

## SCHEDULE 9

### PERFORMANCE MEASURES AND SERVICE CREDITS

#### PART 1

#### PERFORMANCE MEASURES - GENERAL

##### 1. Service Levels and Assurance Metrics

- 1.1 Subject to paragraph 1.3, the Service Levels and the Service Level Percentages that the Contractor shall meet (at a minimum) in providing the Services are set out in Part 2 of this Schedule 9.
- 1.2 The Assurance Metrics and the Assurance Metric Percentages that the Contractor shall meet are set out in Part 3 of this Schedule 9.
- 1.3 Following the Amendment Date, the Service Level Percentages and the Improvement Plan Trigger Levels shall be determined by the Authority as follows:
  - (a) until the SL Adjustment Start Date, subject to paragraphs 1.3(h) and (i), the Service Level Percentages for each Service Level shall be the average Actual Performance achieved by the Contractor for that Service Level in the 3 month period prior to the Amendment Date, subject to any adjustments that the Authority reasonably considers necessary to account for an anomaly in the applicable data;
  - (b) subject to paragraphs 1.3(c) and 1.3(h), during each consecutive 3 month period commencing on the SL Adjustment Start Date (each a **SC Adjustment Period**) and continuing until the Service Level Percentage for each Service Level is equal to the Service Level Percentage for that Service Level set out in Part 2 of this Schedule 9, the Service Level Percentage for each Service Level shall be determined in accordance with paragraph 1.3(d);
  - (c) the first SC Adjustment Period shall commence on the SL Adjustment Start Date and end on the first 31 March, 30 June, 30 September, or 31 December date after the SL Adjustment Start Date;
  - (d) during each of the months (or during the month) of that SC Adjustment Period, each Service Level Percentage shall be equal to the average percentage for that Service Level during each of the 3 months of that SC Adjustment Period with the percentage for each month calculated in accordance with paragraph 1.3(e);
  - (e) subject to paragraph 1.3(i)(ii), the percentage for each month for the purposes of paragraph 1.3(d) shall be calculated on the basis that each Service Level Percentage increases in straight-line monthly increments from the Service Level Percentage determined in accordance with paragraph 1.3(a) to the Service Level Percentage set out in Part 2 of this Schedule during the period between the SL Adjustment Start Date and the date that is 24 months after the Amendment Date;

- (f) the Authority shall notify the Contractor of the applicable Service Level Percentages determined in accordance with paragraphs (a) and (b) no later than the date that is 3 months after the Amendment Date, in each case in the format set out in Appendix 3;
- (g) the Improvement Plan Trigger Levels shall be adjusted in accordance with the adjustments to the Service Level Percentages so that the Improvement Plan Trigger Level is always the same number of percentage points below the Service Level Percentage as it is in Part 2;
- (h) the Service Level Percentages and the Improvement Plan Trigger Levels for Service Levels 7, 8 and 9 set out in Part 2 of this Schedule 9 shall apply from the Amendment Date; and
- (i) for Service Levels 12, 13 and 14:
  - (i) for the purposes of paragraph 1.3(a), the Service Level Percentages shall be 10 percentage points below the Service Level Percentages set out in Part 2 of this Schedule 9; and
  - (ii) for the purposes of paragraph 1.3(e), the Service Level Percentages shall be calculated on the basis that each Service Level Percentage increases in straight-line monthly increments from the Service Level Percentage determined in accordance with paragraph 1.3(i)(i) to the Service Level Percentage set out in Part 2 of this Schedule during the period between the SL Adjustment Start Date and the date that is 24 months after the Amendment Date.

## **2. Service Credits**

- 2.1 The Service Credits payable by the Contractor under Clause 7.2(a) of this Agreement if it fails to meet the Service Level Percentages shall be applied as set out in Part 4 of this Schedule 9. No Service Credit will be payable for a failure to meet an Assurance Metric Percentage or for a failure to meet the Service Level Percentage in Service Levels 5 and 7.
- 2.2 Without prejudice to any other rights and remedies the Authority may have under this Agreement, the Contractor shall not be required to pay any Service Credits with respect to:
  - (a) the period from the Amendment Date to the SL Adjustment Start Date for all Service Levels other than Service Levels 13 and 14; and
  - (b) the period from the Amendment Date to the date that is 3 months after the SL Adjustment Start Date for Service Levels 13 and 14.
- 2.3 If Service Credits apply, then unless otherwise stated in Part 2 of this Schedule 9, they shall accrue on a quarterly basis in accordance with paragraph 2.4 and shall be paid by the Contractor in accordance with paragraph 14 of Schedule 11 (Payment Mechanism) in the month following the date that the Contractor is provided with the Quarterly Performance Report pursuant to paragraph 3.3 except to the extent that a Service Credit is disputed in accordance with paragraph 3.4 below which shall be paid (as applicable) in the month after resolution of the dispute.
- 2.4 Unless otherwise stated in Part 2 of this Schedule 9, Service Credits shall accrue during each consecutive three month period after the SL Adjustment Start Date (each a **Service Credit**

**Period)** save that the first Service Credit Period shall commence on the SL Adjustment Start Date and end on the first 31 March, 30 June, 30 September, or 31 December date after the SL Adjustment Start Date.

### **3. Performance Reporting**

3.1 The Contractor shall maintain a record of all data required to calculate the Performance Measures for each month in each Contract Year and shall ensure that the data is available to the Authority on a monthly basis in accordance with Clause 39.1(d) of this Agreement no later than 10 Business Days after the last day of the applicable month.

3.2 The Authority shall, in respect of the relevant month:

- (a) using the data provided by the Contractor pursuant to paragraph 3.1, calculate the Contractor's Actual Performance for that month against each of the Performance Measures; and
- (b) provide to the Contractor a report setting out the data calculated pursuant to paragraph 3.2(a) (**Monthly Performance Report**).

3.3 The Authority shall, in respect of the relevant quarter:

- (a) using the data provided by the Contractor pursuant to paragraph 3.1, calculate the Contractor's Actual Performance for that quarter against each of the Performance Measures;
- (b) calculate any Service Credits payable for that quarter in accordance with Part 4 of this Schedule 9; and
- (c) provide to the Contractor a report setting out the data calculated pursuant to paragraph 3.3(a) and 3.3(b) (**Quarterly Performance Report**).

3.4 If the Contractor is able to demonstrate to the Authority that the Authority's calculation of Actual Performance against any of the Performance Measures or calculation of the Service Credits as stated in the Monthly Performance Report or Quarterly Performance Report, as applicable, is not correct, it shall notify the Authority in writing of the Contractor's assessment of Actual Performance or Service Credit calculations within 10 Business Days after receipt by the Contractor of the Monthly Performance Report or Quarterly Performance Report, as the case may be. If the parties fail to reach agreement as to the assessment of the Actual Performance or Service Credit calculation within twenty Business Days after the date of the notification, the matter shall be resolved in accordance with the Dispute Resolution Procedure.

3.5 Following receipt of the Monthly Performance Report or Quarterly Performance Report, as the case may be: (i) if the Authority accepts the Contractor's recalculation of Actual Performance or Service Credits pursuant to paragraph 3.4; (ii) following agreement or resolution of any dispute over the calculation in accordance with paragraph 3.4; or (iii) if the Contractor does not dispute the Authority's calculation of the Actual Performance or Service Credits, without prejudice to any other rights and remedies the Authority may have under this Agreement, the relevant Performance Remedy shall be applied in accordance with this Schedule 9.

3.6 The Authority shall, from time to time, validate the data supplied by the Contractor in accordance with paragraph 3.1 pursuant to Schedule 15 (Audit).

3.7 The parties shall discuss the achievement or failure to achieve the Service Level Percentages, Assurance Metric Percentages and the level of Service Credits at the Service Management Group as contemplated in Schedule 14 (Governance) and the Contractor shall notify the Authority at the Service Management Group of the likelihood of any failures to meet the Performance Measure in the next month.

3.8 The Authority may from time to time issue a new or updated Technical Note and the Contractor shall comply with that Technical Note in accordance with Clause 39.1(d) of this Agreement. If the Contractor incurs additional costs in complying with a new or updated Technical Note, subject to Clause 42.10(b), it shall be entitled to recover the actual costs incurred in excess of £10,000 (so that only the excess of that amount is recoverable) and within 20 Business Days after receipt of a written demand by the Contractor supported by reasonably detailed evidence that the costs have in fact been incurred.

#### **4. Improvement Plans**

4.1 If the Contractor's Actual Performance is below the Improvement Plan Trigger Level set out in Part 2 or Part 3, as the case may be, of this Schedule 9, the Authority may require the Contractor, within 20 Business Days after the notice of the failure in the Monthly Performance Report, to perform a root cause analysis of the failure to meet the Improvement Plan Trigger Level and deliver to the Authority for its review a written plan (**Improvement Plan**) in respect of the relevant Performance Measure failure. The Improvement Plan shall set out:

- (a) the results of the root cause analysis of the failure to meet the Improvement Plan Trigger Level;
- (b) the actions that the Contractor shall take including the arrangement for additional resources as are reasonably necessary to ensure that the failure to meet the Improvement Plan Trigger Level does not reoccur; and
- (c) a timetable with milestones for completion of the actions set out in the Improvement Plan.

4.2 The Contractor shall take into account any reasonable representations that the Authority makes to the Contractor with regards to the Improvement Plan.

4.3 The Contractor shall implement the Improvement Plan in accordance with the terms of the Improvement Plan to minimise the likelihood of the Performance Measure failure reoccurring.

4.4 The Contractor shall report on its progress and delivery of the Improvement Plan to the Service Management Group as contemplated in Schedule 14 (Governance).

4.5 Without prejudice to any other rights and remedies the Authority may have under this Agreement, including its right to terminate this Agreement pursuant to Clause 33 if applicable, the Authority has the right to treat as a Serious Concern for the purposes of Clause 10.4(d) any of the following events, or request a risk reduction meeting in accordance with Clause 23.3 if any of the following occur:

- (a) in the Authority's reasonable opinion, the Contractor fails to implement the Improvement Plan and that failure materially and adversely affects the provision of the Services;

- (b) notwithstanding the implementation of an Improvement Plan, the Contractor's Actual Performance has not met the Improvement Plan Trigger Level for that Performance Measure within 3 months after the month in which the relevant Performance Measure failure occurs;
- (c) the Contractor has failed to meet 3 or more Improvement Notice Trigger Levels in any one month;
- (d) the Contractor has failed to meet the same Improvement Notice Trigger Level in any 2 or more months in the same 12 month period provided that this shall not apply if a further failure occurs during the 2 months immediately following the month in which the first failure occurred; or
- (e) there is a sustained or widespread failure to meet the Service Levels.

## **5. Quality Assurance**

- 5.1 The Contractor shall implement and comply with the standards set out in Appendix 2 (**Quality Assurance Arrangements**).
- 5.2 Within 20 Business Days after the Amendment Date, the Contractor shall provide the Authority with full details of its Quality Assurance Arrangements that shall be (i) based on the framework set out in Appendix 2 and (ii) in accordance with Good Industry Practice, and, subject to Paragraph 5.3, the parties shall amend Appendix 2 to include these full details pursuant to Clause 42.8.
- 5.3 The Authority may, no later than the date that is 3 months after the Amendment Date, notify the Contractor if the Authority reasonably requires any changes to be made to the Quality Assurance Arrangements provided in accordance with paragraph 5.2 with an explanation of why the changes are required. The Contractor shall, acting reasonably, be entitled to make representations regarding the changes requested by the Authority and may, where applicable, seek to agree alternative changes to the Quality Assurance Arrangements with the Authority. The parties shall incorporate any changes agreed in accordance with this paragraph 5.3 into Appendix 2 pursuant to Clause 42.8. Any other changes to the Quality Assurance Arrangements not agreed in accordance with this paragraph 5.3 shall be agreed through the Change Protocol.
- 5.4 The Authority shall have the right to audit the Contractor's compliance with and implementation of the Quality Assurance Arrangements in accordance with Schedule 15 (Audit).

## **6. Equality and diversity**

- 6.1 Each Actual Performance shall be collected by the Contractor in accordance with Clause 39.1(d) in a way that enables its provision of the Services to be analysed by protected characteristic (as defined in the Equalities Act 2010).
- 6.2 If the data collected in accordance with paragraph 6.1 demonstrates, with respect to a Contract Year, that a Performance Measure is not being met with respect to a particular protected characteristic, the Authority may require the Contractor to produce an Improvement Plan setting out the details of (b) and (c) of paragraph 4.1 but, in relation to (b), setting out how more equitable outcomes shall be achieved by the Contractor.

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- 6.3 The Contractor shall implement the Improvement Plan in accordance with the terms of the Improvement Plan to ensure the relevant equitable outcomes are achieved.

**7. Offender Survey**

- 7.1 Notwithstanding Clause 9.3, the Contractor shall complete an Offender Survey for the period from the Amendment Date to 30 April 2015. The Assurance Metric A shall not apply for the Offender Survey conducted by the Contractor for the period from the Amendment Date to 30 April 2015.
- 7.2 Within 20 Business Days after the Amendment Date, the Contractor shall provide the Authority with a copy of the questions that the Contractor shall use for its Offender Survey. The parties shall agree in good faith as soon as practicable, and in any event no later than the date that is 60 Business Days, from the Amendment Date, the applicable percentage score to be used to determine whether an Applicable Person has had an Overall Positive Experience, and the parties shall take into account, if applicable and where available, the results from the first Offender Survey that the Contractor has conducted referred to in paragraph 7.1.
- 7.3 If the Contractor amends its Offender Survey at any time during the Contract Period then it shall provide a copy of the amendments to the Authority and, if applicable, the parties shall meet to agree whether any changes are required to the percentage score agreed in accordance with paragraph 7.2 provided that any changes to the percentage score shall be agreed no later than 20 Business Days before the relevant Offender Survey is due to be carried out and, in the absence of agreement, the Offender Survey shall not be amended and the percentage score shall not be changed.
- 7.4 For the purposes of the Offender Survey, **Overall Positive Experience** means a response by an Applicable Person to an Offender Survey that demonstrates, by meeting or exceeding a percentage score to be determined by the parties from time to time in accordance with this paragraph, that the Applicable Person engaged positively with the Services.

## PART 2

## SERVICE LEVEL

The Service Level Percentages and Improvement Notice Trigger Levels are detailed in the table below, together with the applicable Service Level calculation.

## 1. Starting the Sentence

|    | Service Level   | Definition and Formula for calculating Actual Performance   | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|----|---|---|--------------------------|--------------------------------|----------------------|
| 1. | Initial contact - Community Orders, Suspended Sentence Orders | <p>The percentage of Allocated Persons of the Contractor under a Community Order or Suspended Sentence Order in a month that have a face to face appointment arranged with the Contractor (which shall be physical or by video conference) to take place no later than 5 Business Days after allocation to the Contractor by the Authority in accordance with Schedule 10 (Interfaces).</p> <p><math>a/b \times 100</math> where:</p> <p>a = the total number of Allocated Persons of the Contractor under a Community Order or Suspended Sentence Order allocated in the relevant month with whom the Contractor has arranged for a face to face appointment with the Contractor to take place no later than 5 Business Days after allocation by the Authority to the Contractor; and</p> <p>b = the total number of Allocated Persons under a Community Order or Suspended Sentence Order allocated to the Contractor by the Authority in the relevant month.</p> | 97%                      | 92%                            | 0.75%                |

|    | Service Level   | Definition and Formula for calculating Actual Performance   | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|----|---|---|--------------------------|--------------------------------|----------------------|
| 2. | Initial contact - Release from custody under Licences   | <p>The percentage of Allocated Persons of the Contractor released from custody on Licence in a month who have a face to face appointment arranged (which shall be physical or by video conference) with the Contractor to take place no later than 1 Business Day after release (including immediate release from court following a period of remand).</p> <p><math>a/b \times 100</math> where:</p> <p>a = the total number of Allocated Persons of the Contractor who have been released from custody on Licence in the relevant month and with whom the Contractor has arranged for a face to face appointment with the Contractor to take place no later than 1 Business Day after release from custody (including immediate release from court following a period of remand); and</p> <p>b = the total number of Allocated Persons who are allocated to the Contractor and who have been released from custody on Licence in the relevant month.</p> | 97%                      | 92%                            | 0.5%                 |
| 3. | Completing the Plan for Allocated Persons with Community Orders and Suspended Sentence Orders | <p>The percentage of Allocated Persons for whom in the relevant month the Contractor has completed a Plan in accordance with Schedule 7 OM8 within 10 Business Days after the date on which the Allocated Person attends his first appointment with the Contractor.</p> <p><math>a/b \times 100</math> where:</p> <p>a = the total number of Allocated Persons of the Contractor for whom the Contractor has completed a Plan in accordance with Schedule 7 OM8 for no later than 10 Business Days after the date on which the Allocated Person attends his first appointment with the Contractor in the relevant</p>   | 97%                      | 92%                            | 2.5%                 |



|    | Service Level   | Definition and Formula for calculating Actual Performance  | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|----|---|--|--------------------------|--------------------------------|----------------------|
|    |   | <p>month; and</p> <p>b = the total number of Allocated Persons under a Community Order or Suspended Sentence Order who are allocated to the Contractor and who attend a first appointment in the relevant month arranged by the Contractor pursuant to Schedule 7 OM3.</p>   |                          |                                |                      |
| 4. | Completing the Plan for Allocated Persons released from custody | <p>The percentage of Allocated Persons of the Contractor released from custody on Licence for whom the Contractor has reviewed any existing Plan and completed a Plan in accordance with Schedule 7 OM8 within 10 Business Days after the date on which the Allocated Person attends his first appointment with the Contractor.</p> <p>a/b x 100 where:</p> <p>a = the total number of Allocated Persons of the Contractor for whom the Contractor has completed a Plan in accordance with Schedule 7 OM8 no later than 10 Business Days after the date on which the Allocated Person attends his first appointment with the Contractor in the relevant month; and</p> <p>b = the total number of Allocated Persons who are allocated to the Contractor and released from custody on Licence and who attend a first appointment in the relevant month arranged by the Contractor pursuant to Schedule 7 OM4.</p> | 97%                      | 92%                            | 1.5%                 |
| 5. | Arrangement of Unpaid Work                                      | <p>The percentage of Allocated Persons of the Contractor and Designated Retained Persons with an Unpaid Work Requirement in a month who have had Unpaid Work Arranged for that Applicable Person by the Contractor no later than 28 calendar days after the date of allocation or assignment of that Applicable Person to the Contractor.</p>  | 97%                      | 97%                            | N/A                  |

|    | Service Level                          | Definition and Formula for calculating Actual Performance   | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|----|--|---|--------------------------|--------------------------------|----------------------|
|    |  | <p><math>a/b \times 100</math> where:</p> <p>a = the total number of Allocated Persons of the Contractor and Designated Retained Persons that have received an Unpaid Work Requirement and are allocated or assigned to the Contractor in the relevant month and have had the Unpaid Work Arranged by the Contractor to take place no later than 28 calendar days after the date of allocation or assignment of that Applicable Person to the Contractor; and</p> <p>b = the total number of Allocated Persons of the Contractor and Designated Retained Persons who have received an Unpaid Work Requirement and have been allocated or assigned to the Contractor in the relevant month.</p> <p>For the purpose of this Service Level 5, <b>Unpaid Work Arranged</b> means (i) an Unpaid Work place has been arranged for the named Applicable Person; (ii) the first session of the Unpaid Work is scheduled to take place within the applicable 28 calendar days; and (iii) the Contractor has contacted the Applicable Person and informed him of details of the Unpaid Work placement including time, date, location and contact details of the relevant staff member whom the Applicable Person must contact on arrival.</p> |                          |                                |                      |
| 6. | Priority of arrangement of Unpaid Work | The percentage of Allocated Persons of the Contractor and Designated Retained Persons with an Unpaid Work Requirement in a month that have had Unpaid Work Arranged for that Applicable Person by the Contractor in accordance with Schedule 7 OSR 7 no later than 7 calendar days after the date of allocation or assignment of that Applicable Person to the Contractor.  | 75%                      | 65%                            | 1.5%                 |

|  | Service Level | Definition and Formula for calculating Actual Performance   | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|--|---------------|---|--------------------------|--------------------------------|----------------------|
|  |               | <p><math>a/b \times 100</math> where:</p> <p>a = the total number of Allocated Persons of the Contractor and Designated Retained Persons that have received an Unpaid Work Requirement and are allocated to the Contractor in the relevant month and have had the Unpaid Work Arranged by the Contractor to commence no later than 7 calendar days after the date of allocation or assignment of that Applicable Person to the Contractor; and</p> <p>b = the total number of Allocated Persons of the Contractor and Designated Retained Persons who have received an Unpaid Work Requirement and have been allocated or assigned to the Contractor in the relevant month.</p> <p>For the purpose of this Service Level 6, <b>Unpaid Work Arranged</b> means (i) an Unpaid Work place has been arranged for the named Applicable Person; (ii) the first session of the Unpaid Work is scheduled to take place within the applicable 7 calendar days; and (iii) the Contractor has contacted the Applicable Person and informed him of details of the Unpaid Work placement including time, date, location and contact details of the relevant staff member whom the Applicable Person must contact on arrival.</p> |                          |                                |                      |

## 2. Completion and Compliance with the sentence of the court

|    | Service Level   | Definition and Formula for calculating Actual Performance   | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|----|---|---|--------------------------|--------------------------------|----------------------|
| 7. | Completion of the sentence of the court                     | <p>The percentage of Allocated Persons whose completion of the sentence of the court has been recorded by the Contractor when completed in accordance with paragraphs 4(s) and 4(t) of Part 2 of Schedule 20 (Management Information).</p> <p><math>a/b \times 100</math> where:</p> <p><math>a</math> = the total number of Allocated Persons of the Contractor in <math>b</math> for whom the Contractor has recorded the date and reason for completion of that Allocated Person's sentence of the court in accordance with paragraphs 4(s) and 4(t) of Part 2 of Schedule 20 (Management Information) and pursuant to the Technical Note on this Service Level 7 in the actual month of completion; and</p> <p><math>b</math> = the total number of Allocated Persons of the Contractor in a relevant month whose Community Order, Suspended Sentence Order, Licence or Post Sentence Supervision Period was expected to end in that month.</p> | 99%                      | 99%                            | N/A                  |
| 8. | Completion of Community Orders and Suspended Sentence Order | <p>The percentage of completions of Community Orders and Suspended Sentence Orders by Allocated Persons of the Contractor in a month where the reason for that completion of the Community Order or Suspended Sentence Order is positive.</p> <p><math>a/b \times 100</math> where:</p> <p><math>a</math> = the total number of Positive Completions in a relevant month in</p>   | 75%                      | 65%                            | 47.25%               |

|    | Service Level  | Definition and Formula for calculating Actual Performance  | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|----|--|--|--------------------------|--------------------------------|----------------------|
|    |  | <p>relation to Allocated Persons of the Contractor under a Community Order or a Suspended Sentence Order; and</p> <p>b = the total number of Positive Completions plus the total number of Negative Completions in a relevant month in relation to Allocated Persons of the Contractor under a Community Order or a Suspended Sentence Order.</p> <p>For the avoidance of doubt, Neutral Completions are not included in the calculation of either Negative Completions or Positive Completions.</p>   |                          |                                |                      |
| 9. | Completion of Licences and Post Sentence Supervision Periods | <p>The percentage of completions of Licences and, where applicable, Post Sentence Supervision Periods by Allocated Persons of the Contractor in a month where the reason for that completion of the Licence and, where applicable, Post Sentence Supervision Period is positive.</p> <p>a/b x 100 where:</p> <p>a = the total number of Positive Completions in a relevant month in relation to Allocated Persons of the Contractor under Licence and, where applicable, Post Sentence Supervision Periods; and</p> <p>b = the total number of Positive Completions plus the total number of Negative Completions in a relevant month in relation to Allocated Persons of the Contractor under Licence and, where applicable, Post Sentence Supervision Periods</p> <p>For the avoidance of doubt, Neutral Completions are not included in the calculation of either Negative Completions or Positive Completions.</p> | 65%                      | 55%                            | 12.5%                |

|     | Service Level                                  | Definition and Formula for calculating Actual Performance   | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|-----|--|---|--------------------------|--------------------------------|----------------------|
| 10. | Contractor delivery of Unpaid Work Requirement | <p>The percentage of positive completions of Unpaid Work Requirements by Allocated Persons of the Contractor and Designated Retained Persons in a month where that Allocated Person or Designated Retained Person is subject to a Community Order or Suspended Sentence Order that contains an Unpaid Work Requirement and where that Allocated Person has not been recorded as a Negative Completion for Service Level 8.</p> <p><math>a/(b-c) \times 100</math> where:</p> <p>a = the total number of Positive Completions of an Unpaid Work Requirement in a relevant month in relation to Allocated Persons of the Contractor and Designated Retained Persons;</p> <p>b = the total number of Positive Completions plus the total number of Negative Completions of an Unpaid Work Requirement in a relevant month in relation to Allocated Persons of the Contractor and Designated Retained Persons; and</p> <p>c = the total number of Negative Completions included in the calculation of (b) under Service Level 8 for that month where that Allocated Person was subject to an Unpaid Work Requirement.</p> <p>For the avoidance of doubt, Neutral Completions are not included in the calculation of Negative Completions or Positive Completions.</p> | 90%                      | 80%                            | 10%                  |
| 11. | Contractor delivery of Programme Requirement   | <p>The percentage of positive completions of a Programme Requirement by Allocated Persons of the Contractor and Designated Retained Persons in a month where that Allocated Person or Designated Retained Person is subject to a Community Order or Suspended Sentence Order that</p>   | 90%                      | 80%                            | 5.5%                 |

|  | Service Level | Definition and Formula for calculating Actual Performance   | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|--|---------------|---|--------------------------|--------------------------------|----------------------|
|  |               | <p>contains a Programme Requirement and where that Allocated Person or Designated Retained Person has not been recorded as a Negative Completion for Service Level 8.</p> <p><math>a/(b-c) \times 100</math> where</p> <p>a = the total number of Positive Completions of a Programme Requirement in a relevant month in relation to Allocated Persons of the Contractor and Designated Retained Person;</p> <p>b = the total number of Positive Completions plus the total number of Negative Completions of a Programme Requirement in a relevant month in relation to Allocated Persons of the Contractor and Designated Retained Persons; and</p> <p>c = the total number of Negative Completions included in the calculation of (b) under Service Level 8 for that month where that Allocated Person was subject to a Programme Requirement.</p> <p>For the avoidance of doubt, Neutral Completions are not included in the calculation of Negative Completions or Positive Completions.</p> |                          |                                |                      |

|     | Service Level  | Definition and Formula for calculating Actual Performance   | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|-----|--|---|--------------------------|--------------------------------|----------------------|
| 12. | Contractor delivery of Rehabilitation Activity Requirement | <p>The percentage of positive completions of Rehabilitation Activity Requirements by Allocated Persons of the Contractor in a month where that Allocated Person is subject to a Community Order or Suspended Sentence Order and where that Allocated Person has not been recorded as a Negative Completion for Service Level 8.</p> <p><math>a/(b-c) \times 100</math> where:</p> <p>a = the total number of Positive Completions of a Rehabilitation Activity Requirement in a relevant month in relation to Allocated Persons of the Contractor;</p> <p>b = the total number of Positive Completions plus the total number of Negative Completions of a Rehabilitation Activity Requirement in a relevant month in relation to Allocated Persons of the Contractor; and</p> <p>c = the total number of Negative Completions included in the calculation of (b) under Service Level 8 for that month where that Allocated Person was subject to a Rehabilitation Activity Requirement.</p> <p>For the avoidance of doubt, Neutral Completions are not included in the calculation of Negative Completions or Positive Completions.</p> | 90%                      | 80%                            | 14%                  |



## 3. Through the Gate

|     | Service Level                    | Definition and Formula for calculating Actual Performance   | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|-----|----------------------------------|---|--------------------------|--------------------------------|----------------------|
| 13. | Completion of Resettlement Plans | <p>The percentage of Resettlement Persons for whom the Contractor has completed a Resettlement Plan no later than 5 Business Days after: (i) the Authority has completed Part 1 of the Basic Custody Screening Tool or (ii) has notified the Contractor that it is required to generate a separate document evidencing the Resettlement Person's pre-release activity, in each case in accordance with Schedule 7 R 1.</p> <p><math>a/b \times 100</math> where:</p> <p>a = the total number of Resettlement Persons assigned to the Contractor in the relevant month who have a completed Resettlement Plan no later than 5 Business Days after: (i) the Authority has completed Part 1 of the Basic Custody Screening Tool or (ii) has notified the Contractor that it is required to generate a separate document evidencing the Resettlement Person's pre-release activity, in each case in accordance with Schedule 7 R 1; and</p> <p>b = the total number of Resettlement Persons assigned to the Contractor in the relevant month.</p> | 95%                      | 90%                            | 1%                   |

|     | Service Level        | Definition and Formula for calculating Actual Performance  | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|-----|----------------------|--|--------------------------|--------------------------------|----------------------|
| 14. | Pre-release planning | <p>The percentage of Allocated Persons in a month who have received pre-release activity and planning no more than 12 weeks prior to that Allocated Persons date of release from custody other than Allocated Persons who will be in custody for less than 12 weeks.</p> <p><math>a/b \times 100</math> where:</p> <p>a = the total number of Allocated Persons who are released from custody in the relevant month and that have served 12 weeks or more in prison that have received pre-release activity and planning from the Contractor in accordance with Schedule 7 R3 no more than 12 weeks prior to its release date; and</p> <p>b = the total number of Allocated Persons released from custody in the relevant month that have served 12 weeks or more in prison.</p> | 90%                      | 85%                            | 0.6%                 |

#### 4. Other Custodial Services

|     | Service Level                             | Definition and Formula for calculating Actual Performance  | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|-----|---|--|--------------------------|--------------------------------|----------------------|
| 15. | Contribution to Assessments for Discharge | <p>The percentage of Allocated Persons released on Home Detention Curfew or on Release on Temporary Licence where the Contractor has provided information for use in the decision making process.</p> <p><math>a/b \times 100</math> where</p> | 97%                      | 92%                            | 0.6%                 |

|  | Service Level | Definition and Formula for calculating Actual Performance  | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|--|---------------|--|--------------------------|--------------------------------|----------------------|
|  |               | <p>a = the total number of Allocated Persons released on Home Detention Curfew within 10 Business Days after request or on Release on Temporary Licence in the relevant month where the Contractor has provided information to the Authority in accordance with Schedule 7 OM13and OM14; and</p> <p>b = the total number of Allocated Persons pursuant to which a request to be released on Home Detention Curfew or Release on Temporary Licence has been made in the relevant month.</p> |                          |                                |                      |

## 5. Enforcement

|     | Service Level              | Definition and Formula for calculating Actual Performance  | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|-----|----------------------------|--|--------------------------|--------------------------------|----------------------|
| 16. | Quality of Breach referral | <p>The percentage of Breach Information packs from the Contractor that the Authority is able to use for a Breach Presentation without the need for additional information (excluding information that only becomes available after the date that the original Breach Information pack is compiled) in accordance with Schedule 10 paragraph 4(c).</p> <p><math>a/b \times 100</math> where</p> <p>a = the total number of Breach Information packs provided by the Contractor to the Authority in relation to Allocated Persons in the relevant month that the Authority is able to use for a Breach</p> | 90%                      | 80%                            | 1%                   |

|     | Service Level           | Definition and Formula for calculating Actual Performance  | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|-----|-------------------------|--|--------------------------|--------------------------------|----------------------|
|     |                         | <p>Presentation without the need for additional information (excluding additional information that only becomes available after the date that the original Breach Information pack is compiled) in accordance with Schedule 10 paragraph 4(c); and</p> <p>b = the total number of Breach Information packs in relation to Allocated Persons provided by the Contractor to the Authority in accordance with Schedule 10 paragraph 4(c) in the relevant month.</p>   |                          |                                |                      |
| 17. | Recall quality referral | <p>The percentage of Recalls that the Authority is able to make following receipt of a recommendation to Recall (where applicable) and Recall Information from the Contractor in accordance with Schedule 10 paragraph 6(a) without the need for additional information (excluding additional information that only becomes available after the date that the original Breach Information pack is compiled).</p> <p>a/b x 100 where</p> <p>a = the total number of Recall that the Authority is able to make in relation to Allocated Persons following receipt of a recommendation to Recall and the Recall Information from the Contractor in accordance with Schedule 10 paragraph 6(a) in the relevant month without the need for additional information (excluding additional information that only becomes available after the date that the original Breach Information pack is compiled); and</p> <p>b = the total number of Recall Information sets in relation to Allocated Persons provided by the Contractor to the Authority in accordance with Schedule 10 paragraph 6(a) in the relevant month.</p> | 90%                      | 80%                            | 0.8%                 |

OFFICIAL SENSITIVE

CPA 10, DERBYSHIRE, LEICESTERSHIRE, NOTTINGHAMSHIRE AND RUTLAND, BIDDER 837

FINAL

|  | Service Level | Definition and Formula for calculating Actual Performance  | Service Level Percentage | Improvement Plan Trigger Level | Service Level Weight |
|--|---------------|--|--------------------------|--------------------------------|----------------------|
|  |               | For the avoidance of doubt, this Service Level shall not apply to any Allocated Persons released on Home Detention Curfew. |                          |                                |                      |

## PART 3

## ASSURANCE METRICS

|   | Assurance Metric                             | Definition and Formula for calculating Actual Performance  | Assurance Metric Percentage | Improvement Plan Trigger Level |
|---|--|--|-----------------------------|--------------------------------|
| A | Quality of engagement with Allocated Persons | <p>The percentage of Offender Surveys conducted by the Contractor that demonstrate an Overall Positive Experience by the Applicable Person in each six month period.</p> <p><math>a/b \times 100</math> where</p> <p>a = the total number of Applicable Persons who responded to an Offender Survey in the relevant 6 month period with an Overall Positive Experience; and</p> <p>b = the total number of Applicable Persons who responded to an Offender Survey in the relevant 6 month period.</p>  | 75%                         | 60%                            |
| B | SFO reviews                                  | <p>The percentage of Acceptable SFO Action Plans conducted by the Contractor within 3 months of an Allocated Person of the Contractor being charged with a Serious Further Offence.</p> <p><math>a/b \times 100</math> where</p> <p>a = the total number of Acceptable SFO Action Plans prepared in the relevant month; and</p> <p>b = the total number of Serious Further Offence Reviews conducted by the Contractor in the relevant month.</p> <p><b>Acceptable SFO Action Plan</b> means an action plan that is prepared by the Contractor no later than 3 months after the date of a Serious Further Offence that identifies steps to</p> | 100%                        | 90%                            |

|   | Assurance Metric                                       | Definition and Formula for calculating Actual Performance  | Assurance Metric Percentage | Improvement Plan Trigger Level |
|---|--|--|-----------------------------|--------------------------------|
|   |  | be taken by the Contractor to address each finding of the Serious Further Offence Review relating to that Serious Further Offence in order to improve the provision of the Services in relation to the three domains identified in Probation Instruction 15/2014 (as replaced from time to time) for Community Rehabilitation Companies  |                             |                                |
| C | Allocated Person Resettlement Services - Accommodation | <p>The percentage of Allocated Persons in the relevant month that on release from custody have Settled Accommodation.</p> <p><math>a/b \times 100</math> where</p> <p>a = the total number of Allocated Persons released from custody in the relevant month that have Settled Accommodation; and</p> <p>b = the total number of Allocated Persons released from custody in the relevant month.</p>                                 | 90%                         | 80%                            |
| D | Accredited Programme Quality                           | The percentage of Accredited Programmes meeting required quality assurance to show adherence to accreditation standards which shall be calculated in accordance the process set out in Appendix 4 of this Schedule 9.  | 90%                         | 80%                            |
| E | Breach referral timeliness                             | <p>The percentage of alleged breaches of a Community Order, Suspended Sentence Order, Post Sentence Supervision Period or Supervision Default Order by an Allocated Person of the Contractor referred to the Authority in accordance with Schedule 7 OM27 or OM28 and Schedule 10 paragraph 4(c) for Breach Presentation within 8 Business Days after the date of the alleged breach.</p> <p><math>a/b \times 100</math> where</p> | 95%                         | 85%                            |

|   | Assurance Metric              | Definition and Formula for calculating Actual Performance   | Assurance Metric Percentage | Improvement Plan Trigger Level |
|---|-------------------------------|---|-----------------------------|--------------------------------|
|   |                               | <p>a = the total number of alleged breaches of a Community Order, Suspended Sentence Order, Post Sentence Supervision Period or Supervision Default Order by an Allocated Person of the Contractor in a relevant month referred by the Contractor to the Authority for Breach Presentation no later than 5 Business Days after the date of the alleged breach by the Allocated Person; and</p> <p>b = the total number of alleged breaches of a Community Order, Suspended Sentence Order Post Sentence Supervision Period or Supervision Default Order by an Allocated Person of the Contractor in a relevant month referred by the Contractor to the Authority for Breach Presentation.</p>   |                             |                                |
| F | Recall referral<br>timeliness | <p>The percentage of recommendations to Recall an Allocated Person of the Contractor made to the Authority by the Contractor within 24 hours of the Contractor becoming aware of the alleged breach occurring.</p> <p><math>a/b \times 100</math> where</p> <p>a = the total number of recommendations to Recall made by the Contractor in the relevant month in accordance with Schedule 10 paragraph 6(a) no later than 24 hours after the Contractor becoming aware of the alleged breach by the Allocated Person; and</p> <p>b = the total number of recommendations to Recall made by the Contractor in the relevant month in accordance with Schedule 10 paragraph 6(a).</p> <p>For the avoidance of doubt, this Assurance Metric shall not apply to any Allocated Persons released on Home Detention Curfew or in relation to an Emergency Recall.</p> | 95%                         | 85%                            |
| G | Risk escalation<br>quality    | <p>The percentage of risk escalation referrals made by the Contractor pursuant to Schedule 7 OM 24 that are accepted by the Authority.</p> <p><math>a/b \times 100</math> where</p>   | 90%                         | 80%                            |



|  | Assurance Metric | Definition and Formula for calculating Actual Performance   | Assurance Metric Percentage | Improvement Plan Trigger Level |
|--|------------------|---|-----------------------------|--------------------------------|
|  |                  | <p>a = the total number of Allocated Persons of the Contractor in a relevant month who are transferred to the Authority pursuant to Schedule 10 paragraph 7(c) following a risk escalation referral made by the Contractor pursuant to Schedule 7 OM 24; and</p> <p>b = the total number of Allocated Persons of the Contractor in a relevant month who are referred to the Authority pursuant to Schedule 7 OM 24.</p> |                             |                                |

## **PART 4**

### **SERVICE CREDIT CALCULATIONS**

1. In respect of each Service Level measured pursuant to the Quarterly Performance Report, the Service Credit for each quarter shall be calculated as follows:

For every complete 0.1% (10bps) that the Actual Performance of a Service is below a Service Level Percentage, the Contractor shall pay a Service Credit, calculated using the following formula:

$$\frac{(\text{Percentage Annual Contract Value} / 4) \times \text{Service Level Weight} (\%)}{((\text{Service Level Percentage} - \text{Improvement Plan Trigger Level}) \times 10) - 1}$$

By way of illustration only:

For Service Level 1, assuming the Percentage Annual Contract Value is £4,000,000 and the Actual Performance for the Service Level 1 in a quarter is 95.8% (therefore twelve complete 0.1% (10bps) below the Service Level Percentage), the Service Credit shall be calculated as follows:

$$\left[ \frac{(4,000,000/4) \times 0.0075}{((97-92) \times 10) - 1} \right] \times 12 = £1,836.73$$

2. The payment of Service Credits shall continue to apply if Actual Performance is also below the Improvement Plan Trigger Level.

For example, if Actual Performance in relation to Service Level 1 for a quarter is 89.4%, (therefore seventy-six complete 0.1% (10bps) below the Service Level Percentage) the Service Credit payable shall be calculated as follows

$$\left[ \frac{(4,000,000/4) \times 0.0075}{((97-92) \times 10) - 1} \right] \times 76 = £11,632.65$$

3. The total aggregate Service Credits payable by the Contractor in a Contract Year shall not exceed 15% of the amount set out in the Predicted WAV Band of the Fixed FFS in the Fee for Service Table for that Contract Year (as that amount is amended in accordance with paragraph 15 of Schedule 11 (Payment Mechanism)).

**APPENDIX 1**

**OFFENDER SURVEY REQUIREMENTS**

- (1) The Contractor shall ensure that its Offender Survey:
  - (a) includes the following questions:
    - Q1. My probation officer generally tells me of the reasons behind his/her decisions
    - Q2. My probation officer and I get on well
    - Q3. My probation officer is interested in my life
    - Q4. My probation officer is interested in what I have to say
    - Q5. My time on probation is well organised
    - Q6. My probation officer and I agree goals together
    - Q7. My probation officer has set out clearly what I am expected to achieve
    - Q8. Working with my probation officer is giving me more skills to solve problems
    - Q9. My probation officer always sets a good example
    - Q10. My probation officer has made me realise that change is possible
    - Q11. My probation officer has made me realise that how I behaved is not the best way
    - Q12. My probation officer sometimes annoys me so much that I feel like ignoring what he/she says
    - Q13. I now know what kinds of things are making me more likely to offend
    - Q14. Since working with my probation officer, I think more about how what I do or say affects those around me
    - Q15. I now try to think more before I act; and
  - (b) provides that the questions have a multiple choice response categorised as follows: Strongly Agree; Agree; Neutral; Disagree; and Strongly Disagree.
- (2) The Contractor shall ensure that: the Offender Survey is validated as an appropriate measure of offender engagement by an independent Third Party academic with the skills and experience to do so. The method used by the Third Party to validate the Offender Survey and the Offender Survey shall be reviewed and approved in writing by the Authority. If the Contractor uses the SEED Survey as its Offender Survey, the offender survey shall be deemed to have been approved by the Authority for the purposes of this paragraph (2).
- (3) The Contractor shall survey a sufficient proportion of Allocated Persons to ensure it is able to produce statistically significant findings.

## **APPENDIX 2**

### **QUALITY ASSURANCE ARRANGEMENTS**

The Quality Assurance Arrangements framework is set out on the following pages.

**APPENDIX 3**

**FORM OF NOTICE FOR PERFORMANCE MEASURES**

| Service Level | Applicable Period | Service Level Percentage | Improvement<br>Trigger Level | Plan |
|---------------|-------------------|--------------------------|------------------------------|------|
| 1             | 0-6 months        |                          |                              |      |
|               | 6-9 months        |                          |                              |      |
|               | 9-12 months       |                          |                              |      |
|               | 12-15 months      |                          |                              |      |
|               | 15-18 months      |                          |                              |      |
|               | 18-21 months      |                          |                              |      |
|               | 21-24 months      |                          |                              |      |
| 2             |                   |                          |                              |      |
| 3             |                   |                          |                              |      |
| 4             |                   |                          |                              |      |
| 5             |                   |                          |                              |      |
| 6             |                   |                          |                              |      |
| 10            |                   |                          |                              |      |
| 11            |                   |                          |                              |      |
| 15            |                   |                          |                              |      |
| 16            |                   |                          |                              |      |

*[Note: Authority to use the form above to notify the Contractor of each Service Level listed here for the applicable periods illustrated in relation to Service Level 1 in accordance with paragraph 1.3]*

## **APPENDIX 4**

### **ACCREDITED PROGRAMME QUALITY**

- (1) NOMS Interventions Services shall, on behalf of the Authority, conduct an audit of the Contractor's delivery of the Accredited Programmes (i) in accordance with the Interventions Integrity Framework and (ii) based on evidence and data provided by the Contractor, not less than once in every two Contract Years.
- (2) As part of the audit referred to in (1) above, for each Accredited Programme that the Contractor is delivering, the Authority shall award the Contractor a score for:
  - a) quality completions measures (part 1 and part 2);
  - b) quality of delivery (part 1 and part 2); and
  - c) rehabilitative culture,(each an **Accredited Programme Measure**) in each case against the baseline score set out in the Technical Note for Assurance Metric D for that Accredited Programme Measure.
- (3) An aggregated score for quality of the delivery of an Accredited Programme shall be calculated as follows:
  - a)  $(A/B \times 100)$  where A = the score awarded to the Contractor for an Accredited Programme Measure and B = the baseline score for that Accredited Programme Measure;
  - b) the score for each Accredited Programme Measure calculated in accordance with paragraph 3(a) shall be added together to provide a total score for the applicable Accredited Programme (with the maximum score possible being 500);
  - c)  $(C/D \times 100)$  where C = the total score awarded to the Contractor for that Accredited Programme in accordance with paragraph 3(b) and D = 500, to provide, subject to paragraph 4, the percentage for the Contractor's Actual Performance in Assurance Metric D.
- (4) Where the Contractor is delivering more than one Accredited Programme a score will be awarded for each Accredited Programme in accordance with paragraphs 3(a) to (c). Each total score for each Accredited Programme will then be added together and divided by the number of Accredited Programmes that the Contractor is delivering to provide the percentage for the Contractor's Actual Performance in Assurance Metric D.
- (5) For the purposes of this Appendix:

**Interventions Integrity Framework** means the Interventions Integrity Framework issued in writing by the Authority from time to time which can be found on the Authority's Website.