

Shared Services

INTRODUCTION

1. Introduction

Parties to the SLA

This part of the overall BSO Service Level Agreement (the SLA) is between the BSO and the Customer for the provision of Shared Services.

It represents an agreement entered into to define clearly the accountability, expectations and responsibilities of each party. The aims are as follows:

- a) To identify and define the range of services required to be provided;
- b) To define the mutually acceptable levels of service delivery;
- c) To define the roles and responsibilities;
- d) To define the conditions, charges and lifetime of the services;
- e) To foster a strong working relationship between the Customer and BSO; and
- f) To facilitate continuous improvement in the operations of the Customer and BSO.

Background

The purpose of this document is to outline the services to be provided by the BSO to the Customer. The document defines the range of services which the BSO will be responsible for providing to the Customer, and sets out activity levels to be provided in each service area. Both the BSO and the Customer have a joint responsibility for ensuring service provision. This document sets out the BSO's obligations for the provision of these services and for the provision of appropriate system performance and reliability measurements. It also defines the Customer's obligations.

Definition of Terms

Designated Officer

The BSO and Customer will each identify a Designated Officer who has responsibility for overall performance monitoring against targets/KPIs. Unless otherwise stated the Designated Officer will be deemed to be a Director (or equivalent) for each party.

Customer

The Customer is defined as receiving services from the BSO.

Head of Business Services

The Head of Business Services, BSO, is the individual responsible for ensuring that mechanisms and systems are in place to monitor customer service effectiveness and for reporting on the KPI and other metrics within an agreed timescale. The Head of Business Services reports to the Assistant Director of Shared Services.

Key Performance Indicators (KPIs)

KPIs are measurements by which the BSO's performance will be reviewed and managed.

BSO Service Level Agreement (the SLA)

The BSO SLA is an agreement between the Customer and the BSO. It communicates the overall intent of the BSO and the services which it provides and supports, along with the accountabilities and responsibilities of both the BSO and Customer.

Customer Partnership Forum

The Customer Partnership Forum is made up of a selection of both Customer and BSO representatives who will be responsible for governing the relationship and the performance of both the Customer and the BSO. The purpose of the Customer Partnership Forum is to ensure that a common list of services remains in place for all Customers. Meetings with individual Customers will also be established where appropriate.

Continuous Improvement

There will be specific agreed goals for improving efficiency and effectiveness of performance of the BSO and/or Customer in delivery of this section of the overall BSO SLA over the lifetime specified.

2. SLA Terms

SLA period/termination

The BSO SLA is effective for a period of one year and it will be reviewed annually.

Review Periods

The operation and content of the BSO SLA will be subject to formal review in the last quarter of each financial year. The review will be signed off by the Designated Officers of the Customer and the BSO and, subject to agreement and implementation of any changes in services arising from the review, the term may be extended by a further 12 months.

Working Agreement

The BSO and the Customer are committed to:

- ensuring a successful relationship between the BSO and the Customer. The BSO and the Customer will work openly and honestly;
- working together to achieve the service levels documented in this section of the BSO SLA. The BSO and the Customer will work as a team and help each other toward achieving shared goals;
- ensuring a quality service. The BSO's performance will be measured both qualitatively and quantitatively and will include constructive dialogue and feedback between the BSO and the Customer. The BSO will also monitor the performance of the Customer. The results will be communicated and used to create a basis for continuous improvement of the service provision;
- Identifying, testing and implementing processes and technologies which will continuously improve the service delivery from BSO to the Customer; and

- reviewing this part of the BSO SLA to ensure it remains fit for the purpose. Management discussion between the BSO and the Customer will enable joint agreement to change, exclude or amend elements.

Measures will therefore be established to monitor:

- customer satisfaction;
- operational performance;
- resource utilisation.

SLA Modification Process

This section of the BSO SLA can be amended with the consent of all parties.

Generic Amendments

The BSO will formally communicate with all Customers, through the Customer Partnership Forum and/or Service Review meetings. Where necessary, generic changes will be negotiated and agreed by all parties. Where fundamental amendments, deletions or additions are required between review periods, these will be managed on a case by case basis as they occur, via the Customer Partnership Forum and/or Service Review meetings.

Type of Amendments

Changes may result from one or more of the following:

- service related changes;
- adding new services through the completion of projects and revisions or enhancements of existing processes;
- deleting existing services;
- amending existing service item descriptions, including levels and/or requirements;
- technology related impacts;
- changing hardware/software platform;
- adding/removing application software;
- adding/removing existing software tools; and
- structural changes within HSC NI.

Where amendments will result in changes to service charges, those charges will be reviewed and mutually agreed as they occur. (See Section 4 on the Charging mechanism).

Additional scope of work may be added with agreement, in writing, of the BSO and the Customer.

Data Protection

The BSO will adhere to the procedures and guidelines implemented by the BSO relating to data protection and back up and disaster recovery procedures in order to ensure the physical security of all Customer related data held by the BSO. The BSO will make available to the Customer details of any contractual arrangements for, back up and disaster recovery procedures maintained by third party suppliers.

Confidentiality and Security

All data and information belonging to the Customer and in the possession or control of the BSO will be held in secure conditions and treated as confidential. The BSO will not disclose data to any third party without prior written consent of the Customer. The BSO will operate in accordance with relevant Freedom of Information & Data Protection legislation.

Information Security

The BSO has established and maintained policies for the effective and secure management of its information assets and resources. At the centre of these policies is a duty of care which the BSO and its employees owe in the handling of all forms of information, whether electronic or manual. Indeed, the ability to safeguard confidentiality is not only integral to maintaining client and customer confidence but it constitutes a legally binding statutory obligation. The following principles underpin internal policies to help ensure there is no unauthorised access to corporate information and that necessary information is up-to-date and accessible:

- Confidentiality;
- Integrity;
- Availability.

Legal Status

This section of the BSO SLA shall not be regarded for any purposes as giving rise to contractual rights or liabilities. If any dispute arises which cannot be resolved by agreement between the Customer and the BSO, either party may refer the matter to an independent arbitration service.

Audit Arrangements - Audit Assurance

The Internal and External Auditors of the BSO will be responsible for providing audit services and assurance to the BSO Board only, including the audit of systems, controls and processes maintained by the BSO. The Customer will be responsible for ensuring that all elements of systems and processes under its own jurisdiction are appropriately audited. The BSO and its auditors cannot give any assurances regarding the completeness and accuracy of data presented to it by the Customer, nor can it offer any assurances regarding the Customer's own control arrangements.

The BSO will provide each Customer with a copy of any limited assurance Internal Audit report it receives on the operation of the shared services centres together with an action plan detailing how the issues are to be resolved. Progress reports will be provided until the issues are satisfactorily resolved. The BSO will also provide an annual report to each Customer. The report will provide assurance on the reliability of the information being processed by the BSO for accounting purposes on behalf of the Customer.

Compliance with Standing Financial Instructions (SFIs)/Statutory Obligations

The BSO will ensure strict adherence to agreed Standing Financial Instructions and will implement all necessary legislation in respect of services and amendments thereafter, in strict accordance with the instructions from the statutory body. Customers will need to ensure that their SFIs are assessed and amended to ensure alignment, where necessary, with this section of the SLA. Where for any reason the SFIs cannot be applied, any exceptions should be agreed with the Customer.

Out of Hours Contact

The BSO and the Customer will provide each other with a list of contacts for out of hours contact in case of emergency. This will include names, telephone and e-mail contacts.

Service Failure

Service failure refers to the inability to provide the agreed services or the inability to provide them to the standards specified. The cause of the failure may be due to the system, the BSO, the Customer or external or third party agencies. In the event of severe service failure, the BSO will put their agreed contingency plans into operation. Where this occurs, the BSO will liaise with the necessary Customer Directors/representatives to clarify the ensuing process. Where service failure of a serious nature occurs outside of normal hours and is likely to have an imminent impact, the Customer will be advised immediately. The BSO will be responsible for ensuring similar arrangements are in place with third party system providers to ensure acceptable contingency plans are in place.

Business Continuity

In order to support Business Continuity and Emergency Planning obligations, the BSO shall have documented arrangements that meet good practice guidelines to effectively protect the customer from the consequences of a business interruption (or series of interruptions). Such arrangements must fully integrate with the customer's own business continuity arrangements and include plans for restoring and maintaining the delivery of the services which are the subject of the SLA, and for maintaining communication with the customer.

Disaster Recovery

The BSO will be responsible for ensuring that adequate disaster recovery procedures and arrangements are in place to provide services in the circumstances of a severe failure of the system used to deliver these services. The BSO will provide the Customer with a plan of how such arrangements would become effective in the event of systems failure, including details of routine testing of Disaster Recovery procedures. These are designed to minimise disruption during such times.

3. Customer Relations and Performance Management

Review and Monitoring Arrangements

The BSO will endeavour to ensure that its services perform to the target service levels defined in this section of the BSO SLA.

Performance Review

The Customer will agree with the BSO, in advance, an annual schedule for formal Service Review meetings. The frequency of these meetings will be determined by the requirements of each individual customer. Service Review Meetings will be held to ensure that: the services specified are being maintained; the original specification continues to reflect the service requirements; and, if necessary, to identify any changes needed. Service Review meetings will be minuted by the BSO and all agreed actions recorded and managed to completion.

Key Performance Indicators will be subject to an on-going evaluation process which will further facilitate continuous improvement.

Key Performance Indicators

The BSO will maintain and report against the agreed KPIs on a monthly, quarterly and annual basis, or as deemed appropriate, and will be responsible for managing a process of Continuous Improvement in all service areas.

Customer Relationship Management (CRM)

Queries from the Customer will be received and managed by individual BSO teams. The BSO will maintain a CRM system which will record, route and track resolution of all telephone, e mail and paper based queries received from the Customer. The system will contain key details of the query, including date received and resolved, categorisation code and assignee. The regular reports to be produced by the BSO will be agreed with each Customer and these reports will be reviewed at the Service Review Meetings.

Escalation Process

The BSO will aim to resolve all queries and issues within the day to day operations of the relevant team where possible, including through the planned Service Review Meetings. The incremental escalation processes is as follows:

1. The Shared Service Specialists and the Customer, who have day to day responsibility for the service concerned, should consider the issue and attempt to find a resolution.
2. If it is not possible to resolve the issue at Level 1 (above), it should be referred to the Head of Service who will involve other Heads of Service or Business units as necessary, and work with the Customer to provide a satisfactory resolution.
3. In the event that agreement cannot be reached at this stage a formal complaint can be made by the Customer following the process stated below.

Complaints Management

The BSO and the Customer are committed to amicable agreement through regular and constructive dialogue and where possible, without recourse to a formal system for resolving disputes.

Any complaints by the Customer should be made in writing to the BSO and addressed to the relevant Head of Service. The BSO aims to deal with complaints as soon as they occur and to work within the guidelines as follows:

- The complaint will be acknowledged in writing within 2 working days of receipt and the complainant will be informed of the likely timescale to resolve the complaint;
- The BSO will fully investigate the complaint;
- The complainant will be kept up-to-date with the progress of any investigation required;
- The complainant will receive a clear and courteous explanation of the outcome of the complaint and advice on what to do next if he/she is not satisfied;
- If the complaint is in relation to the Head of Service, the complaint should be raised with the Head of Business Services;
- All Customers can raise a complaint directly with the Head of Business Services.

The BSO undertakes to resolve all complaints within 20 working days of receipt. Where it appears the 20 day target will not be met, the person making the complaint must be informed of the reason for the delay with an indication of when a response can be expected. The BSO will assign the responsibility for resolving a problem to an appropriate person or group with a target response time for resolution.

Training

Training may be facilitated using internal resources or sourcing services from suitable contractors. The BSO will be responsible for ensuring that all BSO staff receive appropriate training for the efficient delivery of services.

The Customer will arrange where necessary appropriate training for their staff. Any charges incurred by the BSO in relation to Customer training will be agreed in advance and chargeable under the ad hoc charges mechanism.

Where the Customer requires additional training by the BSO, any charge will be agreed in advance.

Charges and Charging Mechanism

Annual Charges

The charge for services provided are subject to on-going discussion. The charges include:

- The BSO's direct and indirect costs for resources to provide the services as defined;
- Third party charges for the provision of IT systems; and
- Third party charges for application support of these systems.

All charges will be reviewed and agreed in the last quarter of the financial year as a fixed annual charge for the following year and are based on the volumes as specified.

The annual charge will take account of any actual or projected efficiency savings in the shared services centres.

The agreed rates will be subject to an annual increment on 1st April of each year.

The BSO is committed to moving towards a transactional based charging mechanism and will invest in appropriate tools to develop a transactional based reporting tool.

Ad-hoc Charges

Any other charges incurred in relation to requests by the Customer for ad hoc additional services or from the software suppliers solely for the purpose of maintaining/developing the IT applications will be established and where agreed, charged by the BSO to the Customer at cost.

Terms of Payment/Invoicing

The service charges covered by this section of the SLA will be invoiced quarterly.
Third party costs will be charged as per suppliers invoice and payable on receipt.
Any ad hoc charges will be invoiced in line with prior approval with the Customer.
The BSO's invoices are due for payment within 30 days of Invoice date.