

701547413
ROUNDLESS TACTICAL ENGAGEMENT SYSTEM (RTES)
KEY PERFORMANCE INDICATORS (KPI) ANNEX

Amendment List

Issue No	Date	Originator	Remarks
1.0	Apr 22	[REDACTED – PERSONAL INFORMATION]	ITN release
2.0	Jan 23	[REDACTED – PERSONAL INFORMATION]	Contract Award

PART 1: OVERVIEW

1.1 This Annex is arranged in the following Parts:

Part 2 – A list of definitions used

Part 3 – A list of the Key Performance Indicators (KPIs) that shall apply to this Contract

Part 4 – [REDACTED – COMMERCIALY SENSITIVE] payments

Part 5 – Service Credits

Part 6 – Calculation of performance deductions in relation to the KPIs

Part 7 – Rectification And Termination - The consequences of continued poor performance and termination

PART 2: DEFINITIONS

2.1 The following definitions are used in this Annex:

Term	Meaning
Authority Representative	The Authority's officers, directors, employees, and advisers or agents.
Contractor Staff	Means employees (including subcontractors) of the Contactor.
Day	This is the training window in a 24 hour period as defined in the SRD; SR – Requirement Statement: The [RTES System] shall provide continuous use for the duration of the training requirement.
Availability	At the point of issue from the Hub Locations, all RTES packs will be 100% available for training exercises, by repair or spare.
Hub Location	A location for RTES packs to be stored, issued, returned, to and from the point of training need, within the designated garrison areas. At this point in time there are up to 5 Hub locations.
Quarter	Shall be defined as every three month period following Contract Award.
Major failure	A complete stoppage of capability due to various factors including network, hardware or software failure, or exceeding the limits set in the SRD for minor failures; resulting in failure to start a training exercise, complete stoppage of a training exercise, or inability to access After Action Review. For the purposes of the Key Performance Indicators a Major Failure will be recorded if the capability is not

	<p>restored at the point of need (where the point of need remains in the UK) within 24 hours of notification.</p> <p>The determination of a major failure. It is the responsibility of the lead trainer to inform the accountable lead of a suspected major failure.</p> <p>It is the responsibility of the accountable lead (DE&S PM who would liaise with the SO2 SIM LWC for any reprioritisation needs) to determine that a major failure has occurred and if so the contractor will be required to restore the capability.</p>
Minor failure	<p>Overall RTES capability remains below acceptable failures rates detailed in the SRD.</p> <p>Failure of a single component of an RTES pack that either leads to an individual trainee not being instrumented or non-weapon components / peripheral RTES components failing, and therefore, cannot participate or contribute in the training activity.</p> <p>The determination of a minor failure. It is the responsibility of the lead trainer to inform the accountable lead of a minor failure.</p> <p>It is the responsibility of the accountable lead to determine that this does not constitute a major failure if training capability remains and training outcome can still be achieved. However, if the accountable lead deems this failure a major failure, the contractor will be required to restore the capability.</p>
KPI or Key Performance Indicator	Means the performance standards required In- Service Support as described in this document.
Maintainability	The ability to return the RTES System back into service within the desired time constraints.
Reliability	Means able to perform as required, without failure, for a given time interval or at a point in time, under given conditions, i.e. remains fully operational throughout the Training Exercise and is able to complete it.
Service Credit	Shall mean the deductions to be made from the [REDACTED – COMMERCIALLY SENSITIVE] payment [REDACTED – COMMERCIALLY SENSITIVE] and the level of service credits applied will be in accordance with this document.
Year	As applies to the KPIs, 'Year' shall mean the 365 day period following the FOC date. This 365 day period shall be used for each year of the Contract.

Table 1: Definitions

PART 3 – KEY PERFORMANCE INDICATORS (KPIs)

3.1 The following Key Performance Indicators shall apply to the Contract:

KPI #	Title	Maximum performance deduction applicable for non-performance
1-3	Reliability	6.00% of the [REDACTED – COMMERCIALY SENSITIVE] contract payment in which the event concluded
4	Availability	4.00% of the [REDACTED – COMMERCIALY SENSITIVE] contract payment in which the event concluded
5	Management Information	1% of the [REDACTED – COMMERCIALY SENSITIVE] contract payment
6	Social Value	1% of the [REDACTED – COMMERCIALY SENSITIVE] contract payment

Table 2: KPIs

3.2 Should the Authority decide to exercise any of the Contract Option Year(s) or Exercise Options as detailed in Table 2 – Options of the Schedule of Requirements in the Terms and Conditions of the Contract, it reserves the right to apply KPIs to these as they are exercised in accordance with Condition 4.2 Options of the Terms and Conditions to the Contract.

3.3. The Authority also reserves the right to review and amend this KPI document in the event that an Option to procure additional equipment is exercised.

PART 4 – [REDACTED – COMMERCIALY SENSITIVE] PAYMENTS

4.1 The Authority shall pay the [REDACTED – COMMERCIALY SENSITIVE] Service Payment to the Contractor in consideration of the provision by the Contractor of the Services. As defined in Statement of Requirement (Schedule 1 to the Terms and Conditions).

4.2 In respect of any given [REDACTED – COMMERCIALY SENSITIVE], the Contractor shall deduct from the [REDACTED – COMMERCIALY SENSITIVE] Service Payment the Service Credits, as agreed or determined following the provision by the Contractor of the performance monitoring report in accordance with Clause 9.2 Performance Reporting of the Terms and Conditions. Following the deduction of the Service Credits the total amount payable by the Authority in respect of that [REDACTED – COMMERCIALY SENSITIVE] shall be the [REDACTED – COMMERCIALY SENSITIVE] Invoice Amount.

4.3 No Service Credits will be deducted from the [REDACTED – COMMERCIALY SENSITIVE] Service Payment in respect of the first month of the Contract Period. If any Service Credits are accrued by the Contractor in the last month of the Contract Period, the amount of those Service

Credits may be set off by the Authority against any sums due from the Authority to the Contractor or may be recoverable by the Authority from the Contractor as a debt.

4.4 An Incident Sentencing Committee (ISC) will be conducted in accordance with Condition 9.1.2 of the Contract.

4.5 Where any failure is deemed to not be the Contractors responsibility, the failure being due to Accident, Misuse, Neglect or loss (AMN&L), then the Authority will take responsibility. The DE&S PM will review and decide on any failures that cannot be resolved between the Authority ILSM and the Contractor ILSM.

4.6 The Contractor shall submit to the Authority an invoice in accordance with DEFCON 522 (Payment and Recovery of Sums Due) which shall show the [REDACTED – COMMERCIALY SENSITIVE] Invoice Amount; and where applicable, reductions in accordance with paragraph 4.2 above.

Part 5 – Service Credits

5.1 The Service Credits which shall be deducted from the [REDACTED – COMMERCIALLY SENSITIVE] Service Payment in accordance with paragraph 4.2, shall be calculated in accordance with the paragraphs below in this Part 5 of this Annex C. Each Service Credit shall have a value of 0.5% of the [REDACTED – COMMERCIALLY SENSITIVE] Service Payment.

5.2 Service Credits

In the event of a Failure by the Contractor in meeting the KPI's defined below, the Contractor shall incur one or more Service Credits in the amounts set out in Part 6 of this document.

5.3 Service Credit Ceiling

The Contractor shall not in any given quarter be subject to the deduction of Service Credits which have a value in excess of 12% of the [REDACTED – COMMERCIALLY SENSITIVE] Service Payment in accordance with Table 2.

5.4 Providing that where a KPI is not met, as a result of an act or omission of the Authority, then the KPI will be treated as met, the issue will be discussed at the sentencing committee.

Part 6 - Key Performance Indicators (KPI's)

6.1 KPIs 1 to 4 in the table below all relate to OMOPs from the SRD.

Number	KPI	Service Credits (SC)
K1	<p>A maximum of 1 [major failure] per [RTES Pack]s over 1 [year] will be tolerated.</p> <p>The full [RTES System] must be restored at the point of need within 24hrs of notification of a major failure. Point of need could be Hub or Training Location (in the UK).</p> <p>3 service credits will be incurred for each additional major failure beyond the maximum of 1.</p> <p>Please note that failures will only be counted toward this KPI metric if the spares available with the RTES pack have been exhausted.</p>	Three (3) SC per additional failure
K2a	<p>A maximum of 2 L85A2/3 (SA80) [minor failure]s per [RTES pack] in any [week] will be tolerated.</p> <p>1 service credits will be incurred for each additional minor failure beyond the maximum of 2 per week.</p> <p>A maximum of 10 L85A2/3 (SA80) [minor failure]s per [RTES pack] in any [quarter] will be tolerated.</p>	One (1) SC per additional failure

Number	KPI	Service Credits (SC)
	A one off incurrance of 3 Service Credits will be applied per quarter for failure beyond the maximum of 10 per quarter. Please note that failures will only be counted toward this KPI metric if the spares available with the RTES pack have been exhausted.	Three (3) SC
K2b	<p>A maximum of 1 L129A1 (Sharpshooter) [minor failure] per [RTES pack] in any [week] will be tolerated.</p> <p>1 service credits will be incurred for each additional minor failure beyond the maximum of 1 per week.</p> <p>A maximum of 5 L129A1 (Sharpshooter) [minor failure]s per [RTES pack] in any [quarter] will be tolerated.</p> <p>A one off incurrance of 3 Service Credits will be applied per quarter for failure beyond the maximum of 5 per quarter.</p> <p>Please note that failures will only be counted toward this KPI metric if the spares available with the RTES pack have been exhausted.</p>	<p>One (1) SC per additional failure</p> <p>Three (3) SC</p>
K2c	<p>A maximum of 1 L7A2 (GPMG) [minor failure] per [RTES pack] in any [week] tolerated.</p> <p>1 service credits will be incurred for each additional minor failure beyond the maximum of 1 per week.</p> <p>A maximum of 5 L7A2 (GPMG) [minor failure]s per [RTES pack] in any [quarter] will be tolerated.</p> <p>A one off incurrance of 3 Service Credits will be applied per quarter for failure beyond the maximum of 5 per quarter.</p> <p>Please note that failures will only be counted toward this KPI metric if the spares available with the RTES pack have been exhausted.</p>	<p>One (1) SC per additional failure</p> <p>Three (3) SC</p>
K3	<p>If the [RTES System] is available for less than 45 weeks per contract [year] in accordance with the agreed schedule, a one off incurrance of three Service Credits will be applied.</p> <p>[REDACTED – COMMERCIALLY SENSITIVE]</p>	Three (3) SC
K4	The [RTES System] shall be restored to 100% availability from receiving back in the hub location until the RTES pack is required for re-issue.	Three (3) SC per failure

Number	KPI	Service Credits (SC)
K5	<p>Management Information</p> <p>The Contractor shall provide all Management Information in accordance with Annex D to the Contract.</p>	Two (2) SC per Business Day late
K6a	<p>Social Value KPI 1</p> <p>The Authority has selected the Fighting Climate Change Social Value theme, specifically Model Award Criteria (MAC) 4.1 Additional Environmental Benefits, as an impactful result of this procurement.</p> <p>The Contractor shall provide all Social Value Management Information in accordance with Annex D to the Contract.</p> <p>a. Number of people-hours spent protecting and improving the environment under the contract, by UK region.</p> <p>Please refer to Section 6.2 and 6.3 below for further information.</p>	Two (2) SC per Quarter

Table 3: KPIs and Service Credits

6.2 The Contractor shall refer to tables 4 and 5 to identify targets for K6a, and the impact of each rating score.

Quarter	Year	Ratings based on the number of people-hours spent protecting and improving the environment (KPI 6a)*			
		<u>Good</u>	<u>Approaching Target</u>	<u>Requires Improvement</u>	<u>Inadequate</u>
Quarter 1	Year 1	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 2	Year 1	27 people hours	18 People hours	9 People hours	<9 People hours
Quarter 3	Year 1	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 4	Year 1	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 1	Year 2	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 2	Year 2	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 3	Year 2	27 People hours	18 People hours	9 People hours	<9 People hours

Quarter 4	Year 2	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 1	Year 3	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 2	Year 3	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 3	Year 3	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 4	Year 3	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 1	Year 4	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 2	Year 4	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 3	Year 4	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 4	Year 4	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 1	Year 5	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 2	Year 5	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 3	Year 5	27 People hours	18 People hours	9 People hours	<9 People hours
Quarter 4	Year 5	27 People hours	18 People hours	9 People hours	<9 People hours

Table 4: Targets Associated with MAC Sub-Criteria 4.1a

*Good = 3, Approaching Target = 2, Requires Improvement = 1, Inadequate = 0

6.3 The Authority shall be entitled to apply Service Credits where the Quarterly ratings falls within one of the performance bands in accordance with the following table:

Performance Indicator	Status (Score from MAC 4.1 sub-criteria A)	Service Credits Applied
Green	2 - 3	0
Amber	1	1
Red	0	2

Table 5: Performance Indicators and Deductions for K6a

Part 7 – Rectification And Termination

7.1 Where there are persistent failures over a period of six (6) months, the Contractor will be expected to produce and implement a Rectification Plan.

7.2 Where a Recovery Plan has been provided by the Contractor, the Authority may within 20 Business days;

- a) Accept the Recovery Plan in writing and require the Contractor to enact the plan;
- b) Request in writing that amendments are made to the Recovery Plan and specify the date by which the revised Recovery Plan must be provided to the Authority (and on receipt of such revised Recovery Plan this Condition 7.2 shall still apply to the amended Recovery Plan).

7.3 Where the Authority reasonably considers: The Rectification process has or will fail to return performance to the contracted levels or where a Recovery Plan has not been submitted where requested, it may, at its sole discretion require a further Recovery Plan to be submitted.

7.4 Where a Rectification Plan is agreed by the Authority, the Contractor shall carry it out in accordance with its provisions including any timescales specified in it (or, where no timescales are so specified, in accordance with such timescales as the Authority may require).

7.5 The Contractor shall provide to the Authority, in accordance with the timescales specified in the Rectification Plan (or, where no timescales are so specified, in accordance with such timescales as the Authority may require):

- a) regular updates on the implementation of the Rectification Plan; and
- b) evidence of the implementation of the Rectification Plan,

and shall, if required by the Authority and at the Contractor's expense, take all necessary steps to enable the Authority to monitor the implementation of the Rectification Plan.

7.6 If the Authority considers that the draft Rectification Plan provided by the Contractor under is unacceptable in that:

- a) it is insufficiently detailed to be properly evaluated;
- b) the programme and timescales proposed in it are not acceptable; and/or
- c) it is unlikely to sufficiently rectify the cause of such Availability Failures, Reliability Failures and / or Performance Deductions.

The Authority shall as it considers appropriate, specify a period of time for the Contractor to revise the draft Rectification Plan.

7.7 Where the agreed Rectification Plan does not improve performance up to a minimum level of 85% availability, the Authority may also apply Contract Termination in accordance with Clause 10 of the Terms and Conditions.