

**<Service Agreement Name>**

**Service Level Agreement  
between**

**Drakenstein Municipality  
and**

**<Name of The Service Provider>**

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# **1 INTRODUCTION**

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## **1.1 PURPOSE AND OBJECTIVES**

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This section should contain a brief statement of the purpose and objectives of the service level agreement (SLA).

### **1.1.1 Purpose**

Provide a short description of what would be achieved with this mutual agreement between the Municipality and the Service Provider.

### **1.1.2 Objectives**

Describe the high-level objectives that would be achieved as a result of this SLA.

## **1.2 PARTIES TO THE AGREEMENT**

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The parties to this agreement are:

Drakenstein Municipality

Civic Centre

Berg River Boulevard

Paarl

7646

And

Name

Physical Address

**Note:** A separate SLA should be entered into for each service provider. Where a primary service provider makes use of sub-contractors, a SLA is only entered into with the primary service provider.

## **1.3 COMMENCEMENT DATE**

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The effective date of the legal Agreement between both parties

## **1.4 DURATION OF THE AGREEMENT**

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The validity period of the SLA is specified.

Note: A SLA should not be signed for agreements that requires a once-off service.

## **1.5 DEFINITIONS**

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Definition of the terms used in the SLA in order to prevent misunderstanding. The definitions and terms are negotiated at the time of the conclusion of the agreement.

## **2 PERIODIC REVIEW**

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Provides for an option to review the SLA on mutual agreement or at pre-specified intervals to ensure that it is still relevant to the requirements of the service received.

This includes who is responsible for the update of the document and where it will be stored.

## **3 GOVERNANCE ARRANGEMENTS**

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Who represents the parties to the agreement, how the terms of agreement will be monitored and the governance roles of the responsible persons.

### **3.1 DRAKENSTEIN MUNICIPALITY**

Contact Person:

Contact details:

Physical address:

Telephone Numbers:

e-Mail address:

### **3.2 SERVICE PROVIDER**

Contact Person:

Contact details:

Physical address:

Telephone Numbers:

e-Mail address:

### **3.3 SLA GOVERNANCE**

A SLA governance meeting will be held between the Municipality and the Service provider on a monthly basis on the XX day of the Month (or closest working day). The SLA meeting will be chaired by the representative of the Municipality. The Service Provider is responsible for providing administrative services for the meeting. The meeting will consider:

- SLA Key Performance Areas;
- Related service levels, targets and quality;
- To what extent these were met (measurement); and

- Related penalties (if required).

**Note:** The monthly SLA meeting will be conducted before the monies due for the previous month is paid.

## 4 SERVICES DESCRIPTIONS

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This section of the SLA shall provide a full description of the services provided by the Service Provider. This should include all specific activities that will be required including how specific services are to be provided, resource requirements, adhering to the defined schedule of activities and all service delivery processes used/supported.

### Example

Service Name	Description	Key Performance Indicator	Delivery Date	Service Level	Service Level Measurement

Table 1: Service Descriptions

## 5 RESPONSIBILITIES

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### 5.1 SERVICE PROVIDER

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### 5.2 MUNICIPALITY

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## 6 SERVICE MANAGEMENT

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Service Availability, Maintenance, Measurement, and Reporting

### 6.1 SERVICE AVAILABILITY

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Specify and agree the availability of required services. Availability can be specified as percentage of time or as a period which is free from operational failures, it may be broken down by application, environment or categories specific.

Service Name	Availability Period	Maintenance Window	Availability (%)	Restrictions

Table 2: Service Availability

### 6.2 SERVICE MAINTENANCE

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Specify the Maintenance Windows for all services if applicable. It may sometimes render the service unavailable.

Time	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday

Table 3: Service Maintenance

### 6.3 SERVICE MEASUREMENT

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Establish the measurements to be used to make sure the optimal provision of

services Measurements can be defined in terms of service availability (i.e. uptime), service performance (i.e. throughput, response time) and service quality (i.e. number of unscheduled outages, customer surveys)

Service Metric	Definition	Baseline	Low Performance	High Performance	Breach

**Table 4: Service Measurement**

## **6.4 SERVICE REQUESTS**

Establish the response type or time by the Service Provider based on a request. Specific incident and/or request parameters, thresholds and/or samples could be used.

### **Example:**

In support of services outlined in this SLA, the Service Provider will respond to service related incidents and/or requests within the following time frames:

- One (1) hour (during business hours) for issues classified as Critical.
- Two (2) hours (during business hours) for issues classified as High priority.
- Four (4) hours (during business hours) for issues classified as Medium priority.
- Eight (8) hours (during business hours) for issues classified as Low priority.
- Twenty Four (24) hours (during business hours) for a general service Request.

## **6.5 SERVICE REPORTING**

Specify the reporting needed by the Municipality to ensure that service levels are maintained. These reports must align with the service measurements of Table 1.

Report Name	Report Description	Report Interval	Recipient




**Table 5: Service Reporting**

The following are responsible for the deployment and ongoing support of this agreement: (contact information may include E-mail address, phone number, support line, etc.)

Contact Person	Title / Role	Contact Information
[Name]	[Title / Role]	[Contact Information]
[Name]	[Title / Role]	[Contact Information]

## **6.6 SERVICE LEVEL CREDITS**

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Relates to the failure of the supplier/the basic partner to meet service levels which have been monitored and measured under the SLA providing the municipality a credit. The service credits which are calculated by reference to the supplier's charges for providing the service.

**Note:** Service credits play a significant role in encouraging the right behavior between parties. If the service credits are set too low, the Municipality is likely to become frustrated by the basic Service Provider's failure to perform and to look for opportunities to terminate. If they are too high then the Service Provider might become overly focused on performing to the "letter of the contract", rather than providing an overall service. The most rational approach is for service credits to be negotiated by reference to the risk and responsibility apportioned between the parties, rather than by reference to the basic partner/the supplier's profit.

## **6.7 SERVICE CONTINUITY MANAGEMENT**

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Specifies service recovery plans and related details if required. identify the requirements of Service Continuity Management including the time frame for restoring key business functions and the timeframe for restoring all business function.

## **7 SUPPORTING DOCUMENTATION**

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Specify the documentation that is associated with this Agreement.

<b>Document Name</b>	<b>Description</b>

**Table 6: Supporting Documentation**

## **8 TERMINATION OF AGREEMENT**

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Addresses provisions to define the events that will trigger termination, other than termination of the contract.

For example, a persistent failure to meet the service levels over a period of time will give rise to a right of termination. It is common for services contracts to include a right of termination for “material” breach, however, this term is not always easy to define and may not introduce the level of certainty required. A “material breach” is subjective and will depend upon the terms and duration of the agreement, the nature and consequences of the breach and the factual background. The content of this paragraph should be negotiated between the Municipality and the Service Provider.

## **9 AGREEMENT APPROVAL**

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### **Example**

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Municipality

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Date

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Service Provider

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Date