

TSSP/138
708277450
Key Performance Indicators (KPI)

Part 1: Overview

1. This Schedule is arranged in the following Parts:

Part 2: Definitions – A list of definitions used.

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

Part 4: Calculation of Performance Deductions – The calculation of Performance Deductions in relation to the KPIs.

Part 5: Rectification and Termination – The consequences of continued poor performance and termination.

Part 6: Performance Monitoring – The Contractor's monitoring and reporting of its performance against the KPIs.

Part 7: Publishable Performance information – Government KPI reporting

2: Definitions

2. The following definitions are used in this Schedule:

Term	Meaning
Authority Representative	The Authority's officers, directors, employees, and advisers or agents.
Availability	Means that calculated in accordance with paragraph 11.1 of this Schedule.
Availability KPI	Means the measure of whether System provided for a Training Event is Available as determined in accordance with paragraph 10 of this Schedule.
Available	Means System which is in a state to perform as required, i.e. is fully operational and able to start the Training Event.
Availability Failure	Means an System Failure that: (A) causes the System to no longer be Available during a Training Event as determined by the Authority Representative during a scheduled Training Event.; and (B) Prevents the System operating in full during a scheduled Training Event; and Is not caused by human error or incorrect operating action.
Contractor Staff	Means employees (including subcontractors) of the Contactor.
Daily Time Lost	Means the time for each Availability Failure measured in minutes from the point at which an Availability Failure is reported until such time as that Availability Failure is rectified.
Day	One (1) day, starting 00:00 and ending 23:59, or part thereof.
Downtime	Means that calculated in accordance with paragraph 11.1 of this Schedule.
End Time	Means the time on which a Training Event ends as declared by the Authority Representative.
Reliable	Means System is able to perform as required, without failure, for a given time interval, under given conditions, i.e. remains fully operational throughout the Training Exercise or Event and is able to complete it.

Service Credit(s)	Means a figure allocated against KPI's as defined in accordance with this Schedule that shall be totalled per training event in order to calculate and apply performance deductions where required.
Start Time	Means the time on which a Training Event starts as directed by the Authority Representative.
System	Means Interim LGSS System used in the delivery of a Training Event.
Training Event	Means a course or exercise utilising LGSS at the Individual Trade Training (ITT), Subsequent Trade Training (STT), Detachment Training, Collective Training (CT) and Reserve Training requested by the Authority.
Training Year	01 Apr – 31 Mar per year
Uptime	Means that calculated in accordance with paragraph 11.1 of this Schedule (<i>Contract Performance</i>).

Table 1 - Definitions

3: Key Performance Indicators

3. The following Key Performance Indicators (KPI) shall apply to the Contract:

KPI #	Title	Maximum Performance Deduction applicable for non-performance
1	Availability	██████
2	Management Information	██████

Table 2 - KPIs

4. Should the Authority decide to exercise any of the Contract Options as detailed in Table 2 –Options of the Schedule of Requirements – Schedule 2, or subject-to-contract, any potential future exercises to be agreed at a later date, it reserves the right to apply KPIs to these as they are exercised in accordance with Condition 47. c. Options of the Terms and Conditions to the Contract.
5. The Performance Deductions shown in Table 2 - KPIs shall:
- 5.1 for KPI 1, be the maximum performance deduction applicable for each Training Event;
 - 5.2 for KPI 2, be the maximum performance deduction applicable for each contract quarter; and

6. The Contractor shall report its performance for:
 - 6.1 KPI 1 for each Training Event ending in each contract quarter;
 - 6.2 KPI 2 for each contract quarter; and
 - in accordance with Part 6: Performance Monitoring of this Schedule.
7. Where performance against a KPI, or KPIs, falls below the levels set out in Part 4: Calculation Of Performance Deductions, of this Schedule for any given Training Event, and subject to Part 6: Performance Monitoring of this document, the Authority shall be entitled to make a performance deduction against the next Quarterly payment following the agreement of such KPIs in accordance with Section 5 - Quarterly Performance Report. If a Training Event spans over the end of one reporting period and start of the next reporting period, the reporting period in which the Training Event ends shall be the reporting period for that Training Event.
8. Performance deductions shall be permanent.
9. Where the Contractor exhibits persistent poor performance as defined in Part 5: Rectification and Termination, of this Appendix and fails to rectify the cause of that poor performance. The Authority shall have the right to terminate the Contract in accordance with the Condition for Termination, clauses 40 - 44., in the Terms and Conditions to the Contract.

4: Calculation Of Performance Deductions

10. Availability KPI

- 10.1 All LGSS System required for the full operation of the Contractors LGSS Solution as required by the Authority for a Training Event shall be Available.
- 10.2 The LGSS System to be used by the Authority for a Training Event shall be:
 - (A) One hundred percent (100%) available at the commencement of that Training Event; and
 - (B) Available for a minimum of ninety eight percent (98%) for each Day of a Training Event.
- 10.3 A Training Event shall have a stated Start Time and End Time as specified by the Authority Representative.
- 10.4 For a Training Event, Availability shall be measured for each Day of a Training Event, from the Start Time to the End Time. At all Training Events, the Authority Representative will be a single nominated person present for the duration of the Training Event.
- 10.5 The Contractor shall calculate the number of Availability Failures and Daily Time Lost on each Day of a Training Event.
- 10.6 Each Availability Failure shall count as one (1) Availability Failure.
- 10.7 The Contractor shall be able to provide replacement Systems within four (4) hours in accordance with Schedule 15 – System Requirement Document to enable the continuation of a Training Event. When this situation occurs, the Availability Failure will be deemed to be rectified when the replacement Systems is Available as determined by the Authority Representative.

11. Calculation of the Availability

- 11.1 For each Training Event, the Contractor shall calculate the Availability for each Day using the following formula:

$$\text{Availability} = \frac{\text{Uptime}}{\text{Uptime} + \text{Downtime}}$$

Definitions follow as where:

Uptime = The number of pieces of LGSS System for that Day multiplied by the required time for the LGSS System for that Day, measured in minutes from the Start Time or the start of that Day, if that Day is not the first Day of that Training Event, until the End Time or the end of that Day, if that Day is not the Final Day of that Training Event, assuming all System is Available and no Availability Failures have occurred; and

Downtime = The sum for that Day of the Daily Time Lost for all Availability Failures on each Day of a Training Event rounded up to the nearest minute.

11.2 Availability shall be rounded to the nearest 1 decimal place.

12. Calculation of Performance Deductions

12.1 Service Credits shall be applied where the Availability Percentage for a Day of a Training Event falls below the percentages set out in Paragraph 10.2.

12.2 Service Credits shall be applied at a rate of two (2) Service Credits for each 0.2% below the percentages set out in Paragraph 10.2.

12.3 At the end of each Training Event the Contractor will sum all Service Credits applied for that Training Event.

12.4 The Authority shall be entitled to apply performance deductions where the total number of Service Credits applied for a Training Event falls within one of the performance bands in accordance with the following table:

Performance Band	Service Category Level	Performance Deduction as a percentage of the firm value of each Training Event
Nil Service Credits	Level 0	-
Greater than or equal to [1] but less than [99] Service Credits	Level 1	█%
Greater than or equal to [100] but less than [199] Service Credits	Level 2	█%
Greater than or equal to [200] Service Credits	Level 3	█%

Table 3: Availability Performance Deductions

13. Multiplication Factor

13.1 Where the Authority has been entitled to apply [Level 2 and / or Level 3] Performance Deductions for two (2) consecutive Training Events, then:

- (A) the Authority shall be entitled to multiply any [Level 2 and / or Level 3] Performance Deductions by a factor of 1.5 from the third consecutive Training Event onwards, where in the third consecutive Training Event and any subsequent and consecutive Training Events the Authority continues to be entitled to apply [Level 2 and / or Level 3] Performance Deductions; and
- (B) Require the Contractor to prepare and provide a Rectification Plan in accordance with Part 5 on this Schedule.

14. Management Information KPI

14.1 The Contractor shall provide the Authority with the Management Information defined in accordance with Schedule 16 'MI Schedule' of the Contract within the timescales defined.

14.2 Calculation of Performance Deductions

14.2.1 The Authority shall be entitled to apply deductions in the event that any part of the Management Information is late in accordance with the requirements of Schedule D 'MI Schedule' of the Contract

14.2.2 Management Information shall be deemed as late by the Authority in the event it is incomplete, inaccurate or not in accordance with the requirements of Schedule 16 'MI Schedule' of the Contract.

14.3 Performance Deductions shall be applied in accordance with the following table:

Delay to the provision of complete and accurate Management Information in accordance with [MI]: (Management Information)	Service Category Level	Performance Deduction as a percentage of the Monthly Payment
On time	Level 0	0
[1] Day late	Level 1	█%
[2] Days late	Level 2	█%
[3] or more days late	Level 3	█%

Table 4: Management Information Performance Bands

14.4 The Contractor's performance against the Management Information (KPI 2) for a particular Contract Quarter shall, subject to Part 6 - Performance Monitoring of this Schedule, be applied in the Contract month following the agreement of such KPIs in accordance with Section 7 of this Schedule.

Part 5: Rectification and Termination**15. Persistent poor performance**

15.1 Where the Contractor incurs:

- 15.1.1 [Level 1] Performance deductions against KPI 1 for one (1) or more Training Events and for one (1) or more Contract Quarters for KPI 2 in a Contract quarter; and / or
- 15.1.2 [Level 2 and / or 3] Performance deductions against KPI 1 for two (2) or more consecutive Training Events; and / or
- 15.1.3 [Level 2 and / or Level 3] Performance deductions against KPI 2 for two or more Contract quarters in a Contract Year;
- 15.1.4 the Contractor shall prepare and provide to the Authority a draft Rectification Plan within twenty (20) Business Days of the end of the second Training Event (for the purposes of 15.1.2) or following the relevant Contract Quarter (for the purposes of 15.1.1 and 15.1.3).

15.2 The draft Rectification Plan shall:

- 15.2.1 identify the cause of those Availability Failures and / or Reliability Failures leading to [Level 1, 2 and / or 3] Performance Deductions against KPI 1 associated with paragraph 15.1.1;
- 15.2.2 identify the cause of those Availability Failures and / or Reliability Failures leading to [Level 2 and / or 3] Performance Deductions against KPI 1 associated with paragraph 15.1.2;
- 15.2.3 identify the cause of any delay in the provision of Management Information leading to [Level 1, 2 and / or 3] Performance Deductions against KPI 2 associated with paragraph 15.1.1 or 15.1.3;
- 15.2.4 specify the steps that the Contractor proposes to take to rectify and avoid any recurrence of such Performance Deductions;
- 15.2.5 specify the programme of activity and timescales for rectifying the cause of such Performance Deductions; and
- 15.2.6 be in sufficient detail for it to be properly evaluated by the Authority.

15.3 If the Authority considers that the draft Rectification Plan provided by the Contractor under paragraph 15.1 and 15.2 is unacceptable in that:

- 15.3.1 it is insufficiently detailed to be properly evaluated;
- 15.3.2 the programme and timescales proposed in it are not acceptable; and/or
- 15.3.3 it is unlikely to sufficiently rectify the cause of such Availability Failures, Reliability Failures and / or Performance Deductions;
- 15.3.4 the Authority shall as it considers appropriate, specify a period of time for the Contractor to revise the draft Rectification Plan.

15.4 Where, in accordance with paragraph 15.3, the Authority specifies a period of time for the Contractor to revise the Rectification Plan:

- 15.4.1 the Contractor shall within that period produce such revised drafts of the Rectification Plan as the Authority may require and shall take into account in such revised drafts any comments by the Authority so as to address the issues referred to in paragraph 15.3;
- 15.4.2 if at the end of the specified period the Authority considers that the revised Rectification Plan is unacceptable as described in paragraph 14.3, it may reject the draft Rectification Plan and, as it considers appropriate, apply a one (1) percent deduction from the Contractor's Quarterly Payment, pro-rated for the number of Day's in the Contract Quarter from the point at which the Authority notifies the Contractor that it has rejected the draft Rectification Plan until such time as the Contractor has provided a Rectification Plan to the Authority which meets the requirements of paragraph 15.2.
- 15.5 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).
- 15.6 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):
- 15.6.1 regular updates on the implementation of the Rectification Plan; and
- 15.6.2 evidence of the implementation of the Rectification Plan,
- 15.6.3 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.
- 15.7 If further to paragraph 15.4, the Contractor has:
- 15.7.1 failed to provide the Authority with a draft Rectification Plan which the Authority has agreed in accordance with paragraph 15.5 and the Authority has applied Performance Deductions in accordance with paragraph 15.4.2 for a period of two Contract Quarters; or
- 15.7.2 failed to implement the Rectification Plan in accordance with its terms or, despite its implementation, the Rectification Plan fails to rectify the cause of such Availability Failures or Reliability Failures;
- 15.7.3 the Authority may choose one of those options set out in paragraph 15.8, as it considers appropriate:
- 15.8 Subject to paragraph 15.7, the Authority may, as it considers appropriate:
- 15.8.1 give the Contractor a further opportunity to provide and / or implement a revised Rectification Plan (to be agreed by the Authority), in accordance with such timescales as the Authority may require and in accordance with paragraph 15.4.2, deductions shall be continued throughout unless agreed upon otherwise with the Authority; or
- 15.8.2 treat such event as a Material Breach and have the right to terminate the Contract in accordance with Condition 43. Material Breach of the Contract.

16. Treatment of Performance Deductions on Termination or Expiry of this Agreement

16.1 If on expiry of this Contract there are any outstanding Performance Deductions, the Contractor shall deduct such amounts from the final payment to the Contractor.

16.2 If on any early termination of this agreement there are any outstanding Performance Deductions these shall be deducted from the termination payment in accordance with Condition 43. Material Breach.

17. Disputes

17.1 In the event of any Dispute relating to the calculation of Performance Deductions made pursuant to this Schedule the Authority's view shall prevail (and the relevant provisions in this Schedule shall have effect) until such time as a different view may apply as a result of the application of the Dispute Resolution Procedure in the contract terms and conditions.

Part 6: Performance Monitoring**18. Quarterly Performance Report**

18.1 The performance monitoring will start from FOC for the delivery of the remaining System in accordance with the statement of requirements in Schedule 17 - 708277450 (TSSP138).

18.2 The Contractor shall provide the Authority with a Quarterly Performance Report within ten (10) Business Days following the expiry of each Contract Quarter and in accordance with the MI Schedule – Schedule 16 - 708277450 (TSSP138).

18.3 The Quarterly Performance Report shall be in a form approved by the Authority and shall:

18.3.1 for each Contact Quarter, detail the number of Training Events supported by site and by type, including the number of Days each Training Event comprised (i.e. the number of Days between the Start Time and End Time) as determined by the Authority representative).

18.3.2 For each Training Event:

- The number of Days that Training Event comprised (i.e. the number of Days between the Start Time and End Time as determined by the Authority Representative);
- The number of Availability Failures and Reliability Failures arising;
- The Daily Time Lost;
- The Rectification Time for each Reliability Failure;
- Whether the Reliability Failure was rectified by fixing the fault or through the provision of replacement System; and
- Details of which pieces of Management Information were late.

18.3.3 for each Training Event ending in that Contract Quarter, detail the Contractor's performance against KPI 1 and , as set out in Part 4: Calculation of Performance Deductions of this Schedule, for each relevant Training Event and shall include details of any extenuating circumstances for which the Contractor has or intends to apply for relief under the relevant provisions of this Agreement;

18.3.4 detail the Contractor's performance against KPI 2 for the Contract Quarter;

18.3.5 set out the Contractor's calculations of the Service Credits and any Performance Deductions that have been incurred in respect of each Training Event ending in that Contract Quarter. Where the Contractor has or intends to submit a claim for relief under the relevant provisions of this Agreement, the Contractor shall include calculations with such proposed relief having been taken and not taken into account;

18.3.6 set out the Contractor's calculations of any Performance Deductions that have been incurred in respect of KPI 2 for that Contract Quarter;

18.3.7 identify any discrepancy between the Contractor's assessment and the Authority's assessment against the KPIs set out in Part 4: Calculation of Performance Deductions of this Schedule for the relevant Training Event and / or Contract Quarter and provide the reasons for such discrepancy;

18.3.8 provide details, as a summary, of the Contractors performance against the KPIs for the previous four (4) Contract Quarters;

18.3.9 provide details of any Rectification Plans that are being prepared, subject to agreement with the Authority or in the course of being implemented; and

18.3.10 include any details required in MI Schedule at Schedule 16 - 708277450 (TSSP138).

18.4 The Quarterly Performance Report shall be discussed by the Contractor and the Authority at the Quarterly Performance Meeting.

18.5 Both Parties shall agree the calculation of any Service Credits and Performance Deductions for each Contract Quarter for KPI 2 and each Training Event for KPI 1 and at the Quarterly Performance Meeting or within twenty (20) Business Days of the Quarterly Performance Meeting (including resolving any discrepancies).

18.6 If the Parties fail to reach agreement in accordance with paragraph 15.4 the matter shall be referred for resolution in accordance with the Dispute Resolution Procedure in Section 40 in the Contract Terms and Conditions.

18.7 The Quarterly Performance Report shall be accurate and any deliberate falsification by the Contractor may constitute fraud.

Part 7: Publishable Performance Information**19. KPI Data Report**

19.1 KPI data shall be reported to the Cabinet Office Quarterly by the Authority using the DEFFORM 539B at Schedule 9 - DEFFORM 539B Publishable Performance Information - KPI Data Report to the Contract.

19.2 Prior to the publication of the Reportable KPI Information, the Authority will consult with the Contractor to agree the Rating and discuss any comments the Contractor would like to include in publication. The Contractor shall confirm its agreement of the reportable information within 10 working days or shorter time as agreed by both parties.