# OMNI Schedule 6

# Performance Management

**This document is included in the Agreement solely for the purposes set out in Clause 7.4 of the Terms and Conditions of the Agreement and the Parties agree that this document will be replaced with an updated version in accordance with those terms.**

**Document Info**

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| Version | Date | Details of Changes | Author |
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| V0.1 | 24/10/16 | First draft | Authority |
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1. **Introduction to Schedule**

1.1 The principle of this Agreement is for the AUTHORITY to pay for a service based upon a defined level of performance and according to a number of technical standards as defined in Schedule 2 (Requirements) and other Schedules in this Agreement. To ensure the AUTHORITY is receiving Value for Money (VfM), the payment made each month should reflect the scope, level and quality of service actually received. In response, the AUTHORITY has designed a Service Credit Mechanism that will abate payment to the PROVIDER if their performance is below the required level. This Schedule presents the Service Credit Mechanism that shall relate to all Services delivered following the Actual Transfer of Responsibility Date. The PROVIDER commits to delivering the Service Levels attached to the Performance Indicators detailed within this Schedule and to measure and report on those Service Levels. Where there is a dependency, as set out in Annex 1 to Schedule 16 (Transformation), upon a Transformation Project to facilitate the achievement of a Service Level, both an Interim Service Level and a Final Service Level are specified in Annex A to this Schedule 6. Service Credits will not apply during a Grace Period as follows:

For the 'early adopter' Areas - a period of 3 months from the date at which both (i) the Area has been migrated and (ii) the NDC to which it has been migrated has been Accepted into Service; and

For subsequent Areas - a period of one month from the date at which both (i) the Area has been migrated and (ii) the NDC to which it has been migrated has been Accepted into Service.

Following the Grace Period Interim Service Levels will apply if a relevant Transformation Project remains to be completed, otherwise the Final Service Level shall apply. Where the automated measurement of the Performance Indicator can only be facilitated by the completion of a Transformation Project or Projects, measurement shall be conducted using suitable manual processes until such completion. In the event that Locations LANs do not comply with the specifications or process detailed within Paragraph 2.28(A) of Schedule 3 (Provider's Offering) the PROVIDER shall agree with the AUTHORITY alternative measures for the performance of those LANs.

Where no targets exist due to a dependency on Transformation for provision of the baseline, targets will be set agreed between the parties 6 months after the delivery of the Transformation programme and will apply thereafter.

Performance Measures in respect of the individual services specified below are set out in annexes to this Schedule 6 as follows:

(A) OMNI Blackberry Service Performance Measures are set out in Annex J;

(B) PCMS Performance Measures are set out in Annex L

(C) Legacy Case Management System Support Performance Measures are set out in Annex N;

(D) OASys-R Performance Measures are set out in Annex O.

For the avoidance of doubt, the Performance Measures set out in the remainder of this Schedule 6 shall not apply to the individual services specified above unless expressly stated to apply in the relevant Annex to Schedule 6.

The parties agree to work towards improving the service levels documented in Annex A to this Schedule 6 in accordance with clause 71.2.

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1.2 The Service Credit Mechanism has two objectives:

(A) to ensure that the AUTHORITY only pays for the service that it actually receives; and

(B) to reduce the amount that the AUTHORITY pays for the service in proportion to the quality of delivery that does not meet the standards that have been defined.

1.3 This Schedule describes the Service Credit Mechanism by presenting its four (4) main logical components:

(A) a defined set of performance measures, presented in Annex A to this Schedule. Those measures selected for use in the Service Credit Mechanism that abate payments are called Key Performance Indicators (KPIs). There are two (2) types of KPIs – Availability KPIs (AKPIs) and Performance KPIs (PKPIs);

(B) measurement and aggregation of PROVIDER performance - in order to accurately capture performance across the AUTHORITY, it shall be measured at Locations or Nationally. The performance at Location level shall be aggregated to Office Groups in each Region. The Office Groups are classified as small, medium and large, based on the numbers of Workstations at each Location;

(C) a mechanism for calculating the Charges at Risk – abatements - will be separate for each identified End-User Service, and will be apportioned according to the cost of provision for those End-User Services; and

(D) a method for calculating the abatement to be applied for a given level of performance – if the PROVIDER does not meet the agreed Service Levels the abatement of payment will be calculated for each KPI.

1.4 The presentation of these four (4) components is followed by a worked

example in Annex B that illustrates how the mechanism operates in practice.

1.5

2. **A defined set of performance measures**

2.1 Each of the End User Services has a set of Performance Indicators (PIs) that are available to measure the PROVIDER's performance. A number of the PIs have been selected for use within the Service Credit Mechanism, and correspond to key areas of delivery for the AUTHORITY. These are referred to as Key Performance Indicators (KPIs).

2.2 There are two types of KPI – Availability KPIs and Performance KPIs.

(A) **Availability KPIs (AKPIs)** measure the extent to which the relevant components of the Key Output are available to the users of those services.

(B) **Performance KPIs (PKPIs)** measure how well the relevant components of the Key Output are being provided. For example, depending on the particular service, this could be a measure of response time, number of outages, or timeliness to resolve Incidents.

KPIs for Core Services and Non-Core Services are summarised in the two (2) tables below. A full definition and a means for calculating Service Credits for each KPI is provided in Annex A to this schedule.

| Availability KPIs (AKPIs) | Performance KPIs (PKPIs) |
|---|---|
| E-mail Availability (Core) (A1-1) | Time to Install Anti-Virus Updates (S1) |
| Office Automation Availability (Core) (A2-1) | Time to Resolve a Security Breach (S3) |
| Access to ASP Applications Availability (Core) (A4-1) | ASP Application Performance (R16) |
| Hosted Application Availability (Core) (A5-1) | Hosted Application Performance (R17) |
| Managed Application Availability (Core) (A6-1) | Managed Application Performance (R10) |
| Number of Outages - ASP Applications (A9) | |
| Number of Outages - Hosted Applications (A10) | |
| Number of Outages - Managed Applications (A11) | |
| Core System Interface Availability (A19) | Office Automation Performance (R15) |
| Service Desk Response Time (Calls – 15 seconds) (R1-1) | Punctuality of Scheduled Maintenance (C1) |
| Service Desk Response Time (Calls – 30 seconds) (R1-2) | Efficiency of Visits for Moves, Installs and Removals (C2) |
| Service Desk Response Time (Email – 1 hour) (R2-1) | Incorrectly Closed Incidents by Service Desk (Q5) |
| Service Desk Response Time (Email – 4 hours) (R2-2) | Time to Resolve to Severity 1 service incidents 4 hours (R3-1) |

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| Availability KPIs (AKPIs) | Performance KPIs (PKPIs) |
|---|---|
| Processing Requests for Service (R20) | Time to Resolve to Severity 1 service incidents 6 hours (R3-2)<br>Time to Resolve to Severity 2 service incidents 8 hours (R4-1)<br>Time to Resolve to Severity 2 service incidents 12 hours (R4-2)<br>Time to Resolve to Severity 3 service incidents 16 hours (R5-1)<br>Time to Resolve to Severity 3 service incidents 24 hours (R5-2)<br>Maximum Percentage of Abandoned Calls (R8)<br>Average time to deliver email (R11-4)<br>Time to Resolve to Severity 1 service WAN incidents 5 hours (R3-3)<br>Time to Resolve to Severity 1 service WAN incidents 7.5 hours (R3-4)<br>Time to Resolve to Severity 1 service ADSL incidents 12 hours (R3-5)<br>Time to Resolve to Severity 1 service ADSL incidents 18 hours (R3-6) |

**Table 1 List of Key Performance Indicators for Core Services**

| Availability KPIs (AKPIs) | Performance KPIs (PKPIs) |
|---|---|
| | Customer Satisfaction with Training Courses (Q2) |
| | |

**Table 2 List of Key Performance Indicators for Non-Core Services**

2.3 When a Non-Core Service is accepted as an ongoing Core Service, appropriate KPIs will be incorporated into the Service Credit Mechanism. Definitions for these KPIs are provided within Annex A of this Schedule.

## 3. Measurement and aggregation of PROVIDER performance

3.1 The Service Credit Mechanism requires measurement of performance at two separate levels:

(A) National – Where OMNI is providing a National Service, performance needs to be measured at this level; and

(B) Office Group– Where OMNI service performance may vary by locality, KPIs shall be measured at all locations, or at a sample defined by the AUTHORITY.

3.2 A weighted performance shall be calculated for Office Groups.

3.3 The Service Credit Mechanism shall use both Office Groups and National performance.

3.4 Performance shall be aggregated to a Regional level for the purposes of reporting. The ten Regions of the AUTHORITY are co-terminus with the Government Office Regions.

3.5 The Office Groups are defined in Schedule 10 (Locations, Assets and Volumes) and summarised in Table 3 below:

| | Regional | | Small | | Medium | | Large | |
|---|---|---|---|---|---|---|---|---|
| Region | Devices | Weighting | Devices | % | Devices | % | Devices | % |
| East | 1646 | 8.04% | 540 | 32.81% | 510 | 30.98% | 596 | 36.21% |
| East Midlands | 1887 | 9.21% | 608 | 32.22% | 602 | 31.90% | 677 | 35.88% |
| London | 3013 | 14.71% | 990 | 32.86% | 999 | 33.16% | 1024 | 33.99% |
| North East | 1330 | 6.49% | 424 | 31.88% | 452 | 33.98% | 454 | 34.14% |
| North West | 3109 | 15.18% | 1018 | 32.74% | 1033 | 33.23% | 1058 | 34.03% |
| South East | 2560 | 12.50% | 825 | 32.23% | 858 | 33.52% | 877 | 34.26% |
| South West | 1422 | 6.94% | 458 | 32.21% | 470 | 33.05% | 494 | 34.74% |
| Wales | 1123 | 5.48% | 364 | 32.41% | 338 | 30.10% | 421 | 37.49% |
| West Midlands | 2071 | 10.11% | 668 | 32.25% | 654 | 31.58% | 749 | 36.17% |
| Yorkshire and Humberside | 2322 | 11.34% | 759 | 32.69% | 727 | 31.31% | 836 | 36.00% |

**Table 3 Office Group Definitions**

3.6 Additions and removals to the list of Locations in Schedule 10 (Locations, Assets and Volumes) will be incorporated into the Service Credit Mechanism

in accordance with the procedure in Schedule 20 (Change Control Procedures). The Office Group definitions in Schedule 10 (Locations, Assets and Volumes) shall be reviewed on an annual basis, or more frequently at the request of either the AUTHORITY or the PROVIDER, to account for changes in Location composition and to ensure that the mechanism fairly reflects the relative impact that reductions in service may have at the Office Group level.

4. **A mechanism for calculating the charges at risk**

4.1 The Paragraphs above have introduced the KPIs that will be measured as part of the Service Credit Mechanism and the measurement points. The following Paragraphs introduce how the proportions of the Charges at Risk against each KPI will be calculated.

4.2 Service Credits for Core Services other than WAN are payable against the Core Service Support Charges as defined in Schedule 5 Paragraph 4.1(I). Where extensions to Scheduled Hours (Operational Support) and Scheduled Hours (Call Handling) have been purchased through the mechanism detailed in Schedule 22 (Product and Services Catalogue), such charges shall be included in the Service Credit Mechanism. In addition further KPIs may be included following acceptance of an agreed Change or to cover the introduction of a service currently outside of the scope of the Core Services defined in Schedule 2 (Requirements). WAN Service Credits will be levied against WAN Charges as set out in Schedule 5 paragraph 4.1(II)(b).

4.3 Service Credits for activities not included in the scope of the Service Credit Mechanism will be agreed as part of the Change Control Procedures. For all projects valued over £40,000, up to 35% of the value of the project will be subject to the performance of the PROVIDER unless expressly agreed otherwise by the AUTHORITY. For new services included in the Core Services, unless agreed otherwise, an appropriate method of calculating Service Credits will be designed and agreed between the PROVIDER and the AUTHORITY in accordance with Paragraph 2.3 above.

4.4 The total amount of money at risk to KPIs in each specific Office Group each month is referred to as the In-Scope Payment. This equates to the sum of the Core Service Support Charges as defined in Schedule 5 (Payment Mechanism) Paragraph 4.1(I) and any additional charges for extensions to Scheduled Hours as specified in Paragraph 4.2 above, for each specific Office Group (which for the avoidance of doubt means the thirty (30) Office Groups as described in Paragraph 3.6). It is against this amount that Service Credits for all matters other than WAN will be awarded. WAN Service Credits will be levied against the margin as set out in the WAN Charges as set out in Schedule 5 (Payment Mechanism) Paragraph 3.4. An illustration of the process of apportioning the Workstation Charges to KPIs is contained in Annex C.

4.5 For the calculation of Service Credits, the In-Scope Payment is apportioned between the End-User Services on the basis of the cost of provision of each End-User Service. The apportioned amount of the In-Scope Payment is referred to as the End-User Service Payment. The apportionment is defined in Table 4.

| Charges | End User Service | Proportion |
|---|---|---|
| - Standard Desktop Charge<br>- Mobile Workstation Charge<br>- WIDS Service Charge<br>- Enhanced Workstation Charge<br>- Extension to Scheduled Hours Catalogue Charge | Email | [12.3]% |
| | Office Automation | [16.3]% |
| | ASP Applications | [16.4]% |
| | Hosted Applications | [20.9]% |
| | Service Desk | [13.2]% |
| | System Maintenance | [12.9]% |
| | Managed Applications | 8% |
| | | |
| WAN Charge | WAN | 100% |

**Table 4 End-User Service Payment Proportions**

4.6 The basis of deriving the End-User Service Payment as detailed in Table 4 shall be reviewed at least annually.

4.7 The End-User Service Payment shall be at risk against both AKPIs and PKPIs.

4.8 The full amount of the End-User Service Payment shall be at risk against the AKPIs associated with that End-User Service. The End-User Service Payment shall be fully apportioned amongst the AKPIs to derive the AKPI Payment. Where there are no AKPIs for an End-User Service, the End-User Service Payment is not at risk against AKPIs, but shall still be at risk against PKPIs.

4.9 Where an End-User Service has only one associated AKPI, the AKPI Payment will be 100% of the End-User Service Payment. In the case that more than one AKPI is associated to an End-User Service, the AKPI Payment will be a proportion of the End-User Service Payment. The proportions to derive the AKPI Payments are defined in Table 5.

| End User Service | Availability KPI | Proportion |
|---|---|---|
| Email | E-mail Availability (Core) (A1-1) | 100% |
| | **SUM** | **100%** |
| Office Automation | Office Automation Availability (Core) (A2-1) | 100% |
| | **SUM** | **100%** |
| ASP Applications | Access to ASP Applications Availability (Core) (A4-1) | 50% |
| | Number of Outages - ASP Applications (A9) | 50% |
| | **SUM** | **100%** |
| Hosted Applications | Hosted Application Availability (Core) (A5-1) | 50% |
| | Number of Outages - Hosted Applications (A10) | 50% |

| End User Service | Availability KPI | Proportion |
|---|---|---|
| | **SUM** | **100%** |
| Managed Applications | Managed Application Availability (Core) (A6-1) | 50% |
| | Number of Outages - Managed Applications (A11) | 50% |
| | **SUM** | **100%** |
| Service Desk | Service Desk Response Time (Calls – 15 seconds) (R1-1) | 25% |
| | Service Desk Response Time (Calls – 30 seconds) (R1-2) | 25% |
| | Service Desk Response Time (Email – 1 hour) (R2-1) | 15% |
| | Service Desk Response Time (Email – 4 hours) (R2-2) | 5% |
| | Service Desk Response Time (Subcontracted Severity 1) (R2-3) | **20%** |
| | Service Desk Response Time (Subcontracted (R2-4) | **10%** |
| | **SUM** | **100%** |
| System Maintenance | Core System Interface Availability (A19) | 70% |
| | Processing Requests for Service (R20) | **30%** |
| | **SUM** | **100%** |

**Table 5 End-User Service Availability KPI Proportions**

4.10 In the case of AKPIs A4-1, A5-1, A6-1, A9, A10 and A11, the AKPI Payment is further apportioned in accordance with the weightings defined for Applications in Schedule 10 (Locations, Assets and Volumes) Annex D to derive the amount at risk against the AKPI for an Application.

4.11 In the case of AKPI A19, the AKPI Payment is further apportioned in accordance with the weightings defined for Core System Interfaces in Schedule 10 (Locations, Assets and Volumes) Annex E to derive the amount at risk against this AKPI for an Interface.

4.12 The proportions defined in Table 5 shall be reviewed annually.

4.13 For the avoidance of doubt, where the AKPI is to be measured at a National level the AKPI Payment will be based on the sum of all AKPI Payments for that AKPI.

4.14 Following deductions on the basis of Service Credit Calculations for AKPIs for each End-User Service, 35% of the Residual End-User Service Payment shall be at risk against PKPIs.

4.15 The Residual End-User Service Payment shall be fully apportioned amongst the PKPIs to derive the PKPI Payment. Where there are no PKPIs for a Key Output, the Residual End-User Service Payment is not at further risk.

4.16 Where an End-User Service has only one associated PKPI, the PKPI Payment will be 100% of the Residual End-User Service Payment. In the case that more than one PKPI is associated to an End-User Service, the PKPI Payment will be a proportion of the Residual End-User Service Payment. The proportions to derive the PKPI Payments are defined in Table 6.

| End User Service | Performance KPI | Proportion |
|---|---|---|
| Email | | |
| | | |
| | | |
| | Average time to deliver email R11-4 | 100% |
| | **SUM** | **100%** |

| End User Service | Performance KPI | Proportion |
|---|---|---|
| Office Automation | Office Automation Performance (R15) | 100% |
| | **SUM** | **100%** |
| ASP Applications | ASP Application Performance (R16) | 100% |
| | **SUM** | **100%** |
| Hosted Applications | Hosted Application Performance (R17) | 100% |
| | **SUM** | **100%** |
| Managed Applications | Managed Application Performance (R10) | 100% |
| | **SUM** | **100%** |
| Service Desk | Incorrectly Closed Incidents by Service Desk (Q5) | 5% |
| | Time to Resolve to Severity 1 service incidents 4 hours (R3-1) | 20% |
| | Time to Resolve to Severity 1 service incidents 6 hours (R3-2) | 20% |
| | Time to Resolve to Severity 2 service incidents 8 hours (R4-1) | 15% |
| | Time to Resolve to Severity 2 service incidents 12 hours (R4-2) | 15% |
| | Time to Resolve to Severity 3 service incidents 16 hours (R5-1) | 10% |
| | Time to Resolve to Severity 3 service incidents 24 hours (R5-2) | 10% |
| | Maximum Percentage of Abandoned Calls (R8) | 5% |
| | **SUM** | **100%** |
| System Maintenance | Punctuality of Scheduled Maintenance (C1) | 20% |
| | Efficiency of Visits for Moves, Installs and Removals (C2) | 20% |
| | Time to Install Anti-Virus Updates (S1) | 30% |
| | Time to Resolve a Security Breach (S3) | 30% |
| | **SUM** | **100%** |
| WAN | Time to Resolve to Severity 1 service WAN incidents 5 hours (R3-3) | 40% |
| | Time to Resolve to Severity 1 service WAN incidents 7.5 hours (R3-4) | 20% |
| | Time to Resolve to Severity 1 service ADSL incidents 12 hours (R3-5) | 30% |
| | Time to Resolve to Severity 1 service ADSL incidents 18 hours (R3-6) | 10% |
| | **SUM** | **100%** |

**Table 6 End-User Service Performance KPI Proportions**

4.17 The proportions defined in Table 6 shall be reviewed annually.

4.18 For the avoidance of doubt, where the PKPI is to be measured at a National level the PKPI Payment will be based on the sum of all PKPI Payments for that PKPI.

4.19 For reporting purposes, performance against KPIs shall be calculated and presented at Office Group, Regional and National levels. The calculation shall weight KPIs according to the number of Workstations in this process.

$$\sum_{i=1}^{n}\left[KPI_i \times \left(\frac{m_i}{o}\right)\right] \text{ where } o = \sum_{i=1}^{n} m_i$$

and

KPI is the KPI performance, i is the Office Group, *n* is the total number of Office Groups in the reporting level and *m* is the number of Workstations.

4.20 The performance reports shall additionally be presented in a suitable electronic format, as a single-hierarchal structure to enable 'drill-down' analysis.

4.21 The PROVIDER shall report bi-annually on overall performance against the End-User Services, exclusive of the reporting requirements for the KPI/PI performance.

4.22 The structure and frequency of the reporting is defined in Schedule 8 (Service Management).

4.23 The AUTHORITY shall, entirely at its own discretion, agree exclusions to the Service Levels or Service Credit Mechanism that shall apply.

5. **A method for calculating the abatement to be applied for a given level of performance**

5.1 The abatement shall be calculated using the method described for each KPI in Annex A of this Schedule against the appropriate payment at risk.

5.2 The collection of performance data and the calculation of Service Credits shall be the responsibility of the PROVIDER. The AUTHORITY retains the right to audit and analyse all data and calculations used by the PROVIDER in the calculation of Service Credits in accordance with Clause 36 of the Agreement (Audit Access). Such data and calculations shall be deemed 'Records' for the purposes of Clause 36 of the Agreement.

5.3 Measurement and analysis shall, where reasonably possible, be automated through standard system management tools. This data shall be supplemented by Service Desk data as appropriate. Any tools used in the collection of data shall be compliant with operation of the existing infrastructure and support joined-up service.

5.4 The method for measurement shall vary depending on the performance aspect under scrutiny. The AUTHORITY shall retain the right to undertake its own testing, or specify sample points of measurement for the PROVIDER to conduct tests. Such tests will supplement the data collected by the PROVIDER in the normal course of monitoring.

5.5 Upon the AUTHORITY's request, base data and the calculation data, shall be provided in a suitable electronic format, including without limitation, any explanatory notes reasonably required to assist with the interpretation of such data.

5.6 Service Credits will be calculated at the Office Group or National level for each KPI as appropriate.

5.7 Where there is a significant shortfall in the performance against service levels by the PROVIDER, an escalation procedure will apply consisting of the measures detailed sequentially in Paragraphs 5.8, 5.9 and 5.10 below.

5.8 Where a KPI has failed to attain a level of at least 95% of the Target Level for the same Office Group or Nationally two (2) months in succession, then such

failure shall be construed as consistent failure to meet a designated KPI. In such circumstances, Service Credits calculated for that KPI using the mechanism in Annex A, shall be subject to an uplift using the appropriate multiplier from Table 7.

| Months of under performance | Multiplier | Notes |
|---|---|---|
| 2 | 1.5 | Service Credits awarded irrespective of regional target are subject to uplift by 50% |
| 3 | 2 | Service Credits awarded irrespective of regional target are subject to uplift by 100% |

**Table 7 Persistent Failure Uplift Factors**

5.9 Where the PROVIDER fails to meet 95% of the Target Level of the same KPI for the same Office Group or Nationally three (3) times in any consecutive twelve (12) month period the AUTHORITY retains the right to:

(A) convene a meeting with the Chief Executive of the PROVIDER, in the case of National KPIs, or the Board member responsible for this agreement for all other KPIs, to discuss improvements; and

(B) issue a press release stating all or some of the PROVIDER's performance to date.

5.10 Where the PROVIDER fails to meet 95% of the Target Level of the same KPI for the same Office Group or Nationally as described in Paragraph 5.8 above:

(A) four (4) times in any consecutive six (6) month period; or

(B) five (5) times in any consecutive twelve (12) month period

this shall be deemed to be material default for the purposes of Clause 18 (Termination).

5.11 A Service Credit cap shall operate such that the total Service Credit payable by the PROVIDER in any rolling twelve (12) month period shall be capped at 50% of the total In-Scope Payment for that period.

5.12 If the amount of Service Credit payable in any rolling twelve (12) month period (prior to operation of the Service Credit Cap) exceeds 40% of the total In-Scope Payment for that period, then the AUTHORITY, without prejudice to its other rights or remedies under the Agreement or the general law, shall have the ability to terminate the Agreement on the basis of a Material Default which is incapable of remedy.

5.13 If greater than twelve (12) Incidents remain unresolved after six (6) months, except such Incidents that are expressly exempted by the AUTHORITY, in any rolling six (6) month period, this shall constitute a Material Default.

5.14 Service Credits shall be paid to the AUTHORITY in the form of deductions from the monthly payment in accordance with the provisions of Schedule 5 (Payment Mechanism). Service Credits are not to be a sole remedy and are without prejudice to the AUTHORITY's right and remedies under the Agreement or the general law.

5.15 For example a certain attained level of availability or performance could result in a PROVIDER committing more resources; the PROVIDER being required to produce a fault recovery plan; the AUTHORITY having the right to require third parties to assist the PROVIDER at the cost of the PROVIDER or specified termination rights.

5.16 In addition to the benchmarking principles outlined in Schedule 23 (Benchmarking), the AUTHORITY may at its own cost from time to time conduct 'mystery shopping' exercises to help evaluate the User experience of the Service. The results of such exercises shall be shared with the PROVIDER with the intention that the PROVIDER and the AUTHORITY agree improvement plans or change proposals for those areas needing attention. Where a Service is found to be below Target Level other than as a direct result of the AUTHORITY's default in its obligations under this Agreement the PROVIDER shall, at no additional cost to the AUTHORITY, create and implement an action plan to deal with those issues that the parties agree should be addressed as a result of the exercise.

5.17 In accordance with the provisions of Schedule 9 (Governance), the Contract and Service Management Board shall review and agree any amendments to the Service Credit Mechanism on an annual basis, to ensure that;

(A) the abatements applied fairly reflect shortfalls in performance below a Target Level; and

(B) the Performance Indicators provide a satisfactory index of established business requirements

5.18 The Contract and Service Management Board shall review the Target Levels of all Key Performance Indicators six (6) months after the completion of Transformation Projects as detailed in Schedule 16 (Transformation). Where the mean measured performance for a KPI has been above the Target Level during this six (6) month period, the Contract and Service Management Board will agree to increase the Target Level of that KPI.

5.19 Where increases in achieved performance over a period are due to changes to the Infrastructure and are incurred at the expense of the AUTHORITY through the Product and Service Catalogue, the Contract and Service Management Board may agree to re-baselining of the related Target Levels.

## 6. Ensuring Overall Quality

6.1 The AUTHORITY shall use a Quality of Service Indicator (QSI) to ensure that the PROVIDER is delivering an appropriate Service across the entire service provision, including those areas where there are no KPIs. The QSI will use the PROVIDER's achievement against all of the PIs. This QSI will be calculated from a weighted score of the PROVIDER's performance at achieving each of the Target Levels for these Indicators.

6.2 The calculation of the QSI score will be similar to the Service Credit mechanism outlined above, on the basis of measured performance at National or Office Group level.

6.3 A perfect QSI score of 100% shall be achieved if all PIs are equal to or surpass the Target Level, as defined in Annex A, at all measurement points. PIs measured below the Target Level will reduce the QSI score in accordance with the values calculated for each PI, as defined in Annex A.

6.4 PIs will be assigned a weighting agreed between the AUTHORITY and the PROVIDER. This weighting will define the contribution of the PI to the overall score and is referred to as the PI weighting.

6.5 For PIs measured at national level, the product of the PI weighting and the PI QSI score shall calculate the contribution to the overall QSI score.

6.6 Where a PI is measured at the Office Group level, the contribution to the overall QSI shall be the aggregated value of the product of the PI QSI score, the PI weighting and the Office Group and Regional weightings defined in Table 3, across all of the Office Groups.

$$\sum_{i=1}^{n}\left[PI\ QSI_i \times \left(\frac{m_i}{o}\right) \times PI\ WEIGHT\right] \text{ where } o = \sum_{i=1}^{n} m_i$$

and

i is the Office Group, n is the total number of Office Groups (30), m is the number of Workstations, PI QSI is the PI QSI score, PI WEIGHT is the PI weighting.

6.7 A QSI score of 75% or more will represent achievement of the threshold levels. A score below this will represent poor performance and require remedial action by the PROVIDER.

6.8 Where the PROVIDER fails to achieve the target QSI score of 75% three (3) times in any consecutive twelve (12) month period the AUTHORITY retains the right to:

(A) convene a meeting with the Chief Executive of the PROVIDER to discuss improvements; and

(B) issue a press release stating all or some of the PROVIDER's performance issues to date.

6.9 Persistent failure to deliver an overall service which meets the QSI target, defined as more than three (3) failures in six (6) months, or five (5) failures in twelve (12) months shall be deemed a material Default. In the event of such failure, the AUTHORITY shall have the rights set out in Paragraph 5.10. The PROVIDER'S QSI level will be published on a monthly basis on the NOMS Web site, including a brief summary of performance.

**Annex A - Performance Measures**

See separate document entitled “Schedule 6 Annex A – Performance Measures”

## Annex B - Worked Example

All values are illustrative

Consider the 'Large' Office Group of Region 1. This Office Group is made up of four (4) Locations.

### Office Group Locations

| | WID | Standard Desktop | Enhanced Workstation | Mobile Workstation |
|---|---|---|---|---|
| **A** | 100 | 30 | 0 | 30 |
| **B** | 150 | 80 | 0 | 20 |
| **C** | 170 | 20 | 10 | 0 |
| **D** | 50 | 100 | 10 | 10 |

***Table h - Region 1, Large Office Group Locations and Assets***

### In-Scope Payment

To derive the In-Scope Payment for this Office Group, the total applicable charge must be calculated. The example will consider the In-Scope Payment to be the Workstation Charge element only. The applicable charges are detailed in Table i.

| | WID | Standard Desktop | Enhanced Workstation | Mobile Workstation |
|---|---|---|---|---|
| **Charge** | £ 27.00 | £ 42.00 | £ 50.00 | £ 45.00 |

***Table i- Monthly Service Charges***

Applying the appropriate Service Charge to the assets described in Table h, yields the following charges.

| | WID | Standard Desktop | Enhanced Workstation | Mobile Workstation |
|---|---|---|---|---|
| **A** | £ 2700.00 | £ 1260.00 | £ - | £ 1350.00 |
| **B** | £ 4050.00 | £ 3360.00 | £ - | £ 900.00 |
| **C** | £ 4590.00 | £ 840.00 | £ 500.00 | £ - |
| **D** | £ 1350.00 | £ 4200.00 | £ 500.00 | £ 450.00 |

***Table j – Charges for Region 1, Large Office Group***

The In-Scope Payment is therefore the sum of all the charges in Table j, namely £26,050.00 for the month.

## End-User Service Payment

The In-Scope Payment is apportioned amongst the End-User Services aligned to the Workstation Charges. The apportionment is detailed in Table k.

| | % |
|---|---|
| **Email** | 10% |
| **Office Automation** | 15% |
| **ASP Applications** | 35% |
| **Hosted Applications** | 20% |
| **Service Desk** | 10% |
| **System Maintenance** | 10% |

***Table k – End-User Service Proportions***

For the purposes of the example, the End-User Service 'Email' shall be considered. The End-User Service Payment for Email is therefore 10% of the In-Scope Payment, or £2605.00.

## Email – AKPI Payment

The total amount of the End-User Service Payment for Email is at risk against Availability KPIs (AKPI). As there is only a single AKPI for the Email End-User Service, A1-1 Email Availability (Core), the AKPI Payment is 100% of the End-User Service Payment, or £2605.00.

## Email - AKPI Service Credits

Referencing the calculation for Actual Performance, described under A1-1 in Annex A,

$$\sum_{i=1}^{n}\left[\frac{Service\ Hours_i - Scheduled\ Downtime_i - Unscheduled\ Downtime_i}{Service\ Hours_i - Scheduled\ Downtime_i}\right]$$

where
Service Hours: The total time in minutes the Service should be available within the calendar month, during the hours, Monday to Friday, 8 am to 6 pm
Scheduled Downtime: The total time in minutes during Service Hours that is pre-authorised in advance by the AUTHORITY for the maintenance of the Service during the calendar month
Unscheduled Downtime: The total time in minutes the Service was unavailable during Service Hours, excluding Scheduled Downtime, during the calendar month
i: A Workstation
n: The total number of Workstations in the Office Group

***Equation 1 – A1-1 Actual Performance***

Equating each element of the calculation in turn,

### *Service Hours*

The month in question consists of 20 working days, Monday to Friday. The total number of minutes of Service Hours per Workstation in the month is 60 minutes x 10 hours x 20 days, and is equal to **12,000** minutes per Workstation.

Applying this to the assets described in Table h, gives the Service Hours across the Office Group

| | WID | Standard Desktop | Enhanced Workstation | Mobile Workstation |
|---|---|---|---|---|
| **A** | 1,200,000 | 360,000 | 0 | 360,000 |
| **B** | 1,800,000 | 960,000 | 0 | 240,000 |
| **C** | 2,040,000 | 240,000 | 120,000 | 0 |
| **D** | 600,000 | 1,200,000 | 120,000 | 120,000 |
| **Total** | 9,360,000 | | | |

***Table l - Service Hours***

### *Scheduled Downtime*

During this period the Email Server for this Office Group was down for two (2) hours for emergency security patches to be applied to prevent a known security breach. This affected all Workstations described in Table h. The Scheduled Downtime per Workstation is therefore one hundred and twenty (120) minutes and the total Scheduled Downtime across the Office Group is given in Table m.

| | WID | Standard Desktop | Enhanced Workstation | Mobile Workstation |
|---|---|---|---|---|
| **A** | 12,000 | 3,600 | 0 | 3,600 |
| **B** | 18,000 | 9,600 | 0 | 2,400 |
| **C** | 20,400 | 2,400 | 1,200 | 0 |
| **D** | 6,000 | 12,000 | 1,200 | 1,200 |
| **Total** | 93,600 | | | |

***Table m - Scheduled Downtime***

### *Unscheduled Downtime*

During the period a number of Incidents affected groups of Workstations at each Location and specific Workstations. As a result the measured Unscheduled Downtime is given in Table n.

| | WID | Standard Desktop | Enhanced Workstation | Mobile Workstation |
|---|---|---|---|---|
| **A** | 1,450 | 0 | 0 | 0 |
| **B** | 900 | 4,000 | 0 | 2,000 |
| **C** | 8,600 | 0 | 650 | 0 |
| **D** | 3,650 | 5,500 | 0 | 0 |
| **Total** | 26,750 | | | |

***Table n - Unscheduled Downtime***

*Actual Performance*
Applying the derived figures into **Equation 1**,

$$= \sum_{i=1}^{n} \left[ \frac{Service\ Hours_i - Scheduled\ Downtime_i - Unscheduled\ Downtime_i}{Service\ Hours_i - Scheduled\ Downtime_i} \right]$$

$$= \frac{9{,}360{,}000 - 93{,}600 - 26{,}750}{9{,}360{,}000 - 93{,}600}$$

$$= \frac{9{,}239{,}650}{9{,}266{,}400}$$

$$= 0.99711$$

The Service Credit Thresholds, for the purposes of this example only, are given in Table o.

| Actual Service Level | | | |
|---|---|---|---|
| **Lower** | **Upper** | **SC Calculation** | **SC Contribution** |
| 0.998 | 1.000 | 0 | 0 |
| 0.995 | 0.998 | 0.5 x (0.998 - Actual Service Level) / 0.003 | 0 - 0.5 |
| 0.900 | 0.995 | 0.5 + [0.5 x (0.995 - Actual Service Level) / 0.095] | 0.5 - 1.0 |
| 0.000 | 0.900 | 1 | 1.0 |

***Table o - Example A1-1 Service Credit Thresholds***

Comparing the Actual Performance achieved in the Office Group with these Service Credit Thresholds indicates that Service Credits have been accrued, it being below the Target Level of 0.998. The amount of Service Credits accrued is equal to,

$$= 0.5 \times \left[ \frac{0.998 - 0.99711}{0.003} \right]$$

$$= 0.5 \times \left[ \frac{0.00089}{0.003} \right]$$

$$= 0.5 \times 0.29559$$

$$= 0.1478$$

Therefore the Service Credits for the AKPI Payment of £2,605.00 are 0.1478 x £2,605.00 = **£385.00**

## Email - PKPI Payment

Following the deduction of the Service Credits for AKPIs, 35% of the remaining amount, the Residual End-User Service Payment, is at risk against PKPIs. In this example this value equates to 35% x (££2,605.00 - £385.00) = **£777.00**.

This amount is apportioned across the PKPIs for the Email End-User Service. The proportions are given in Table p along with the resulting PKPI Payments.

| | % | PKPI Payment |
|---|---|---|
| | | |
| | | |
| | | |
| **R11-4** | 100% | £777.00 |

***Table p - Example PKPI Proportions and Payments***

**Email - PKPI Service Credits**

In calculating the Actual Performance across all three of these PKPIs, the information in Table q was collected.

| | | | | | |
|---|---|---|---|---|---|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| | |
|---|---|
| ***Total duration of emails sent in period*** | ***24060000*** |
| ***Number of emails sent in period*** | ***210000*** |

***Table q - Email Delivery Performance for Office Group***

*R11-4 Average Time to Deliver Email*

Referencing the calculation for Actual Performance, described under R11-4 in Annex A,

$$\frac{\text{Number Delivered Inside Time}}{\text{Number of Emails Sent}}$$

$$\frac{\text{Total Time taken to route emails}}{\text{Number of Emails Routed}}$$

***Equation 2 – R11-1 Actual Performance***

Applying the information from Table q, this equates to an Actual Performance of,

$$= \frac{\text{Number Delivered Inside Time}}{\text{Number of Emails Sent}}$$

$$= \frac{16{,}120}{16{,}375}$$

$$= 0.9844$$

$$\frac{\text{Total Time taken to route emails}}{\text{Number of Emails Routed}}$$

$$= \frac{24060000}{210000}$$

$$= 114.57143 \text{ minutes}$$

The Service Credit Thresholds, for the purposes of this example only, are given in Table r.

| | | | |
|---|---|---|---|
| | | | |
| | | | |
| | | | |

| | | | |
|---|---|---|---|
| | | | |

| Actual Service Level | | SC Calculation | SC Contribution |
|---|---|---|---|
| Lower | Upper | | |
| 2 minutes | 0 | 0 | 0 |
| 600 minutes | 2 minutes | (Actual Service Level – 10 mins) / 598 mins | 0 - 1 |
| 0 | 600 minutes | 1 | 1 |

***Table r - Example R11-1 Service Credit Thresholds***

Comparing the Actual Performance achieved in the Office Group with these Service Credit Thresholds indicates that Service Credits have been accrued, it being below the Target Level of 0.990. The amount of Service Credits accrued is equal to,

$$= \frac{0.99 - 0.9844}{0.04}$$

$$= \frac{0.0056}{0.04}$$

$$= 0.139$$

$$= \frac{114.57143 - 2 \text{ minutes}}{598}$$

$$= 0.1882$$

Therefore the Service Credits for the PKPI Payment of £777.00 are 0.0.1882 x £777.00 = **£146.23**

## Summary

For the Email End-User Service, the overall distribution of Performance and Service Credits are detailed in Table u,

| | Performance | Amount |
|---|---|---|
| **End-User Service Payment** | - | £2,605.00 |
| **AKPI SC (A1-1)** | 99.71% | (£385.01) |
| | | |
| | | |
| | | |
| **PKPI SC (R11-4)** | **114.57** | **(£146.23)** |
| **Actual Payment** | **-** | **£2,073.76** |

***Table u - Email End-User Service Performance and Payment Summary***

**Annex C – Illustration of the Apportionment of monthly Workstation Charges to KPIs**

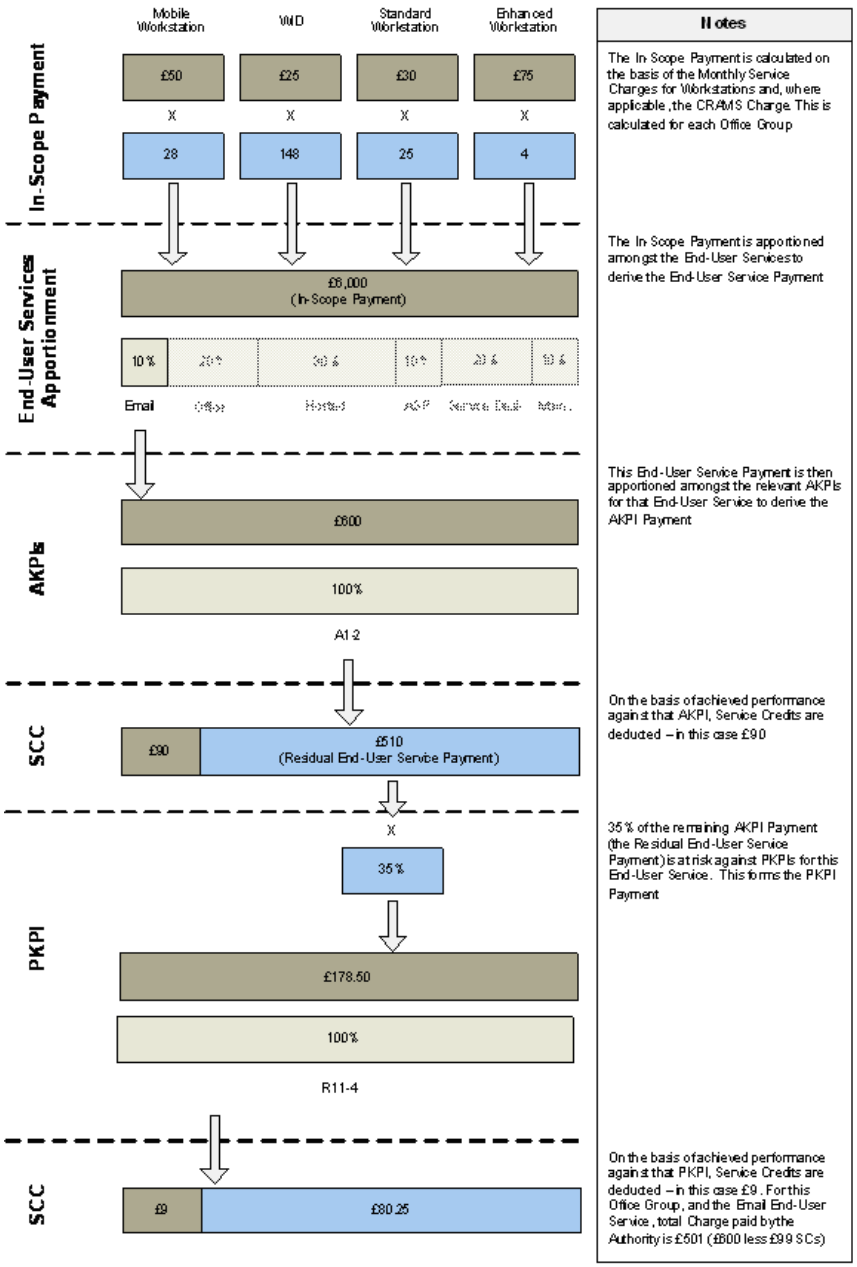


*Figure 1 - Illustrative Process of Apportionment*