

Call-Off Schedule 14 (Service Levels and Balanced Scorecard)

SECTION 1: SERVICE LEVELS

1 Definitions

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

Term	Definition
Critical Service Level Failure	has the meaning given to it in the Order Form;
Service Credits	any service credits specified in the Annex to Part A of this Schedule being payable by the Supplier to the Buyer in respect of any failure by the Supplier to meet one or more Service Levels;
Service Credit Cap	has the meaning given to it in the Order Form;
Service Level Failure	means a failure to meet the Service Level Performance Measure in respect of a Service Level;
Service Level Performance Measure	shall be as set out against the relevant Service Level in the Annex to Part A of this Schedule; and
Service Level Threshold	shall be as set out against the relevant Service Level in the Annex to Part A of this Schedule.

2 What happens if you do not meet the Service Levels

- 2.1 The Supplier shall at all times provide the Deliverables to meet or exceed the Service Level Performance Measure for each Service Level.
- 2.2 The Supplier acknowledges that any Service Level Failure shall entitle the Buyer to the rights set out in Part A of this Schedule, including the right to any Service Credits and that any Service Credit is a price adjustment and not an estimate of the Loss that may be suffered by the Buyer as a result of the Supplier's failure to meet any Service Level Performance Measure.
- 2.3 The Supplier shall send Performance Monitoring Reports to the Buyer detailing the level of service which was achieved in accordance with the provisions of Part B (Performance Monitoring) of this Schedule.
- 2.4 A Service Credit shall be the Buyer's exclusive financial remedy for a Service Level Failure except where:
- 2.4.1 the Supplier has over the previous (twelve) 12 Month period exceeded the Service Credit Cap; and/or
- 2.4.2 the Service Level Failure:
- (a) exceeds the relevant Service Level Threshold;
 - (b) has arisen due to a Prohibited Act or wilful Default by the Supplier;
 - (c) results in the corruption or loss of any Government Data; and/or
 - (d) results in the Buyer being required to make a compensation payment to one or more third parties; and/or

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2.4.3 the Buyer is entitled to or does terminate this Contract pursuant to Clause 10.4 (CCS and Buyer Termination Rights).

2.5 Not more than once in each Contract Year, the Buyer may, on giving the Supplier at least three (3) Months' notice, change the weighting of Service Level Performance Measure in respect of one or more Service Levels and the Supplier shall not be entitled to object to, or increase the Charges as a result of such changes, provided that:

2.5.1 the total number of Service Levels for which the weighting is to be changed does not exceed the number applicable as at the Start Date;

2.5.2 the principal purpose of the change is to reflect changes in the Buyer's business requirements and/or priorities or to reflect changing industry standards; and

2.5.3 there is no change to the Service Credit Cap.

3 Critical Service Level Failure

On the occurrence of a Critical Service Level Failure:

3.1 any Service Credits that would otherwise have accrued during the relevant Service Period shall not accrue; and

3.2 the Buyer shall (subject to the Service Credit Cap) be entitled to withhold and retain as compensation a sum equal to any Charges which would otherwise have been due to the Supplier in respect of that Service Period ("**Compensation for Critical Service Level Failure**"),

provided that the operation of this Paragraph 3 shall be without prejudice to the right of the Buyer to terminate this Contract and/or to claim damages from the Supplier for material Default.

Part A: Service Levels and Service Credits

1 Service Levels

If the level of performance of the Supplier:

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

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

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

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

1.2.2 instruct the Supplier to comply with the Rectification Plan Process;

1.2.3 if a Service Level Failure has occurred, deduct the applicable Service Level Credits payable by the Supplier to the Buyer; and/or

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

2 Service Credits

2.1 The Buyer shall use the Performance Monitoring Reports supplied by the Supplier to verify the calculation and accuracy of the Service Credits, if any, applicable to each Service Period.

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- 2.2 Service Credits are a reduction of the amounts payable in respect of the Deliverables and do not include VAT. The Supplier shall set-off the value of any Service Credits against the appropriate invoice in accordance with calculation formula in the Annex to Part A of this Schedule.

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

- 3.1 The Buyer may ask for a Rectification Plan if the Supplier fails to meet any of the Service Levels ("Default") within Section 1 (Service Levels) in any 12-Month rolling period.
- 3.2 This Rectification Plan must clearly detail the improvements and associated timeframes within which the Supplier shall meet and achieve the Service Levels. The Rectification Plan must be provided in accordance with Clause 10.3 of the Core Terms and any failure to correct a Default in line with an accepted Rectification Plan, or failure to provide a Rectification Plan within 10 days of the request may result in the Buyer exercising its right to terminate the Contract in accordance with Clause 10.4 of the Core Terms.

Annex A to Part A: Services Levels and Service Credits Table

Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Threshold	Service Credit for each Service Period	Publishable KPI
Accurate and timely billing of Buyer	Accuracy /Timelines	at least 98% at all times	98%	0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure	No
Access to Buyer support	Availability	at least 98% at all times	98%	0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure	No
Mobilisation of team to deliver SOW	Readiness	Team mobilised within 6 weeks of SoW Issue	1 week	0.5% Service Credit gained for each day delayed, up to a maximum amount of 0.5% of the total Contract Value	No
Monthly sprint reports throughout the SOW deliverable	Frequency / Timelines	Within 1 week of end of month	100% on-time delivery	0.5% Service Credit gained for each day late, up to a maximum amount of 0.5% of the total Contract Value	No

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Timing of deliverables as stated in each SoW	Timelines	Within 2 weeks of agreed milestones	100% on-time delivery	0.5% Service Credit gained for each day late, up to a maximum amount of 0.5% of the total Contract Value	No
Final report when a Statement of Work is delivered	Completion / Timeliness	Within 2 weeks of final outcome deliverable	2 weeks	0.5% Service Credit gained for each day delayed, up to a maximum amount of 0.5% of the total Contract Value	No
Compliance with security management measures	Security	The Supplier shall always comply with the Security Management Plan in accordance with Call-off Schedule 9 (Security) and the Security Policy	Three (3) security incidents within a Twelve (12) month period	500 for each security incident.	No
Compliance with agreed social value commitments	Social Value	The Supplier shall demonstrate their commitment to: Social Value Model Theme 2: Tackling economic inequality. Sub-Criteria for MAC 2.3 Education and Training & Social Value Model Theme 5: Wellbeing Sub-criteria for MAC 7.1: Support health and wellbeing in the workforce	TBC at Implementation period	TBC at Implementation period	No

Should multiple Service Level Performance Measures not be met at any one time the

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Service Credit for each Service Period (levied from day 1 after service level performance measure up to the service threshold) will be applied but the maximum cap of 45% of the total Contract Value will not be exceeded.

Part B: Performance Monitoring

1 Performance Monitoring and Performance Review

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

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2 Satisfaction Surveys

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