Key Performance

Indicators

Fire Systems Servicing, maintenance and repairs

KPI HANDBOOK

WILL BECOME A SCHEDULE TO THE CONTRACT

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**1.0 INTRODUCTION**

* 1. **The Key Performance Indicators**

1.1.1 These Key Performance Indicators have been developed to highlight the areas of the Contractors performance that Magenta Living feel are important to measure as they have a direct impact on the health and safety of our residents and Magenta’s compliance with legal obligations.

**1.2 Measurement**

1.2.1 To maximise the value of the KPI data to Magenta Living and the Contractor it is imperative that data is collected and analysed as regularly as possible. All KPIs will be measured on a monthly basis with a formal review following the end of each month at the Contract Performance Review meeting.

1.2.2 Specific Measurement Periods for each KPI are given within the Handbook.

1.2.3 As well as the monthly reviews a formal annual review will take place with the cumulative performance scores for the year measured and discussed.

**1.3 Performance Management & Benchmarking**

1.3.1 A KPI is best defined as:

*the measure of performance of an activity that is critical to the success of an organisation*

1.3.2 Benchmarking is best defined as:

*Comparing Performance against others, and using lessons from the best to make targeted improvements*

1.3.3 The use of KPIs and Benchmarking allows Magenta Living to:

* Set performance targets at the outset of the Contract
* Monitor performance during the Contract lifetime
* Benchmark performance to provide a basis for continuous improvement

1.3.4 It is also good practice to collect KPI data and also to Benchmark performance with like organisations.

**1.4 Development of Handbook**

1.4.1All targets will be subject to a formal review at the end of each year to ensure they are adding value and that the targets are appropriate.

1.4.2 KPIs can be added, removed or amended by agreement at the Contract Performance Review Meetings.

**1.5 Handbook**

1.5.1This handbook will become a Schedule to the Contract

1.5.2 Each KPI is defined under the following headings:

* **Purpose** – identifies why the KPI is being measured
* **Definition** – defines the measurement
* **Method** – clearly demonstrates how the KPI is measured
* **Example** - a worked example, using data, to demonstrate method of measurement
* **Measurement** – measurement intervals
* **Target** – the target score(s) for the KPI
* **Minimum Level of Acceptance Performance (MLAP)** – the minimum score the Supplier must achieve for a KPI. Failure to achieve the MLAP may lead to formal procedures to terminate the contractual arrangements if performance is not improved as defined within clause 3.23 of the Contract.
* **Target Source –** Where the target has been derived from
* **Scorer** – defines who is responsible for collecting score/data

1.5.3 For each KPI where a standard formula/ approach for data collection is required these have been prepared and are given in the Appendices to the Handbook.

**1.6 Targets and Sources of Information**

1.6.1 The targets for each KPI are provided within the Handbook.

1.6.2 The source of the target is also provided within the Handbook.

* + 1. As with other aspects of the KPIs these targets are open to continual review and may only be amended at the discretion of the ML Client Representative as set out in 1.8.
    2. If the Contractor fails to achieve a target for one KPI over 3 out of any 6 months or fails to achieve the targets for 3 or more KPIs for any month, Magenta Living may require the Supplier to produce Remedial Plan under clause 3.24 of the Contract to restore performance to level at or above the KPI Target. If, having produced two draft Remedial Plans rejected by Magenta Living, the Supplier produces a further draft Remedial Plan that is also rejected then Magenta Living can terminate the Contract for Contractor Default.

**1.7 Data Collection**

1.7.1 The means of data collection is defined within the handbook and all necessary documentation for collecting the data is provided. This means of collection will be discussed at a KPI workshop as noted in appendix 1 of this document.

1.7.2 The responsibility for collecting data is clearly defined and the Contractor / Magenta Living has a responsibility for ensuring that data is captured in a timely manner to allow accurate reporting at the given intervals, as described in 1.2.

**1.8 Contract Performance Review**

1.8.1 The KPI Handbook will be the responsibility of the Magenta Living Client Representative and the Contractor Representative for the duration of the contract and as such they will be responsible for ultimately reviewing both the performance against the KPIs and also the effectiveness of the KPIs in delivering Fire related SMR works to Magenta Living.

1.8.2 As such, it is possible that KPIs may need to be amended, either in the way they are collected or the targets that are set against them. Additionally, if over a period of time KPIs within the Handbook are felt by both parties to offer no value they may be removed.

1.8.3 Similarly, additional KPIs may be added by both parties if they are felt to provide additional value to Magenta Living and/or the Contractor. It is recommended that there is a standing agenda item for KPIs at Contract Performance Review meetings.

1.8.4 On a monthly basis the ML Client Representative will review the monthly performance delivered and report any issues or progress that may be relevant to the contract to the Contractor Representative.

1.8.5 The Contractor will also agree as part of the mobilisation plan to put in place a mechanism where any complaints made by Magenta Living tenants/ residents/ and sub contractors working on behalf of Magenta are recorded and these complaints will be reviewed at the Contract Performance Review Meeting each month. Any complaints not actioned/ completed as agreed will be discussed and actions agreed and recorded to rectify the issue.

1.8.6 The Contractor will also agree as part of the mobilisation plan to put in place an exception report which will be produced within 12 working days from the last working day of the previous month that will list performance against all agreed KPI’s. This report will be discussed at the Contract Performance Review meeting.

1.8.7 KPI data will be presented by the Contractor at the Contract Performance Review meeting as part of the standard agenda.

1.8.8 An initial list of topics to be discussed at the Contract Performance Review Meeting has been attached to this document as Appendix 2 and Appendix 3. These topics need to be finalised as part of the mobilisation process.

**1.9** **Amendment Procedure**

1.9.1Any amendments to the KPIs shall be made at the Contract Performance Review Meetings and the Handbook annotated accordingly. The minutes will record any agreed amendments to the KPI and the reasons for the change.

1.9.2 The KPI Handbook will be amended accordingly and re-issued to all parties, with a new issue number and date. The previous Handbook should be deleted by all Parties to avoid any potential confusion.

1.9.3 It is imperative that when an amended KPI Handbook is issued that all staff are made aware of this and there is duty on all Parties to cascade the information within their organisation.

1.9.4 As with all other Contractual matters the ML Client Representative has control of the amendments and as such consensus must be achieved to enable any amendments.

**1.10 Engaging all members of the team and KPI workshop**

1.10.1 The key personnel from the Contractor’s organisation responsible for delivery will sign a register to say they have been made aware of the KPIs and understand the implications (as part of their site induction) where necessary. This will be presented to Magenta Living at monthly or annual reviews.

1.10.2 During mobilisation a KPI workshop will be facilitated by Magenta Living where the exact processes to agree the production of the KPI data will be agreed including the format and the presentation of the KPI’s. The KPI’s will not be changed at this workshop and the Contractor will enter into contract based on the KPI’s provided in this document.

**2.0 KPIs**

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| KPI 1a | **Repairs/appointments** |
| **Purpose** | To calculate the number of Missed appointments/ repairs, that then have to be rescheduled. |
| **Definitions** | Number of incomplete repairs/ missed appointments as reported (daily), as a percentage of the total number of appointments/ planned repairs that were due for delivery in the KPI measurement period |
| **Method** | Calculate the number of repairs due to be delivered during the KPI measurement period. Calculate the number of those that were delivered within the delivery timescales set by Magenta Living.  The calculation is:  Number of repairs /appointments completed  within delivery timescales x 100  Total number of repairs/ appointments  due to be delivered during  the KPI measurement period |
| **Example** | 100 appointments arranged to be delivered in May   1. x appointments were either late or missed.  * 1 x appointment was delivered in the date scheduled but after the appointment time, however whilst it was completed within the SLA timescale, it is therefore late; * 2 x appointments were not completed on the date or time agreed and were therefore missed.   Therefore 97 were completed on time and correct in May.  The KPI score for May is 97/100 x 100 = 97% |
| **Measurement period** | Monthly |
| **Report produced by** | Within 12 working days from the last working day of the previous month |
| **Target** | 100% completed on time |
| **MLAP** | 100% |
| **Scorer** | Contractor |
| **Validation** | Contractor/Magenta’s records |

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| KPI 1b | **Services/appointments** |
| **Purpose** | To calculate the number of Services not to be completed within the monthly programme, that then have to be rescheduled. |
| **Definitions** | Number of incomplete services/ missed appointments as reported (daily/weekly/monthly), without a valid reason, (e.g. no access and process can be evidenced as compliant with ML no access procedure) as a percentage of the total number of appointments/ planned services that were due for delivery in the KPI measurement period |
| **Method** | Calculate the number of services due to be delivered during the KPI measurement period. Calculate the number of those that were delivered within the delivery timescales set by Magenta Living  The calculation is:  Number of services /appointments completed  within delivery timescales x 100  Total number of services/ appointments  due to be delivered during  the KPI measurement period |
| **Example** | Any property that has not been completed and evidence not shown as to the acceptable reasons within a month date range. |
| **Measurement period** | Monthly (working on a n annual programme) |
| **Report produced by** | Within 12 working days from the last working day of the previous month |
| **Target** | 100% completed on time |
| **MLAP** | 100% |
| **Scorer** | Contractor |
| **Validation** | Contractor/Magenta’s records |

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| KPI 2 | **Programme-Rescheduled appointments completed on time** |
| **Purpose** | | To calculate the number of Missed appointments/ services, which are rescheduled and should be completed within one week of the original agreed programme /service due date, where the rescheduled appointment has not been completed within the one week timescale.  Appointments that fall outside of this one weekperiod of rescheduling, where fault for the delay lies with Contractor will be the subject of this KPI |
| **Definitions** | | Number of Missed appointments/ services where fault lies with the Contractor which are rescheduled and should be completed within one week of the original agreed programme /service due date as a percentage of the total number of missed appointments/services that were due for delivery within the measurement period. |
| **Method** | | Calculate the number of missed appointments/ services over due  Calculate the number of missed appointments rescheduled and completed within the one week period of the initial scheduled appointment/service due date  Calculate the number of missed appointments rescheduled and NOT completed within the one week period of the initial scheduled appointment/service due date.  The calculation is  Total number of services/ appointments failed to be completed and brought back on track, within the one week rescheduled period  Total Number of services /appointments rescheduled to be completed within 1 week period on the initial scheduled appointment/ service due date x 100 |
| **Example** | | 10 appointments were not completed on the initial scheduled appointment /service due date and were rescheduled for completion within one week of the original appointment date in April  2 appointments were not completed within the one week rescheduled period during April  Performance = 2/10 x 100 = 20% |
| **Measurement Period** | | Monthly |
| **Report produced by** | | Within 12 working days from the last working day of the previous month |
| **Target** | | 100% or below |
| **MLAP** | | 100% or below |
| **Scorer** | | Contractor |
| **Validation** | | Contractor/Magenta’s providers records |

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| KPI 3 | **Maintenance First Time Fix** |
| **Purpose** | To determine the percentage of Maintenance / repairs that were met within required timescales during the Measurement Period. |
| **Definitions** | Number of maintenance or repair Works completed within ‘First time Fix’ in comparison with those not completed first time. |
| **Method** | For each Measurement Period ascertain the number of maintenance or repair works issued by Magenta Living to the Contractor and the number of those instructions that were not met on a First Time Fix basis. This will be assessed by logging each visit in a record held by the Supplier.  Performance (%) =  Number of maintenance /repairs not completed ‘First time’  ------------------------------------------------------------------- X 100  Total number of maintenance/ repair Works instructions received |
| **Example** | | For June report, the May data is -  Number of maintenance / repairs instructions received in period: 20  Number of maintenance / repairs instructions not completed First time: 15  15/20 x 100 = 75% |
| **Measurement**  **Period** | | Monthly |
| **Report produced by** | | Within 12 working days from the last working day of the previous month |
| **Target** | | 100% |
| **MLAP** | | 100% |
| **Scorer** | | Magenta Living |
| **Validation** | | Contractor/Contractor’s records |

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| KPI 4 | **Number of Magenta Living Customer Complaints** |
| **Purpose** | To measure the number of complaints made regarding the service delivered by the Contractor during the Measurement Period. |
| **Definitions** | Measure the number of complaints made in the Measurement Period. A complaint is defined in Magenta Living complaint procedure and will be subject to Magenta Living formal complaints procedure. |
| **Method** | For a specified Measurement Period, ascertain the number of complaints received in that Measurement Period. Complaints are to be tracked and recorded by Magenta Living |
| **Example** | | No of complaints made in the Measurement Period: 10 |
| **Measurement Period** | | Monthly |
| **Report produced by** | | Within 12 working days from the last working day of the previous month |
| **Target** | | Year 1: 6 (\*)per month  Year 2: 5 (\*)per month  Year 3: 4 (\*)per month  Year 4: 3 (\*)per month  Year 5 2 (\*)per month  (\*) complaints must be directly attributable to the Contractor |
| **MLAP** | | 8 (\*) per month    (\*) complaints must be directly attributable to the Contractor |
| **Scorer** | | Contractor/ Magenta |
| **Validation** | | Contractor/Magenta records |

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| KPI 4a | **Complaint Response times – Magenta Living Customers** |
| **Purpose** | To determine the percentage of complaints responded to by the Contractor within their prescribed timescales during the Measurement Period. |
| **Definitions** | The number of complaints where their deadline for a response falls within the Measurement Period that were responded to by the Supplier within their required timescales as a percentage of the total number of complaints having a deadline for response falling in that Measurement Period. |
| **Method** | For a specified Measurement Period, ascertain the number of complaints due for a response in that Measurement Period and the number of those complaints that were responded to within the timescales in Magenta Living complaint’s procedure.  Performance (%) =  Number of complaints due for a response in  the Measurement Period that were  responded to on time  --------------------------------------------------------------------------- X 100  Total number of complaints where the deadline  for response expires in the Measurement Period |
| **Example** | | Number of complaints due for a response in that Measurement Period: 10 *[Note: Complaints made towards the end of one Measurement Period may be due for a response in the next Measurement Period.]*  Number of complaints due to be responded to in that Measurement Period that were responded to in time: 9 *[Note: This may include complaints responded to in the previous Measurement Period where their deadline for response falls in that Measurement Period.]*  Performance 9/10 x 100=90% |
| **Measurement Period** | | Monthly |
| **Report produced by** | | Within 12 working days from the last working day of the previous month |
| **Target** | | 100% |
| **MLAP** | | 100% |
| **Scorer** | | Contractor |
| **Validation** | | Contractor/ Magenta Living records |

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| KPI 4b | **Complaint Resolution Magenta Living Customers** |
| **Purpose** | To determine the percentage of complaints that were resolved before escalating to a ‘Formal’ complaint in the measurement period |
| **Definitions** | The number of complaints that were resolved within 5 working days, and were therefore not escalated to a ‘Formal’ complaint in that Measurement Period. |
| **Method** | For a specified Measurement Period, ascertain the number of complaints that were resolved within 5 working days and were not escalated to a Formal Complaint in that Measurement Period as set out in Magenta Living complaint’s procedure.  Performance (%) =  Number of complaints resolved within 5 working days, without escalating to a Formal Complaint during the Measurement Period  --------------------------------------------------------------------------- X 100  Total number of complaints that were unresolved  at the start of the Measurement Period or that were  received during it |
| **Example** | | [Number of complaints received in that Measurement Period (including 2 unresolved complaints brought forward from the previous Measurement Period): 10]  Number of complaints resolved within 5 working days in that Measurement Period: 9  Performance 9/10 x 100=90% |
| **Measurement Period** | | Monthly |
| **Report produced by** | | Within 12 working days from the last working day of the previous month |
| **Target** | | 100% |
| **MLAP** | | 100% |
| **Scorer** | | Contractor |
| **Validation** | | Contractor/Magenta’s records |

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| KPI 5 | **Access/No Access Procedure** |
| **Purpose** | To determine the compliance with the ML No Access Procedure that must be followed. |
| **Definitions** | To ensure that the process in relation to ML No access procedure is adhered to, evidenced and at the correct time periods. |
| **Method** | For the specified Measurement Period, determine the number of properties which become overdue, due to no access and have appropriate evidence to show that ML’s process has been adhered to.  Performance (%) =  No of overdue properties during the Measurement Period  ------------------------------------------------- X 100  Total number of correct no access information provided in  the Measurement Period |
| **Example** | For the period  Number of overdue – 3  Number of correct NA info provided – 2  2/3 x 100 = 66.66% |
| **Measurement**  **Period** | | Monthly |
| **Report produced by** | | Within 12 working days from the last working day of the previous month |
| **Target** | | 100% |
| **MLAP** | | 100% |
| **Scorer** | | Contractor |
| **Validation** | | Contractor/ML records |

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| KPI 6 | **Valuation accuracy** |
| **Purpose** | To determine the number of correct valuations submitted by the Contractor and agreed by Magenta in the Measurement Period |
| **Definitions** | To ensure adherence with contract, valuations must be accurate to what certification and works are being submitted. Inaccurate valuation’s impact on the delivery of the contract and must be accurate. |
| **Method** | Magenta Living will check each Item on each valuation for accuracy against the Price List or other errors.  Performance (%) =  Number of incorrectly priced Items  on ‘Valuation(s) (or other errors) submitted in the  Measurement Period  ------------------------------------------------- X 100  Total number of Items on Valuation(s)  submitted in the Measurement Period |
| **Example** | | Total number of Items on Valuation submitted during the Measurement Period 1500  Number of incorrectly priced Items on the valuation 20  20/1500 x 100 = 1.33% |
| **Measurement Period** | | Monthly |
| **Report produced by** | | Within 12 working days from the last working day of the previous month |
| **Target** | | 0% |
| **MLAP** | | 0% |
| **Scorer** | | Contractor |
| **Validation** | | Contractor / ML records |

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| KPI 7 | | **Accidents / Near misses** |
| **Purpose** | | To determine health & safety performance with reference to level of reportable incidents, non-reportable incidents and near misses relating to this Contract only. |
| **Definitions** | | Reportable incidents are those incidents that are required to be reported to the HSE  Non reportable are those incidents that are recorded but are not required to be reported to the HSE  Near misses are incidents that are recorded where an injury has not occurred but which need to be recorded to allow for review to mitigate the risk of them happening again. |
| **Method** | | The Contractor will record the total number of reportable, non - reportable and near misses over the previous month and add them to the totals for the previous 11 months. |
| **Example** | | 1 reportable incident occurred in the previous month. The “brought forward total from the previous 11 months is 3. so the total is 4  1 non reportable incident occurred in the previous month. The “brought forward total from the previous 11 months is 9 so the total is 10  No near misses occurred in the previous month. The “brought forward total from the previous 11 months is 5. so the total is 5 |
| **Target** | | Reportable incidents - 0  Non reportable but recorded – 6 per year  Near misses - 12 |
| **Measurement Period** | | Reported at each Contract Performance Review but scored on the basis of 12 month figures up to the end of each Month |
| **Report produced by** | | Within 12 working days from the last working day of the previous month |
| **Scorer** | | Contractor |
| **Validation** | | Contractor records/ HSE records |
| KPI 8 | **IT system Availability** | |
| **Purpose** | To measure IT systems downtime during 24 hour 365 day period. | |
| **Definitions** | To measure the proportion of time when the Contractors IT System is not fully accessible with a fully operational interfaces for use by Magenta Living staff. | |
| **Method** | Total “downtime” of the system or non-working interfaces in the measurement period to include maintenance and upgrades | |
| **Example** | In January there are 44640 minutes. In January the system was “down” or not fully working for 15 minutes. | |
| **Target** | 1.5% down time or not fully working. | |
| **MLAP** | 2% down time or not fully working or more | |
| **Measurement Period** | Monthly | |
| **Report produced by** | Within 12 working days from the last working day of the previous month | |
| **Scorer** | Contractor | |
| **Validation** | Contractor’s records | |

###### APPENDIX 1:

During the mobilisation of the Contract the Contractor and Magenta Living will discuss the KPI requirements at the contract mobilisation start. The method of collection of that data for each KPI will be agreed and any forms that will be used to capture information to inform the KPIs designed.

How KPI data will be reported and presented at the Contract Performance Review Meetings or to any additional interested parties ML Audit and Risk Committee, Board etc. will also be developed at this workshop.

Any forms or methods will be appended to this KPI handbook following the KPI workshop.

###### APPENDIX 2: - Contract Performance Review Meeting Provisional Agenda

* Agenda.
* Minutes of previous meeting and any agreed actions.
* Service programme (updated to reflect the current position at the time of the meeting).
* Continuous service Improvement Plan.
* Compliments and Complaints.
* Customer contact information.
* Health and Safety.
* Performance reports and agreed KPIs.
* Independent External Audit reports identifying the key trends.
* Invoicing, budget and finance (against the predicted costs).
* Operative competence validation check including details of any changes to operatives working on the contract.

The Contractor will be required to produce a monthly progress report for the Magenta Living Contract Manager and attend a monthly Contract meeting.

The Contractor is therefore required to ensure their full co-operation with Magenta Living to enable an effective review of service delivery.