

SCHEDULE 9

PERFORMANCE MEASURES AND SERVICE CREDITS

PART 1

PERFORMANCE MEASURES - GENERAL

1. Service Levels and Assurance Metrics

- 1.1 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.
- 1.2 The Assurance Metrics and the Assurance Metric Percentages that the Contractor shall meet are set out in Part 3 of this Schedule.

[Explanatory Note: Bidders should note that Part 1 and Part 2 of this Schedule 9 will be issued shortly]

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. *[Explanatory Note: Bidders should note that Part 4 of this Schedule 9 will be issued shortly]*
- 2.2 Without prejudice to all other rights and remedies of the Authority under this Agreement, the Contractor shall not be required to pay any Service Credits with respect to the period that is 6 months after the Amendment Date.
- 2.3 If Service Credits apply, then unless otherwise stated in Part 2 of this Schedule 9, they shall accrue on a quarterly basis and shall be paid by the Contractor in the month after accrual of the Service Credit pursuant to Paragraph 14 of Schedule 11 (Payment Mechanism).

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. The Authority may from time to time issue a new or updated Technical Note and the Contractor shall comply with the Technical Notes in accordance with Clause 39.1(d) of this Agreement.
- 3.2 The Authority shall, in respect of the relevant month:
 - (a) using the data provided by the Contractor pursuant to paragraph 3.1 above, 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) above (the **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 above, calculate the Contractor's Actual Performance for that quarter against each of the Service Levels and Assurance Metrics;
 - (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) above (the **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 calculation 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, if the Authority accepts the Contractor's recalculation of Actual Performance or Service Credits pursuant to paragraph 3.4 or, following agreement or resolution of any dispute over the calculation in accordance with paragraph 3.4 or if the Contractor does not dispute the Authority's calculation of the Actual Performance or Service Credits the relevant Performance Remedy as stated in Part 2 or Part 3 (as applicable) of this Schedule 9 shall be applied.
- 3.6 The Authority shall, from time to time, validate the data supplied by the Contractor in accordance with paragraph 3.1 above 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 Performance Measure failures in the next month.

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 to, within 20 Business Days after the notice of the failure in the Monthly Performance Report, perform a root cause analysis of the failure to meet the Improvement Plan Trigger Level and deliver to the Authority a written plan (the **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 implement the Improvement Plan in accordance with the terms of the Improvement Plan to ensure that the Performance Measure failure does not reoccur.
- 4.3 The Contractor shall report on its progress and delivery of the Improvement Plan to the Service Management Group as contemplated in Schedule 14 (Governance).
- 4.4 Without limiting the Authority's other rights and remedies, 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(c) 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;
 - (b) notwithstanding the implementation of an Improvement Plan, the Contractor's Actual Performance fails to improve and the Contractor fails to meet the Service Level Percentage or Assurance Metric Percentage for that Performance Measure in subsequent Monthly Performance Reports;
 - (c) the Contractor fails to meet more than one Improvement Notice Trigger Level for the Performance Measures in any month following the completion of the initial Improvement Plan; or
 - (d) the Contractor has failed to meet more than one Performance Measures for two or more consecutive months.

5. Quality Assurance

- 5.1 The Contractor shall implement and comply with the standards set out in Appendix 2 (the Quality Assurance Arrangement). *[Explanatory Note: Bidders should provide their quality assurance arrangements, which will ultimately be incorporated into Appendix 2, as part of their response to the ITN]*
- 5.2 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 Arrangement with an explanation of why the changes are required. The Contractor shall implement the changes required by the Authority at no cost to the Authority.
- 5.3 The Authority shall have the right to audit the Contractor's compliance with and implementation of the Quality Assurance Arrangement 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 above 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 how more equitable outcomes shall be achieved by the Contractor.

- 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.

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.

	Service Level	Definition and Formula for calculating Actual Performance	Service Level Percentage	Improvement Plan Trigger Level	Service Level Weight

PART 3
ASSURANCE METRICS

	Assurance Metric	Definition and Formula for calculating Actual Performance	Assurance Metric Percentage	Improvement Plan Trigger Level

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:

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: (i) 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 by the Authority. If the Contractor uses the SEED Survey as its Offender Survey the offender survey shall be deemed to have been approved.
- (3) The Contractor shall survey a sufficient proportion of Allocated Persons to ensure it is able to produce statistically significant findings.

PROTECT

APPENDIX 2
QUALITY ASSURANCE ARRANGEMENTS

PROTECT

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