



Report of the Interim Head of Human Resources to the meeting of Executive to be held on 24 June 2014

Subject:

HR Contact Centre

Summary statement:

This report outlines the conclusions of the procurement process and to seek approval to proceed with a partnership in the provision of a frontline HR Contact Centre.

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Overview & Scrutiny Area:

Corporate



**City of Bradford
Metropolitan District Council**



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1. SUMMARY

This report outlines the conclusions of the procurement process and to seek approval from Executive to proceed with a partnership in the provision of a frontline HR Contact Centre.

2. BACKGROUND

- 2.1 The 2012 - 2013 Executive budget proposals indicated a commitment to consider the development of a new way of providing services in partnership with an external provider to develop a frontline HR Contact Centre.
- 2.2 Work commenced in October 2012 to identify the scope and type of provision that the Local Authority is seeking with regards to providing advice and support to Managers on personnel related matters through a responsive frontline contact centre provision.
- 2.3 CMT gave their support to explore the market to determine what provision already existed. With support from Procurement, Human Resources undertook a Soft Market Testing Exercise through a PIN (Prior Information Notice). This process allowed for organisations in the market and the Local Authority to have informal discussions helping each organisation to understand how both parties operate, what the Local Authority is seeking and what type of service interested organisations could offer.
- 2.4 The Soft Market Test (SMT) attracted interest from a number of organisations, both from large, well known HR providers and market leaders and small organisations.
- 2.5 The organisations were all from the private sector and varied from a large multi national organisation with a billion pound turnover to a small privately owned firm. This range is also reflected in the number of employees ranging from one with nearly 100,000 and another with less than 10.
- 2.6 This will be a new venture for all with the objective of providing detailed and specific advice on a whole set of national and local terms and conditions through a Contact Centre.

All organisations, including the market leaders stated that this type and level of Contact Centre advice would be ground-breaking and challenging in a Local Authority setting. A number however believed that with a thorough understanding of the Council's processes and procedural requirements, they could indeed provide the type of quality of service we are seeking which has at its heart, excellent advice to managers, undertaking their responsibilities in relation to HR / People issues.
- 2.7 Based on the findings of the Soft Market Test and a report to CMT in January 2013 HR were charged with developing the business case further and a HR Project Team was established working with colleagues from Procurement, Finance, Legal and ICT to develop a specification for a Service Delivery Model to be tendered to the Market.
- 2.8 Joint leadership were briefed in October 2013 on the findings of the Soft Market Test and were asked to approve the next stage of the project to advertise the tender

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with a view to seeking a preferred new service provider for a HR Contact Centre.

2.9 **Scope of the Contact Centre will be:**

- A HR Contact Centre providing advice to Council Managers on HR processes, policies, procedures and terms and conditions of employment.
- An integrated IT platform and a customised HR web portal which will be accessible through the Council's existing intranet (Bradnet) and which interfaces with existing systems. The web portal and all supporting documentation will contain the Council's branding.
- A telephone and e-mail contact service to managers between the hours of 08.00hrs to 18.00hrs Monday to Friday, accessed by a single telephone number.
- The Contact Centre will be pro-active in terms of outbound calls and e-mails to managers to ensure agreed actions have been taken.
- A Case Management Solution to record all transactions between the Council and the Contact Centre maintaining a document and Case Management System.
- Provision of real time management information that will enable the Council's Strategic HR function to monitor Council Managers performance and determine trends and hotspot information for action.
- Provision of a suite of reports and management information that Strategic HR will use to ensure effective performance management and workforce planning.

2.10 The key benefits of the proposal are:

- More efficient and effective way of providing timely HR advice to frontline Managers, improving the breadth of Management information to monitor and identify hotspots;
- Empower and skill all frontline Managers to carry out their HR related activity more effectively and from an informed position;
- Ensure the consistency of HR advice and support to Managers;
- Enable resources to focus on Strategic HR;
- Access to improved HR IT systems without the upfront investment;
- Increased flexibility and pro-activity in relation to HR issues;
- Increased Performance Management.

2.11 **Process**

- With advice from Procurement, a Tender was submitted through an open process. A new PIN was issued in November 2013. The Tender process opened on 23

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January 2014.

- Notification was sent to all those companies who had responded to the PIN in November 2013 confirming the Tender was available.
- Following the closing date on 19 March 2014, two bids had been received. 51 companies had viewed the document and 10 had formally opted out.
- There were areas of clarification and discussion required on both bids and both companies were invited to participate in the negotiated process.
- On the conclusion of the negotiations evaluation took place and the results of this are detailed in Appendix 2. This is a Not for Publication Document.

2.12 Key issues:

- The length of the contract is for 4 years, with a review at 2 years, against key performance indicators which are agreed between the parties.
- Significant service failures against those measures may result in early termination of the contract.
- Consideration has been given as to whether the Transfer of Undertakings Protection of Employment Regulations 2006 (TUPE) would apply to this contract.
- The Council has taken the view, having considered the nature of the service being procured, the way services are provided currently and having consulted with trade unions representing staff potentially affected by such proposals, that we do not believe TUPE will apply and therefore we have asked for non TUPE bids. There will be no transfer of Council employees to the new provider.
- One of the key focuses of the evaluation is the Social Value that the preferred bidder could provide to the Bradford District.
- Current timescales are for the Mobilisation Period to start mid-August with Service Commencement in January 2015.

3. OTHER CONSIDERATIONS

The preferred bidder will need to demonstrate their commitment to work in partnership with the Council and to enter into further dialogue, in good faith, to consider potential collaborative opportunities within the local area.

4. FINANCIAL & RESOURCE APPRAISAL

- 4.1 Financial advice has been provided by financial services and the commercial team within the commissioning and procurement service with regards to this project.
- 4.2 The financial evaluation of the bids is included in Appendix 2 - Evaluation Outcome-Not for Publication Document.
- 4.3 The key driver for this project is to affect a culture change across the organisation in

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terms of managerial responsibilities and performance and not primarily as a cost saving efficiency in Human Resources. There are no direct cashable savings attributable to this project. There may be non cashable benefits due to the timely advice and pro-active approach to dealing with HR issues.

- 4.4 The financial resources for this contract will be made available from the existing HR operational budget and every effort will be taken by the project team to ensure that no additional or out of scope costs are incurred which increase the HR budget overall.

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

- 5.1 A Governance Board has been established, Chaired by the Interim Head of Human Resources with senior representatives from Procurement, Finance, Legal and ICT to ensure all decisions are signed off appropriately.
- 5.2 A Risk Register is established around the Project and is managed through the Project Team and Governance Board.

6. LEGAL APPRAISAL

- 6.1 There are commercial legal implications linked to the project and appropriate Commercial and Employment legal advice has been provided.
- 6.2 Even though the stated view of the parties to this service proposal are that TUPE 2006 will not apply, the Council has undertaken a consultation process with its recognised Trade Unions (see Section 7.6 below). Although no agreement was reached about the proposals through this process, relevant information about the proposal, planned implementation dates and possible implications for existing staff has been disclosed.
- 6.3 Whether the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE 2006) applies to any particular business transaction is a determination of law settled ultimately by the Employment Tribunal should matters be challenged by one or more individual employees. The view of the parties is a relevant factor when deciding such questions, but it is not determinative of itself. There is always an element of risk in such circumstances. It can never be entirely discounted but in assessing such risk the provisions of Paragraphs 2.12 above are significant.

7. OTHER IMPLICATIONS

7.1 EQUALITY & DIVERSITY

No implications.

7.2 SUSTAINABILITY IMPLICATIONS

None.

7.3 GREENHOUSE GAS EMISSIONS IMPACTS

None.

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7.4 COMMUNITY SAFETY IMPLICATIONS

None.

7.5 HUMAN RIGHTS ACT

No implications.

7.6 TRADE UNION

- The Trade Unions have been briefed and consulted with regards to this project. The Trade Unions have been clear that they do not support outsourcing of any kind.
- The issue of whether a TUPE bid was to be put forward was discussed with both Trade Unions and affected staff. Their views were considered, prior to the Council decision to go forward on a non TUPE bid.
- The Trade Unions will continue to be consulted and be included as stakeholders, following contract award and through the mobilisation phase.

7.7 WARD IMPLICATIONS

None.

7.8 AREA COMMITTEE ACTION PLAN IMPLICATIONS (for reports to Area Committees only)

None.

8. NOT FOR PUBLICATION DOCUMENTS

Appendix 2 is not for publication due to the sensitive and commercial nature of the decision to be taken and is therefore exempt from disclosure in accordance with paragraph 3 of schedule 12a (financial or business affairs) of the Local Government Act 1972 as amended.

9. OPTIONS

- 9.1. **Option 1** - That a decision is made not to award the contract and to continue to provide the service in-house. This would need to be factored into the review of HR.
- 9.2. **Option 2** - To proceed to contract award, to deliver the HR frontline services as scoped through an external partner.

10. RECOMMENDATIONS

That the Council proceeds to contract award for the provision of a frontline HR Contact Centre.

To delegate the decision to officers in consultation with the Leader.

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11. APPENDICES

Appendix 1 - Specification

Appendix 2 – Evaluation Outcome – Not for Publication

Appendix 3 – KPI's

12. BACKGROUND DOCUMENTS

None.

APPENDIX 1

HR CONTACT CENTRE - SPECIFICATION

1. Service Requirements

- 1.1 The Contractor shall provide advice and guidance on Authority Policies and Authority Information and such advice and guidance shall include, but not be limited to, the following:
 - 1.1.1 Conduct – up to and including dismissal and appeal (including cases/concerns relating to child and adult protection issues).
 - 1.1.2 Employee Grievances (and appeals).
 - 1.1.3 Bullying and Harassment.
 - 1.1.4 Sickness Absence (up to and including dismissal) and advice on any appeals lodged.
 - 1.1.5 Poor Performance (up to and including dismissal) and advice on any appeals lodged.
 - 1.1.6 Adoption Leave.
 - 1.1.7 Annual Leave.
 - 1.1.8 Bereavement Leave.
 - 1.1.9 Compassionate Leave.
 - 1.1.10 Maternity Leave.
 - 1.1.11 Parental Leave.
 - 1.1.12 Paternity Leave.
 - 1.1.13 Public Duties.
 - 1.1.14 Study Leave.
 - 1.1.15 Unpaid Leave.
 - 1.1.16 Flexible Working.
 - 1.1.17 End of Fixed Term Contract.
 - 1.1.18 Job Profiles and Competencies.
 - 1.1.19 Pay Scales.
 - 1.1.20 Recruitment (limited to guidance on the application of the Authority's policies).
 - 1.1.21 Disclosure and Barring Scheme (DBS) (limited to guidance on the application of the Authority's policies).
 - 1.1.22 Resignation.
 - 1.1.23 Early Retirement.
 - 1.1.24 Retirement.
 - 1.1.25 Secondments.
 - 1.1.26 Drugs and Alcohol Abuse.
 - 1.1.27 Smoking.
 - 1.1.28 Disability Leave Scheme.
- 1.2 The Services shall be provided in respect of all Authority staff. This includes direct services to approximately 1,000 Approved Users in respect of approximately 10,000 staff. The Contractor should expect some changes to these numbers during the course of the Contract. Schedule 2 (Payment Schedule) sets out the impact on the Contract Price of such changes.

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- 1.3 The Contractor shall update the Case Management System with details of advice given, agreed actions and timescales.
- 1.4 Outbound Contact
 - 1.4.1 The Contractor shall make introductory contact with newly appointed Approved Users to make them aware of the range of service provision available, accessibility, protocols and procedures as detailed in this Specification.
 - 1.4.2 The Contractor shall follow up all telephone advice with written confirmation of the advice provided in accordance with the KPIs.
 - 1.4.3 Where the advice provided by the Contractor requires action by the Authority, the Contractor shall make follow up contact and record on the Case Management System whether actions have been completed, where these have not been, and then update the manager of the Approved User.
 - 1.4.4 When an Approved User has not performed an action advised by the Contractor, the Contractor is required to send and appropriately record a notification to that Approved User's manager.

2. ICT Requirements

- 2.1 The Contractor shall supply, install and operate an integrated ICT platform to include all of the following:
 - 2.1.1 The Contractor shall provide any technology or combination of technologies that deliver the requirements as set out in this Specification.
 - 2.1.2 The Contractor's ICT systems shall have a fast response time with web pages being displayed quickly in line with Good Industry Practice.
 - 2.1.3 The Contractor shall ensure that Contractor ICT Facilities are available at all times except during agreed downtime hours (as set out in notes (a) and (b) to Schedule 3 (KPI's)).
 - 2.1.4 The Contractor shall host the ICT Facilities on its own hardware in its own secure data centre.
 - 2.1.5 The Contractor shall provide, and keep updated, a "Technical and Functional Specification Plan" for the delivery of the ICT Facilities, in accordance at a minimum with the Exit Plan.
 - 2.1.6 The solution must be compatible with the Authority's current platform and proposed upgrade path. The Authority currently uses Windows XP desktop, Internet Explorer 7 and Office 2003. The Authority proposes to upgrade these ICT programs within the next 2 years. The Contractor shall upgrade its own ICT Facilities accordingly.
 - 2.1.7 The solution shall have compatibility to accept a wide range of

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documentation in file formats, the minimum requirement being Word, Excel and PDF's.

- 2.1.8 The Authority has a 10MB limit on incoming emails.
- 2.1.9 The Authority currently has an ICT contract with a third party to deliver a SAP front office relationship management and payroll system. The Authority currently uses SAP Version ECC6. The Authority will provide any SAP licenses that may be required to deliver the Services at no cost to the Contractor. The Authority shall provide an interface between the Contractor's Case Management System and SAP to enable the Contractor to view employee records and upload relevant details onto the Case Management System.
- 2.1.10 The Contractor shall not be required to transfer employee information currently held on the Authority's electronic document management scanning system. Contractor staff employed in the delivery of the Services will be required to contact the Authority's HR strategic team in order to access historical Authority employee data held on its Civica platform.

2.2 Information Security and Data Storage

- 2.2.1 The Contractor shall be ISO27001 accredited, or demonstrate that it is working towards the accreditation. The Contractor shall ensure that the accreditation is maintained throughout the Contract.
- 2.2.2 The Contractor shall have secure facilities in place for data storage.
- 2.2.3 The Contractor shall have procedures in place for management of personal and sensitive data.
- 2.2.4 The Contractor shall provide to the Authority and maintain for the period of the Contract an "Information Security and Data Storage Plan".

2.3 ICT Support

- 2.3.1 The Contractor shall provide a named contact to manage the ICT support element of the Contract.
- 2.3.2 ICT support shall be provided as a minimum during Core Business Hours.
- 2.3.3 The Contractor shall provide to the Authority and maintain during the period of the Contract an "ICT Support Plan".

2.4 Business Continuity & Disaster Recovery

- 2.4.1 The Contractor shall have robust processes in place for business continuity and disaster recovery. The Contractor shall provide to the Authority and maintain during the period of the Contract "Business Continuity and Disaster Recovery Plans" which demonstrate the

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Contractor's capability to continue to provide the Services.

2.5 Web Portal

- 2.5.1 The Contractor and the Authority will work together during the Mobilisation Period to implement a new Authority branded customised Web Portal, hosted on the Contractor's server(s). This customised Web Portal will be accessible through the Authority's existing intranet (Bradnet) and shall provide:
- 2.5.1.1 an easy to use intuitive interface designed to give the Approved User access to the information they require in the lowest number of clicks;
 - 2.5.1.2 a comprehensive searchable on-line dynamic HR advice knowledge database containing best practice, Authority specific expert advice and lessons learnt;
 - 2.5.1.3 different levels of access dependent on user need as specified by the Authority using pass-through integration into the Authority's existing user authentication system;
 - 2.5.1.4 view access to all relevant Authority HR documentation and Authority Information hosted on the Authority's HR (Bradnet) web pages or the web portal as specified by the Authority; and
 - 2.5.1.5 access to the Case Management System for Approved Users to view summary details of current open cases for each of their employees.

- 2.5.2 The Web Portal, Authority HR documentation and Authority Information shall contain the Authority's branding.

2.6 Case Management System

- 2.6.1 The Contractor shall provide a Case Management System capable of:
- 2.6.1.1 recording all Cases;
 - 2.6.1.2 uploading documents;
 - 2.6.1.3 indicating real time details; and
 - 2.6.1.4 providing different levels of access dependent on user need as specified by the Authority using pass-through integration into the Authority's existing user authentication system;
- 2.6.2 The Contractor shall provide capability to the Authority to produce reports in respect of individual employees to include, but not limited to, the following:

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- 2.6.2.1 Organisation unit/team.
- 2.6.2.2 Service.
- 2.6.2.3 Department.
- 2.6.2.4 Gender.
- 2.6.2.5 Ethnicity.
- 2.6.2.6 Disability.
- 2.6.2.7 Age.
- 2.6.2.8 Other protected characteristics the Authority reasonably chooses to record in the future.
- 2.6.2.9 Job Type.
- 2.6.2.10 Officer and former manual staff.
- 2.6.2.11 Grade.

2.7 Knowledge database

- 2.7.1 Using its Case Management System, the Contractor shall compile (over the period of the Contract) a database of knowledge which shall be made available to the Authority in a searchable format.

2.8 Telephony and E-mail Service

- 2.8.1 The Contractor shall provide the services via telephone and email. All contact shall be direct with staff and should not involve automated call handling systems.
- 2.8.2 Telephony access shall be on a single telephone number.
- 2.8.3 The Contractor shall ensure that a voicemail system is available for Approver Users to leave messages when calling outside of Core Business Hours.
- 2.8.3 The Contractor shall ensure that voicemails and emails left outside of Core Business Hours are responded to in accordance the KPIs set out in Schedule 3.

3. Personnel Requirements

- 3.1 The Contractor shall ensure that advisers employed in the delivery of the Service are CIPD qualified or can demonstrate the appropriate level of competency which is equivalent to that standard.
- 3.2 The Contractor shall ensure that all advisers employed in the delivery of the Service have the appropriate expertise in employment law including but not limited to the law relating to equality issues.
- 3.3 The Contractor shall have a detailed understanding of Authority HR documentation and Authority Information, so that they can respond to any queries from the Authority accurately and in a timely manner.
- 3.4 The Contractor shall ensure that all advisers employed in the delivery of the Service employed in the delivery of the Services are up to date with national

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and European law and guidance from the date of any change.

- 3.5 The Contractor shall ensure that service continuity is maintained at all times including cover for periods of training, sickness, holidays and any other absences.
- 3.6 The Contractor shall provide comprehensive training and support in respect of all Authority HR documentation and Authority Information to all advisory staff employed in the delivery of the Services.
- 3.7 The Contractor shall provide on-going training to all Approved Users as and when required taking into account any ICT system changes and updates.

4. Mobilisation Requirements

- 4.1 There will be a Mobilisation Period during which the Contractor in accordance with the provisions of the Contract shall:
 - 4.1.1 gain a detailed understanding of all Authority HR documentation and Authority Information;
 - 4.1.2 work with the Authority to prepare and deliver a comprehensive rollout and communication programme on the Case Management System, the Web Portal and knowledge database;
 - 4.1.3 work with the Authority's ICT department to agree the interface and implementation of ICT systems to be provided by the Contractor; and
 - 4.1.4 work with the Authority to provide simplified, streamlined, user-friendly manager guides in respect of:
 - 4.1.4.1 dealing with conduct and behaviour issues / the disciplinary process;
 - 4.1.4.2 dealing with employee grievances;
 - 4.1.4.3 managing sickness absence; and
 - 4.1.4.4 managing poor performance.

- 4.2 The "Mobilisation Plan" detailing how the Contractor and the Authority shall implement the Services meeting the Specification between the Mobilisation Commencement Date and the Service Commencement Date is set out in Schedule 4.

5. Complaints Handling

- 5.1 The Contractor shall address all complaints received in respect of the Services in accordance with the Contractor's "Complaints Handling Plan". The Contractor shall provide to the Authority and maintain during the period of the Contract a "Complaints Handling Plan".

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6. Monthly Report

- 6.1 The Contractor shall provide an electronic monthly report to the Authority in respect of the Services which shall include:
 - 6.1.1 Performance against the KPIs as specified in Appendix 1
 - 6.1.2 Number of inbound contacts.
 - 6.1.3 Number of outbound contacts.
 - 6.1.4 Number of calls from unauthorised users.
 - 6.1.5 Number of “High” severity Cases by topic.
 - 6.1.6 Number of “Medium” severity Cases by topic.
 - 6.1.7 Number of “Low” severity Cases by topic.
 - 6.1.8 Number of current Cases (including status, stage and duration).
 - 6.1.9 Number of Cases closed during previous month.
 - 6.1.10 Number of current Cases per topic.
 - 6.1.11 Number of current Cases per Authority service/department.
 - 6.1.12 Intranet usage of Web Portal pages.
 - 6.1.13 Change in the Contract Manager.
 - 6.1.14 Availability of the web portal within each month.
 - 6.1.15 Out of scope contact received.
- 6.2 The Authority shall be entitled on reasonable notice to view all raw data and material available to the Contractor in its formulation of such reports. The format of such reports will be agreed between the Authority and the Contractor.

7 Contract Management

7.1 Authorisation

- 7.1.1 The Contractor shall provide a designated Contract Manager to oversee the delivery of the Contract, who is authorised to act on behalf of the Contractor in all matters relating to the Contract.
- 7.1.2 The Contractor shall provide a deputy to act on behalf of the Contract Manager as required.

7.2 Meetings

- 7.2.1 The Contract Manager shall attend meetings as reasonably required by the Authority for the purposes of ensuring effective delivery of Services. These shall be face to face meetings held within the Bradford district.
- 7.2.2 The Contract Manager shall attend monthly meetings in the Bradford District to review the Monthly Report and to set out (where applicable) the steps the Contractor will take in Good Faith to secure identified improvements to the Services.

- 7.3 Compliance with these requirements in paragraph 7 shall include the activities set out in Schedule 5 (Governance).

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8 Social Value

- 8.1 The Contractor shall ensure that the Services provided through this contract offer added economic and social value for those working and living in the Bradford district.
- 8.2 The Contractor is required to understand and tailor their service to take account of the unique and distinct culture of the Bradford district.
- 8.3 The Contractor shall develop through partnership working an interface between key Bradford employers, both in the public and private sectors, to look to enhance the employment chances, potential and experiences of employees to the benefit of the Bradford district.

APPENDIX 2

EVALUATION OUTCOME

DRAFT

APPENDIX 3

KPIs

KPI Ref	Description of KPI	Measured By	Required Standard	Consequence of Failure
1	All incoming calls answered by Contractor Staff within 6 rings.	ICT / telephony system	95% over a calendar month	10 service failure points
2	All telephone advice followed up with written confirmation of the advice provided by the end of the following Business Day.	Case Management System	95% over a calendar month	5 service failure points
3	Outbound responses as a result of advisers being busy or in response to an online question submission: response the same day (where the inbound call was received before 3pm) or by 10am the next Business Day (where the inbound call was received after 3pm), unless agreed otherwise by the Approved User.	Case Management System	95% measured over a calendar month	5 service failure points
4	Submission of the Monthly Report containing the required details within 5 Business Days of the end of the month to which it relates.	Receipt of relevant report within the specified timescale	100% each month	10 service failure points
5	Web content and advice updates within 2 Business Days of agreed change.	Visual check that Web Portal updated	100%	5 service failure points
6	The Web Portal shall have 99.5% availability during Core Business Hours and 99% outside Core Business Hours	ICT system	99.5%/99.0% ,measured over a calendar month	10 service failure points
7	The number of valid service quality complaints received	ICT system	Fewer than 10 a month	10 service failure points
8	The number of call/emails provided by the Contractor that comply with HR Documentation.	Case Management System	95% from a representative sample measured over a calendar month	10 service failure points

NOTES

The obligation of the Contractor for Services to meet or exceed the KPIs specified above shall not apply:

- a) during scheduled downtime provided either
 - (i) such scheduled downtime occurs outside Core Business Hours and last no longer than 20 minutes; or
 - (ii) the Authority has received at least 48 hours prior notification;
- b) during any period of emergency downtime arising due to a requirement for urgent maintenance to address security or other significant issues immediately; or
- c) if any equipment or internet or telecoms connection not under the Contractor's control does not work or is unavailable; or
- d) if such failure results from a Force Majeure Event; or
- e) if the Authority does not comply with the Dependencies set out in Schedule 8 and the Minimum Technical Requirements set out in Schedule 9.

SCORING MECHANISM

1. If KPIs 2, 6 and 8 accumulate 60 failure points over any six (6) consecutive months then this shall represent a material default under Clause 13.2 of the Contract. This shall apply for the Term of the Contract.
2. If the number of failure points accumulated over eighteen (18) months exceeds 300 then this shall represent a material default under Clause 13.2 of the Contract.
3. For years 3 and 4, if the number of failure points accumulated over any six (6) consecutive months exceeds 100 then this shall represent a material default under Clause 13.2 of the Contract.

Multiple service failure points shall not be generated from a single cause of failure. If a single cause (for example, a technology outage) causes multiple KPIs to be breached, only a single KPI attracting the highest number of service failure points shall be taken into account.