



Tunnels Outstation Maintenance Services Agreement

Schedule 5

Service Level Agreement

SCHEDULE 5

SERVICE LEVEL AGREEMENT

1. Performance Management Regime Objectives

- 1.1 This Service Level Agreement sets out the Service Level Indicators and other Performance Measures which the Service Provider is obliged to meet when performing the Services and against which some of the Service Provider's performance shall be measured.
- 1.2 Without prejudice to the Service Provider's obligations to provide the Services in accordance with the Agreement, the SLIs and other Performance Measures have been selected to reflect areas of the Services which are essential in order to deliver an acceptable level of Fault Management and operational and technical performance, and to avoid exposing TfL to significant financial or reputational risk. Service Failure Points have been assigned to each SLI and certain other Performance Measures in order to seek to reflect some of the impact of failure to meet the Service Level Indicators or other Performance Measures.

2. Performance Management Regime

- 2.1 The Service Provider shall provide the Services in accordance with this Agreement. Without prejudice to the foregoing, the Service Provider shall perform the Services in accordance with the following levels of service such that any times, limits or metrics set out in them are met or exceeded:
- (A) the Service Level Indicators as set out in Table 4 (*Service Level Indicators*) in Annex A (*Service Level Indicators*) to this Schedule;
 - (B) the Response Time for Faults assigned as FSL C or FSL 1;
 - (C) the Resolution Time for Faults assigned as FSL C or FSL 1;
 - (D) the Preventative Maintenance Schedule;
- (each and together, being the "**Performance Measures**").
- 2.2 The number of SFAs (if any) applicable to each Fault assigned as either FSL C or FSL 1 will be determined as indicated in the following table:

Table 1 Service Failure Abatements:

Fault Service Level	Measurement Point	
	Response Time	Resolution Time
FSL C	Failure to achieve target: 2 SFAs; and Each additional 30 minutes beyond target: 2 SFAs.	Failure to achieve target: 1 SFA; and Each additional 60 minutes beyond target: 2 SFAs.
FSL 1	Failure to achieve target: 1 SFAs; and Each additional 30 minutes beyond target: 1 SFA.	Failure to achieve target: 1 SFA; and Each additional 60 minutes beyond target: 1 SFA.

2.3 If the Service Provider fails to achieve the Service Level Indicators detailed in Annex A (*Service Level Indicators*) to this Schedule, Service Failure Points shall apply. Service Failure Abatements shall also apply if the total SFPs resulting from the SLIs in respect of a Reporting Period exceed the levels set forth in Table 2 (*SFPs per Reporting Period*) below:

Table 2 - SFPs per Reporting Period

SFPs per Reporting Period	Number of SFAs
Up to 5	nil
6	1
Every additional 2	1

2.4 Preventative Maintenance Abatements shall apply in accordance with Schedule 7 (*Charging and Operational Pricing*) if the Service Provider fails to perform Electrical Periodic Inspections and/or Annual Preventative Maintenance Events at all or in accordance with the requirements of this Agreement, such Preventative Maintenance Abatements being based on the Electrical PI Failure Count and the Annual PM Failure Count (as applicable).

2.5 Service Failure Abatements and Preventative Maintenance Abatements shall be identified in SFM and calculated for each Reporting Period.

2.6 The final PMA and SFA totals for each Reporting Period shall be included in the Period End Report produced by TfL for the Service Provider at the end of each Reporting Period.

2.7 For the avoidance of doubt, Abatements shall not apply during the Mobilisation Phase, and shall only start to accrue from the Operational Commencement Date.

3. Other Remedies

Abatement Thresholds

3.1 If the combined total value of Service Failure Abatements and Preventative Maintenance Abatements in a Reporting Period exceeds the following threshold percentages of the Preventative Maintenance Payment due in such Reporting Period, such value being the value that would have accrued but for the Abatement Cap, then without prejudice to TfL’s other rights and remedies including the right to receive Abatements, TfL shall have the right to impose the appropriate remedy indicated in Table 3 (*Thresholds*).

Table 3 - Thresholds

Threshold	Percentage of PMP	Remedy
One	five (5)%	Threshold One Remedies
Two	ten (10)%	Threshold Two Remedies
Three	twenty (20)%	Threshold Three Remedy
Four	thirty (30)%	Threshold Four Remedy
Five	forty (40)%	Threshold Five Remedy

3.2 For the avoidance of doubt, TfL shall be entitled to exercise any remedy provided the relevant threshold percentage has been exceeded and it is not necessary for TfL to have applied a lower level remedy before applying a higher level remedy or in particular, but without limitation, to have issued any Warning Notices prior to the right to fully terminate the Agreement provided that the total value of Service Failure Abatements and Preventative Maintenance Abatements in a Reporting Period would, but for the Abatement Cap, exceed forty (40%) of the Preventative Maintenance Payment due in the Reporting Period. Further, the right to exercise a remedy shall arise once the relevant threshold percentage is reached and it is not necessary for TfL to wait until the end of a Reporting Period.

Threshold One Remedies

3.3 If the percentage corresponding to threshold one in Table 3 (*Thresholds*) is exceeded in any Reporting Period, TfL shall have the right to serve a written Warning Notice on the Service Provider ("**Threshold One Warning Notice**"), setting out details of the Performance Measures which have been breached, clearly indicating that it is a Threshold One Warning Notice and containing a reminder to the Service Provider of the implications of such a Warning Notice.

3.4 The Service Provider shall, within five (5) Business Days of such Threshold One Warning Notice, provide in writing to TfL the corrective action it proposes to take to achieve future compliance with the relevant Performance Measure(s).

3.5 The proposed action shall be considered at the Periodic Review Meeting for the Reporting Period in which the threshold one percentage in Table 3 (*Thresholds*) was exceeded or at another appropriate meeting arranged between TfL and the Service Provider.

3.6 TfL shall provide written approval of the proposed corrective action or other alternative action as shall be agreed (such approval not to be unreasonably withheld or delayed).

3.7 If TfL reasonably notifies the Service Provider that it is withholding its approval, identifying its concerns and reasons for so doing, the Service Provider shall, within a further five (5) Business Days of such Threshold One Warning Notice, provide TfL with revised proposed corrective action identifying how the concerns and reasons given by TfL have been addressed. Such approval shall be provided in writing and not to be unreasonably withheld or delayed.

3.8 The Service Provider shall start the corrective action following approval by TfL and shall submit a report to TfL within seven (7) calendar days of the end of the following

Reporting Period evidencing how the corrective action has been implemented and summarising the results achieved.

- 3.9 The Service Provider shall continue to submit reports within seven (7) calendar days of the end of each subsequent Reporting Period until the total value of Service Failure Abatements and Preventative Maintenance Abatements has been below the threshold one percentage in Table 3 (*Thresholds*) of the Preventative Maintenance Payment for two (2) consecutive Reporting Periods at which point the Threshold One Warning Notice shall expire.
- 3.10 TfL shall have the right to invoke the remedies in accordance with paragraphs 3.11 to 3.21 ("**Threshold Two Remedies**"), even though the threshold two percentage in Table 3 (*Thresholds*) may not have been exceeded, if:
- (A) TfL reasonably withholds its approval to any revised corrective action proposed pursuant to paragraph 3.7; or
 - (B) following written approval by TfL of a corrective action (including any alternative or revised corrective action), the Service Provider fails, within twenty-eight (28) calendar days, to implement such corrective action; or
 - (C) the Threshold One Warning Notice has not expired pursuant to paragraph 3.9 within four (4) Reporting Periods of the Reporting Period in which it was issued.

Threshold Two Remedies

- 3.11 If the percentage corresponding to threshold two in Table 3 (*Thresholds*) is exceeded in any Reporting Period or if Threshold Two Remedies are invoked in accordance with paragraph 3.10, TfL shall have the right to serve a written Warning Notice on the Service Provider ("**Threshold Two Warning Notice**"), setting out details of the Performance Measures which have been breached, clearly indicating that it is a Threshold Two Warning Notice and containing a reminder to the Service Provider of the implications of such a Warning Notice.
- 3.12 The Service Provider shall, within five (5) Business Days of a Threshold Two Warning Notice, provide in writing to TfL an improvement programme (which may form part of a Remedy Plan pursuant to Clause 46 (*Remedy Plans*)) to achieve its future compliance with the relevant Performance Measure(s), including resource allocation for each element of the proposed programme, for the written approval of TfL.
- 3.13 Where a Threshold Two Warning Notice is in respect of Performance Measures for which the Service Provider has already received a Warning Notice in the previous twelve (12) months, the Service Provider shall ensure that its improvement programme proposes specific revised or new measures to improve performance in such areas.
- 3.14 The proposed improvement programme shall be considered at the Periodic Review Meeting for the Reporting Period in which the threshold two percentage in Table 3 (*Thresholds*) was exceeded or at another appropriate meeting arranged between TfL and the Service Provider.
- 3.15 TfL shall provide written approval of the proposed improvement programme or other alternative action as shall be agreed (such approval not to be unreasonably withheld or delayed).

- 3.16 If TfL reasonably notifies the Service Provider that it is withholding its approval identifying its concerns and reasons for so doing, the Service Provider shall, within a further five (5) Business Days of such Threshold Two Warning Notice, provide a revised proposed improvement programme, identifying how the concerns and reasons given by TfL have been addressed, to TfL for approval. Such approval shall be provided in writing and not to be unreasonably withheld or delayed.
- 3.17 Written authorisation of the approved improvement programme shall be provided to TfL by the current holder of the position held by the person who signed the Agreement on behalf of the Service Provider or, if the position no longer exists, by an officer of similar standing within the Service Provider's current organisation.
- 3.18 The Service Provider shall commence the improvement programme (original or revised) following approval by TfL and shall submit a report to TfL within seven (7) calendar days of the end of the following Reporting Period evidencing how the improvement programme has been implemented, progress against the programme and the results achieved.
- 3.19 The Service Provider shall continue to submit reports within seven (7) calendar days of the end of each Reporting Period evidencing progress against the improvement programme and the results achieved until the improvement programme is completed and the total value of Service Failure Abatements and Preventative Maintenance Abatements has been below the threshold one percentage in Table 3 (*Thresholds*) of the Preventative Maintenance Payment for two (2) consecutive Reporting Periods at which point the Threshold Two Warning Notice shall expire.
- 3.20 For the duration of the Threshold Two Warning Notice, TfL shall be entitled to become actively involved in the supervision, management and execution of the improvement programme. TfL may also require the Service Provider to provide interim written progress summaries in addition to the Periodic Report.
- 3.21 TfL shall have the right to invoke the remedy in accordance with paragraph 3.22 ("**Threshold Three Remedy**"), even though the threshold three percentage in Table 3 (*Thresholds*) may not have been exceeded, if:
- (A) following written approval by TfL of a corrective action (including any alternative or revised corrective action), the Service Provider fails, within forty-two (42) calendar days, to implement such corrective action; or
 - (B) the total value of Service Failure Abatements and Preventative Maintenance Abatements exceeds the percentage corresponding to threshold two for five out of any consecutive six Reporting Periods.

Threshold Three Remedy

- 3.22 If the percentage corresponding to threshold three in Table 3 (*Thresholds*) is exceeded in any Reporting Period or if the Threshold Three Remedy is invoked in accordance with paragraph 3.21 (each being a "**Threshold Three Trigger**"), TfL shall have the right to enforce its Enhanced Co-operation Rights pursuant to Clause 47 (*Enhanced Co-operation*).

Threshold Four Remedy

- 3.23 If the percentage corresponding to threshold four in Table 3 (*Thresholds*) would, but for the Abatement Cap, have been exceeded in any Reporting Period, this shall constitute

a “**Material Service Level Failure**” and Tfl shall have the right to serve a Step-In Notice pursuant to Clause 48.1(B) (*Step-In*).

Threshold Five Remedy

- 3.24 If the percentage corresponding to threshold five in Table 3 (*Thresholds*) would, but for the Abatement Cap, have been exceeded in any Reporting Period, Tfl shall have the right to terminate this Agreement with immediate effect by serving written notice on the Service Provider.

Annex A

Table 4 Service Level Indicators

LI	Outcome to be achieved	Service Level Indicator	Unit of measurement	Measurement period	SFP Allocation	Evidence	SFP Limits					
							Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4	Contract Year 5	Subsequent Contract Years
Theme : Health and Safety												
Workforce Safety												
1	Reduction in injuries to Service Provider's Personnel engaged in the Services.	Based on the number of RIDDOR 'reportable' injuries for the business unit responsible for this Agreement. Number of reportable injuries per 100,000 of the workforce.	Number per 100,000 workforce	3 Reporting Periods	1 SFP for exceeding the relevant SFP Limit	HSE report/ record	510	474	438	400	400	400
2	Ensure all the Site specific risks for each work place are known before any personnel attend Site. Hazard Registers are correctly maintained. Relevant information is entered in the Hazard Register on Site Commissioning.	Following a Site inspection by TfL, a hazard is found that should have been identified by the Service Provider but is not recorded in the Hazard Register updated by the Service Provider.	Number of hazards	1 Reporting Period	1 SFP for exceeding the relevant SFP Limit	TfL's Site inspection reports	1	0	0	0	0	0
3	To ensure that the Service Provider's Personnel always work in a safe manner.	Number of Sites inspected by TfL where the Service Provider's Personnel are not working	Number of Sites	3 Reporting Periods	1 SFP for exceeding the relevant SFP Limit and 1 additional	TfL's Site inspection reports	2	2	1	0	0	0

LI	Outcome to be achieved	Service Level Indicator	Unit of measurement	Measurement period	SFP Allocation	Evidence	SFP Limits					
							Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4	Contract Year 5	Subsequent Contract Years
		according to its safety procedures or where Traffic Management is not provided in accordance with the current regulations.			SFP for exceeding each additional multiple of the relevant SFP Limit (except that where the SFP Limit is 0, 1 SFP is allocated for each Site).							
Public Safety												
4	Reducing incidents involving the general public at Sites, where the Service Provider is undertaking the Services.	Number of reports received by TfL from the general public and Third Parties, where it is reasonably judged that the Service Provider is responsible for causing the incident (in TfL's sole discretion).	Number of incidents	1 Reporting Period	1 SFP for each incident over the relevant SFP Limit	Reports received by TfL	1	0	0	0	0	0
Theme : Operational Quality												
Data Quality												
5	To ensure that TfL always receives accurate Site status information.	Number of Sites inspected by TfL where the Site status and/or log book entry does not match the	Number of Sites	3 Reporting Periods	1 SFP for exceeding the relevant SFP Limit and 1 SFP for exceeding	TfL's Site inspection reports	4	3	2	1	1	1

LI	Outcome to be achieved	Service Level Indicator	Unit of measurement	Measurement period	SFP Allocation	Evidence	SFP Limits					
							Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4	Contract Year 5	Subsequent Contract Years
		information given to TfL.			each additional multiple of the relevant SFP Limit.							
6	Service Provider provides the statistics needed to populate the SLI table in a timely manner to permit SLI performance management.	Failure to provide relevant SLI statistics within seven (7) days of the end of a Reporting Period, or providing incorrect SLI statistics.	Number of incorrect and/or late SLI statistics	1 Reporting Periods	1 SFP for exceeding the relevant SFP Limit	The SLI statistics and TfL's receipt of the same	1	0	0	0	0	0
Sustainability												
7	To ensure that the Service Provider is working in an environmentally sustainable manner, and reporting on CO2 emissions.	Number of times the Service Provider breaches its Environmental Action Plan or fails to provide its CO2 emissions report at the times agreed (the frequency of reporting to be agreed during the Mobilisation Phase).	Number	1 Reporting Period	1 SFP for exceeding the relevant SFP Limit	Reports provided by the Service Provider and TfL's receipt of the same	1	1	1	0	0	0
Theme : Operational Performance												
Fault Response and Resolution (Fault Service Levels 2, 3 and 4)												
8	All Fault Service Level 2 Faults are Responded to and Resolved within the	Failure to: a) Respond to a FSL 2 Fault; or	Number of failures	1 Reporting Period	1 SFP for exceeding the relevant SFP Limit and 1	Period End Reports / SFM	2	2	2	2	2	2

LI	Outcome to be achieved	Service Level Indicator	Unit of measurement	Measurement period	SFP Allocation	Evidence	SFP Limits					
							Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4	Contract Year 5	Subsequent Contract Years
	prescribed time in Appendix 3 (<i>Fault Management Process</i>) to Schedule 2 (<i>Statement of Requirements</i>)	b) Resolve or Demote a FSL 2 Fault; (including making a Site safe); within the prescribed times.			additional SFP for exceeding each additional multiple of the relevant SFP Limit.							
9	All Fault Service Level 3 Faults are Responded to and Resolved within the prescribed time in Appendix 3 (<i>Fault Management Process</i>) to Schedule 2 (<i>Statement of Requirements</i>)	Failure to: a) Respond to a FSL 3 Fault; or b) Resolve or Demote a FSL 3 Fault; (including making a Site safe); within the prescribed times.	Number of failures	1 Reporting Period	1 SFP for exceeding the relevant SFP Limit and 1 additional SFP for exceeding each additional multiple of the relevant SFP Limit.	Period End Reports / SFM	3	3	3	3	3	3
10	All Fault Service Level 4 Faults are Responded to and Resolved within the prescribed time in Appendix 3 (<i>Fault Management Process</i>) to Schedule 2 (<i>Statement of Requirements</i>)	Failure to: a) Respond to a FSL 4 Fault; or b) Resolve or Demote a FSL 4 Fault; (including making a Site safe) within the prescribed times.	Number of failures	1 Reporting Period	1 SFP for exceeding the relevant SFP Limit and 1 additional SFP for exceeding each additional multiple of the relevant SFP Limit.	Period End Reports / SFM	3	3	3	3	3	3

LI	Outcome to be achieved	Service Level Indicator	Unit of measurement	Measurement period	SFP Allocation	Evidence	SFP Limits					
							Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4	Contract Year 5	Subsequent Contract Years
11	Interim (i.e. non-Annual) Preventative Maintenance to be achieved in accordance with the "Preventative Maintenance Specification"	Number of Sites inspected where the Preventative Maintenance dates in the log book entry do not match the information on Preventative Maintenance dates given to TfL.	Number of Sites	1 Reporting Period	1 SFP for exceeding the relevant SFP Limit and 1 SFP for exceeding each additional multiple of the relevant SFP Limit.	Period End Reports, SFM and log books	10	8	5	5	5	5