

BAFO Proposal

Test Operations Services

Annex 5a Product Flow Diagram Set-Up



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Test Operations Services

Annex 5b Product Flow Diagram Operational Delivery



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SCHEDULE 5: KEY MILESTONE ACCEPTANCE CRITERIA, AND SERVICE LEVELS/DELAY, SERVICE AND PERFORMANCE CREDITS

1 Key Milestones Acceptance Criteria

1.1 The successful completion of each Key Milestone shall be subject to the Key Milestone Acceptance Criteria set out in Table A below.

Table A

Milestone ID	Description	Key Milestone Acceptance Criteria	Acceptance Method
KM.Set-Up	Completion of Set-Up. NB that this Key Milestone is only applicable to Set-Up and not to any of the Test Cycles	For successful completion of Set-Up, the Supplier must have completed the activities set out in Goal 1, paragraph 2.5 of Part 1 (Statement of Requirements) Schedule 4 (Services) by the date referred to in Clause 4.1 (Set-Up).	As set out in the Product Descriptions for Set-Up

<p>KM.1</p>	<p>Ready For Service</p> <p>Applicable to all Test Cycles from the 2021 Test Cycle throughout the Term</p>	<p>The Supplier must have provided a "readiness-for-service" report in accordance with the Acceptance Criteria set out in the Operational Delivery PID and/or any relevant Product Description(s) confirming the status of the Operational Delivery Infrastructure for the forthcoming Test Cycle, including:</p> <ol style="list-style-type: none"> 1. Updated all Systems and documentation identified in KM Set-Up save that: <ol style="list-style-type: none"> i. the detailed production and logistics plan for the forthcoming Test Cycle shall not be required; and ii. in relation to the onscreen Marker application, the documentation shall reflect the draft live National Curriculum Assessments Materials that are known and available at the time which shall be updated by the Supplier after the handover of the finalised National Curriculum Assessments Materials to the Supplier by STA. 2. Implemented or have an Approved plan to implement all lessons learned from the previous Test Cycle. 3. Put all Personnel and sub-contracts in place; 	<p>As set out in the Operational Delivery PID and relevant Product Description(s)</p>
<p>KM.2</p>	<p>Production and Logistics Plan</p> <p>Applicable to all Test Cycles</p>	<p>The Supplier shall have updated the production and logistics plan agreed during Set-Up and shall have determined a comprehensive schedule for the manufacture, collation and delivery all National Curriculum Assessments Materials by the required delivery dates for each Test in that specific Test Cycle to meet the Acceptance Criteria set out in the relevant Product Description(s) including:</p> <ol style="list-style-type: none"> 1. Gathered feedback from Markers on all aspects of the previous Test Cycle and 	<p>As set out in the relevant Product Description(s).</p>

		<p>have a plan in place to implement changes and improvements arising from this feedback.</p> <p>2. Issued Markers with their respective performance grades in respect of their performance in the previous Test Cycle and recorded these in the Marker Register.</p>	
KM.3	<p>The required number of Markers contracted.</p> <p>Applicable to all Test Cycles</p>	<p>Contracts have been accepted by 100 per cent of the Markers set out in the Marker Capacity Model and in accordance with the Acceptance Criteria set out in the relevant Product Description(s).</p>	<p>1. STA will check the Marker Register has been completed with all required data fields for 100% of contracted Markers as set out in the relevant Product Description.</p> <p>2. (For the avoidance of doubt, at its discretion STA may also choose to audit the Marker Register under the provisions of Clause 38 of this Agreement.)</p>
KM.4	<p>Completion of Delivery of National Curriculum Assessments Materials to Schools.</p> <p>Applicable to all Test Cycles</p>	<p>To have delivered 100% of all National Curriculum Assessments Materials to all Schools for each Test against the production and logistics plan as updated at KM.2, including the fulfilment of every request from a School for additional National Curriculum Assessments Materials where such requests are made up to 4 hours prior to the time of the start of any Test.</p>	<p>STA will check:</p> <ol style="list-style-type: none"> the Management Information report for every package delivered to a School as set out in the relevant Product Description(s); and that there has been no notification to the Supplier's helpdesk or to STA from a School that National Curriculum Assessments Materials required by a Pupil to sit a Test or by a School to administer any test are missing.
KM.5	<p>Completion of Marker Training and readiness for Live Marking</p>	<p>1. All the Markers identified in the Marker Capacity Model have been trained in accordance with agreed standards and quality measures as defined in relevant</p>	<p>STA will check that the required number of Markers have been trained and approved to proceed to Live Marking by checking:</p>

	Applicable to all Test Cycles	<p>Product Description(s).</p> <p>2. 95% of the trained Markers have been approved to proceed to Live Marking on or before the date in the month of May specified by STA for each Test Cycle.</p>	<p>1. the Supplier's Management Information report detailing Marker attendance after every training event.</p> <p>2. the Marker Register confirming the Markers who have been approved to proceed to Live Marking.</p> <p>as set out in the relevant Product Description. (For the avoidance of doubt, at its discretion STA may also choose to audit the Marker Register under the provisions of Clause 38 of this Agreement.)</p>
KM.6	<p>Accurate Item Level Data is provided.</p> <p>Applicable to all Test Cycles</p>	<p>Provision of a Datafeed, Management Information and commentary (as described in the DES) to STA, at least 15 Business Days in advance of the Key Milestone Date for KM.7, that contains Accurate Item Level Data for 99.9% of Pupils for each Test and the data within the Datafeed must be 99.7% accurate.</p> <p>Excepting that in respect of and as described in the DES:</p> <ol style="list-style-type: none"> where there are STA interventions to the results notified to the Supplier less than 10 Business Days prior to the Key Milestone Date for KM.6; and/or where the Supplier has demonstrated that data is not available due to a script being lost by a School; <p>such data shall not be assessed against the volume or accuracy Acceptance Criteria.</p>	<p>STA will perform the quality checks set out in the relevant Product Descriptions including:</p> <ol style="list-style-type: none"> contents of the Datafeed are as per the file specification (i.e., valid field contents, not out of range); derived fields (e.g. totals, levels) have been correctly calculated; item level files have valid field contents, and are consistent with the summary files; the school file is a consistent aggregation of the Pupil files; checks for inconsistencies across subjects for individual Pupils; and volumes for test results

<p>STA will perform the quality method set out in the relevant Product Descriptions including checking:</p> <ol style="list-style-type: none"> 1. contents of the Datafeed are as per the file specification (i.e. valid field contents, not out of range) 2. derived fields (e.g. totals, levels) have been correctly calculated 3. any interventions to results (reviews, maladministration, special consideration) have been correctly and appropriately applied 4. item level files have valid field contents, and are consistent with the summary files 5. the School file is a consistent aggregation of the Pupil files 6. for inconsistencies across subjects for checks individual Pupils volumes for test results and Teacher Assessments. <p><u>Return of Test Scripts</u> Management information showing:</p> <ol style="list-style-type: none"> 7. the number of Test Scripts returned to Schools, and 8. an Exception Report showing Pupils that have not received a complete set of Tests Results data or Test Scripts 	<p>1. Provision of a Datafeed, Management Information and a commentary (as described in the DES) containing Accurate Pupil Level Data for 99.9 per cent of all Pupils who completed a Test (notwithstanding any Review Marking or Process Reviews) and that data must be 99.7% accurate.</p> <p>Excepting that in respect of and as described in the DES:</p> <ol style="list-style-type: none"> i. where there are STA interventions to the results notified to the Supplier less than 10 Business Days prior to the Key Milestone Date; and/or ii. where the Supplier has demonstrated that data is not available due to a script being lost by a School; <p>such data shall not be assessed against the volume or accuracy Acceptance Criteria</p> <p>2. Where any data has been included in the Datafeed all associated Test Scripts to be provided to each School by either the return of marked Test Scripts or made available through a Test Script return website on the day specified by STA for Return of Results to meet the Acceptance Criteria as set out in the Product Description.</p>	<p>Provision of results data and Return of Test Scripts.</p> <p>Applicable to all Test Cycles</p>
	<p>KM.7</p>	

<p>KM.8</p>	<p>Completion of Reviews and Provision of Datafeeds to STA</p> <p>Applicable to all Test Cycles</p>	<p>1. 99.9 per cent of requests for Review Marking and Clerical Reviews received by the deadline for such Reviews are processed and the outcomes accurately communicated to Schools including return of the Test Scripts in accordance with the Acceptance Criteria in the relevant Product Descriptions.</p> <p>2. Provision of a Datafeed, Management Information and commentary (as described in the DES) to STA by the Supplier containing Accurate Pupil Level Data for 99.9 per cent of all Pupils who completed a Test and that data must be 99.7% accurate.</p> <p>Excepting that in respect of and as described in the DES:</p> <ul style="list-style-type: none"> i. where STA interventions to the results notified to the Supplier less than 10 Business Days prior to the Key Milestone Date; and/or ii. where the Supplier has demonstrated that data is not available due to a script being lost by a School; <p>such data shall not be assessed against the volume or accuracy Acceptance Criteria</p>	<p>1. STA will check the Management Information report showing:</p> <ul style="list-style-type: none"> i. the number of Review applications for which Review outcome letters have been returned to Schools ii. the number of Review applications for which the relevant Test Scripts have been returned to Schools <p>as set out in the relevant Product Descriptions.</p> <p>2. STA will perform the quality checks set out in the DES including:</p> <ul style="list-style-type: none"> i. contents of the Datafeed are as per the file specification (i.e. valid field contents, not out of range) ii. derived fields (e.g. totals, levels) have been correctly calculated iii. any interventions to results (reviews, maladministration, special consideration) have been correctly and appropriately applied iv. item level files have valid field contents, and are consistent with the summary files v. the School file is a consistent aggregation of the Pupil files vi. for inconsistencies across
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			<p>vii. subjects for individual Pupils volumes for test results and Teacher Assessments.</p>
<p>KM.9 Completion of Datafeeds and exit from the Test Cycle. Applicable to all Test Cycles</p>	<p>1. Datafeed, management information and commentary (as described in the DES) are delivered containing Accurate Pupil Level Data for 99.9 per cent of all Pupils who completed a Test and that data must be 99.7% accurate.</p> <p>Excepting that in respect of and as described in the DES:</p> <ol style="list-style-type: none"> i. STA interventions to the results notified to the Supplier less than 10 Business Days prior to the Key Milestone Date; and/or ii. where the Supplier has demonstrated that data is not available due to a script being lost by a School; <p>such data shall not be assessed against the volume or accuracy Acceptance Criteria</p> <p>2. All the documentation required for "Closing a Project (CP)" 2 to meet the Acceptance Criteria as set out in the PRINCE2 2009 Manual, the Operational Delivery PID and any relevant Product Descriptions.</p> <p>3. All Product Descriptions to have been updated for the following Test Cycle against the lessons learned and identified in each end product report¹.</p> <p>4. All actions identified in the Exit Management Plan insofar as they apply to the end of a Test Cycle have been completed against the quality criteria</p>	<p>STA will perform the following quality checks:</p> <ol style="list-style-type: none"> 1. contents of the Datafeed are as per the file specification (i.e. valid field contents, not out of range) 2. derived fields (e.g. totals, levels) have been correctly calculated 3. any interventions to results (reviews, maladministration, special consideration) have been correctly and appropriately applied 4. item level files have valid field contents, and are consistent with the summary files 5. the school file is a consistent aggregation of the Pupil files 6. checks for inconsistencies across subjects for individual pupils 7. volumes for test results and Teacher Assessments. <p>as set out in the PRINCE2 2009 Manual, the Operational Delivery PID and any relevant Product Descriptions.</p>	<p>vii. subjects for individual Pupils volumes for test results and Teacher Assessments.</p>

² Within the meaning of PRINCE2

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		<p>set out in the Exit Management Plan and the Acceptance Criteria for materials, data, software and assets returned to STA as specified in the Exit Management Plan have been met in full.</p>	<p>Updated Product Descriptions are to be subject to the Approval Process</p> <p>Acceptance method shall be as specified in the Exit Management Plan.</p>
<p>KM.Exit</p>	<p>Contract Exit and Transition</p> <p>Only applicable to the final Test Cycle for the Term</p>	<ol style="list-style-type: none"> 1. All actions identified in the Exit Management Plan insofar as they apply to the expiry of the Agreement have been completed. 2. All actions identified in the Exit Management Plan insofar as they apply to the transition to a new service provider have been completed against the quality criteria set out in the Exit Management Plan. 	<p>Acceptance method shall be as specified in the Exit Management Plan.</p>

1 Key Milestones subject to Delay Credits and Performance Credits

- 1.1 In the event that the Supplier fails to achieve a Key Milestone by the relevant Key Milestone Date then Delay Credits shall be payable by the Supplier to STA in accordance with Table B of this Schedule 5.
- 1.2 Delay Credits and Performance Credits shall be applicable as set out in Clause 8 (Certification of Key Milestones And Delay Credits/Delay, Service And Performance Credits) and Table B of this Schedule 5. The Supplier shall pay the Delay Credits and Performance Credits to STA in accordance with the provisions of this Schedule 5 by a credit note against the next invoice submitted.

Table B

Key Milestone ID	Description (Unless otherwise stated, a Key Milestone applies to each Test Cycle throughout the Term)	Key Milestone Dates	Proportion of the total Charges for the Test Cycle payment at risk of Delay Credits	Proportion of the total Charges for the Test Cycle payment at risk of Performance Credits
KM.Set-Up	Completion of Set-Up. <i>Only applicable to Set-Up</i>	31.08.19	None	None
KM.1	Ready For Service <i>Applicable only from the 2020 Test Cycle</i>	30.09.20 (for the 2020 Test Cycle) and 01.09 (from each subsequent Test Cycle thereafter)	None	0.25%
KM.2	Production and Logistics Plan	31.10.19	None	0.25%
KM.3	The required number of Markers contracted.	10.04.20	None	0.25%
KM.4	Completion of Delivery of National Curriculum Assessments Materials to Schools.	15.06.20	5%	0.25%
KM.5	Completion of Marker Training and readiness for Live Marking.	31.05.20	1% ¹	0.25%
KM.6	Accurate Item Level Data is provided. 99.9% or more 99% or more but less than 99.9% 97% or more but less than 99%	19.06.20	0% 0.1% 1%	0.25%

¹ Where Delay Credits are applied to KM.5 these will be repaid to the Supplier provided that KM.6 is completed successfully and on time.

Key Milestone ID	Description (Unless otherwise stated, a Key Milestone applies to each Test Cycle throughout the Term)	Key Milestone Dates	Proportion of the total Charges for the Test Cycle payment at risk of Delay Credits	Proportion of the total Charges for the Test Cycle payment at risk of Performance Credits
	95% or more but less than 97% Less than 95%		2% 3%	
KM.7	Provision of results data and Return of Test Scripts.	10.07.20	10%	0.25%
KM.8	Completion of Reviews and Provision of Datafeeds to STA	07.09.20	None	0.25%
KM.9	Completion of Datafeeds and exit from the Test Cycle.	29.01.21	1% ⁴	0.25%
KM.Exit	Contract Exit and Transition <i>Only applicable to the final Test Cycle</i>	To be advised by STA	None	None

3 Service Levels and Service Credits

Service Levels

- 3.1 Without prejudice to the Supplier's obligations under this Agreement, the Supplier's performance of the Services during each Test Cycle shall be measured with reference to the Service Levels set out in this Schedule 5. Each Service Level applies to the Supplier's performance of the Services during each Test Cycle and for the whole of that Test Cycle.
- 3.2 The performance of the Supplier as against the Service Levels shall be applicable and measured for each month between 1st December (being the first time that the month of December would feature in a Test Cycle) and 31st January (being the second time that the month of January would feature in a Test Cycle) for each Test Cycle as set out in Table C of this Schedule 5.

Service Credits

⁴ Except for the final Test Cycle immediately preceding expiry of the Agreement, where Delay Credits are applied to KM.9 these will be repaid to the Supplier provided that (a) the Acceptance Criteria for KM.9 are subsequently met on or before the Key Milestone Date for KM.1 in the next Test Cycle; and (b) KM.1 in the next Test Cycle is completed in full and on time.

- 3.3** Where the Supplier fails to achieve a Service Level in any month during a Test Cycle then monies shall be payable to STA by way of service credits (hereinafter "Service Credits") and such Service Credits payable shall be expressed as a percentage of the aggregate value of the Charges that would have been payable to the Supplier for the Test Cycle in question in the event that the Services were properly performed.
- 3.4** In any one month during a Test Cycle:
- a. the first failure by the Supplier to achieve a Service Level shall result in Service Credits being payable to STA at the rate of 0.01% of the aggregate value of the Charges that would have been payable to the Supplier for the Test Cycle in question in the event that the Services were properly performed; and
 - b. any subsequent failure by the Supplier to achieve a Service Level shall result in Service Credits being payable to STA at the rate of 0.03% of the aggregate value of the Charges that would have been payable to the Supplier for the Test Cycle in question in the event that the Services were properly performed.
- 3.5** The total Service Credits payable to STA by the Supplier in any one month of a Test Cycle shall not exceed 0.07% of the aggregate value of the Charges that would have been payable to the Supplier for the Test Cycle in question in the event that the Services were properly performed (the "Service Credit Cap").
- 3.6** Please see the table below in this paragraph 3.6 for an illustration of how the Service Credit regime will work in this Agreement using an illustrative aggregate value of the Charges of [REDACTED]:

Number of Failures To Meet Service Levels in any one month	Total Service Credits as Percentage of Aggregate Value of Charges	Aggregate Value of Service Credits (£)
0	0	0
1	[REDACTED]	[REDACTED]
2	[REDACTED]	[REDACTED]
3	[REDACTED]	[REDACTED]
4	[REDACTED]	[REDACTED] (Service Credit Cap applies, so no further credits apply against the 4 th Service Level failure)

- 3.7** The Supplier shall pay the Service Credits to STA in accordance with the provisions of this Schedule 5. The Supplier shall pay any Service Credits which have accrued at the next Key Milestone Date at which STA is obliged to make a payment to the Supplier as set out in Part 1 (Payment and Pricing) of Schedule 7 (Financial Matters).



3.8 Service Credits shall not be payable by the Supplier until STA issues a Key Milestone Acceptance Certificate for the next Key Milestone (pursuant to Clause 8 (Certification Of Key Milestones And Delays/Delay And Performance Credits)).



Table D

Service Level ID	Required Service	Achievement Target	Evidence required
SL1	Helpdesk	<p>NB: that all three targets below must be met</p> <ol style="list-style-type: none"> 1. The abandoned call rate ("abandoned call" being when the caller hangs up before the call is answered by the Helpdesk) on any single day, must not exceed 5 per cent of calls (excluding calls which are abandoned after 20 seconds or less), provided that the volume of calls for the relevant day is no more than 10 per cent greater than forecast; and 2. At least 99 per cent of inbound queries and/or complaints to the Helpdesk are resolved to the satisfaction of the customer within 5 (five) Business Days of receipt by the Supplier with no subsequent repeat query and/or complaint about the same matter from the same customer; and 3. 100 per cent of inbound queries and/or complaints to the Helpdesk and/or escalated queries are resolved to the satisfaction of the customer within 8(eight) Business Days of receipt by the Supplier with no subsequent repeat query and/or complaint about the same matter from the same customer 	Weekly Management Information reports as specified in the relevant Product Description(s)

Service Level ID	Required Service	Achievement Target	Evidence required
SL2	Physical security and information assurance	<p>NB that both targets below must be met</p> <ol style="list-style-type: none"> All security breaches (as defined in the Operational Delivery PID) are reported by the Supplier to STA within two Business Hours ("Business Hours" in this instance being between 08.00 and 17:00 on any Business Day) from the time at which the Supplier became aware, or ought reasonably to have become aware, of the breach. If major breaches occur out of Business Hours, STA's head of security must be notified by the Supplier within six hours from the time at which the Supplier became aware or ought reasonably to have become aware of the breach. All potential IT data security breaches are to be reported to STA within 2 (two) hours from the time at which the Supplier became aware, or ought reasonably to have become aware, of such breaches. 	<p>Reports are provided as specified in the relevant Product Description(s).</p>
SL3	Availability and performance of ICT systems, applications and data.	<p>NB: that all three targets below must be met</p> <ol style="list-style-type: none"> Response times for external users of the Supplier's websites and Systems and applications, of no slower than 0.5 seconds per page within their own hosting environment (i.e. not including public networks). Service is restored within 4 (four) hours of a system failure. Less than 0.5 per cent of Schools or Markers make valid complaints to either STA or the Supplier regarding response times of Systems which are within the control of the Supplier or its Sub-Contractors. 	<p>Monthly Management Information reports showing for each System:</p> <ol style="list-style-type: none"> failure rates, recovery times response times availability <p>as specified in the relevant Product Description(s).</p>

Service Level ID	Required Service	Achievement Target	Evidence required
SL4	Business Continuity	Services are restored within one Business Day of a major or significant disruption to Service delivery or 4 (four) hours in the case of Systems failure occurring.	STA measures interval between loss and resumption of Service as specified in the relevant Product Description(s).
SL5	Provision of Management Information	All Management Information is provided by the Supplier to STA as detailed in all Product Descriptions on time and in the format required.	That this is done as specified in each Product Description or in the Statement of Requirements.
SL6	Customer Service and ways of working	STA and the Supplier uphold no significant substantiated complaints from contracted Markers, participating Schools or STA staff regarding the delivery of the Services by the Supplier or the conduct of the Supplier's staff or the staff of the Supplier's Subcontractors.	Monthly Management Information report as specified in the relevant Product Description(s) with determination of whether a recorded complaint is significant and substantiated by the respective directors (or equivalent) of STA and the Supplier according to a protocol agreed within the PID.

4 Key Performance Indicators (KPIs) and KPI Service Thresholds

For the purpose of this paragraph 4, the following capitalised terms shall have the meanings set out below while other capitalised terms not listed below, shall have the meanings given to them in Clause 1.1 (Definitions):

- “Production and Logistics Plan”** means a schedule of all the activities, including preparatory work and inputs, to produce, collate, and distribute the National Curriculum Assessment Materials to all stakeholders and subsequently collect the Key Stage 2 Test Scripts from Schools and deliver them to the scanning bureau, and for the return of unscannable scripts to Schools;
- “Business Case Proposal”** means the documentation of the justification for the undertaking of a project based upon the estimated cost of development and implementation against the risks and anticipated business benefits and savings to be made;
- “Quality Plan”** means a document that defines the required activities and the sequencing of activities with dependencies, together with defined techniques and standards to be applied, and the responsibilities for achieving the required quality levels;
- “Test Plan”** means a document detailing the objectives, resources, and processes for a specific test that will be used to verify and ensure that a product or system meets its design specifications and requirements; and

Goal 1

KPIs for Goal 1 (Set-up and Mobilisation of Operational Delivery):

- progress of Goal 1 delivery milestones in the agreed Set-up Plan, with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- outcomes of testing, with criteria in the testing strategy determining the KPI Service Thresholds.

Goal 2

KPIs for Goal 2 (Manufacture of National Curriculum Assessments Materials):

- progress of Goal 2 delivery milestones in the agreed Operational Delivery Plan (which will comprise the Production and Logistics Plan), with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- outcomes of quality assurance tests, with criteria in the Project Quality Plan determining the KPI Service Thresholds and criteria being met in line with Goal 2 delivery milestones in the agreed

Operational Delivery Plan.

Goal 3

KPIs for Goal 3 (Delivery of National Curriculum Assessments Materials):

- progress of Goal 3 delivery milestones in the agreed Operational Delivery Plan (which will comprise the Production and Logistics Plan), with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- outcomes of quality assurance tests, with criteria in the Quality Plan determining the KPI Service Thresholds and criteria being met in line with Goal 3 delivery milestones in the agreed Operational Delivery Plan.

Goal 4

KPIs for Goal 4 (Recruitment and Management of Markers):

- progress of Goal 4 delivery milestones in the agreed Operational Delivery Plan (which will comprise the Marker Retention and Recruitment Strategy), with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- Marker contract acceptance, with criteria in the Marker Retention and Recruitment Strategy and the Marker Capacity Model determining the KPI Service Thresholds and criteria being met in line with the Goal 4 delivery milestones in the agreed Operational Delivery Plan.

Goal 5

KPIs for Goal 5 (Marker Training):

- progress of Goal 5 delivery milestones in the agreed Operational Delivery Plan (which will comprise the Marker Training Plan), with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- Marker qualification for Live Marking, with criteria in the Ongoing Marker Quality Assurance determining the KPI Service Thresholds.

Goal 6

KPIs for Goal 6 (Marking including Quality Standards):

- progress of Goal 6 delivery milestones in the agreed Operational Delivery Plan (which will comprise the Marking Plan), with KPI Service Thresholds of:
 - green – delivery milestones have been met

- amber – some delivery milestones have been missed but these do not affect the critical path
- red – missed delivery milestones impact the critical path and contingency measures are required
- outcomes of Live Marking against criteria in the Quality Plan for Goal 6 and criteria being met in line with Goal 6 delivery milestones in the agreed Operational Delivery Plan

Goal 7

KPIs for Goal 7 (Judgemental Exercise):

- progress of Goal 7 delivery milestones in the agreed Operational Delivery Plan, with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- outcomes of Judgemental Exercise against criteria in the Quality Plan for Goal 7

Goal 8

KPIs for Goal 8 (Reviews):

- progress of Goal 8 delivery milestones in the agreed Operational Delivery Plan, with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- outcomes of quality assurance tests, with criteria in the Quality Plan determining the KPI Service Thresholds and criteria being met in line with Goal 8 delivery milestones in the agreed Operational Delivery Plan.

Goal 9

KPIs for Goal 9 (Data):

- progress of Goal 9 delivery milestones including the agreed Datafeeds in the agreed Operational Delivery Plan, with KPI Service thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- levels of data related exceptions, with criteria in the Quality Plan determining the KPI Service Thresholds.

Goal 10

KPIs for Goal 10 (Management of Operational Delivery):

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- progress of Goal 10 delivery milestones in the agreed Operational Delivery Plan, with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- outcomes of testing, with criteria in the testing strategy and Quality Plan determining the KPI Service Thresholds and criteria being met in line with Goal 10 delivery milestones in the agreed Operational Delivery Plan.

Goal 11

KPIs for Goal 11 (Operational Systems):

- progress of Goal 11 delivery milestones in the agreed Operational Delivery Plan, with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- system performance (availability and response times) in line with Service Levels
- outcomes of quality assurance tests, with criteria in the Quality Plan determining the KPI Service Thresholds and criteria being met in line with Goal 11 delivery milestones in the agreed Operational Delivery Plan.

Goal 12

KPIs for Goal 12 (Support and Guidance to Schools, Local Authorities and Markers):

- the abandoned call rate will not exceed 5% of the total calls each day
- at least 99% of inbound queries and complaints will be resolved within 5 Business Days
- 100% of inbound enquiries and complaints will be resolved within 8 Business Days.
- 90% of calls must be answered in less than 15 seconds
- no more than 3% of calls abandoned, for calls holding for more than 20 seconds
- 85% of all enquiries must be resolved at first point of contact
- 100% of enquiries to be resolved by first or second line support or escalated to third line support (including STA) within 2 Business Days of receipt
- at least 99% of all complaints are acknowledged by email and forwarded (where appropriate) within 1 Business Day of receipt
- at least 99% of all complaints to the Helpdesk must be resolved within 15 Business Days of receipt
- 100% of emails, faxes, and letters and text enquiries must be acknowledged within 1 Business Day of receipt
- availability of the Helpdesk as set out in Goal 12 in Schedule 4 (Services) Part 1 (Statement of Requirements)
- user feedback results with criteria in the Quality Plan determining the KPI Service Thresholds.

Goal 13

KPIs for Goal 13 (Continuous Improvement):

- progress of approved Business Case Proposal delivery milestones (as defined in the implementation plan for the Business Case Proposal), with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- outcomes realised for approved Business Case Proposals, with criteria defined in each Business Case Proposal.

Goal 14

KPIs for Goal 14 (Security):

- incidents reported within times specified in the Incident Management Plan
- operational actions agreed between the Supplier and STA, during the management of an incident, executed to agreed times.
- 100% staff vetting completed
- renewal of ISO27001 accreditation
- security training for workforce achieving target levels as set in the Security Management Plan
- status of compliance with the agreed Security Management Plan and Quality Plan.

Goal 15

KPIs for Goal 15 (Business Continuity):

- completion of the update to the Business Continuity Plan in line with the delivery milestones in the agreed Operational Delivery Plan, with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
 - red – missed delivery milestones impact the critical path and contingency measures are required
- outcomes of annual Business Continuity Plan tests, with criteria in Business Continuity Plan determining the KPI Service Thresholds.

Goal 16

KPIs for Goal 16 (System Standards):

- system availability of 99.8% for production and 95% for test
- TOpS Portal response time of two seconds or less
- progress of system testing (including load and penetration tests) in the agreed Operational Delivery Plan (which will comprise the Test Plan), with KPI Service Thresholds of:
 - green – delivery milestones have been met
 - amber – some delivery milestones have been missed but these do not affect the critical path
- red – missed delivery milestones impact the critical path and contingency measures are required

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SCHEDULE 6: GOVERNANCE, SERVICE MANAGEMENT AND PERFORMANCE MANAGEMENT

1. Definitions

For the purposes of this Schedule 6, the following capitalised terms shall have the meanings set out below:

“Governance Model”	has the meaning given to that term in paragraph 5.1 of this Schedule 6;
“Incident”	has the meaning given to that term in Clause 1 of the Agreement;
“Relationship Manager”	has the meaning given to it in Clause 1 of the Agreement; and
“Operations Manager”	has the meaning given to it in Clause 1 of the Agreement.

2. Purpose and Scope of this Schedule 6

2.1 This Schedule 6 sets out the governance, service management and performance monitoring model in accordance with which the Parties shall manage the Services.

2.2 This Schedule 6 sets out the details around:

- 2.2.1 the giving of notices;
- 2.2.2 governance (including details of any regular meetings);
- 2.2.3 the process for monitoring service performance and identifying potential service improvements;
- 2.2.4 an escalation procedure to be followed by the Parties with the intention of resolving Disputes relating to Documents (i.e. The Document Dispute Resolution Procedure) as set out in Annex C; and
- 2.2.5 the identities of Key Personnel.
- 2.2.6 the Remedial Plan process as set out in Annex D for the rectification of Defaults by the Supplier.

3. Objectives and Approach

3.1 The Parties shall:

- 3.1.1 raise issues and concerns promptly in accordance with any relevant timescales set out in this Schedule 6 and the Agreement and otherwise, as soon as reasonably practicable, and adopt a positive and open approach to feedback from each other;
- 3.1.2 openly and proactively share knowledge relevant to the delivery of the Services;
- 3.1.3 listen to, aim to understand and accommodate where appropriate alternative perspectives and put their own points of view across openly, honestly and constructively; and

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3.1.4 fulfil their respective obligations under the Agreement.

3.2 The Parties intend to create open channels for communication between each other in order to identify and resolve any issues at an early stage and to identify opportunities for service improvements. The Parties will hold regular meetings as defined in Annex B (Meetings) to this Schedule 6, and these meetings will be supported by the Supplier's provision of the Management Information in accordance with the Agreement.

4 Notices

Any notice or other document to be served by a Party in connection with this Agreement may be delivered or sent to the Party to be served at its address set out below:

(a) to STA at:	(b) to the Supplier at:
53-55 Butts Road	30 Berners Street
Earlsdon Park	LONDON
Coventry	W1T 3LR
CV1 3BH	
Email:	Email:
tops.programme@education.gov.uk	philip.knight@capita.co.uk
marked for the attention of:	marked for the attention of:
Hannah Rigbye	Philip Knight

5 Governance Model and Meetings

5.1 The Parties' internal governance structures in respect of the management and monitoring of their performance and receipt (as appropriate) of the Services are as set out in the diagrams "Annex A.4 - STA Governance" and "Annex A.2 - Supplier's Internal Governance" to this Schedule 6. Together Annex A.4, Annex A.2 and Annex B (Meetings) shall form the "Governance Model". The Governance Model describes the governance roles of STA and the Supplier and how STA and the Supplier will interface. An individual may be responsible for more than one role and any one role may be shared between more than one individual.

5.2 The primary points of contact between STA and the Supplier in relation to issues arising out of this Agreement or the performance of the Services shall be the respective Relationship Managers. Each Party shall ensure that its Relationship Manager is authorised to make day-to-day, business-as-usual decisions in connection with this Agreement and enter into binding commitments in respect of such decisions on its behalf.

5.3 The Parties shall hold regular meetings in order to facilitate the management of the relationship between STA and the Supplier in respect of this Agreement. Such meetings shall, save where expressly stated otherwise in this Schedule 6, be held in accordance with, and at the frequencies as set out in Annex B to this Schedule 6.

5.4 The descriptions of the meetings set out in Annex B are for guidance only. Except in relation to the Executive Sponsor Board Meeting (see Annex B at B.5), the Relationship Managers will agree the specific agenda and attendees for each meeting.

5.5 The Parties agree that STA's representative shall chair all meetings.

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- 5.6 Either Party's Relationship Manager may nominate a person to attend any meeting as a replacement for the assigned Relationship Manager, provided that:
- 5.6.1 the alternative person nominated shall have, or be delegated, sufficient authority to make day-to-day decisions on behalf of the relevant Party; and
 - 5.6.2 the identity of the alternative person is communicated to the other Party in advance of the time of the meeting.
- 5.7 STA will be responsible for producing and distributing to the Supplier, minutes of each meeting (such minutes to accurately reflect the discussions held at such meeting) within 2 Business Days following the meeting except that minutes of meeting B3 shall not be recorded unless otherwise and expressly directed by the chair of the meeting. The Supplier may inform STA if it considers that the minutes do not accurately reflect the discussions held at the meeting and it shall be the decision of the chair to decide whether or not the minutes are to be amended. Where amendments are made, any such amendment made shall be to the chair's reasonable satisfaction.
- 5.8 The monthly governance meetings of the Test Delivery Sub-Programme Board (as described in Annex B at B.6) are not normally attended by the Supplier. However, for the purposes of providing first-hand information, STA may choose to invite the Supplier to such meetings and the Supplier shall accept any such invitation and attend the meeting.
- 5.9 The Supplier shall also, upon receipt of reasonable notice from STA, arrange for an appropriately qualified representative to attend meetings between members of the Executive Sponsor Board (as described in Annex B at B.5).
- 5.10 In the event of a major security alert or other major and urgent event impacting upon the Services which is likely to lead to the Supplier and/or STA invoking the Business Continuity Plan or other disaster recovery plans, STA shall be entitled to ask for a meeting between the Relationship Managers to occur as soon as practicable and the Supplier shall comply with such request.

Annex A

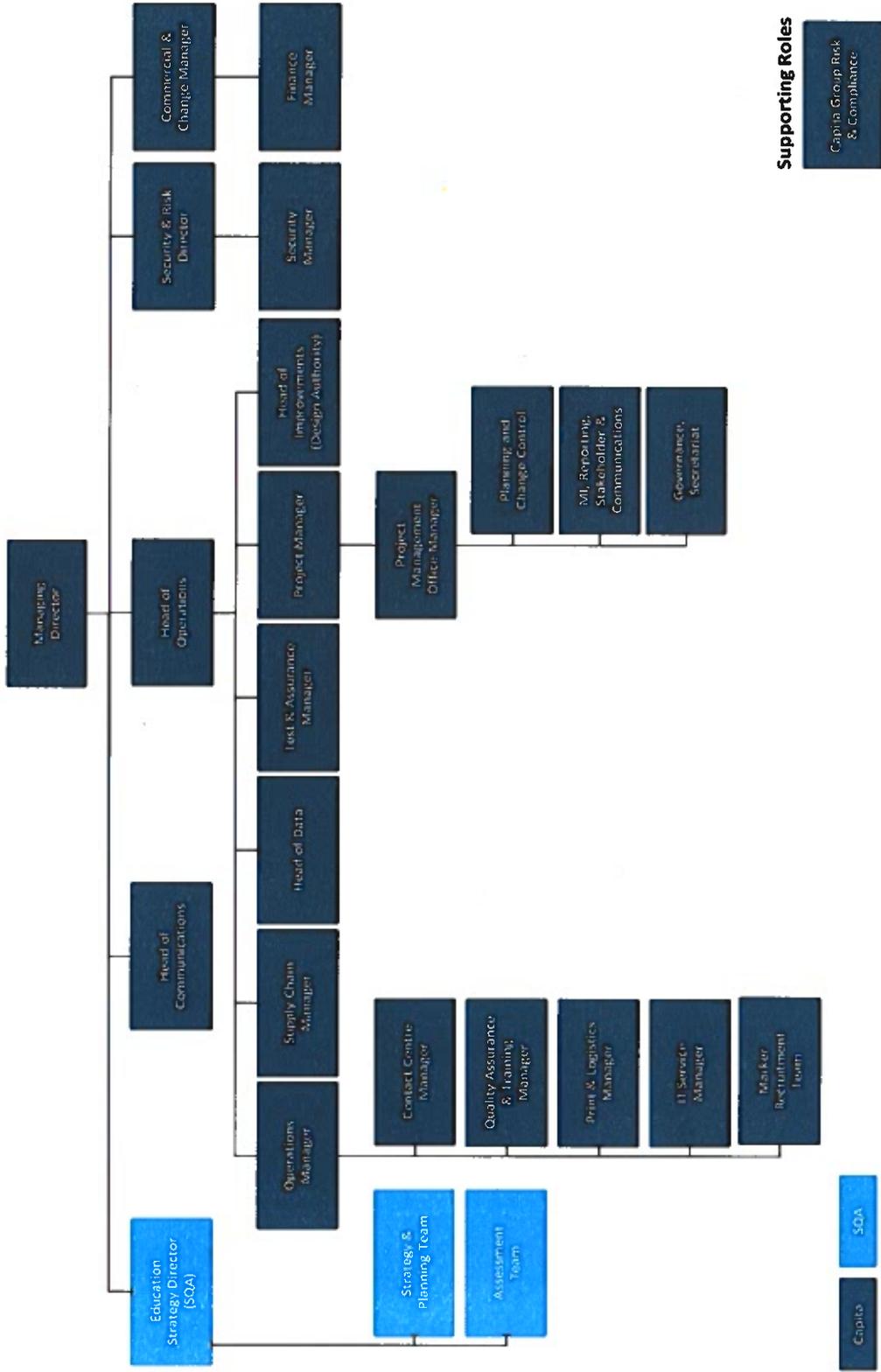
Governance Model

A.1 Key Supplier Personnel (Key Personnel)

Name	Title	Project Role
Philip Knight	Managing Director	Relationship Manager
Andrew Neighbour	Head of Operations	Operations Manager
Giles Dawson	Technical Design Authority	Head of Improvements
TBC	Education Strategy Director	Marking Lead
TBC	Security & Risk Director	Security Lead

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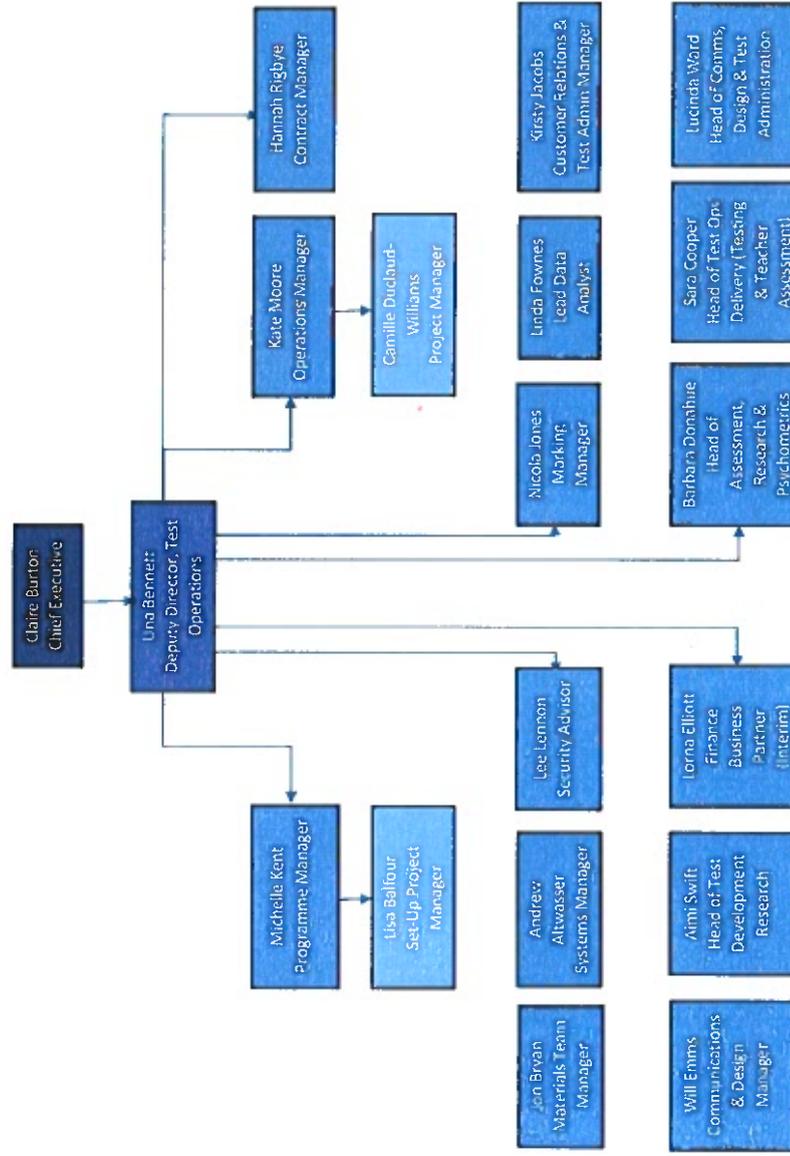
A.2 Supplier's Internal Governance



A.3 STA Personnel (Set-Up)

Name	Title	Project Roles
Claire Burton	Chief Executive	Executive Sponsor
Una Bennett	Deputy Director, Test Operations	Relationship Manager
Kate Moore	Operations Manager	Operations Manager (Set-Up)
Alison Walker	Contract Manager (Interim)	Contract Manager
Camille Duclaud-Williams	Project Manager	Project Manager (Set-Up)
Jonathan Bryan	Materials Team Manager	Print, Collation and Logistics and Scanning Lead
Andrew Altwasser	Systems Manager	Systems Lead
Lee Lennon	Security Advisor	Security Lead
Nicola Jones	Marking Manager	Marking Lead
Barbara Donahue	Head of Assessment, Research and Psychometrics	Head of Assessment, Research and Psychometrics
Linda Fownes	Lead Data Analyst	Data Lead
Will Emms	Communications and Design Manager	Communications and Design Lead
Kirsty Jacobs	Team Leader	Test Administration and Helpdesk Lead
Sara Cooper	Head of Test Operations Delivery (Testing & Teacher Assessment)	Oversight and sign off authority
Lucinda Ward	Head of Communications, Design and Test Administration	Oversight and sign off authority
Aimi Swift	Head of Test Development Research	Head of Test Development Research
Lorna Elliot	Finance business partner (interim)	

A.4 STA Governance Organisation



Annex B: Meetings

B.1 Relationship Managers' Meetings (Management Meetings)

Frequency Monthly and as and when either Party requests or requires such meeting upon 2 Business Days prior notice from the requesting Party.

Attendees The Relationship Managers of both Parties; and
Any other Key Personnel or personnel of either Party, as agreed by both Parties from time to time.

- Agenda**
1. Review the commitments of the Parties under this Agreement.
 2. Review the remedial actions required for all issues where the Services fall below the required Service Levels.
 3. Review exceptions to the Supplier's compliance with its obligations under this Agreement.
 4. Review and resolve any issues surrounding the budget, budget profiling and payments relating to the delivery of the Services.
 5. Review and agree the Supplier's Improvement Plan and its implementation.
 6. Review and agree reporting and other management procedures.
 7. Resolve, wherever possible, disputes escalated from the Operations Meeting.
 8. Review compliance with the GDS Service Standards.

Where practical, each Party must give the other at least 3 (three) Business Days' written notice (or such shorter notice as may be agreed between the Parties) of any matters it wishes to discuss at the next Management Meeting which are additional to those items listed in the Agenda above.

B2 Project Board Meetings

Project Board meetings will be established for Set-Up and for the implementation of any relevant CAN.

Frequency Weekly (for Set-Up and for the implementation of any relevant CAN)

- Required Attendees**
1. The Operations Managers of both Parties;
 2. The Set-Up project manager (or equivalent) of both Parties;
 3. The IT project manager (or equivalent) of both Parties; and
 4. Any other Key Personnel or personnel of either Party, as agreed by both Parties from time to time.

- Agenda**
1. Review actions from the previous meeting.
 2. Review general progress against Set-Up and Operational Delivery Plan respectively in place and any upcoming Milestones, including Exception Reports.
 3. Review and agree the impact of any failure to meet a Dependency on the Set-Up and Operational Delivery Plan.
 4. Review the major activities to be completed in the next four weeks from the date of the meeting.
 5. Discuss and review any Incidents or problems.
 6. Review and approve the risk and issue management activities planned for the phases of the current Test Cycle.
 7. Review and resolve, where possible, any issues and risks arising.
 8. Discuss any mitigating actions that need to be taken.
 9. Review compliance with the GDS Service Standards.

B.3 Operational Checkpoint Meetings

Weekly

Frequency Weekly

- Attendees**
1. The Operations Managers of both Parties;
 2. A representative from each STA functional team; and
 3. Any other Key Personnel or personnel of either Party, as agreed by both Parties from time to time.

- Agenda**
1. Review actions from the previous meeting.
 2. Review general progress against operational plans in place and any upcoming Milestones, including Exception Reports.
 3. Review and agree the impact of any failure to meet a Dependency on the operational plan.
 4. Review the major activities to be completed in the next four week from the date of the meeting.
 5. Discuss and review any Incidents or problems.
 6. Review and approve the risk and issue management activities planned for the phases of the current Test Cycle.
 7. Review and resolve, where possible, any issues and risks arising.
 8. Discuss any mitigating actions that need to be taken.

Daily

Frequency Daily during the period from 1 May to 31 July (inclusive) throughout the Term (subject to change, as agreed by both Parties) and at such frequency as agreed between the Parties thereafter. For the avoidance of doubt, the weekly Operational Checkpoint Meetings shall continue to be held during the period from 1 May to 31 July (inclusive) throughout the Term.

Attendees The Operations Managers of both Parties;

1. A representative from each STA functional team; and
2. Any other Key Personnel or personnel of either Party, as agreed by both Parties from time to time.

Agenda

1. To review actions from the previous meeting.
2. To present current Management Information and monitor the Supplier's performance against the operational plan.

B.4 Service Management Meetings

Frequency Monthly (to run immediately before or after the first weekly Operational Checkpoint Meeting of each month-(B.3), unless agreed otherwise by the Parties) or at such a frequency as agreed between the Parties.

Attendees

1. Operations Managers of both Parties;
2. Any other Key Personnel or personnel of either Party, as agreed by both Parties from time to time.

Agenda

1. Review the previous month's performance of the Services by the Supplier, including Performance against the Service Levels set out in Schedule 5 (Key Milestone Acceptance Criteria and Service Levels).
2. Review all reports produced by the Supplier undertaken in accordance with Clause 10.3 (Investigation).
3. Provision of Management Information set out in the Product Descriptions.
4. Discuss and review any new or emerging policy or operational changes, Service requirements and issues.
5. Initiate, discuss and review proposals for improving the quality or efficiency of the Services where appropriate.
6. Act as the Contract Change Control Board (as defined in Schedule 8 (Change Control Procedure) in respect of any current or potential Change Requests.
7. Discuss and review financial issues including monitoring the Supplier's financial capability and increasing the monitoring of the Supplier's financial capability where needed.

Handwritten signature or initials in blue ink.

B.5 Executive Sponsor Board Meetings

Frequency Quarterly, or within 2 Business Days of a request from the Relationship Manager of either Party for the purposes of Dispute resolution.

Attendees

1. The Supplier's Chief Executive Officer ;
2. The Suppliers senior manager with operational responsibility for successful Services delivery
3. The Chief Executive Officer of STA;
4. STA's Deputy Director of Test Operations; and
5. Any other Key Personnel or personnel of either Party, as agreed by both Parties from time to time.

Agenda

1. Review strategy and overall progress.
2. Review and resolve escalations, Disputes and issues raised by the Management Meeting (B1).
3. Review overall performance and delivery of the Services.
4. Review any issues brought to the meeting's attention from other meetings.

B.6 Test Delivery Sub- Programme Board Meetings (or equivalent)

The Test Delivery Sub-Programme Board forms part of STA's internal governance and is not normally attended by the Supplier. However, for the purposes of providing first-hand information STA may choose to invite the Supplier to such meetings and the Supplier shall accept any such invitation and attend the meeting.

Frequency Monthly or as required to perform effective governance within STA
(Supplier to attend by invitation from STA)

Annex C: Document Dispute Resolution Procedure

Where expressly stated in the Agreement that the Document Dispute Resolution Procedure shall apply, the process below shall be followed by the Parties:

1. In the event of a Dispute arising in relation to a document under the Agreement then the Operations Manager of a Party will notify the Operations Manager of the other Party within 1 (one) Business Day of the Dispute arising. The notification must clearly set out the nature and substance of the Dispute, together with any supporting evidence.
2. On receipt of a notification of a Dispute in relation to a document, the recipient Operations Manager shall meet the Operations Manager of the other Party in order to resolve the Dispute. The period for discussion and resolution to be within 5 (five) Business Days of the date of such notification.
3. In the event that the two Operations Managers cannot resolve the Dispute then the Dispute shall be escalated immediately to the Relationship Managers of both Parties who shall have 2 (two) further Business Days to resolve the Dispute.
4. In the event that the Relationship Managers cannot resolve the Dispute within 2 (two) Business Days then the Dispute shall be immediately escalated to an Expert who shall act as an Expert and not an arbitrator.
5. If the Parties are unable to agree on the Expert to be appointed within 2 (two) Business days of either Party serving details of a suggested expert on the other, either Party shall then be entitled to request the Chartered Institute of Arbitrators to appoint an expert of repute to act as the Expert and to agree the terms of the Expert's appointment. The Parties shall equally bear the cost of appointing such an Expert and the Expert's fees.
6. Within 2 (two) Business Days of referring the Dispute to an Expert, the Parties shall each submit a written report on the Dispute to the Expert and to each other simultaneously and within 2 (two) Business Days thereafter shall submit any replies they wish to make to the other's written report to the Expert and to each other simultaneously. Both Parties shall afford the Expert all necessary assistance which the Expert requires to consider the Dispute.
7. The Expert shall be instructed to deliver his determination within 5 (five) Business Days of the submission of the written reports by the Parties pursuant to paragraph 5 above. The decision of the Expert shall be final and binding on both Parties.
8. The Document Dispute Resolution Procedure shall not exceed 8 (eight) Business Days from the date on which the Dispute was first notified by the Operations Manager unless the Dispute is escalated to an Expert.



Annex D

1. Remedial Plan

1.1 Where expressly stated in the Agreement that the Remedial Plan will apply, the process below shall be followed by the Parties:

1.2 The Remedial Plan process is as follows:

- (a) STA shall issue a notice which sets out details of the Default ("Remedial Action Notice") and make it clear within the Remedial Action Notice what the Supplier needs to remedy.
- (b) The Remedial Action Notice shall require the Supplier to submit a Remedial Plan within 5 (five) days of receipt of the Remedial Action Notice (or any other period agreed between the Parties) and the Supplier shall comply with this.
- (c) The Remedial Plan shall set out the corrective action which is to be taken by the Supplier so as to remedy the Default such action to be completed by the Supplier within 30 (thirty) days following the date of the Remedial Action Notice. As a minimum the Remedial Plan must contain:
 - (i) A description of the deficiency in the Services that constitutes the Default and the manner in which it will be rectified for subsequent events.
 - (ii) The precise actions/steps that the Supplier will take to rectify such Default including any support that is required from STA in order to facilitate such rectification.
 - (iii) Where relevant, a timetable of events addressing the preparation of the revised Products. This timetable shall reflect the point in time in the Test Cycle at which the Default occurs and the consequential time critically of the remedial action to be taken. Any revised Deliverable shall be subject to approval by STA pursuant to Clause 7.3 (Approval Process).
 - (iv) The manner in which the Supplier will keep STA apprised of its progress in rectifying the Default, including any interim review periods.
- (d) The Relationship Managers shall agree the Remedial Plan within 3 (three) days of its submission by the Supplier.
- (e) If STA considers (acting reasonably) that the Remedial Plan:
 - (i) is insufficiently detailed to be properly evaluated; and/ or
 - (ii) will take longer to complete than 30 (thirty) days from the date of the Remedial Action Notice; and/ or
 - (iii) will not remedy the Default

then STA may within 3 (three) days of STA's receipt of the Remedial Plan from the Supplier, agree a further time period for the development and agreement of the Remedial Plan provided that any corrective action to be taken by the Supplier pursuant to the revised Remedial Plan shall still be completed within 30 (thirty) days following the date of the Remedial Action Notice save where STA' waives this right pursuant to Clause 47.4 (Waiver).

- (f) Where the Relationship Managers agree the Remedial Plan, the Supplier shall arrange all such additional resources as are necessary, and shall take all necessary remedial action to remedy the Default, at no additional cost to STA over and above the Charges, in accordance with the Remedial Plan within a 30 (thirty) day period following the Remedial Action Notice or within any further time period agreed between the Parties

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where the Agreement expressly states that such further period of time may be agreed between the Parties or where STA waives its right to have the Default remedied within 30 (thirty) days of the Remedial Action Notice pursuant to Clause 47.4 (Waiver).

- 1.3 Where the Supplier resubmits a Product as part of any remedial action taken pursuant to the Remedial Plan then STA will accept or reject the resubmitted Product against the Acceptance Criteria already agreed by both Parties under Clause 7.1 (Acceptance Criteria).
- 1.4 In the event that any Dispute arises in relation to a document pursuant to this Remedial Plan process and the Parties are unable to resolve the Dispute between themselves within 2 (two) Business days of the Dispute arising then the Dispute shall be immediately escalated to an Expert (who shall act as an Expert and not as an arbitrator).
- (a) If the Parties are unable to agree on the Expert to be appointed within 2 (two) Business days of either Party serving details of a suggested expert on the other, either Party shall then be entitled to make a request to the Chartered Institute of Arbitrators to appoint an expert of repute to act as the Expert and to agree the terms of the Expert's appointment. The Parties shall equally bear the cost of appointing such an Expert and the Expert's fees.
- (b) The Parties shall direct the Expert to determine the Dispute within 5 (five) Business Days of the Expert's appointment. The Parties shall afford the Expert all necessary assistance in order to facilitate the Expert's determination of the Dispute and the decision of the Expert shall be final and binding on the Parties. For the avoidance of doubt, the escalation a Dispute in relation to documents to an Expert shall not in any way affect the Supplier's obligation to remedy the Default within a 30 (thirty) day period following the Remedial Action Notice pursuant to paragraph 1.2(f).
- 1.5 If a Remedial Plan is agreed between the Parties but:
- (a) the Supplier fails to implement the Remedial Plan within 30 (thirty) days of the date of the Remedial Action; or
- (b) if after executing the Remedial Plan, the Default in respect of which the Remedial Plan process was invoked still persists
- then in either case this shall be deemed a material Default and STA shall be entitled to terminate the Agreement with immediate effect in accordance with Clause 39.3.2.1 (Termination by STA – Default).
- 1.6 Where a further time period has been agreed for the development and agreement of a Remedial Plan pursuant to paragraph 1.2(e) of this Annex D and the Remedial Plan produced by the Supplier after such further time period is still considered by STA to be inadequate in the manner set out in paragraphs 1.2(e)(i) to 1.2(e)(iii) inclusive of this Annex D then this shall be deemed a material Default and STA shall be entitled to terminate the Agreement with immediate effect in accordance with Clause 39.3.2.1 (Termination by STA – Default).
- 1.7 Where the circumstances described in paragraphs 1.5 or 1.6 of this Annex D apply, the Supplier shall subject to Clause 8.8 (Certification of Key Milestones And Delays/Delay And Performance Credits) pay to STA a Performance Credit and the amount payable by the Supplier to STA shall equal 0.25% (a quarter of one percent) of the Charges that are payable to the Supplier by STA for the Test Cycle during which those circumstances occurred.

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