

Call-Off Schedule 14 (Service Levels)

1. Definitions

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

Term	Definition
Critical Service Level Failure	has the meaning given to it in the Order Form;
KPI Failure	means a failure to meet a KPI;
Service Level Failure	means a failure to meet the Service Level Performance Measure in respect of a Service Level;
Service Level Performance Measure	shall be as set out against the relevant Service Level in the Annex to Part A of this Schedule; and
Service Level Threshold	shall be as set out against the relevant Service Level in the Annex to Part A of this Schedule.

2. How the Service Levels work

- 2.1 The Supplier shall at all times provide the Deliverables to meet or exceed the Service Level Performance Measure for each Service Level.
- 2.2 The Supplier acknowledges that any Service Level Failure shall entitle the Buyer to the rights set out in Part A (Service Levels and KPIs) of this Schedule.
- 2.3 The Supplier shall send Performance Monitoring Reports to the Buyer detailing the level of service which was achieved in accordance with the provisions of Part B (Performance Monitoring) of this Schedule.
- 2.4 Not more than once in each Contract Year, the Buyer may, on giving the Supplier at least three (3) Months' notice, change the weighting of Service Level Performance Measure in respect of one or more Service Levels and the Supplier shall not be entitled to object to, or increase the Charges as a result of such changes, provided that:
- 2.4.1 the total number of Service Levels for which the weighting is to be changed does not exceed the number applicable as at the Start Date; and
- 2.4.2 the principal purpose of the change is to reflect changes in the Buyer's business requirements and/or priorities or to reflect changing industry standards.

3. Critical Service Level Failure

On the occurrence of a Critical Service Level Failure the Buyer shall be entitled to withhold and retain as compensation a sum equal to any Charges which would otherwise have been due to the Supplier in respect of that Service Period ("Compensation for Critical Service Level Failure"), provided that the operation of this Paragraph 3 shall be without prejudice to the right of the Buyer to terminate this Contract and/or to claim damages from the Supplier for material Default.

4. How the KPIs work

- 4.1 The Supplier shall at all times provide the Deliverables to meet or exceed the KPIs.
- 4.2 The Supplier acknowledges that failures to meet the KPIs shall entitle the Buyer to the rights set out in Part A (Service Levels and KPIs) of this Schedule.

Part A: Service Levels and KPIs**1. Service Levels**

If the level of performance of the Supplier:

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

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

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

1.2.1 require the Supplier to immediately take all remedial action that is reasonable to mitigate the impact on the Buyer and to rectify or prevent the failure to meet a KPI, a Service Level Failure or Critical Service Level Failure from taking place or recurring;

1.2.2 instruct the Supplier to comply with the Rectification Plan Process if there is a Critical Service Level Failure or the circumstances set out in paragraph 2.1 of this Schedule or paragraph 5.4 of Framework Schedule 4 (Framework management) apply; and/or

1.2.3 if a Critical Service Level Failure has occurred, exercise its right to compensation for Critical Service Level Failure (including the right to terminate for material Default).

2. Buyer redress for failure to provide Services at or above Service Levels

2.1 The Buyer may ask for a Rectification Plan if any Service Level Failures have occurred.

2.2 This Rectification Plan must clearly detail the improvements and associated timeframes within which the Supplier shall meet and achieve the Service Levels. The Rectification Plan must be provided in accordance with Clause 10.3 of the Core Terms and any failure to correct a Service Level Failure in line with an accepted Rectification Plan, or failure to provide a Rectification Plan within 10 days of the request may result in the Buyer exercising its right to terminate the Contract in accordance with Clause 10.4 of the Core Terms.

3. Buyer redress for failure to provide Services at or above KPIs

3.1 The Buyer may exercise the remedies set out in paragraph 5.4 of Framework Schedule 4 (Framework management) in the event of a KPI Failure.

Annex A to Part A: Services Levels Table

The applicable KPIs are set out in Framework Schedule 4 and in the Service Levels Table below:

Key Performance Indicator Identifier	KPI 1
KPI Title	On Time Delivery
KPI Description	KPI to measure the performance of the Supplier in providing Deliverables to the Buyer by the Required Delivery Date or at the Frequency specified in the Key Deliverables table at 1d to Framework Schedule 6 (Order Form).
Measurement Methodology	$\left(\frac{x}{y}\right) \times 100$ <p>Where: x = the total number of Deliverables provided by the Supplier to the Buyer on or before the delivery date within the Measurement Period y = the total number of Deliverables due to be provided by the Supplier to the Buyer within the Measurement Period</p>
Measurement Period	1 month
Service Level Threshold	80%
Buyer redress for Failure to provide Services at or above Service Level	Subject to Joint Schedule 10 (Rectification Plan)
Example	<p>Scenario: the Supplier delivered 9 Deliverables to the Buyer on or before the delivery date with in the reporting month. There were 11 Deliverables due within the Measurement Period.</p> <p>Therefore: $x = 9$ $y = 11$</p> $\left(\frac{9}{11}\right) \times 100 = 82\%$ <p>The Supplier has met the required Service Level Threshold for the Measurement Period.</p>

Part B: Performance Monitoring**1. Performance Monitoring and Performance Review**

- 1.1 Within twenty (20) Working Days of the Start Date the Supplier shall provide the Buyer with details of how the process in respect of the monitoring and reporting of Service Levels and KPIs will operate between the Parties and the Parties will endeavour to agree such process as soon as reasonably possible.
- 1.2 The Supplier shall provide the Buyer with performance monitoring reports ("**Performance Monitoring Reports**") in accordance with the process and timescales agreed pursuant to Paragraph 1.1 of Part B of this Schedule which shall contain, as a minimum, the following information in respect of the relevant Service Period just ended:
 - 1.2.1 for each Service Level and KPI, the actual performance achieved over the Service Level for the relevant Service Period;
 - 1.2.2 a summary of all failures to achieve Service Levels and KPIs that occurred during that Service Period;
 - 1.2.3 details of any Critical Service Level Failures;
 - 1.2.4 for any repeat failures, actions taken to resolve the underlying cause and prevent recurrence; and
 - 1.2.5 such other details as the Buyer may reasonably require from time to time.
- 1.3 The Parties shall attend meetings to discuss Performance Monitoring Reports ("**Performance Review Meetings**") on a Monthly basis, or as otherwise agreed between the Parties. The Performance Review Meetings will be the forum for the review by the Supplier and the Buyer of the Performance Monitoring Reports. The Performance Review Meetings shall:
 - 1.3.1 take place within one (1) week of the Performance Monitoring Reports being issued by the Supplier at such location, format and time (within normal business hours) as the Buyer shall reasonably require;
 - 1.3.2 be attended by the Supplier's Authorised Representative and the Buyer's Authorised Representative; and
 - 1.3.3 be fully minuted by the Supplier and the minutes will be circulated by the Supplier to all attendees at the relevant meeting and also to the Buyer's Authorised Representative and any other recipients agreed at the relevant meeting.
- 1.4 The minutes of the preceding Month's Performance Review Meeting will be agreed and signed by both the Supplier's Authorised Representative and the Buyer's Authorised Representative at each meeting.
- 1.5 The Supplier shall provide to the Buyer such documentation as the Buyer may reasonably require in order to verify the level of the performance by the Supplier for any specified Service Period.

2. Satisfaction Surveys

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