issue assessment in relation to all elements of the Services including:
 - 6.3.5.3.1. failure or disruption scenarios and assessments of risk, impact and probability for each identified Major Incident;
 - 6.3.5.3.2. identification of any single points of failure within the Services and associated risk management processes;
 - 6.3.5.3.3. identification of risks arising from the interfaces of the Services with any provided by a Third Party; and
 - 6.3.5.3.4. a business impact analysis (detailing the impact on business processes and operations) of different anticipated failures or disruptions;
 - 6.3.5.4. a description of all methods, processes and procedures and other actions and sequences to be followed in managing and responding to Major Incidents such as:
 - 6.3.5.4.1. identifying the start and finish of Major Incidents;
 - 6.3.5.4.2. categorisation of each Major Incident identified;
 - 6.3.5.4.3. notifying and liaising with the Authority, end users, and Third Parties;
 - 6.3.5.4.4. agreeing with the Authority who should lead the management of a Major Incident and ensuring clarity of responsibility;

- 6.3.5.4.5. the assignment of Service Provider Key Personnel and tasks;
- 6.3.5.4.6. processes and procedures to be adopted;
- 6.3.5.4.7. using or recalling backups or storage;
- 6.3.5.4.8. recovering, re-entering or correcting Data; and
- 6.3.5.4.9. deploying additional Service Provider personnel, processes or procedures;
- 6.3.5.5. management and review activities including:
 - 6.3.5.5.1. the escalation process for each Major Incident category as set out in Appendix 3 (Major Incident List);
 - 6.3.5.5.2. a communications plan (including declaration of the Major Incident and verification of recovery and restoration of the Services); and
 - 6.3.5.5.3. the arrangements for preparing and training Service Provider personnel to deal with Major Incidents;
- 6.3.5.6. details of contingency plans;
- 6.3.5.7. the Major Incident List; and
- 6.3.5.8. how the Service Provider shall manage Major Incidents involving Third Parties.
- 6.3.6. The Service Provider acknowledges that Category 1 Major Incidents would have a greater impact upon end users and/or the operation of the Services and shall ensure that the Major Incident Plan reflects the materiality of such Major Incidents.
- 6.3.7. The Service Provider shall ensure that the Major Incident Plan is designed in such a way to ensure that:
 - 6.3.7.1. it does not depend on any other Third Party adjusting their hardware, software or systems as a result of any Major Incident unless this has been agreed in writing by the Authority;
 - 6.3.7.2. appropriate measures are adopted to ensure that the security of the Services are not compromised where possible and, where this is not possible, that any associated risk is properly managed; and
 - 6.3.7.3. its objective is to allow the Services to be provided by the Service Provider in accordance with the Service Levels and to mitigate the adverse impact of a Major Incident.

6.4. Notification of Major Incidents

- 6.4.1. Category 1 Major Incidents must be notified to the Authority within 15 minutes and all other Major Incidents within one hour:-
 - 6.4.1.1. of the commencement of the Major Incident; or
 - 6.4.1.2. (if earlier) from when the Service Provider becomes aware that the Major Incident will occur.