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**ATTACHMENT 16-2 OF THE SPECIAL TERMS**

**PSN SERVICES**

**CALL-OFF TERMS**

**SCHEDULE 2.1**

**SERVICE LEVELS, RELATED REMEDIES AND PERFORMANCE MONITORING**

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**1. INTRODUCTION**

1.1 This Schedule 2.1 sets out:

1.1.1 ~~how the objectives and calculation of~~ Service performance ~~will be calculated~~ and the Service Level Targets and Service Credit (see Part A); and

1.1.2 ~~provides the methodology for reviewing~~ Performance monitoring and reporting on the provision of Incidents relating to the Services (see Part B).

1.2 If a capitalised term or phrase used in this Schedule is not defined in this Schedule, it shall have the meaning as set out in Schedule 1 (Definitions) of the Call-Off Terms.

1.3 Unless specified otherwise, Service Level Targets and Service Credits for Bespoke Services will be agreed during a further competition and included in Appendix 4 of the Call-Off Form.

**PART A: CALCULATION OF SERVICE LEVELS AND RELATED REMEDIES**

**2. 1. PRINCIPAL PRINCIPLE OBJECTIVES**

2.1 ~~4.1~~ The objectives of the Service Measures, Service Credits and other related remedies are to:

2.1.1 ~~4.1.3~~ ensure that the Services are of a consistently high quality and meet the Service Level Targets and other requirements of the Customer Authority;

2.1.2 ~~4.1.4~~ use Service Credits as a method of price adjustment to reflect poor performance by Contractor in breach of the required Service Level Targets;

2.1.3 provide a mechanism whereby the Service Credit regime can evolve over the duration of the Agreement and any Call-Off Contracts as the Services and Service Requirements change; and

2.1.4 ~~4.1.5~~ incentivise the Contractor to meet the Service Level Targets and remedy any failure to meet the Service Level Targets promptly.

2.2 ~~4.2~~ The Parties acknowledge that:

2.2.1 ~~4.1.6~~ the Customer Authority will, in all cases, prefer to receive the Services at the Service Level Target in preference to receiving ~~the~~ Service Credits; and

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2.2.2 ~~4.1.7~~ the Contractor shall, in all cases, seek to deliver the Services at the Service Level Target in preference to accepting a liability for Service Credits.

**3. ~~2.~~ SERVICE LEVELS AND RELATED REMEDIES**

**3.1 ~~2.1~~** The Service Level Targets, Service Criteria (including the Service Measures), Service Failure Thresholds, Service Credits and Repeat Failures are set out in Appendix 4 of the Call-Off Form.

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PART B: PERFORMANCE MONITORING

1. INTRODUCTION

1.1 Without prejudice to the Service Management Documentation, this Part B provides the methodology for reviewing and reporting on the provision of the Services:

1.1.1 to ensure that the Contractor is complying with the Service Level Targets; and

1.1.2 for identifying any Incidents and other defects in the Contractor's performance and/or delivery of the Services,

(collectively, the "**Performance Monitoring System**").

1.2 Within twenty (20) Working Days (or such other period as the Parties agree in writing) of the Effective Date, the Contractor shall propose and the Parties shall agree a Performance Monitoring System which shall comply with relevant provisions of the ITIL guidelines and the Service Management Documentation and shall include details of the following:

1.2.1 notifications to the Contractor's Service Desk of Service Failures and other defects in the Contractor's performance and/or delivery of the Services;

1.2.2 Satisfaction Surveys;

1.2.3 performance review of the Services;

1.2.4 Customer Authority audit rights;

1.2.5 the processes and systems the Contractor shall put in place to ~~monitor~~ effectively monitor its performance of the Services ~~as~~ against the Service Level Targets, including:

(a) using an industry recognised service desk tool ~~and how; and~~

(b) details of the means by which Incidents and other defects in the Contractor's performance and/or delivery of the Services will be notified to the Contractor's Service Desk;

1.2.6 the format and content of the Performance Monitoring Report (such content to include the information set out in Paragraph 3.2 of this Part B); and

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1.2.7 how the Contractor shall comply with ~~the~~its obligations set out in this ~~Framework Agreement and each~~the Call-Off Contract.

1.3 The Customer Authority may require, acting reasonably, and the Contractor ~~must~~shall comply with requests for, routine changes to the Performance Monitoring System.

**2. REPORTING OF INCIDENTS**

2.1 The Customer Authority shall report all Incidents to the Contractor's Service Desk.

2.2 The Contractor shall ensure that all Incidents are logged immediately on receipt of notification, on the Incident Log. The Customer Authority shall have access and verification rights in relation to the Incident Log.

2.3 Where the Contractor's Service Desk receives more than one (1) report of an Incident then all such reports shall be logged on the Incident Log (but the first report shall be deemed to be the **"Incident Report"**).

2.4 The Contractor shall ensure that, as a minimum, the following details are recorded by the Contractor in the Incident Log in respect of each Incident:

2.4.1 a unique report number;

2.4.2 the date and time the report is received at the Contractor's Service Desk;

2.4.3 the nature and location of the Incident, including details of the Customer Authority Sites affected;

2.4.4 the person/organisation making the report;

2.4.5 ~~the level~~Incident Severity Level assigned to the Incident by the Customer Authority;

2.4.6 an estimate (produced with all due care and diligence) of the number of End Users which are affected by the Incident (including whether they are individual End Users or groups of End Users);

2.4.7 the action intended to be taken or which has been taken to resolve the Incident;

2.4.8 details of any communication with the Customer Authority Representative in connection with the Incident;

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- 2.4.9 notes/comments regarding any mitigating circumstances with regard to the Incident;
- 2.4.10 the reasons for any inability of the Contractor to meet the Service Level Targets so as to resolve the Incident; and
- 2.4.11 any further information required under the Service Management Documentation.
- 2.5 The Contractor shall provide to the Customer Authority Representative a copy of the entry in the Incident Log in respect of each Incident within the time periods required by the Customer Authority.
- 2.6 Whenever requested by the Customer Authority Representative (acting reasonably), the Contractor shall, at intervals of no more than one (1) hour, provide to the Customer Authority Representative an up-to-date status report with respect to each Incident.
- 2.7 The Customer Authority shall determine the level Incident Severity Level which relates to each Incident as determined in accordance with Appendix 4 of the Call-Off Form. The Contractor may challenge the level Incident Severity Level which is allocated by the Customer Authority. Any such challenge shall not affect the obligations of the Contractor to respond to the Incident in accordance with the level Incident Severity Level initially allocated by the Customer Authority.

**3. PERFORMANCE MONITORING AND PERFORMANCE REVIEW**

- 3.1 Within ten (10) Working Days (or such other period as the Parties agree in writing) of the end of each Service Measurement Period, the Contractor shall provide a Performance Monitoring Report to the Customer Authority Representative. In accordance with Paragraph 4.1.3 of Schedule 6.1 (Governance), this Performance Monitoring Report shall be reviewed at the Services Board Meeting that immediately follows its issue.
- 3.2 The Performance Monitoring Report shall be in the format set out in the Performance Monitoring System and shall contain the following information in respect of the Service Measurement Period just ended:
- 3.2.1 a list of all Services with their applicable Service Level Target, the Achieved Service Levels and any Service Credits incurred during the Service Measurement Period;

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- 3.2.2 a list of all Incidents that occurred during the Service Measurement Period;
  - 3.2.3 which Incidents have been resolved and the time taken by the Contractor to resolve such Incidents;
  - 3.2.4 which Incidents remain outstanding and the Contractor's progress in resolving them;
  - 3.2.5 any further information required in the Service Management Documentation; and
  - 3.2.6 such other details as the Customer Authority may reasonably require from time to time.
- 3.3 The Contractor shall provide the Customer Authority Representative with a monthly written summary of the Service performance (a **"Monthly Summary"**). A Monthly Summary ~~is~~ shall not be required from the Contractor when it coincides with the time when a Performance Monitoring Report is also due from the Contractor. The Monthly Summary shall be provided by the Contractor to the Customer Authority Representative within ten (10) Working Days (or such other period as the Parties agree in writing) of the end of each month. The Monthly Summary shall contain such details as the Customer Authority shall reasonably require including:
- 3.3.1 for each Service, the Service Level Target and the Achieved Service Level over the month;
  - 3.3.2 a summary of all Incidents that occurred during the month;
  - 3.3.3 which Incidents have been resolved and the time taken by the Contractor to resolve such Incidents;
  - 3.3.4 which Incidents remain outstanding and the Contractor's progress in resolving them; and
  - 3.3.5 the cause of the Incident and any action being taken by or on behalf of the Contractor to reduce the likelihood of recurrence; and
  - 3.3.6 any further information required in the Service Management Documentation.
- 3.4 The Parties shall attend Services Board Meetings at least once every ~~three (3)~~ month (commencing from the Effective Date), or more frequently if requested



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by the Customer Authority or in order to resolve any Dispute. The Services Board Meetings shall be the forum for the review by the Contractor and the Customer Authority of (amongst other things and without prejudice to Schedule 6.1 (Governance)) the Performance Monitoring Reports and Monthly Summaries (where relevant). Without prejudice to Paragraph 3 of Schedule 6.1 (Governance), the Services Board Meetings shall (unless otherwise notified by the Customer Authority in writing):

- 3.4.1 take place within one (1) week of the Performance Monitoring Report being issued by the Contractor; and
- 3.4.2 review and agree the minutes of the preceding Services Board Meeting. Once agreed, such minutes shall be signed by both the Contractor Representative and the Customer Authority Representative at each meeting.
- 3.5 The Customer Authority shall be entitled to raise any additional questions and/or request any further information regarding any Incident.
- 3.6 The Contractor shall provide to the Customer Authority such supporting documentation as the Customer Authority may reasonably require in order to verify the level of the performance by the Contractor and the calculations of the amount of Service Credits for any specified period.

**4. SATISFACTION SURVEYS**

- 4.1 In order to assess the level of performance of the Contractor, the Customer Authority may undertake Satisfaction Surveys in respect of End Users or various groups of End Users. These Satisfaction Surveys may consider:
  - 4.1.1 the assessment of the Contractor's performance by the End Users against the Service Level Targets; and/or
  - 4.1.2 other suggestions for improvements to the Services.
- 4.2 The Contractor shall ensure that such measures are taken by it as are appropriate to achieve such improvements as soon as is reasonably practicable after notification from the Customer Authority that any aspects of its performance of the Services which the responses to the Satisfaction Surveys reasonably suggest are not meeting the Service Requirements and/or Contractor Service Descriptions.

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- 4.3 All other suggestions for improvements to the Services shall be dealt with as part of the Contractor's services improvement obligations set out in Clause 13 (Services Improvement).

**5. RECORDS**

- 5.1 The Contractor shall keep appropriate documents and records in relation to the Services in accordance with Clause 23 (Audits, Notifications and Record Keeping) and Schedule 6.6 (Records Provisions). Without prejudice to the generality of Clause 23 (Audits, Notifications and Record Keeping) and Schedule 6.6 (Records Provisions), the Contractor shall maintain accurate records of Contractor's Service Desk call histories for a minimum of twelve (12) months or as otherwise required in accordance with applicable Law, and provide prompt access to such records to the Customer Authority upon request. The records and documents of the Contractor shall be available for inspection by the Customer Authority and/or its nominee at any time and the Customer Authority and/or its nominee may make copies of any such records and documents.
- 5.2 In addition to the requirement in Paragraph 5.1 of this Part B to maintain appropriate documents and records, the Contractor shall provide to the Customer Authority such supporting documentation as the Customer Authority may reasonably require in order to verify the level of the performance of the Contractor both before and after the Operational Service Commencement Date and the calculations of the amount of Service Credits for any specified period.

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