Schedule F

Payment And performance management

Part i (PAYMENT)

1. OVERVIEW

In consideration of the provision by the Contractor of the Services to the Authority, the Contractor shall be entitled to:

Part A Fees - Resources;

Part A Fees – Specific Tasks; and

Part B Fees - Innovation;

(in each case) in accordance with this Schedule F (*Payment and Performance Management*).

Part A Fees for Resources and Specific Tasks will, *inter alia*, reimburse the Contractor for costs incurred in providing the Engineering Services under Part A (*Resource and Specific Task)* of Schedule A (*Requirements*). Innovation Fees will, *inter alia*, be paid in consideration of the Contractor performing its obligations under Part B (*Innovation*) of Schedule A (*Requirements*).

The Man Day Rate for each Engineering Function Role Profile as stated in the Part A Man Day Rate in Appendix 1 (*Man Day Rate*) to this Part I of Schedule F (*Payment and Performance Management*) as at the date hereof shall be Indexed, as further described in Appendix 2 (*Indexation*) to this Part I (*Payment*) of Schedule F (*Payment and Performance Management*).

The Man Day Rate for each Engineering Function Role Profile as stated in the Part B Man Day Rate Appendix 1 (*Man Day Rate*) to this Part I of Schedule F (*Payment and Performance Management*) as at the date hereof shall be Indexed, as further described in Appendix 2 (*Indexation*) to this Part I (*Payment*) of Schedule F (*Payment and Performance Management*).

1. PART A FEES
   1. RESOURCES

Resources are calculated each Month pursuant to this Paragraph 2.1 (*Resources*) by totalling the following agreed costs (**"Resource Rates"**):

for Personnel engaged under an Approved Tasking Order, an amount equal to the daily rate for such Personnel that is identified in an Approved Tasking Order and paid for each full day or half day (if applicable under the relevant Approved Tasking Order, provided that a half day shall comprise four (4) hours of work and an amount equal to half of the daily rate shall be paid for each half day) and that any such Personnel is engaged under that Approved Tasking Order in that Month, provided that such daily rate equals the fee for the relevant Contract Year reflected in the Part A Man Day Rate for the Role Profile Level of such Personnel;

any T&S Costs incurred in respect of any Engaged Personnel; and

a Contract Profit Rate,

provided such costs shall not exceed the budget agreed for the such in the applicable Approved Tasking Order.

* + 1. Rates are calculated each Month as the sum of the Rates for all Personnel engaged in the provision of the Services that Month, provided that no holiday or other absence shall be included when calculating the number of days (or half days if applicable to the Approved Tasking Order) in the relevant Month for which the Personnel were engaged.
  1. Specific Tasks

The Contractor will work together with the Authority Delivery Team to agree a Firm price with an auditable breakdown for each Approved Tasking Order for Specific Tasks pursuant to this Paragraph 2.2 (Specific Tasks). The Contractor will be required to provide a full breakdown of the costs for each Approved Tasking Order.

**FOR ALL PART A TASKS**

The Parties shall agree and record in an Approved Tasking Order for Resource and Specific Tasks the following matters before the Contractor undertakes any work:

the Man Day Rates;

the budget for Resources; and/or

the firm price for the Specific Task.

No Part A Fees for Resources and/or Specific Tasks shall be paid in respect of any Services carried out under an Approved Tasking Order that:

has not been signed by the ADT Commercial Lead pursuant to Paragraphs 2.1 & 3.1 of Part I - Part A (Tasking Process) within Schedule D (Tasking Process);

exceed the budgeted price for a Resource; or

exceed the firm price for a Specific Task.

1. Part b INNOVATION FEES

Innovation Fees payable for the performance by the Contractor of the Services set out in Part B (*Innovation*) of Schedule A (*Requirements*) shall be payable in accordance with this Paragraph 3 (*Part B Innovation Fees*).

* 1. Mature Fee

A "Mature Fee" means a fee payable by the Authority to the Contractor as consideration for the maturing and development of an Authority Directed Innovation Opportunity or a Contractor Generated Innovation Opportunity by the Contractor and is calculated by totalling the following agreed costs:

for Personnel engaged under an Approved Tasking Order, an amount equal to the daily rate for such Personnel that is identified in an Approved Tasking Order and paid for each full day or half day (if applicable under the relevant Approved Tasking Order, provided that a half day shall comprise four (4) hours of work and an amount equal to half of the daily rate shall be paid for each half day) and that any such Personnel is engaged under that Approved Tasking Order in that Month, provided that such daily rate equals the fee for the relevant Contract Year reflected in the Part B Man Day Rate for the Level of such Personnel; and

* + - 1. any T&S Costs incurred in respect of any Personnel,

Subject to Paragraph 5 (*Part B Innovation Fees Report*), the Contractor shall be entitled to seek payment from the Authority of a Mature Fee, in respect of a Contractor Generated Innovation Opportunity, if:

* + - 1. the Innovation Governance Committee approves such Contractor Generated Innovation Opportunity; and
      2. an EDP Part B Tasking Order will be completed by the Authority Delivery Team pursuant to Paragraph 3 (*Review of a Contractor Generated Innovation Opportunity by the Innovation Governance Committee)* of the Part B Tasking Process.

Subject to Paragraph 5 (*Part B Innovation Fees Report*), the Contractor shall be entitled to seek payment from the Authority of a Mature Fee in respect of an Authority Directed Innovation Opportunity:

where an Approved Tasking Order has been received, following a meeting of the Innovation Governance Committee held to evaluate and approve such Authority Directed Innovation Opportunity pursuant to Paragraph 5.1 of the Part II - Part B Tasking Process within Schedule D (Tasking Process);

upon receipt of notice from the Authority that it requires the Contractor to stop developing such Authority Directed Innovation Opportunity pursuant to Paragraph 7 of the Part II - Part B Tasking Process within Schedule D (Tasking Process); or

(C) on the date falling six (6) Months after the date upon which the Contractor confirmed in writing that it would develop such Authority Directed Innovation Opportunity pursuant to Paragraph 4.2 of the Part II - Part B Tasking Process within Schedule D (Tasking Process)

* 1. Delivery Fee
     1. A "Delivery Fee" means a fee payable to the Contractor for the delivery of an Approved Tasking Order for Innovation, to be agreed by the Parties in the relevant Part B Task, that reflects the risk to be taken by the Contractor in delivering such Approved Tasking Order for Innovation and may include one or more (or a blend of) the following options:
        1. Allowable Costs plus a Contract Profit Rate;
        2. a firm price;
        3. payments for reaching a Milestone;
        4. discounted fees;
        5. success fees;
        6. a gainshare fee; or
        7. target cost incentive fee.
     2. Subject to Paragraph 5 (*Part B Innovation Fees Report*), the Contractor shall be entitled to seek payment from the Authority in respect of a Delivery Fee pursuant to the terms of the applicable Part B Tasking Process within Schedule D (Tasking Process).

1. PART A FEES REPORTS

**Resources**

The Contractor shall submit a Monthly Part A Fees Report for Resources at the beginning of each Month. The Monthly Part A Fees Report for Resources will set out, in a format and level of detail that is reasonably satisfactory to the Authority, details of:

4.1.1 the Personnel deployed by the Contractor pursuant to this Agreement, identifying the individuals concerned, the number of Business Days worked in the Month prior to such Contract Management Meeting and the total cost of those Personnel;

* + 1. any T&S Costs incurred in the Month prior to such Contract Management Meeting;

calculation of the Part A Fees for Resource for that Month pursuant to Paragraph 2.1 (*Resources*) above setting out details of:

the gross Rates calculated pursuant to Paragraph 2.1;

any Retentions or Deductions to be deducted from the gross Rates pursuant to the Performance Regime;

any Retentions due to be returned to the Contractor pursuant to Paragraph 2.3 of Part II (*Performance Management*) of Schedule F (*Payment and Performance Management*) to be added to the gross Rates;

any other adjustments due in accordance with the terms of this Agreement;

the net Part A Fees for Resources that would be payable by the Authority if the Authority agrees with such calculation; and

(if required by the Authority) supporting evidence of the information provided under Paragraphs 4.1.1, 4.1.2 and 4.1.3.

**Specific Tasks**

The Contractor shall submit a Monthly Part A Fees Report for Specific Tasks five (5) Business Days prior to each Contract Management Meeting. The Monthly Part A Fees Report for Specific Tasks will set out, in a format and level of detail that is reasonably satisfactory to the Authority, details of:

payments due following the completion of an Approved Tasking Order or any Milestone payments that are due under an agreed Milestone payment plan in an Approved Tasking Order;

the Personnel used to deliver the products required pursuant to the Approved Tasking Order, identifying any individuals concerned, the number of Business Days worked in the Month prior to such Contract Management Meeting and the total cost;

any T&S Costs incurred in the Month prior to such Contract Management Meeting;

any costs, in addition to the Specific Task Rates identified at Paragraph 2.2.1 which have been explicitly approved by the Authority Delivery Team;

calculation of the Part A Fees for Specific Tasks for that Month pursuant to Paragraph 2.2 (*Specific Tasks*) above setting out details of:

the gross Rates calculated pursuant to Paragraph 2.1;

any Retentions or Deductions to be deducted from the gross Rates pursuant to the Performance Regime;

any Retentions due to be returned to the Contractor pursuant to Paragraph 4.3 of Part II (*Performance Management*) of Schedule F (*Payment and Performance Management*) to be added to the gross Rates;

any other adjustments due in accordance with the terms of this Agreement;

the net Part A Fees for Specific Tasks that would be payable by the Authority if the Authority agrees with such calculation; and

(if required by the Authority) supporting evidence of the information provided under Paragraphs 4.1.1, 4.1.23 and 4.1.3.

Each Monthly Part A Fees Report for Resources and Specific Tasks shall be reviewed by the Authority as part of a Contract Management Meeting. Subject to Clause 54 (*Disputed Amounts*), to the extent a Monthly Part A Fees Report for Resources and Specific Tasks is accepted and approved by the Authority, the Contractor shall be entitled to invoice the Authority for the Part A Fees accepted and approved in such Monthly Part A Fees Report for Resources and Specific Tasks in accordance with Clause 53 (*Invoicing and Payment*).

To the extent a Monthly Part A Fees Report for Resources and Specific Tasks is not accepted and approved by the Authority, the Authority shall give reasons for this and any matter or matters in dispute shall be determined pursuant to Clause 64 (*Dispute Resolution Procedure*).

If, following determination of a Dispute in relation to a Monthly Part A Fees Report for Resources and Specific Tasks, the Contractor is entitled to invoice the Authority for any Part A Fees and (as a consequence of that Dispute) the due date for payment of those Part A Fees in accordance with Clause 53 (*Invoicing and Payment*) is later than the date that would have applied in accordance with Clause 53.3.6 (*Invoicing and Payment*) had the amount not been disputed, then for the purposes of Clause 55 (*Interest on Late Payment*) the due date for payment of those Part A Fees shall be deemed to be the date that would have applied in accordance with Clause 53.3.6 (*Invoicing and Payment*) had the amount not been disputed.

1. part b INNOVATION FEES REPORT

When the Contractor wishes to submit a claim for payment of Innovation Fees pursuant to Clause 53 (*Invoicing and Payment*), it shall submit to the Authority, a report setting out in a format and level of detail that is reasonably satisfactory to the Authority details of:

in the event of any claim for any Mature Fee, details of the resources used by the Contractor in developing the relevant Authority Directed Innovation Opportunity or Contractor Generated Innovation Opportunity;

in the event of any claim for a Delivery Fee, the information required by the relevant Part B Task, including any information that the Authority deems necessary for it to assess the calculation of any sums claimed in respect of such Delivery Fee;

any Retentions or Deductions to be deducted from the Innovation Fee pursuant to the Performance Regime;

any Retentions due to be returned to the Contractor pursuant to Paragraph 2.2 of Part II (Performance Management) of Schedule F (Payment and Performance Management) to be added to the Innovation Fee;

any other adjustments due in accordance with the terms of this Agreement;

the net Innovation Fee that would be payable by the Authority if the Authority agrees with such calculation; and

(if required by the Authority) supporting evidence of the information provided under Paragraphs 5.1.1, 5.1.2, 5.1.3, 5.1.4, 5.1.5 and 5.1.6.

Each Innovation Fees Report shall be reviewed by the Authority as part of a Contract Management Meeting. To the extent an Innovation Fees Report is accepted and approved by the Authority (an **"Approved Innovation Fees Report"**) the Contractor shall be entitled to invoice the Authority for the Innovation Fees referred to in the Approved Innovation Fees Report in accordance with Clause 53 (*Invoicing and Payment*).

To the extent an Innovation Fees Report is not accepted and approved by the Authority, the Authority shall give reasons for this and any matter or matters in dispute shall be determined pursuant to Clause 64 (*Dispute Resolution Procedure*).

If, following determination of a Dispute in relation to an Innovation Fees Report, the Contractor is entitled to invoice the Authority for any Innovation Fees and (as a consequence of that Dispute) the due date for payment of those Innovation Fees in accordance with Clause 53 (*Invoicing and Payment*) is later than the date that would have applied in accordance with Clause 53.3.6 (*Invoicing and Payment*) had the amount not been disputed, then for the purposes of Clause 55 (*Interest on Late Payment*) the due date for payment of those Innovation Fees shall be deemed to be the date that would have applied in accordance with Clause 53.3.6 (*Invoicing and Payment*) had the amount not been disputed.

1. WITHHOLDING ON EXIT PAYMENTS

In the period that is six (6) Months prior to the Expiry Date, the Authority shall be entitled to deduct from any amounts payable under this Agreement an amount equal to REDACTED of the Part A Fee payable in respect of each Month in the six (6) Months prior to the Expiry Date (the **"Retained Amount"**).

The Retained Amount shall be deducted against each invoice issued by Contractor pursuant to Clause 52 (*Invoicing and Payment*) during that six (6) Month period.

Where the Agreement is terminated following a notification pursuant to Clause 61 (*Early Termination*), the Authority shall be entitled to deduct the Retained Amount (or any balance yet to be deducted under Paragraph 6.1) from any subsequent invoice issued by the Contractor pursuant to Clause 53 (*Invoicing and Payment*) or to recover such amounts in accordance with Paragraph 6.6.

Each instalment of the Retained Amount shall be paid into an interest bearing account (the **"Retention Fund Account"**).

If the Authority (acting reasonably) considers that:

the Contractor has complied with the terms of the Exit Plan, it shall pay the balance of the Retention Fund Account (including any interest accrued) to the Contractor upon issue by the Contractor of an invoice in accordance with Clause 53 (*Invoicing and Payment*); or

the Contractor has not complied with the terms of the Exit Plan, the Contractor will have no further rights in respects of the Retained Amount (including any interest accrued on the Retained Amount) and the Authority shall continue to retain such Retained Amount (including any accrued interest).

If:

following the final payment of the Part A Fee under this Agreement, the Authority has not received the Retained Amount (including if such Part A Fee was paid prior to the period referenced in Paragraph 6.1); and

the Contractor has not, in the Authority's reasonable opinion, complied with the Exit Plan,

then the balance of the unrecovered costs incurred by the Authority in mitigating the lack of compliance by the Contractor with the Exit Plan shall be payable as a debt to the Authority upon ten (10) Business Days’ notice.

APPENDIX 1 to part I  
  
PART A MAN DAY RATES

See attached excel spreadsheet

PART B Man Day RATE

See attached excel spreadsheet

APPENDIX 2 to part I

Indexation

1. Indexed

For the purposes of this Agreement, "**Indexed**" shall mean that the relevant amount is varied with effect from each Indexation Date in accordance with the following formula:

V = P (Oi/O0)

provided that V shall be deemed to be equal to P if Oi is less than O0

Where:

V represents the new amount to apply with effect from the Indexation Date

P represents the relevant amount that is subject to indexation

O represents the index Services Producer Price Indices –: REDACTED

O0 represents the average index figure for REDACTED for the period 1 April 2017 to 31 March 2018

Oi represents the average index figure for REDACTED for the period 1 April to 31 March of the year immediately preceding the relevant indexation date

For the purposes of this Agreement, "**Indexation Date**" means the third anniversary of the Commencement Date and each anniversary of the Commencement Date thereafter.

The **REDACTED** index figure referred to in Paragraph 1.1 above shall be taken from the following table published by the Office for National Statistics:

**Services Producer Price Index (SPPI), Statistical Bulletin Reference Tables, REDACTED**

In the event that any material changes are made to the index (e.g. a revised statistical base date) then the re-basing methodology outlined by the Office for National Statistics (ONS, the series providers) to match the original index to the new series shall be applied.

In the event the agreed index ceases to be published (e.g. because of a change in the Standard Industrial Classification) the Authority and the Contractor shall agree an appropriate replacement index, which shall cover to the maximum extent possible the same economic activities as the original index. The methodology outlined by the Office for National Statistics used for rebasing indices (as in Paragraph 1.4 above) shall then be applied.

Notwithstanding the above, any extant index agreed in this Agreement shall continue to be used as long as it is available and subject to ONS revisions policy. Payments calculated using the extant index during its currency shall not be amended retrospectively as a result of any change to the index.

Where an index value is amended (irrespective of whether such value is amended due to an error in the published index value or due to a change in the extant index) after a relevant amount is Indexed in accordance with the terms of this Agreement, the Authority and the Contractor may agree a fair and reasonable adjustment, as necessary. Any failure to agree a fair and reasonable adjustment shall be resolved in accordance with Clause 64 (*Dispute Resolution Procedure*).

1. man day Rates

Where any Man Day Rate Card is to be Indexed in accordance with the terms of this Agreement:

* + 1. the Contractor shall as soon as reasonably practicable after the relevant index figure for Q4 is published calculate and notify to the Authority such Indexed Man Day Rate Card;
    2. the Authority shall notify the Contractor within five (5) Business Days of receipt of notification from the Contractor as to whether or not the Authority considers the Man Day Rate Card to have been Indexed in accordance with the terms of this Agreement;
    3. the Indexed Man Day Rate Card shall not take effect until the Authority notifies the Contractor that it considers the Man Day Rate Card to have been Indexed in accordance with the terms of this Agreement or any Dispute is determined;
    4. any Dispute as to whether the Man Day Rate Card has been Indexed in accordance with the terms of this Agreement shall be resolved in accordance with Clause 64 (Dispute Resolution); and
    5. once any such Dispute is resolved, if the Indexed Man Day Rate Card is adjusted to account for having been Indexed, the Contractor shall be entitled to issue an invoice for the amount of the difference between the Part A Fees for Resources and Specific Tasks paid between the Indexation Date and the date of resolution of the Dispute and the amount that should have been paid having regard to the Indexed Man Day Rate Card.

part ii (Performance Management)

1. KEY PERFORMANCE INDICATORS
   1. The Parties shall comply with the provisions of this Schedule F (*Payment and Performance Management*) and any performance management metrics contained in Appendix 1 (*Key Performance Indicators*).
   2. The performance of the Contractor in providing the Services shall be monitored throughout the Duration of the Agreement through the use of the Key Performance Indicators (KPIs) set out in Appendix 1 (*Key Performance Indicators*) to this Part II (*Performance Management*) of Schedule F (*Payment and Performance Management*), but not in relation to Surge Tasks, which shall be subject to their own unique measures which will be agreed in relation to each Surge Task in accordance with Schedule A (*Requirements*) and Schedule C (*Contract Management*) Paragraph 3.
   3. The Contractor shall monitor its performance against each KPI and shall issue to the Authority a Monthly report detailing the level of performance actually achieved in accordance with Clause 31.1. This Monthly report will be used to discuss the performance of the Contractor against each KPI at the Contract Management Meeting.
   4. The Key Performance Indicators shall be measured by reference to the corresponding descriptions set out below and in the table set out in Appendix 1 (*Key Performance Indicators*) to this Part B (*Performance Management*) of Schedule F (*Payment and Performance Management*).
   5. The number, definition and performance measures for each of the KPIs as set out in Appendix 1 to Part B of this Schedule F will be reviewed by the Parties annually on the anniversary of the Agreement Commencement Date, as part of and in conjunction with Schedule C (*Contract Management*) Appendix 2 (*Continuous Improvement Plan*).
   6. If the Parties agree to amend the number, definition or performance measures for any of the KPIs set out in Appendix 1 to Part B of this Schedule F, they shall implement a variation in accordance with Clause 19 (*Variation*) and Clause 20 (*Formal Amendments to the Agreement*)) of this Agreement.
2. RETENTIONS
   1. A KPI Failure will exist if the performance of the KPI has been assessed as "RED". The Authority will be entitled to a Withheld Amount equal to a % of the total amount claimed by the Contractor in the relevant KPI period pursuant to Clause 53 (Invoicing *for Payment*) in relation to Part A Fees or Innovation Fees relating to each KPI failed. Table 1 (*Retention Values*) below details the percentage to be withheld by the Authority in the event of a KPI failure.

**Table 1 – Retention Value**

|  |  |
| --- | --- |
| **KPI & PI No** | **Withheld Amount - Percentage of the total amount claimed for the KPI Period on failure** |
|  |  |
| **KPI 1 – Quality and Performance** | Maximum of [x]% of the total amount claimed for the KPI Period |
| PI 1 – Resources  PI 2 – Specific Tasks  PI 3 – Innovation  PI 4 – Resolution of Quality and Performance Issues | [x]%  [x]%  [x]%  [x]% |
|  |  |
| **KPI 2 – Responsiveness to Tasking** | Maximum of [x]% of the total amount claimed for the KPI Period |
| PI 1 – Resources  PI 2 – Specific Tasks  PI 3 – Innovation | [x]%  [x]%  [x]% |
|  |  |
| **KPI 3 – Contractor Performance Report** | [x]% of the total amount claimed for the KPI Period |
|  |  |
| **KPI 4 – SME Participation** | [x]% of the total amount claimed for the KPI Period |

* 1. In relation to each monthly KPI period the aggregate of all Withheld Amounts retained by the Authority relating to that period (excluding any amounts which were retained during previous KPI periods) shall not exceed an amount equivalent to the aggregate of [x]% of the total payments claimed by the Contractor in that period pursuant to Clause 54 (*Disputed Amounts*) in relation to Part A Fees or Part B Innovation Fees.
  2. Subject to Paragraph 3, each and all Withheld Amounts that correspond to a Retention pursuant to Paragraph 3 shall be paid to the Contractor if, in two subsequent consecutive KPI Periods falling after the date such Withheld Amount was made, the Contractor achieves a performance level of “GREEN” for the KPI relevant to such Retention. The Authority will inform the Contractor that the Contractor is now entitled to such Withheld Amount and the Contractor shall be entitled to invoice the Authority for an amount equal to such Withheld Amount in accordance with Clause 53 (Invoicing and Payment).
  3. Withheld Amounts relating to the Contractor’s performance shall be retained by the Authority until the Contractor becomes entitled to such Withheld Amounts pursuant to Paragraph 3 or such Withheld Amounts are retained by the Authority pursuant to Paragraph 3.
  4. The Contractor shall lose all rights in respect of, and the Authority shall be entitled to retain on a permanent basis, any Withheld Amounts that the Contractor has not become entitled to invoice pursuant to Paragraph 3. prior to the Expiry Date or Termination Date (as applicable).

1. DEDUCTIONS

If a KPI Failure has, in the case of each such KPI, persisted for four (4) consecutive KPI Periods, then on the last day of the sixth such KPI Period, the Contractor will lose all rights (whether pursuant to Paragraph 2.2 or otherwise) to any Withheld Amount determined by the Authority in respect of such KPI Failure.

|  |  |
| --- | --- |
| **KPI 1 – Quality and Performance** | |
| **Description** | The Contractor shall ensure that (a) all Personnel perform to an acceptable standard for the level at which they are supplied; and (b) all Products delivered to the Authority meet the quality and acceptance criteria agreed in the Approved Tasking Order. |
|  |  |
| **Performance Indicators** | **Performance Required** |
| **1. Resources**  The Contractor shall ensure that suitable SQEP Resources for specific assignments are identified, proposed and placed with the Authority in accordance with Schedule A (Requirements). The Contractor shall ensure that all Personnel perform to an acceptable standard for the level at which they are supplied. | This KPI shall be measured by reference to the proportion of Personnel ratings provided by the Task Order Managers and Authority Demanders when completing the Personnel Performance Questionnaire for the relevant KPI Period.  Red = Below [**REDACTED** ] of Questionnaires completed during the relevant KPI Period received a score of 2 or below.  Green = More than [**REDACTED** ] of Questionnaires completed during the relevant KPI Period received a score of 3 or above |
| **2. Specific Tasks**  The Contractor shall ensure that SQEP Resources for Specific Tasks are identified and allocated when delivering defined products to the Authority in accordance with Schedule A (Requirements). The Contractor shall ensure that all Products meet the agreed acceptance, and quality standards within the timescales agreed in the Approved Tasking Order. | This KPI shall be measured by reference to the proportion of ratings provided by the Task Order Lead/ Delivery Team Lead and Authority Demanders when completing the Customer Satisfaction Questionnaire for the relevant KPI Period.  Red = Below [**REDACTED** ] of Customer Satisfaction Questionnaires completed during the relevant KPI Period meet all acceptance and quality criterion within the agreed timescales.  Green = More than [**REDACTED** ] of Customer Satisfaction Questionnaires completed during the relevant KPI Period meet all acceptance and quality criterion within the agreed timescales. |
| **3. Innovation**  The Contractor shall ensure that SQEP Resources for Innovation Tasks are identified and allocated when delivering Innovation to the Authority in accordance with Schedule A (Requirements). The Contractor shall ensure that all Products meet the agreed acceptance and quality standards within the timescales agreed in the Approved Tasking Order | This KPI shall be measured by reference to the proportion of ratings provided by the Task Order Lead/ Delivery Team Lead and Authority Demanders when completing the Customer Satisfaction Questionnaire for the relevant KPI Period.  Red = Below [**REDACTED** ] of Customer Satisfaction Questionnaires completed during the relevant KPI Period meet all acceptance and quality criterion within the agreed timescales.  Green = More than [**REDACTED** ] of Customer Satisfaction Questionnaires completed during the relevant KPI Period meet all acceptance and quality criterion within the agreed timescales |
| **4. Resolution of Quality and/or Performance Issues**  The Contractor shall ensure that it has resolved any Quality and Performance Issue to the satisfaction of the Authority within 10 Business Days of notice. | This KPI shall be measured by reference to the proportion of Quality and/or Performance Issues which have been resolved to the satisfaction of the Authority within the agreed resolution period  Red:  Late Quality and/or Performance Issues = greater than [**REDACTED** ] of Total Quality and/or Performance Issues  Green:  Late Quality and/or Performance Issues = [**REDACTED** ] (or less) of Total Quality and/or Performance Issues |
| Monitoring frequency – Bi-Monthly | |
| Reporting Frequency – Bi-Monthly | |

|  |  |
| --- | --- |
| **KPI 2 – Responsiveness to Tasking** | |
| **Description** | The Contractor shall ensure that Approved Tasking Order are responded to within the timeframes indicated in Schedule D (Tasking Process). |
|  |  |
| **Performance Indicators** | **Performance Required** |
| **1. Resources**  The Contractor must acknowledge all Approved Task Order Forms and provide a CV of the suggested resource within [x] Business Days of receipt.  The Contractor must ensure that all resource requested under the Approved Task Order is deployed within [xx] Business Days of the acknowledgement.  The Contractor must ensure that all resource deployed has completed all Contractor and Authority mandatory and pre-deployment training. | This KPI shall be measured by reference to the proportion of number of Approved Taskings meeting the Timeframes for the relevant KPI Period.  Red = Below **REDACTED**] meet the agreed timeframes.  Green = More than [**REDACTED** ] meet the agreed timeframes |
| **2. Specific Tasks**  The Contractor must acknowledge all Approved Task Order Forms within [x] Business Days of receipt.  The Contractor must provide a formal priced proposal within a further [xx] Business Days. | This KPI shall be measured by reference to the proportion of number of Approved Taskings meeting the Timeframes for the relevant KPI Period.  Red = Below [**REDACTED** ] meet the agreed timeframes.  Green = More than **REDACTED** ] meet the agreed timeframes |
| **3. Innovation**  The Contractor must acknowledge all Approved Task Order Forms within [x] Business Days of receipt and must provide a formal priced proposal within [x] Business Days. | This KPI shall be measured by reference to the proportion of number of Approved Taskings meeting the Timeframes for the relevant KPI Period.  Red = Below [**REDACTED** ] meet the agreed timeframes.  Green = More than [**REDACTED** ] meet the agreed timeframes |
| Monitoring frequency – Bi-Monthly | |
| Reporting Frequency – Bi-Monthly | |

|  |  |
| --- | --- |
| **KPI 3 – Contractor Performance Report** | |
| **Description** | The Contractor shall ensure that the level of service provided to the Authority is of sufficient overall quality. |
|  |  |
| **Performance Indicators** | **Performance Required** |
| The Contractor shall ensure that the level of service provided to the Authority is of sufficient quality to demonstrate progress is being made towards the strategic aims of the Authority (meeting the behaviour and culture required to deliver Part A and Part B). | The existence of a KPI failure under this KPI shall be measured by reference to the rating given by the Authority to the Contractor in the Contractor Performance Report to reflect its overall performance under this Agreement.  Red = receives a score of **REDACTED** or below in the Contractor Performance Report.  Green = receive a score of **REDACTED** (satisfactory) or above in the Contractor Performance Report. |
| Monitoring frequency –Bi-Monthly | |
| Reporting Frequency –Bi-Monthly | |

|  |  |
| --- | --- |
| **KPI 4 – SME Participation** | |
| **Description** | The Contractor shall ensure that SME’s are given opportunities to supply engineering services to the Authority in accordance with Government targets for SME participation. |
|  |  |
| **Performance Indicators** | **Performance Required** |
| The Contractor must ensure that SMEs receive 30% of the value of all approved tasking orders. | This KPI shall be measured by reference to the value of Approved Tasking Orders which have been apportioned to SMEs for the relevant KPI Period.  Red = Less than [**REDACTED** ] SME spend.  Green = [**REDACTED** ] or more SME spend. |
| Monitoring frequency – Bi-Monthly | |
| Reporting Frequency – Bi-Monthly | |