

COMMERCIAL IN CONFIDENCE

## SCHEDULE 2.2

### PERFORMANCE LEVELS

## 1. Definitions

In this Schedule, the following definitions shall apply:

|  |  |
|--|--|
| "Availability KPIs"                          | has the meaning given in KPI4 to KPI11;  |
| "Availability SPIs"                          | has the meaning given in SPI1 to SPI4;   |
| "Availability"                               | means that all the ESR System elements meet the Availability KPIs and Availability SPIs and "Available" shall be construed accordingly;  |
| "Call Logging Service"                       | means a facility for logging and tracking Service Calls associated with the Help Desk;   |
| "End of Unavailability"                      | means the point at which the service is deemed Available   |
| "Extract Transform and Load"                 | the requirement to extract data from one system, transform the data in order to make it fit the required template for the receiving system, and the load the data in the receiving system  |
| "Key Business Functions"                     | the batch of business functions designated as key in the Performance Indicators Controlled Document (together with their relevant weighting) for the Supplier to monitor for the purpose of KIP1;  |
| "LMS"  | Learning Management System;  |
| "Non-Core Hours"                             | those hours which are not Core Hours and "Non Core" shall be construed accordingly;;   |
| "Payroll Schedule"                           | the payroll schedule agreed annually with each User Organisation in order to process Payments;   |
| "Performance Indicators Controlled Document" | A controlled document (ref schedule 8.2) of low-level detail relating to one or more Performance Indicator   |
| "Performance Management Board"               | the regular meetings between the Supplier and the Authority to manage and review the Supplier's performance under this Agreement, as described in Paragraph 1.5 of Part B and Schedule 8.1 (Governance);   |
| "Performance Monitoring Report"              | has the meaning given in Paragraph 1.1.1 of Part B;  |
| "Priority 1 Service Call"                    | a Service Call which: <ul style="list-style-type: none"> <li>(a) constitutes a loss of the Service which prevents a large group of ESR Users from working;</li> <li>(b) has a critical impact on the activities of the Authority;</li> <li>(c) causes significant financial loss and/or disruption to the Authority; or</li> </ul> |

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|                           | <p>(d) results in any material loss or corruption of Authority Data;</p> <p><b>Non-exhaustive examples:</b></p> <ul style="list-style-type: none"> <li>• a loss of power to data centre causing failure of Services; or</li> <li>• a failure of the Services to provide user authentication service;</li> <li>• request to recall a BACS file</li> </ul>   |
| "Priority 2 Service Call" | <p>a Service Call which has the potential to:</p> <p>(a) have a major (but not critical) adverse impact on the activities of the Authority and no workaround acceptable to the Authority is available; or</p> <p>(b) cause a financial loss and/or disruption to the Authority which is more than trivial but less severe than the significant financial loss described in the definition of a Severity 1 Service Failure;</p> <p><b>Non-exhaustive examples:</b></p> <ul style="list-style-type: none"> <li>• corruption of organisational database tables; or</li> <li>• loss of ability to update Authority Data.</li> <li>• request to re-print/resend Payroll Output</li> </ul> |
| "Priority 3 Service Call" | <p>a Service Call which has the potential to:</p> <p>(a) have a major adverse impact on the activities of the Authority which can be reduced to a moderate adverse impact due to the availability of an workaround acceptable to the Authority; or</p> <p>(b) have a moderate adverse impact on the activities of the Authority;</p> <p><b>Non-exhaustive example:</b></p> <ul style="list-style-type: none"> <li>• inability to access data for a class of customers;</li> <li>• request to resend an interface file</li> </ul>   |
| "Priority 4 Service Call" | <p>a Service Call which has the potential to have a minor adverse impact on the provision of the Services to ESR Users</p> <p><b>Non-exhaustive example:</b></p> <ul style="list-style-type: none"> <li>• inability to access data for a single user;</li> <li>• request for delegate to attend a User training session</li> </ul>   |
| "Priority 5 Service Call" | <p>A Service Call comprising</p> <p>(a) either a flaw which is cosmetic and, as such, does not undermine the ESR User's confidence in the information being displayed;</p> <p><b>Non-exhaustive examples:</b></p> <ul style="list-style-type: none"> <li>• spelling error; or</li> <li>• misalignment of data on screen display.</li> </ul> <p>(b) Or a request for service, change or enhancement</p>   |

|                           |  |
|---------------------------|--|
| "Professional User"       | A user of the ESR Solution using a professional user interface. Does not include Employee Self Service or TRS users.   |
| "Repeat KPI Failure"      | has the meaning given in Paragraph 6.1 of Part A;  |
| "Response Time"           | has the meaning given in Paragraph 12.1 of Part II of Annex 1.   |
| "Reward KPI"              | means each of the KPIs designated as such in this Schedule for which the Supplier may be entitled to a percentage payment out of a reward pool in accordance with Schedule 7.1 ( <i>Charges and Invoicing</i> );   |
| "Satisfaction Survey"     | has the meaning given in Paragraph 3.1 of Part II of Annex 1;  |
| "Service Call"            | a reported occurrence of a failure to deliver any part of the Services in accordance with the Authority Requirements or the Performance Indicators, or a request for information regarding the Services and their usage, or a request for the Supplier to undertake an activity on behalf of the User. |
| "Service Downtime"        | any period of time during which any of the Services are not Available; and   |
| "Start of Unavailability" | the point at which the service is not Available  |
| "Unavailability"          | one or more elements of the ESR System does not meet the Availability KPIs or Availability SPIs and "Unavailable" shall be construed accordingly;  |
| "Core Hours"              | 08:00 to 18:00 on any Working Day;   |
| "Payment"                 | a payment to be made to an ESR User  |

**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 the Authority a report detailing the level of service actually achieved in accordance with Part B.
- 1.3 Except for Reward KPIs where Paragraph 4 applies Service Points, and therefore Service Credits, shall accrue for any KPI Failure and shall be calculated in accordance with Paragraphs 2, 3 and 5.
- 1.4 For each of the Reward KPIs, a Reward Payment Percentage shall be calculated in accordance with Paragraph 6 of this Part A. For the avoidance of doubt, no Service Credits shall accrue in connection with Reward KPIs.

**2. Service Points**

- 2.1 If the level of performance of the Supplier during a Service Period achieves or exceeds 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 If the level of performance of the Supplier during a Service Period is equal to or below the Threshold Performance Level in respect of a Key Performance Indicator, the number of Service Points that shall accrue to the Supplier shall be the applicable number as set out in Annex 1.
- 2.3 If the level of performance of the Supplier during a Service Period is below the Target Performance Level and above the Threshold Performance Level, Service Points shall accrue to the Supplier in respect of that Key Performance Indicator following an "S-Curve" distribution, calculated as set out in Paragraphs 2.5 to 2.8 below.
- 2.4 Where the KPI Failure is a Repeat KPI Failure the provisions of Paragraph 3.2 shall apply.

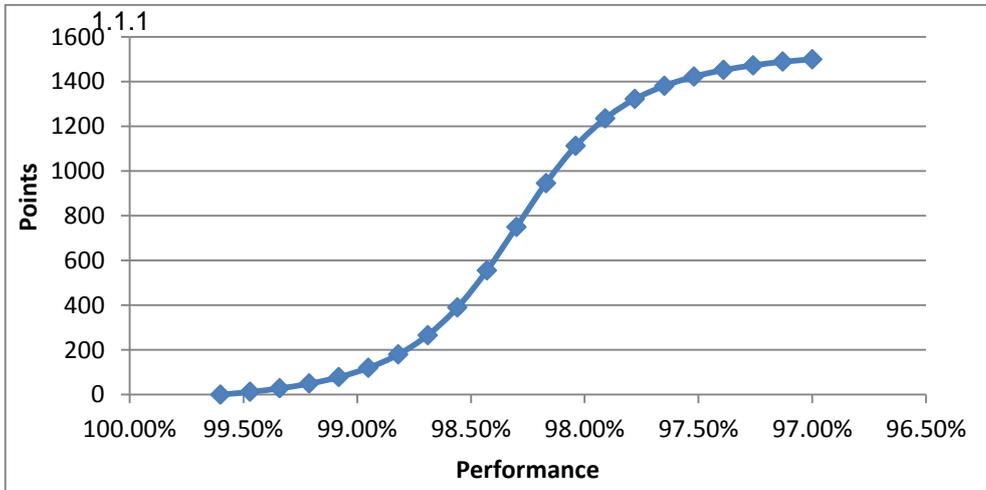
**S-Curve Distribution Method**

- 2.5 The purpose of the non-linear S-Curve distribution method is to allocate points that incentivise the Supplier to address performance issues at low levels of performance failure and that will increasingly penalise higher levels of failure.
- 2.6 The S-Curve used is derived using the following formula:

$$f(x) = x / \sqrt{(1 + x^2)}$$

Where x is a value between -2.5 (representing the Target Performance Level) and 2.5 (Representing the Threshold Performance Level), and the x value input into the S-Curve Function has a linear relationship to performance.

The following is a diagrammatic representation of the S-Curve for a Key Performance Indicator with a Target Performance Level of 99.6%, and a Threshold Performance Level of 97% with associated Service Points of 1,500 for performance at or below the Threshold Performance Level.



**Calculation of Service Points using S-Curve Distribution**

2.7 The value of x for any specific Performance Level (xln) is calculated to five decimal places in accordance with the following formula:

$$xln = (PD \times 5) - 2.5$$

Where PD is the deviation in performance from the Threshold Performance Level, calculated to 5 decimal places as follows:

$$PD = \frac{(\text{Target Performance Level} - \text{Specific Level of Performance})}{(\text{Target Performance Level} - \text{Threshold Performance Level})}$$

2.8 The number of Service Points awarded (rounded to the nearest whole Service Point) for a given level of performance is calculated by applying xln to the S-Curve function set out in Paragraph 2.6 as follows:

$$\text{Service Points Awarded} = \frac{[f(xln) - f(-2.5)]}{[f(2.5) - f(-2.5)]} \times TP$$

Where:

f() = S-Curve Function; and

TP = Service Points associated with the Threshold Performance Level.

**Severity of Failure**

2.9 In each Service Period, a severity level of performance shall be allocated to performance against each Key Performance Indicator, as follows:

Target Performance (TarP) = as determined in Annex 1

Threshold Performance (ThrP) = as determined in Annex 1

**Worked Example based on the Payroll Availability - Core Hours KPI**

2.10 For a given Service Period, the Supplier achieves a performance of 98.94%, where the Target Performance Level is 99.6% and Threshold Service Level is 97%. The Service Points associated with Threshold Performance Level are 1500:

$$PD = (99.6\% - 98.94\%) / (99.6\% - 97.0\%) = 0.25385$$

$$x\ln = (0.25385 \times 5) - 2.5 = -1.23077$$

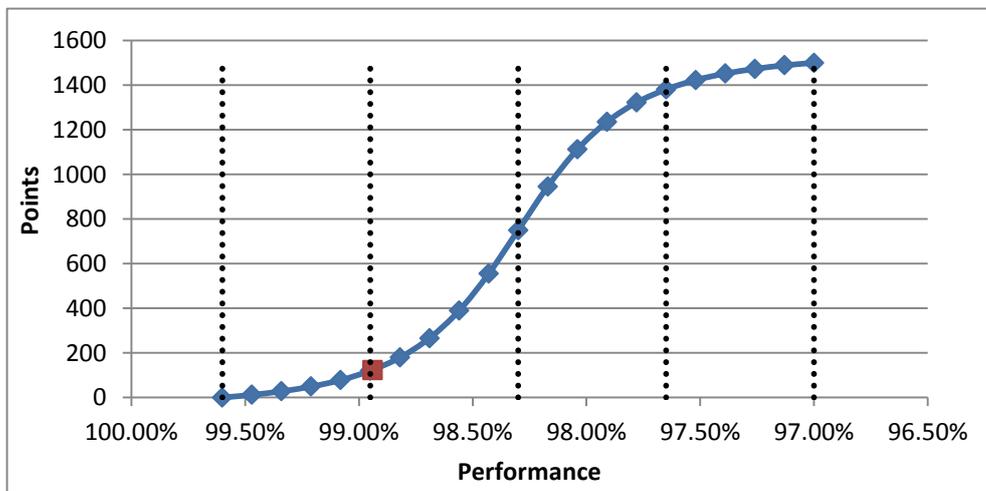
$$f(x\ln) = (-1.23077) / [(1 + (-1.23077)^2)^{(1/2)}] = -0.77611$$

$$f(2.5) = 2.5 / [(1 + 2.5^2)^{(1/2)}] = 0.92848$$

$$f(-2.5) = -2.5 / [(1 + (-2.5)^2)^{(1/2)}] = -0.92848$$

Service Points awarded =  $(-0.77611 + 0.92848) / (0.92848 + 0.92848) \times 1500 = 123$

This can be represented graphically as follows:



### 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 consecutive Service Periods, the second and any subsequent consecutive such KPI 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:

$$SP = P \times 2$$

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 as calculated in accordance with 2.5 to 2.8 above.

3.3 This approach to Repeat KPI Failure is in addition to any change to Performance Levels applied in measuring performance against the

Availability KPIs, as a result of repeat instances of Unavailability as set out in Annex 1 Part II.

**Related KPI Failures**

3.4 If any specific Key Performance Indicators refer to both Availability and Response Times, the Response Times achieved by the Supplier for any period of time during a Service Period during which the relevant Service is determined to be Unavailable shall not be taken into account in calculating the average Response Times over the course of that Service Period. Accordingly, the Supplier shall not incur any Service Points for failure to meet Response Times in circumstances where such failure is a result of, and the Supplier has already incurred Service Points for, the Service being Unavailable for that same incident.

**4. Permitted Maintenance**

The Supplier shall be allowed to book a maximum of 24 Non-Core Hours Service Downtime for Permitted Maintenance in a rolling 3-month period. Downtime shall only take place between the times specified and agreed in writing with the Authority.

**5. Service Credits**

5.1 Schedule 7.1 (*Charges and Invoicing*) sets out the mechanism by which Service Points shall be converted into Service Credits.

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

**6. Reward Payment Percentage**

6.1 Prior to the commencement of each Contract Year, the Authority and Supplier will agree the Target Performance and Service Threshold for each Reward KPI (i.e. KPIs 1,2 and 3).

6.2 The Service Threshold shall be set taking into account actual performance during the previous Contract Year and any performance impact associated with activities already paid for by the Authority.

6.3 A Reward Payment Percentage shall be calculated for each Reward KPI by applying the S-Curve distribution method as described in paragraphs 2.5 to 2.6.

6.4 The Reward Payment Percentage for each Reward KPI will be calculated on an annual basis, based on aggregate performance during the relevant Contract Year.

6.5 Schedule 7.1 (*Charges and Invoicing*) sets out the mechanism by which the Reward Payment Percentage for each Reward KPI shall be used to calculate the Reward Payment.

**Calculation of Reward Payment Percentage using S-Curve Distribution**

- 6.6 The value of x relating to the actual level of performance achieved (xln) is calculated to five decimal places in accordance with the following formula:

$$xln = (PDT \times 5) - 2.5$$

Where PDT is the deviation in performance from the Threshold Performance Level, calculated to 5 decimal places as follows:

$$PDT = \frac{(\text{Specific Performance Level} - \text{Threshold Performance Level})}{(\text{Target Performance Level} - \text{Threshold Performance Level})}$$

- 6.7 The Reward Payment Percentage (expressed as a percentage rounded to one decimal place) for a Reward KPI for a given level of performance is calculated by applying xln to the S-Curve function set out in Paragraph 2.6 as follows:

$$\text{Reward Payment Percentage} = \frac{f(xln) - f(-2.5)}{f(2.5) - f(-2.5)}$$

Where f() = S-Curve Function.

- 6.8 For the avoidance of doubt, where performance for a Reward KPI is equal to or below Threshold Performance Level the Reward Payment Percentage shall be zero, and where performance is equal to or above the Target Performance Level the Reward Payment Percentage shall be 100%.

**Worked Example: Calculation of Reward Payment Percentage**

- 6.9 The following example demonstrates how the Reward Payment Percentage would be applied to calculate a Reward Payment Percentage where the Target Performance Level is 70%; the Service Threshold is 60% and actual performance achieved is 67%.

$$PD = (67\% - 60\%) / (70\% - 60\%) = 0.70000$$

$$xln = (0.70000 \times 5) - 2.5 = 1.00000$$

$$f(xln) = (1.00000) / [(1+1.00000^2)^{(1/2)}] = -0.70711$$

$$f(2.5) = 2.5 / [(1+2.5^2)^{(1/2)}] = 0.92848$$

$$f(-2.5) = -2.5 / [(1+2.5^2)^{(1/2)}] = -0.92848$$

Reward Payment Percentage

$$= (0.70711 - (-0.92848)) / (0.92848 - (-0.92848)) = 88.1\%$$

## PART B - PERFORMANCE MONITORING

### 1. Performance Monitoring and Performance Review

- 1.1 Within 10 Working Days of the end of each Service Period, the Supplier shall provide:
  - 1.1.1 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
  - 1.1.2 a report to the Authority's senior responsible officer which summarises the Supplier's performance over the relevant Service Period as more particularly described in Paragraph 1.3 (the "**Balanced Scorecard Report**").

#### Performance Monitoring Report

- 1.2 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

- 1.2.1 for each Key Performance Indicator and Subsidiary Performance Indicator, the actual performance achieved over the Service Period, and that achieved over the previous 3 Service Periods;
- 1.2.2 a summary of all Performance Failures that occurred during the Service Period;
- 1.2.3 the severity level of each KPI Failure which occurred during the Service Period and whether each SPI Failure which occurred during the Service Period fell below the SPI Service Threshold;
- 1.2.4 which Performance Failures remain outstanding and progress in resolving them;
- 1.2.5 for any Performance Failures occurring during the Service Period, the cause of the relevant Performance Failures and the action being taken to reduce the likelihood of recurrence;
- 1.2.6 the status of any outstanding Rectification Plan processes, including:
  - 1.2.6.1 whether or not a Rectification Plan has been agreed; and
  - 1.2.6.2 where a Rectification Plan has been agreed, a summary of the Supplier's progress in implementing that Rectification Plan;
- 1.2.7 for any Repeat Failures, actions taken to resolve the underlying cause and prevent recurrence;

- 1.2.8 the number of Service Points awarded in respect of each KPI Failure;
- 1.2.9 the Service Credits to be applied, indicating the KPI Failure(s) to which the Service Credits relate;
- 1.2.10 the conduct and performance of any agreed periodic tests that have occurred, such as the annual failover test of the BCDR Plan;
- 1.2.11 relevant particulars of any aspects of the Supplier's performance which fail to meet the requirements of this Agreement;
- 1.2.12 such other details as the Authority may reasonably require from time to time; and

Information in respect of previous Service Periods

- 1.2.13 a rolling total of the number of Performance Failures that have occurred over the past six Service Periods;
- 1.2.14 the amount of Service Credits that have been incurred by the Supplier over the past six Service Periods;
- 1.2.15 the conduct and performance of any agreed periodic tests that have occurred in such Service Period such as the annual failover test of the BCDR Plan; and

Information in respect of the next Quarter

- 1.2.16 any scheduled Service Downtime for Permitted Maintenance and Updates that has been agreed between the Authority and the Supplier for the next Quarter.

Balanced Scorecard Report

- 1.3 The Balanced Scorecard Report shall be presented in the form of a dashboard and, as a minimum, shall contain a high level summary of the Supplier's performance over the relevant Service Period, including details of the following:
  - 1.3.1 financial indicators, including a summary of the Charges prior to and following the deduction of any Service Credit amounts, along with a breakdown of Service Credits incurred by Key Performance Indicator;
  - 1.3.2 the Performance Levels achieved;
  - 1.3.3 behavioural indicators;
  - 1.3.4 performance against its obligation to pay its Sub-contractors within 30 days of receipt of an undisputed invoice; and
  - 1.3.5 Milestone trend chart, showing performance of the overall programme.

- 1.4 The Performance Monitoring Report and the Balanced Scorecard Report shall be reviewed and their contents agreed by the Parties at the next Performance Management Board held in accordance with Paragraph 1.5.
- 1.5 The Parties shall attend Performance Management Board on a monthly basis (unless otherwise agreed) to review the Performance Monitoring Reports and the Balanced Scorecard Reports. The Performance Management Boards shall (unless otherwise agreed):
  - 1.5.1 take place within 5 Working Days of the Performance Monitoring Report being issued by the Supplier;
  - 1.5.2 take place at such location and time (within normal business hours) as the Authority shall reasonably require (unless otherwise agreed in advance); and
- 1.6 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 SPI Failure.

## **2. Performance Records**

- 2.1 The Supplier shall keep appropriate documents and records (including Help Desk records, 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 12 months 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 Operational Service Commencement Date 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 Balanced Scorecard Report 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**

The Authority reserves the right to verify the Availability of the ESR System and/or the Services and the Supplier's performance under this Agreement against the Performance Indicators including by sending test transactions through the ESR System or otherwise.

## **4. Communication**

- 4.1 In addition to the Performance Monitoring Report, Balanced Scorecard Report, and the Performance Management Board, open and effective communication should take as appropriate to the designated Authority contact point. This includes:
  - 4.1.1 Notification of Security Incidents
  - 4.1.2 Start and End of Unavailabilities
  - 4.1.3 Delays or inaccuracies threatening or impacting the Payroll Schedules
  - 4.1.4 Any other significant failure impacting the Services (e.g. N3 failure)

**ANNEX 1 - KEY PERFORMANCE INDICATORS AND SUBSIDIARY PERFORMANCE INDICATORS**

**PART I: Key Performance Indicators and Subsidiary Performance Indicators Tables**

The Key Performance Indicators and Subsidiary Performance Indicators that shall apply to the Operational Services are set out below.

Note. The Threshold Performance Level for KPI4, KPI5 and KPI6 are subject to change each Service Period as a result of the number of instances of Unavailability, as outlined in Part II this Annex 1.

**1. Key Performance Indicators**

**Note: The actual Target Performance Level and Service Threshold for each of the Reward KPIs will be considered and agreed during component 1 Transition.**

| No.                | Key Performance Indicator Title         | Definition                           | Performance Levels  | Service Points                                       |
|--------------------|---|--------------------------------------|---|--|
| KPI1<br>Reward KPI | Increasing usage of Self Service        | Paragraph 1 of Part II of this Annex | Target Performance Level: [TBD]%<br>Service Threshold: [TBD]%   | <b>Information redacted under Section 43 of FOIA</b> |
| KPI2<br>Reward KPI | Increasing usage of LMS                 | Paragraph 2 of Part II of this Annex | Target Performance Level: [TBD]%<br>Service Threshold: [TBD]%   | <b>Information redacted under Section 43 of FOIA</b> |
| KPI3<br>Reward KPI | Increasing satisfaction with ESR System | Paragraph 3 of Part II of this Annex | Target Performance Level: [TBD]%<br>Service Threshold: [TBD]%   | <b>Information redacted under Section 43 of FOIA</b> |
| KPI4               | HR Availability - Core Hours            | Paragraph 4 of Part II of this Annex | Target Performance Level: 99.6%<br>Service Threshold: 99 to 97% | <b>Information redacted under Section 43 of FOIA</b> |
| KPI5               | Payroll Availability - Core Hours       | Paragraph 4 of Part II of this       | Target Performance Level: 99.6%<br>Service Threshold: 99 to 97% | <b>Information redacted under</b>                    |

| No.   | Key Performance Indicator Title            | Definition                           | Performance Levels              | Service Points                                       |
|-------|--|--------------------------------------|---------------------------------|--|
|       |  | Annex                                |                                 | <b>Section 43 of FOIA</b>                            |
| KPI6  | Self Service Availability - Core Hours     | Paragraph 4 of Part II of this Annex | Target Performance Level: 99.6% | <b>Information redacted under Section 43 of FOIA</b> |
|       |  |                                      | Service Threshold: 99 to 97%    |  |
| KPI7  | Self Service Availability - Non-Core Hours | Paragraph 4 of Part II of this Annex | Target Performance Level: 99%   | <b>Information redacted under Section 43 of FOIA</b> |
|       |  |                                      | Service Threshold: 96%          |  |
| KPI8  | Data Warehouse Availability - Core Hours   | Paragraph 4 of Part II of this Annex | Target Performance Level: 99.5% | <b>Information redacted under Section 43 of FOIA</b> |
|       |  |                                      | Service Threshold: 97%          |  |
| KPI9  | E-Learning Availability                    | Paragraph 4 of Part II of this Annex | Target Performance Level: 99.6% | <b>Information redacted under Section 43 of FOIA</b> |
|       |  |                                      | Service Threshold: 97%          |  |
| KPI10 | TRS Availability - Core Hours              | Paragraph 4 of Part II of this Annex | Target Performance Level: 99.6% | <b>Information redacted under Section 43 of FOIA</b> |
|       |  |                                      | Service Threshold: 97%          |  |
| KPI11 | NHS Hub Availability                       | Paragraph 4 of Part II of this Annex | Target Performance Level: 99.6% | <b>Information redacted under Section 43 of FOIA</b> |
|       |  |                                      | Service Threshold: 97%          |  |
| KPI12 | Critical Interfaces                        | Paragraph 5 of Part II of this Annex | Target Performance Level: 99%   | <b>Information redacted under Section 43 of FOIA</b> |
|       |  |                                      | Service Threshold: 91%          |  |

| No.   | Key Performance Indicator Title               | Definition                            | Performance Levels             | Service Points                                       |
|-------|---|---------------------------------------|--------------------------------|--|
| KPI13 | Critical Processes                            | Paragraph 6 of Part II of this Annex  | Target Performance Level: 99%  | <b>Information redacted under Section 43 of FOIA</b> |
|       |   |                                       | Service Threshold: 91%         |  |
| KPI14 | Call Logging Service Availability             | Paragraph 7 of Part II of this Annex  | Target Performance Level: 100% | <b>Information redacted under Section 43 of FOIA</b> |
|       |   |                                       | Service Threshold: 98.5%       |  |
| KPI15 | Payment Accuracy                              | Paragraph 8 of Part II of this Annex  | Target Performance Level: 100% | <b>Information redacted under Section 43 of FOIA</b> |
|       |   |                                       | Service Threshold: 99%         |  |
| KPI16 | Payment Timeliness                            | Paragraph 9 of Part II of this Annex  | Target Performance Level: 100% | <b>Information redacted under Section 43 of FOIA</b> |
|       |   |                                       | Service Threshold: 99%         |  |
| KPI17 | Call back within target                       | Paragraph 10 of Part II of this Annex | Target Performance Level: 95%  | <b>Information redacted under Section 43 of FOIA</b> |
|       |   |                                       | Service Threshold: 90%         |  |
| KPI18 | Service Calls not resolved within target time | Paragraph 11 of Part II of this Annex | Target Performance Level: 95%  | <b>Information redacted under Section 43 of FOIA</b> |
|       |   |                                       | Service Threshold: 90%         |  |
| KPI19 | Response Times: Category A                    | Paragraph 12 of Part II of this Annex | Target Performance Level: 97%  | <b>Information redacted under Section 43 of FOIA</b> |
|       |   |                                       | Service Threshold: 95%         |  |
| KPI20 | Breaches of Security                          | Paragraph 13 of Part II of            | Target Performance Level: 100% | <b>Information redacted under</b>                    |
|       |   |                                       | Service Threshold: 95%         |  |

| No. | Key Performance Indicator Title | Definition | Performance Levels | Service Points            |
|-----|---------------------------------|------------|--------------------|---------------------------|
|     |                                 | this Annex |                    | <b>Section 43 of FOIA</b> |

**2. Subsidiary Performance Indicators**

| No.  | Subsidiary Performance Indicator Title           | Definition                            | Performance Levels               |
|------|--|---------------------------------------|----------------------------------|
| SPI1 | HR Availability - Non-Core                       | Paragraph 14 of Part II of this Annex | Target Performance Level: 99%    |
|      |  |                                       | Service Threshold: 96%           |
| SPI2 | Payroll Availability - Non-Core                  | Paragraph 14 of Part II of this Annex | Target Performance Level: 99%    |
|      |  |                                       | Service Threshold: 96%           |
| SPI3 | Data Warehouse Availability - Non-Core           | Paragraph 14 of Part II of this Annex | Target Performance Level: 98%    |
|      |  |                                       | Service Threshold: 97%           |
| SPI4 | TRS Availability - Non-Core                      | Paragraph 14 of Part II of this Annex | Target Performance Level: 97%    |
|      |  |                                       | Service Threshold: 95%           |
| SPI5 | Data Warehouse - Extract Transform & Load        | Paragraph 15 of Part II of this Annex | Target Performance Level: 100%   |
|      |  |                                       | Service Threshold: 85%           |
| SPI6 | Pay Notification Timeliness                      | Paragraph 16 of Part II of this Annex | Target Performance Level: 100%   |
|      |  |                                       | Service Threshold: 99.5%         |
| SPI7 | Calls answered within target time                | Paragraph 17 of Part II of this Annex | Target Performance Level: 99%    |
|      |  |                                       | Service Threshold: 95%           |
| SPI8 | Service Calls resolved "First Time" by Help Desk | Paragraph 18 of Part II of this Annex | Target Performance Level: 65%    |
|      |  |                                       | Service Threshold: 40%           |
| SPI9 | Acceptable numbers of                            | Paragraph 19                          | Target Performance Level: [TBD*] |

| No.   | Subsidiary Performance Indicator Title   | Definition                            | Performance Levels  |
|-------|--|---------------------------------------|---|
|       | 'agreed workarounds' and/or Known Errors | of Part II of this Annex              | Service Threshold: [TBD*]                                     |
| SPI10 | Response Times: Category B               | Paragraph 20 of Part II of this Annex | Target Performance Level: 97%<br>Service Threshold: 95%       |
| SPI11 | Response Times: Category C               | Paragraph 20 of Part II of this Annex | Target Performance Level: 97%<br>Service Threshold: 95%       |
| SPI12 | Response Times: Category D               | Paragraph 20 of Part II of this Annex | Target Performance Level: 97%<br>Service Threshold: 95%       |
| SPI13 | Response Times: Category E               | Paragraph 20 of Part II of this Annex | Target Performance Level: 97%<br>Service Threshold: 95%       |
| SPI14 | Employee View Statement response time    | Paragraph 21 of Part II of this Annex | Target Performance Level: 95%<br>Service Threshold: 99%       |
| SPI15 | Employer Login response time             | Paragraph 21 of Part II of this Annex | Target Performance Level: 95%<br>Service Threshold: 99%       |
| SPI16 | Correctness of security profile          | Paragraph 22 of Part II of this Annex | Target Performance Level: 99.9%<br>Service Threshold: 95%     |
| SPI17 | Training sessions held                   | Paragraph 23 of Part II of this Annex | Target Performance Level: 99%<br>Service Threshold: 95%       |
| SPI18 | Training material provision              | Paragraph 24 of Part II of this Annex | Target Performance Level: 100%<br>Service Threshold: 99%      |
| SPI19 | Session evaluation ratings               | Paragraph 25 of Part II of this Annex | Target Performance Level: [TBD]*<br>Service Threshold: [TBD]* |

**\* Targets and Threshold for SPI9 - Acceptable numbers of 'agreed workarounds' and/or Known Errors, and SPI19 - Course evaluation ratings will be agreed during component 1 Transition.**

## PART II: PERFORMANCE INDICATORS DEFINITIONS

### 1. KPI1: Increasing Usage of Self Service

- 1.1 This Reward KPI is a measure of the usage of Manager Self-Service and Employee Self-Service.
- 1.2 The mechanisms and key business functions used in the usage measure of Self Service are identified in the Performance Indicators Controlled Document.
- 1.3 The Target Performance Level, Service Threshold, baseline and performance measurement approach for KPI1 will be agreed between the Parties no later than one month before Operational Service Commencement Date.
- 1.4 The agreed baseline will be measured and agreed within 90 days of Operational Service Commencement Date.
- 1.5 The principle for KPI1 is that it will measure the shift in the % of specified “ESR updating HR actions” undertaken by using Core URPs (but not including interface driven transactions e.g. from Time and Attendance systems), that move to be undertaken by (the combined total of) SSHR and ESR Mobile Apps. The specified “ESR updating HR actions” are
  - 1.5.1 Managers entering personal changes
  - 1.5.2 Managers entering assignment changes - including hires and terminations
  - 1.5.3 Managers entering absence
  - 1.5.4 Employees requesting annual leave.
  - 1.5.5 ESR Users viewing their electronic payslip.
- 1.6 The Target Performance Level and Threshold Performance Level are subject to an annual review. Any change will be introduced and implemented on the anniversary of the Operational Service Commencement Date.

### 2. KPI2: Increasing usage of LMS

- 2.1 This Reward KPI is a measure of the increased usage of e-learning within the LMS by ESR Users.
- 2.2 The mechanisms used in the usage measure of e-learning and the LMS events used in the usage measure are identified in the Performance Indicators Controlled Document.

- 2.3 The Target Performance Level, Service Threshold, baseline and performance measurement approach for KPI2 will be agreed between the Parties no later than one month before Operational Service Commencement Date.
- 2.4 The agreed baseline will be measured and agreed within 90 days of Operational Service Commencement Date.
- 2.5 The principle for KPI2 is that there are two measures:
  - 2.5.1 Averaged over a three month rolling period, the increase in the % of the training courses that is e-learning based (as tagged in ESR by course completion type)
  - 2.5.2 In each month, the increase in the number of visits to the “ESR Learning Home Page” [the title of this may change through the Term but represents the first point User Organisations will go to for understanding, searching and accessing ESR learning].
- 2.6 The Target Performance Level and Threshold Performance Level are subject to an annual review. Any change will be introduced and implemented on the anniversary of the Operational Service Commencement Date.

### **3. KPI3: Increasing satisfaction with ESR Platform**

- 3.1 In order to assess the level of performance of the Supplier, the Parties will explore different Customer Satisfaction measurement approaches to reflect the scale and complexity of the ESR User base, the results of which may be reflected in the Balanced Scorecard Report.
- 3.2 The mechanisms used in the measure of satisfaction will be identified in the Performance Indicators Controlled Document.
- 3.3 The target metrics and performance measurement approach for KPI 3 will be agreed between the Parties no later than one month before Operational Service Commencement Date.
- 3.4 The Target Performance Level and Threshold Performance Level are subject to an annual review. Any change will be introduced and implemented on the anniversary of the Operational Service Commencement Date.

### **4. Availability KPIs**

#### **Averaging of Availability Measure**

- 4.1 Performance against KPI4 HR Availability - Core Hours, KPI5, Payroll Availability - Core Hours and KPI6 Self Service Availability - Core Hours shall be measured both in relation during the relevant Service Period and as an average level of availability over a three-month rolling window (the Service Period and the two previous Service Periods).
- 4.2 The measure of availability used to calculate the Service Points during the Service Period shall be determined in accordance with the table below, where X is the availability achieved during that period.

| Performance in Service Period before Last | Performance in Last Service Period | Performance in current Service Period | Average Performance used to calculate Service Points? |
|---|------------------------------------|---------------------------------------|---|
| Any                                       | Any                                | $X \geq \text{Target}$                | No  |
| $X \geq \text{Target}$                    | $X \geq \text{Target}$             | $X < \text{Target}$                   | Yes   |
| Any                                       | $X < \text{Target}$                | $X < \text{Target}$                   | Yes   |
| $X < \text{Target}$                       | $X \geq \text{Target}$             | $X < \text{Target}$                   | No  |

**Worked Example**

|  | Month 1         | Month 2    | Month 3    | Month 4         | Month 5    | Month 6    |
|--|-----------------|------------|------------|-----------------|------------|------------|
| <b>Availability Measure</b>                        |                 |            |            |                 |            |            |
| Performance in Period                              | 99.90%          | 99.50%     | 98.90%     | 99.60%          | 99.20%     | 99.30%     |
| Performance - 3 month rolling average              | 99.90%          | 99.70%     | 99.43%     | 99.33%          | 99.23%     | 99.37%     |
| Instance of Unavailability                         | X $\geq$ Target | X < Target | X < Target | X $\geq$ Target | X < Target | X < Target |
| Average measure used in Service Point calculation? | No              | No         | Yes        | No              | No         | Yes        |

The following table shows the availability measure that would be used for the purpose of calculating the Service Points based on an indicative performance over a six month period:

**Variation in Threshold Performance Level for Availability**

- 4.3 Variable Threshold: KPI4 HR Availability - Core Hours, KPI5, Payroll Availability - Core Hours and KPI6 Self Service Availability - Core Hours Only.
- 4.4 The Threshold Performance Level applied to KPI4 HR Availability - Core Hours, KPI5, Payroll Availability - Core Hours and KPI6 Self Service Availability - Core Hours shall be set in each period with reference to the number of unavailabilities that have occurred over a 3-month rolling window, in accordance with the following table:

| Number of Service Unavailabilities | Threshold % |
|------------------------------------|-------------|
| 0,1,2                              | 97%         |
| 3                                  | 97.5%       |
| 4                                  | 98%         |
| 5                                  | 98.5%       |
| 6 or more                          | 99%         |

**Worked Example**

The following table shows the Performance Levels that would be used for the purpose of calculating the Service Points if the following instances of Unavailability occurred over a 6 month period:

|  | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 |
|--|---------|---------|---------|---------|---------|---------|
| Target Performance Level                             | 99.60%  | 99.60%  | 99.60%  | 99.60%  | 99.60%  | 99.60%  |
| Instances of Unavailability - Service Period         | 0       | 3       | 0       | 1       | 0       | 0       |
| Instances of Unavailability - rolling 3 month period | 0       | 3       | 3       | 4       | 1       | 1       |
| Threshold Performance Level                          | 97%     | 97.50%  | 97.50%  | 98%     | 97%     | 97%     |

**All Availability**

4.5 Availability will be measured by assessing the completion of a number transactions in the availability measures for HR, Payroll, Self-Service and Data Warehouse defined in the Performance Indicators Controlled Document.

4.6 Availability transactions will be run by an automated script.

An individual transaction is successful if the ESR System responds (transaction completes) within a reasonable time period. This reasonable time period is fixed to the Response Time KPI - complex update Category 2, i.e. 5 seconds. If the ESR System does not respond as expected within this time the transaction ‘times-out’ and the script is deemed to have failed. If all transactions complete successfully then the script completes successfully.

The script containing the transactions will be initiated at 3 minute intervals to ensure availability can be measured accurately but not so frequently that more than one script instance is running at one time or an undue load is put on the system.

The element of the Service is deemed available if at least 2 of the last 3 scripts have completed successfully. If 2 consecutive scripts fail, or have not

been executed, then Payroll is deemed unavailable from the point that the first transaction in the first script failed, or failed to execute. The element of the Service is unavailable until a subsequent script completes successfully. The end of the Unavailability is the time the first transaction completes in that successful script. If the automated script process itself fails then the supplier can execute the scripts (or equivalents) manually.

Note. It is assumed there are multiple servers available to process a transaction fronted by a load-balancer. For the avoidance of doubt availability is to be measured utilising the load balancer.

To facilitate this availability monitoring regime it is necessary to enter 'test' data onto a live system. This can be achieved without compromising the live service by only using a dummy User Organisation set up for this purpose and benefiting from the VPD (Virtual Private Database) functionality that prevents unauthorised access to individual User Organisations data. It is necessary to prevent data growth and also ensure the test data is in a known state for the scripts to run successfully. This requires set-up and clear down actions within each script.

4.7 HR Availability - Core Hours is calculated as follows:

$$\frac{\text{Number of Core Hours in Month} - \text{Unavailable Core Hours}}{\text{Number of Core Hours in Month}} \times 100\%$$

4.8 Payroll Availability - Core Hours is calculated as follows:

$$\frac{\text{Number of Core Hours in Month} - \text{Unavailable Core Hours}}{\text{Number of Core Hours in Month}} \times 100\%$$

4.9 Self Service Availability - Core Hours is calculated as follows:

$$\frac{\text{Number of Core Hours in Month} - \text{Unavailable Core Hours}}{\text{Number of Core Hours in Month}} \times 100\%$$

4.10 Self Service Availability - Non Core Hours is calculated as follows:

$$\frac{\text{Number of Non Core Hours in Month} - \text{Unavailable Non-Core Hours}}{\text{Number of Non Core Hours in Month}} \times 100\%$$

4.11 Data Warehouse Availability - Core Hours is calculated as follows:

$$\frac{\text{Number of Core Hours in Month} - \text{Unavailable Core Hours}}{\text{Number of Core Hours in Month}} \times 100\%$$

4.12 E-Learning Availability is calculated as follows:

$$\frac{\text{Number of Hours in Month} - \text{Unavailable Hours}}{\text{Number of Hours in Month}} \times 100\%$$

4.13 Total Reward Statements Availability - Core Hours is calculated as follows:

$$\frac{\text{Number of Core Hours in Month} - \text{Unavailable Core Hours}}{\text{Number of Core Hours in Month}} \times 100\%$$

4.14 NHS Hub Availability is calculated as follows:

$$\frac{\text{Number of Hours in Month} - \text{Unavailable Hours}}{\text{Number of Hours in Month}} \times 100\%$$

4.15 When calculating Availability:

4.15.1 Service Downtime arising due to Permitted Maintenance that is carried out by the Supplier in accordance with Clause 9.4 (*Maintenance*) of the Agreement shall be subtracted from the total number of Hours or Core Hours in the relevant Service Period; and

4.15.2 Service Points shall accrue if:

4.15.2.1 any Service Downtime occurs as a result of Emergency Maintenance undertaken by the Supplier; or

4.15.2.2 where maintenance undertaken by the Supplier exceeds 24 Non-Core Hours in a rolling 3 month period.

5. **KPI12: Critical Interfaces**

5.1 This Key Performance Indicator assesses the successful creation and transmission of data through Critical Interfaces and their criticality in terms of ‘points’ as identified in Performance Indicators Control Document.

5.2 For Critical Interface to be successfully completed it needs to run through to completion, reporting any data errors encountered, and complete within an allotted time period.

5.3 The Critical Interfaces KPI is calculated as follows:

| Critical Interfaces Points accrued in Period | KPI % |
|--|-------|
| 0  | 100   |
| Less than 50                                 | 99%   |
| Between 50 and 100                           | 98%   |
| Between 100 and 150                          | 97%   |
| Between 150 and 200                          | 96%   |
| Between 200 and 250                          | 95%   |
| Between 250 and 300                          | 94%   |
| Between 300 and 450                          | 93%   |
| Between 450 and 500                          | 92%   |
| Greater than 500                             | 91%   |

- 5.4 Unavailability will be measured via reports of Unavailability where a Critical Interface has a Service Call against it, raised by either the Authority or Supplier Personnel, which, in the opinion of the Authority, renders it functionally unacceptable.
- 5.5 Where an Unavailability is reported or otherwise identified, investigation will be undertaken by the Supplier to identify the extent of the Unavailability. All Critical Interface unavailabilities identified will be accounted in this metric regardless of whether this has been reported by a ESR User.

**6. KPI13: Critical Processes**

- 6.1 This measures the ESR System critical scheduled and ESR User submitted processes.
- 6.2 The Critical Processes and their criticality in terms of ‘Critical Process points’ are identified in the Performance Indicators Control Document.
- 6.3 For a process to be successfully completed it needs to run through to completion, reporting any data errors encountered, and complete within an allotted time period.
- 6.4 For ESR User submitted ‘overnight processes’ to be measured against the allotted time period they must
  - (a) be submitted before 18:00;
  - (b) be scheduled to run that evening; or
  - (c) be a failed process from the previous evening Batch processing.

Such processes must be complete before the start of the next Working Day.

- 6.5 Overnight housekeeping processes must be complete before the start of the next Working Day.

The Critical Processes KPI is calculated as follows:

| Critical Process Points accrued in Period | KPI % |
|---|-------|
| 0   | 100   |
| Less than 50                              | 99%   |
| Between 50 and 100                        | 98%   |
| Between 100 and 150                       | 97%   |
| Between 150 and 200                       | 96%   |
| Between 200 and 250                       | 95%   |
| Between 250 and 300                       | 94%   |
| Between 300 and 450                       | 93%   |
| Between 450 and 500                       | 92%   |

| Critical Process Points accrued in Period | KPI % |
|---|-------|
| Greater than 500                          | 91%   |

- 6.6 Unavailability will be measured via reports of Unavailability where a Critical Process has a Service Call against it, raised by either the Authority or Supplier Personnel, which, in the opinion of the Authority, renders it functionally unacceptable.
- 6.7 Where an Unavailability is reported or otherwise identified, investigation will be undertaken by the Supplier to identify the extent of the Unavailability. All Critical Process Unavailabilities identified will be accounted in this metric regardless of whether this has been reported by an ESR User.

**7. KPI14: Call Logging Service Availability**

- 7.1 This is a measure of the availability of a Call Logging Service used to log Service Calls related to a Fault, Request for action, or requests for information. This measure is agnostic to the method available.
- 7.2 Availability of Call Logging Service is calculated as follows:

$$\frac{\text{Number of Hours in Month} - \text{Unavailable Hours}}{\text{Number of Hours in Month}} \times 100 \%$$

- 7.3 Number of Hours in Month = Actual Hours in Month. There is no Downtime allowance for the Call Logging Service.
- 7.4 Availability is to be assessed by automated test transaction scripts for an online logging solution and by telephone records for a manual solution.
- 7.5 The measure will be combined measure of the logging solution provided. If one solution is available then the Call Logging Service will be deemed available.

**8. KPI15: Payment Accuracy**

- 8.1 For each Payment, the details on the ESR System screens, shown on payslips, contained in relevant interfaces and amounts actually paid must be correct for that Employee. If one or more of these items is incorrect for an individual Employee then that Employee is deemed to have been paid incorrectly.
- 8.2 Potential inaccurate Payments, viewed on the ESR System screens or reports, which are identified and rectified prior to the payment run, will not be counted in this measure.
- 8.3 Payment Accuracy is calculated as follows:

$$\frac{\text{Number of Payments in Month} - \text{Number of inaccurate Payments in Month}}{\text{Number of Payments in Month}} \times 100\%$$

- 8.4 Examination of the register from Call Logging Service will identify the numbers of Payments failing this measure.
- 8.5 Where an inaccuracy is reported or otherwise identified, investigation will be undertaken by the Supplier to identify the extent of the payment inaccuracies. All Employee paid inaccurately will be accounted in this metric regardless of whether this has been reported by a user.
- 8.6 Payment inaccuracies caused by user input error will not be accounted in this metric unless the user was following advice or guidance provided by the Supplier.
- 8.7 This measure will include all Payments in the pay period in which an issue was reported or identified, and subsequent periods, until inaccurate Payments are stopped.

**9. KPI16: Payment Timeliness**

- 9.1 Payment Timeliness is calculated as follows:

$$\frac{\text{Number of Payments in Month} - \text{Number of Payments Late in Month}}{\text{Number of Payments in Month}} \times 100 \%$$

- 9.2 Examination of the register from Call Logging Service and further analysis will identify the numbers of Payments failing this measure.
- 9.3 When a Payment timeliness issue is logged the Supplier will identify the set of Employees affected by the issue. The measure will be based on all Payments in the pay period in which the issue was reported, and subsequent periods, until Payments are made on time
- 9.4 If a User Organisation, or their agent, does not adhere to their Payment Schedule in that they delay running key payroll jobs then any Payments subsequently delayed due to this action will not count against this measure and will be deemed paid on time, unless the delay was due to Payroll Unavailability

**10. KPI17: Call Back Within Target**

- 10.1 This is a measure of the effectiveness of the Help Desk in responding within a time from the caller's first contact with the Help Desk, and calling back to discuss their problem in more detail and attempt a resolution. This measure also ensures the Help Desk have established within a target time period that they have all the immediate details they need to progress the Service Call. This action is recorded in the Service Call detail and a sample analysed each month to verify the measure for that period.
- 10.2 The details of this measure are identified in the Performance Indicators Controlled Document.
  - (i) Performance shall be measured as the percentage of call-backs that occur within the target times defined below:

| Level        | Target Call-Back Time |                  |                  |
|--------------|-----------------------|------------------|------------------|
|              | Core Hours            | Non-Core Hours   | 100% goal        |
| 1 / Critical | 20 minutes            | 20 minutes       | 1 hour           |
| 2 / Severe   | 30 minutes            | 30 minutes       | 2 hours          |
| 3 / High     | 1 hour                | Next working day | Next Working Day |
| 4 / Moderate | Next Working Day      | Next Working Day | Next Working Day |
| 5 / Low      | Next Working Day      | Next Working Day | Next Working Day |

- (A) this will be measured from compiled information recorded by the Help Desk and telephone monitoring systems
- (B) the measures will be calculated as:

$$\frac{\text{call-backs made within target time}}{\text{total number of calls requiring call-back}} \times 100\%$$

10.3 The Target Performance is for 95% of call-backs to occur within the Target time. Threshold Performance is for 90% of call-backs to occur within the Target time.

**11. KPI18: Service Calls Not Resolved Within Target Time**

11.1 The "Resolution Time" of a Service Call is the period from the time that the Service Call has been raised to the Supplier by an Authorised Contact to the point of its Resolution and "Resolution" means in relation to a Service call either:

- 11.1.1 the root cause of the Service Call has been removed or resolved and that has been subsequently agreed with the Authorised Contact, and the Services are being provided in accordance with the Services Description and Performance Indicators; or
- 11.1.2 information or advice has been made available and the Authorised Contact has subsequently agreed that their query has been answered; or
- 11.1.3 the Supplier has taken the appropriate action as requested and the Authorised Contact has subsequently agreed that the action has been taken; or
- 11.1.4 a workaround has been provided in relation to the Service Call deemed acceptable by the Authority.

- 11.2 Service Call target times for Resolution (each a “**Target Time**”) are defined for each priority of Service Call dependant on when they are raised (Core Hours or Non-Core Hours) as follows:

| Priority     | Target Time                         |                                     |
|--------------|-------------------------------------|-------------------------------------|
|              | Core Hours                          | Non-Core Hours                      |
| 1 / Critical | 4 hours                             | 6 hours                             |
| 2 / Severe   | 6 hours                             | 10 hours                            |
| 3 / High     | 16:00 on the Working Day after next | 16:00 on the Working Day after next |
| 4 / Moderate | End of next calendar month          | End of next calendar month          |
| 5 / Low      | Next planned upgrade                | Next planned upgrade                |

- 11.3 The Supplier shall measure Resolution Times as part of its service management responsibilities and report to the Authority as part of the Performance Monitoring Report.

The Performance Indicators Control Document details usage of Service Call Priorities for specific elements of the Services. The Service Calls Not Resolved Within Target Time measure is calculated as follows:

$$100 - ( X1 + X2 + X3 + X4 + X5 ) \%$$

where

X1 = number of Priority 1 SCs not resolved within Target Time;

X2 = number of Priority 2 SCs not resolved within Target Time divided by 2;

X3 = number of Priority 3 SCs not resolved within Target Time divided by 4;

X4 = number of Priority 4 SCs not resolved within Target Time divided by 8; and

X5 = number of Priority 5 SCs not resolved within Target Time divided by 16

- 11.4 The Target Times are defined in Paragraph 11.2 above dependant on the Service Call priority and when it was raised.

- 11.5 For each Service Period, this Key Performance Indicator shall include:

11.5.1 Service Calls that fail to meet their Target Time in the current Service Period; AND

11.5.2 Service Calls that are still ‘Open’ at any point in the current Service Period having failed to meet their Target Time due in any previous period.

- 11.6 A Service Call is defined as ‘Open’ if it is not Resolved or does not have an Approved Workaround.

12. **KPI19: Response Times - Category A**

- 12.1 The "Response Time" is the round trip time taken to process a message or request of the ESR System and/or the Services, and shall be measured from the moment the last packet of data which relates to a particular message is received at the external interface of the ESR System until a response is generated and the data leaves the external interface (including, for the avoidance of doubt, the time taken for any necessary processing).
- 12.2 This Key Performance Indicator is measured through the repeated timed execution of a defined online transaction.

| System Usage                      | Target      | Example                                  |
|-----------------------------------|-------------|--|
| Enquiries involving only one file | 1.9 seconds | Retrieve personal data about one person. |

The Key Performance Indicator measure will be calculated as follows:

$$\frac{\text{Number of responses in Category within target time}}{\text{Number of tests in Category}} \times 100\%$$

- 12.3 This Key Performance Indicator is measured through the repeated and timed executions of a defined set of online transactions.
- 12.4 These transactions are defined in the Performance Indicators Control Document and may be the same as some of those used in the Availability KPI measurements.
- 12.5 The transaction will be executed against a dummy User Organisation established for this purpose. Measurement will be captured from the point of data/request submission to the point of a successful response.

13. **KPI20: Breaches of Security**

- 13.1 Breaches of Security are incidents where individuals can view or modify data that they have not been authorised to access. This is not limited to Personal Data.

Incidences of Breaches of Security include, but are not limited to:

- 13.1.1 personnel being able to modify data which they are not entitled to modify;
- 13.1.2 personnel being able to view data which they are not entitled to view (either by accident or deliberate endeavour);
- 13.1.3 unauthorised access to the service.
- 13.2 Security Threats and vulnerabilities are not included in this metric - only Breaches of Security.
- 13.3 Only Breaches of Security attributable to a failing of the Supplier, or Sub-Contractors will be counted for this metric.

13.4 The Breaches of Security KPI is calculated as follows:

$$100 - (\text{Number of Breaches} + (\text{Personnel compromised}/1000)) \times 100\%$$

Measurement of Breaches of Security will be performed by investigation by the Supplier of any perceived or suspected Breach of Security reported to the Help Desk which, upon investigation, were found to be attributed to a failure by the Supplier. Such investigations, where a Breach of Security has been identified will assess the number of people whose data has been compromised and the number of Supplier Personnel involved in the Breach of Security.

**14. Availability SPIs - Non Core Hours: SPI1 - SPI4:**

14.1 This is a set of measures of the availability of the Service used by Professional Users to fulfil the HR, Payroll, Data Warehouse and Total Reward Statements function during Non-Core Hours.

14.2 HR Availability - Non-Core Hours is calculated as follows:

$$\frac{\text{Number of Non-Core Hours in Month} - \text{Unavailable HR Non-Core Hours}}{\text{Number of Non-Core Hours in Month}} \times 100\%$$

14.3 Payroll Availability - Non-Core Hours is calculated as follows:

$$\frac{\text{Number of Non-Core Hours in Month} - \text{Unavailable Payroll Non-Core Hours}}{\text{Number of Non-Core Hours in Month}} \times 100\%$$

14.4 Data Warehouse Availability - Non-Core Hours is calculated as follows:

$$\frac{\text{Number of Non-Core Hours in Month} - \text{Unavailable Data Warehouse Non-Core Hours}}{\text{Number of Non-Core Hours in Month}} \times 100\%$$

14.5 Total Reward Statements Availability - Non-Core Hours is calculated as follows:

$$\frac{\text{Number of Non Core Hours in Month} - \text{Unavailable Non-Core Hours}}{\text{Number of Non Core Hours in Month}} \times 100\%$$

14.6 The transactions and methods used to measure Availability Non-Core are defined in defined in the Performance Indicators Controlled Document.

**15. SPI5: Data Warehouse - Extract Transform & Load**

15.1 This Subsidiary Performance Indicator assesses the ability to refresh the Data Warehouse within the operational window.

15.2 The Data Warehouse - Extract Transform & Load is run each month after the monthly payrolls are complete in Non-Core hours over a weekend.

15.3 The Data Warehouse ETL SPI is calculated as follows:

If Extract Transform & Load Duration < = 30 Hours

$$\text{Measure} = 100\%$$

If Extract Transform & Load Duration > 30 Hours

$$\text{Measure} = 100 - ((\text{Extract Duration} - 30)/2) \%$$

Examples:

| ETL Duration | SPI       | Measure |
|--------------|-----------|---------|
| < = 30 hours | Target    | 100%    |
| = 40 hours   |           | 95%     |
| = 50 hours   |           | 90%     |
| = 60 hours   | Threshold | 85%     |

15.4 The duration of the Extract Transform and Load will be identified from manual records maintained by the Supplier from relevant job start and end times logged in the ESR System and the Data Warehouse.

**16. SPI6: Pay Notification Timeliness**

16.1 This is a measure of the timeliness of Payment Notifications based on availability of physical payslips and pay details held within the ESR System and visible through Self Service.

16.2 The boundary of the Supplier’s responsibility is the delivery point of payment notifications as detailed with the User Organisation. This is to the designated delivery point for the User Organisation and does not include delivery to the individual Employee.

16.3 Payment Notification Timeliness is calculated as follows:

$$\frac{\text{Number of Payment Notifications Produced in Month} - \text{Number of Payment Notifications Late in Month}}{\text{Number of Payment Notifications Produced in Month}} \times 100\%$$

16.4 Examination of the register from Call Logging Service and further analysis will identify the numbers of payment notifications failing this measure.

16.5 When a payment notification timeliness issue is logged the Supplier will identify the set of Employees affected by the issue. The metric will be based on all payment notifications late in the pay period in which the issue was reported.

16.6 If a User Organisation, or their agent, does not adhere to their payment schedule in that they delay running key payroll jobs, then any payment notifications subsequently delayed due to this action will not count against this metric and will be deemed delivered on time, unless the delay was due to a fault of the Supplier.

**17. SPI7: Calls Answered Within Target Time**

17.1 Measurement of Help Desk response times will be based on the time taken for a Help Desk operative to answer a call. Calls receiving an automated response or placed into a queuing system shall be deemed not to have been answered.

17.2 The Supplier shall monitor the Help Desk response times and shall provide the results of such monitoring to the Authority in accordance with the provisions of Part B of this Schedule.

**18. SPI8: Service Calls Resolved "First Time" by Help Desk**

18.1 This is a measure of the ability of the ESR Support Service to resolve the Service Call at the first attempt.

18.2 The details of this measure are identified in the Performance Indicators Controlled Document.

18.3 The First Time Resolution measure is calculated as follows:

$$\frac{\text{Number of SCs Resolved in Month resolved first time}}{\text{Number of SCs Resolved in Month}} \times 100\%$$

18.4 This metric will be assessed by analysis of Service Calls raised during the month.

**19. SPI9: Acceptable Numbers of 'Agreed Workarounds' and/or Known Errors**

19.1 This is a measure of the volumes of Workarounds and Known Errors that are identified in the Solution.

19.2 Workarounds are defined as adaptations to the procedure (whether written or not) for using the ESR System that have been identified, and agreed by the Authority to be reasonable, to avoid an error or area of functionality which is difficult, overly complex, or works in a less than obvious way.

19.3 Workarounds tend to require extra steps (time and effort) by the user and are therefore sub-optimal. While an individual workaround may not have any significant reduction in efficiency, a large number of workarounds can be detrimental to productivity and motivation and hold back full utilisation of the ESR System functionality.

19.4 During component 1 Transition the Supplier will undertake a project to assess the current workarounds, investigate root causes and propose resolutions to be implemented via the Continuous Service Improvement Programme (CSIP) to drive the impact and number of workarounds down. A deliverable from this project will be an agreed target and threshold for this Performance Indicator which will be implemented from the Operational Service Commencement Date (OSCD).

19.5 Known Errors (to be published in a Known Error Log) are errors with the ESR System of a nature (severity or frequency) that their existence is published to the ESR User community. Known errors will almost always have a workaround.

**20. SPI10 to SPI13: Response Times Category B to Category E**

20.1 This is a measure of the Responsiveness of the Services used by Professional Users.

20.2 The Response Times are measured for the following Categories:

|   | System Usage   | Target     | Examples  |
|---|--|------------|---|
| B | Complex on-line enquiries (several files)                  | 3 seconds  | ESR User 'all information' enquiry, e.g. data protection. This category will also include a Total Reward System Response Time   |
| C | Simple updates including Insertion or replacement of Items | 2 seconds  | Updating name/address/telephone number for an individual.   |
| D | Complex Updates (several Files)                            | 3 seconds  | Saving an individual's performance appraisal, including updating training needs and performance pay. Pay level change.  |
| E | Simple standard on-screen reports                          | 30 seconds | Produce staff list for one department.<br>Sorting ESR Users by ethnic code<br>Listing all staff within a User Organisation within a certain age range possessing certain qualifications.<br>Displaying gross pay for previous year, pay received in specific week (split between basic, enhanced and bonus), hours worked, hours paid and contracted hours for period, for ESR Users with a specified range of NI numbers |

20.3 The Secondary Performance Indicators will be calculated independently for each category and reported monthly as follows:

$$\frac{\text{Number of responses in Category within target time}}{\text{Number of tests in Category}} \times 100\%$$

20.4 This Subsidiary Performance Indicator is measured through the repeated and timed executions of a defined set of online transactions.

20.5 These transactions used are defined in the Performance Indicators Control Document and may be the same as some of those used in the Availability KPI measurements.

20.6 The transaction will be executed against a dummy User Organisation, established for this purpose. Measurement will be captured from the point of data/request submission to the point of a successful response.

## 21. SPI14 and SPI15: TRS Web Application Response Times

21.1 This is a measure of the Web Application responsiveness of the Total Reward Statement service.

21.2 The Response Times are measured for the following Categories:

| System Usage |                         | Target 1  | Target 2  |
|--------------|-------------------------|-----------|-----------|
| A            | Employee View Statement | 3 seconds | 8 seconds |
| B            | Employer Login          | 2 seconds | 5 seconds |

21.3 The Subsidiary Performance Indicators will be calculated independently for each measure and reported monthly as follows:

$$\text{T1 measure} = \frac{\text{Number of responses within target 1 time}}{\text{Number of Transactions undertaken}} \times 100 \%$$

$$\text{T2 measure} = \frac{\text{Number of responses within target 2 time}}{\text{Number of Transactions undertaken}} \times 100\%$$

Target (T1 measure) 95%, Threshold (T2 measure) 99%

21.4 This Subsidiary Performance Indicator is measured through the repeated and timed executions of a defined set of online transactions.

21.5 The transactions to be used are defined in the Performance Indicators Control Document and may be the same as some of those used in the Availability KPI measurements.

21.6 The transactions will be executed against a dummy User Organisation, established for this purpose. Measurement will be captured from the point of data/request submission to the point of a successful response.

**22. SPI16: Correctness of Security Profile**

22.1 This measure assesses the continuing appropriateness of the Security profiles to ensure that the segregation of duties intended by the system design of the ESR System has been maintained and has not been diminished or compromised.

22.2 Neither the Supplier nor the Authority have responsibility for the allocation of security profiles to ESR Users. That is the responsibility of the individual User Organisation's System Administrators.

22.3 A percentage figure will be reported monthly for this Subsidiary Performance Indicator calculated as follows:

$$\frac{\text{Number of correct security profiles audited}}{\text{Number of security profiles audited}} \times 100 \%$$

22.4 Correctness of security profiles shall be measured through periodic audit of the Security profiles. This audit will be carried out by the Authority at intervals of one month or longer.

**23. SPI17: Training Sessions Held**

23.1 This is a measure of the training sessions held by the Supplier as compared to the Training schedule.

23.2 This Subsidiary Performance Indicator assesses the reliability of the Supplier to hold the training sessions in accordance with the training plan. Sessions not held due to lack of attendee bookings, or sessions abandoned due to no-shows, will be counted as 'held' for the purpose of this measure.

23.3 The Training Sessions held Subsidiary Performance Indicator is calculated as follows:

$$\frac{\text{Number of Sessions Planned} - \text{No of Planned sessions not held}}{\text{Number of Sessions Planned}} \times 100\%$$

23.4 This Subsidiary Performance Indicator is calculated based on the records maintained by the Supplier's Training function

**24. SPI18: Training Material Provision**

24.1 This is a measure of the timely availability of training material to enable ESR Users to extend and refresh their skills and therefore enable them to utilise ESR System to fulfil their business function.

24.2 This training may be in the classroom, via CBT or via material published on a website or distributed by email. The key element of this measure is that the material is available at the appropriate time.

24.3 A "Training Event" is defined as:

24.3.1 a Classroom training session,

24.3.2 a Webinar type training session,

24.3.3 a distribution of training media (CBT, Website, etc).

24.4 Training material ("Material") will be deemed late for a Training Event if

24.4.1 the Material is not available for ALL the attendees in the session (i.e. Lack of physical Printout, or lack of networked PCs in classroom, or non-availability of on-line material),

24.4.2 the Material is not available online/electronically as specified in a related CCN,

24.4.3 the Material is not available online/electronically at least 2 full Working Days BEFORE a new release of the ESR System is implemented into the production.

24.5 The Training material provision Subsidiary Performance Indicator is calculated as follows:

$$\frac{\text{Number of Events} - \text{Number of Events with missing or late material}}{\text{Number of Events}} \times 100\%$$

24.6 This Subsidiary Performance Indicator is calculated based on the records maintained by the Supplier's Training function.

**25. SPI19: Session Evaluation Ratings**

- 25.1 This is a measure of the ESR User Attendees evaluation of the Training sessions.
- 25.2 The Supplier will utilise an electronic survey tool. The Supplier and the Authority will agree surveys that will be sent to training delegates immediately after the training to provide a qualitative assessment of the achievement against the training objective, the quality of the training materials, the training delivery and the training facilities and to receive any immediate feedback. There will be a numeric (using a four point scale to force a response from those who gravitate to the middle) and textual responses. The textual content will be analysed to try and improve the quality of the training via the Continuous Service Improvement process.
- 25.3 There will be an additional survey, at an agreed period of time after the course, for secondary feedback and to assess whether the delegate has utilised the learning in their job, found the method of training useful (classroom or online) and whether there are any improvement suggestions. The feedback will be analysed to improve the quality of the training and feed into the Continuous Service Improvement process.