



NHF Form of Contract 2023

KPI Framework



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in partnership**

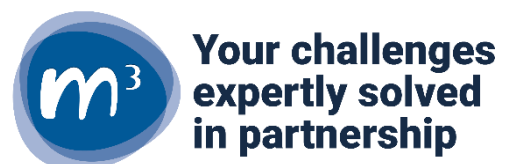
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KEY PERFORMANCE INDICATOR (KPI) FRAMEWORK

Major Works / Planned Works

NHF FORM OF CONTRACT 2023 – KPI FRAMEWORK

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NHF FORM OF CONTRACT 2023 – KPI FRAMEWORK

PART 1: INTRODUCTION

1. Purpose of the KPIs

In this Contract key performance indicators ("KPIs") are used for the following purposes:

- to monitor performance of the Contract, with a view to both the Client and Provider having data which they will review at progress and other meetings so that each of them can bring forward suggestions for the improvement of the performance of the Contract and the delivery of the Works;
- to identify performance below the performance target which, if continued for 3 (three) Monthly KPI Measurement Periods, or applying to 3 (three) or more KPIs, leads to a requirement for the Provider to produce a Remedial Plan; and
- to identify performance that is below the minimum standard that the Client is prepared to accept ("Minimum Acceptable Performance") and which, if not improved, will lead ultimately to termination of the Contract for Provider Default.

2. KPI Measurement

Except where stated otherwise in the KPI, KPI performance is to be calculated to three decimal places and the result rounded. For KPIs measured in:

- percentages, this is to be to the nearest 0.1% (except where stated otherwise in the KPI Method statement), with percentages of 0.05% and above being rounded up and percentages less than this rounded down;
- pounds, this is to be to the nearest £1, with amounts of 50p and above being rounded up and amounts below 50p being rounded down,
- numbers, this is to be to the nearest whole number, with amounts of 0.5 and above being rounded up and amounts below 0.5 being rounded down; and
- days, this is to be to the nearest whole day, with amounts of 0.5 and above being rounded up and amounts below 0.5 being rounded down.

3. Incentivisation – NA - Deleted

4. Remedial Plan

Under the Contract Conditions the Client can require the production of a Remedial Plan if the Provider fails to achieve the Performance Target(s) for:

- 3 (three) or more KPIs in relation to any KPI Measurement Period; or
- the same KPI for 3 (three) or more Monthly KPI Measurement Periods.

The Client can also require the Provider to produce a Remedial Plan if the Provider:

- has not completed any Safety Check (including for a LGSR or an EICR) to any Property by the end of the KPI Measurement Period in which the previous Servicing Certificate for that Property expired other than where the Provider has notified the Client of the need to take legal action to secure access to that Property in accordance with Paragraph 7.8 [*Access for Servicing*] of the Preliminaries;
- has not notified the Client of the need to take legal action to secure access to carry out a Safety Check to any Property before the end of a KPI Measurement Period where the date 42 (forty-two) calendar days before the expiry of the current Servicing Certificate occurred during that KPI Measurement Period; or
- is otherwise in breach of this Contract.

NHF FORM OF CONTRACT 2023 – KPI FRAMEWORK

The Remedial Plan is subject to the approval of the Client and if the Provider provides 3 (three) drafts of the Remedial Plan without one being acceptable to the Client, this will be Provider Default.

The Provider must implement the Remedial Plan and a failure to do so will be a breach of this Contract.

5. Minimum Acceptable Performance

A number of KPIs have Minimum Acceptable Performance ("**MAP**") levels. Performance below a MAP for any KPI may result in the Client terminating the Contract under Clause 13.1.1 [*Termination for Provider Default*] of the Contract Conditions following the service of a notice to improve performance under Clause 12.1.10 [*Monitoring and KPIs*] of the Contract Conditions.

NHF FORM OF CONTRACT 2023 – KPI FRAMEWORK

PART 2: KEY PERFORMANCE INDICATORS

KPI 1	Customer Satisfaction – overall		
Purpose	To determine the overall level of Customer satisfaction with the Works.		
Definition	How satisfied the Customer was with the Works and overall Customer service provided by both the Client and the Provider, as assessed from specific questions in the Customer Satisfaction Questionnaire, using a 1 to 10 scale, where 10 means "Totally satisfied", with the figure being expressed as a percentage.		
Method	<p>After each Order the Client will send the applicable Customer Satisfaction Questionnaire form at Appendix A or Appendix B to the Customer.</p> <p>The KPI measures the average of the scores for questions 7, 8, & 9 from the Customer Satisfaction Questionnaire at Appendix A and for question 4 from the Customer Satisfaction Questionnaire at Appendix B from all questionnaires received during the KPI Measurement Period for all Orders for all Workstreams expressed as a percentage score out of 10.</p> <p>Performance =</p> $\frac{\text{Total scores for questions 7, 8, \& 9 from the Customer Satisfaction Questionnaire at Appendix A and for question 4 from the Customer Satisfaction Questionnaire at Appendix B from all questionnaires received during the KPI Measurement Period.}}{\text{Total number of answers to questions 7, 8, \& 9 from the Customer Satisfaction Questionnaire at Appendix A and question 4 from the Customer Satisfaction Questionnaire at Appendix B from all questionnaires received during the KPI Measurement Period.}} \times 10\%$ <p>For monitoring purposes KPI performance is also to be measured cumulatively for all questionnaires received since the Commencement Date or the most recent anniversary of the Commencement Date.</p>		
KPI Performance Targets and KPI MAP Levels		KPI PERFORMANCE TARGET	KPI MAP LEVEL
	Year 1	100%	90%
	Year 2	100%	90%
	Year 3 and subsequent years	100%	90%
	KPI Performance Targets and KPI MAP Levels may be revised by agreement between the Client and Provider.		

NHF FORM OF CONTRACT 2023 – KPI FRAMEWORK

KPI 1	Customer Satisfaction – overall																				
<p>Example</p>	<p>By the end of a Month, using the example questionnaire (see Appendix A), 3 Client Satisfaction Questionnaires have been returned</p> <p>The following scores were awarded for questions 6, 7, & 8 from the Customer Satisfaction Questionnaire at Appendix A</p> <table border="1" data-bbox="627 439 1358 862"> <thead> <tr> <th></th> <th colspan="3">Appendix A Questionnaires</th> </tr> <tr> <th>Customer no</th> <th>1</th> <th>2</th> <th>3</th> </tr> </thead> <tbody> <tr> <td>Question 6 Appendix A</td> <td>Very Good (10)</td> <td>Good (7)</td> <td>Good (7)</td> </tr> <tr> <td>Question 7 Appendix A</td> <td>Good (7)</td> <td>Poor (4)</td> <td>Good (7)</td> </tr> <tr> <td>Question 8 Appendix A</td> <td>Good (7)</td> <td>Poor (4)</td> <td>Good (7)</td> </tr> </tbody> </table> <p>Performance =</p> $\frac{(10 + 7 + 7 + 7 + 4 + 4 + 7 + 7 + 7)}{9} \times 10\%$ <p>Performance is therefore 66.67% which is rounded to 67%. If the KPI Target is 80% the KPI Target has not been met.</p>		Appendix A Questionnaires			Customer no	1	2	3	Question 6 Appendix A	Very Good (10)	Good (7)	Good (7)	Question 7 Appendix A	Good (7)	Poor (4)	Good (7)	Question 8 Appendix A	Good (7)	Poor (4)	Good (7)
	Appendix A Questionnaires																				
Customer no	1	2	3																		
Question 6 Appendix A	Very Good (10)	Good (7)	Good (7)																		
Question 7 Appendix A	Good (7)	Poor (4)	Good (7)																		
Question 8 Appendix A	Good (7)	Poor (4)	Good (7)																		
<p>Incentivised</p>	<p>No</p>																				
<p>KPI Measurement Period</p>	<p>Monthly, but cumulative figures across each Contract year are also to be provided.</p>																				
<p>Reporting interval</p>	<p>Monthly</p>																				
<p>Collection of data</p>	<p>Client</p>																				
<p>Data processor</p>	<p>Client</p>																				

NHF FORM OF CONTRACT 2023 – KPI FRAMEWORK

KPI 2	Defects – from Client post inspections		
Purpose	To determine the percentage of Orders for all Workstreams that are Defect free on the Client’s post inspection.		
Definition	The percentage of Orders on which no Defect is found on a post-inspection by the Client expressed as a percentage of the total number of Orders post-inspected by the Client either individually or as part of a joint post-inspection during the KPI Measurement Period.		
Method	<p>For all Orders post-inspected during the KPI Measurement Period, ascertain the number of Orders that are found to be Defect free on post-inspection made by the Client and express this as a percentage of the total number of Orders post-inspected by the Client during the KPI Measurement Period.</p> <p>Performance =</p> $\frac{\text{Number of Orders post-inspected by the Client where no Defect is found}}{\text{Total number of Orders for Responsive Maintenance post inspected by the Client}} \times 100\%$ <p>Where an Order is inspected by the Client more than once due to a Defect found on the original or an earlier post-inspection, each post-inspection will be counted separately.</p>		
KPI Performance Targets and KPI MAP Levels		KPI PERFORMANCE TARGET	KPI MAP LEVEL
	Year 1	100%	95%
	Year 2	100%	95%
	Year 3 and subsequent years	100%	95%
	KPI Performance Targets and KPI MAP Levels may be revised by agreement between the Client and Provider.		
Example	<p>During a Month 70 completed Orders are found to be Defect free on post-inspection by the Client out of a total of 100 Orders post-inspected by the Client.</p> <p>Performance =</p> $\frac{70 \text{ Client post- inspections without Defects}}{100 \text{ Client post inspections}} \times 100 = 70\%$ <p>If the MAP level is 75% therefore MAP has not been achieved. The Client may therefore initiate the procedure to terminate for Provider Default if performance is not improved so that it is better than MAP.</p>		

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KPI 2	Defects – from Client post inspections
Incentivised	No
KPI Measurement Period	Monthly
Reporting interval	Monthly
Collection of data	Client
Data processor	Client

NHF FORM OF CONTRACT 2023 – KPI FRAMEWORK

KPI 5	Time – Time required to complete Planned Works, Major Works, Disability Adaptation Works, Disrepair Works and Servicing														
Purpose	To determine the number of Working Days actually required to complete Orders for Planned Works, Major Works, Disability Adaptation Works, Disrepair Works and Servicing completed in the KPI Measurement Period as a percentage of the number of Working Days allowed within the Contract for the Provider to complete those Works.														
Definition	The percentage difference between the actual number of Working Days taken to complete Orders for Planned Works, Major Works, Disability Adaptation Works, Disrepair Works and Servicing completed in the KPI Measurement Period and the total numbers of Working Days (calculated from the Target Completion Dates) within which those Works should have been completed.														
Method	<p>For each Order for Planned Works, Major Works, Disability Adaptation Works, Disrepair Works and Servicing completed in the KPI Measurement Period identify:</p> <ul style="list-style-type: none"> the actual number of Working Days taken to complete those Works (calculated from the date the Provider commences those Works to the Order Completion Date for the Works); and the total number of Working Days derived from adding the number of Working Days stated in the Orders or the Contract Details for Paragraph 6.9 [<i>Response Periods and Target Completion Dates</i>] of the Preliminaries (for that type of Planned Works, Major Works, Disability Adaptation Works, Disrepair Works and Servicing) for the Works to each of those Properties. <p>Express the actual number of Working Days taken as a percentage of the number of Working Days .</p> <p>Performance =</p> $\frac{\text{Actual number of Working Days taken to complete Orders for Planned Works, Major Works, Disability Adaptation Works Disrepair Works and Servicing completed in the KPI Measurement Period}}{\text{Total number of Working Days used in calculating the Target Completion Dates for Planned Works, Major Works, Disability Adaptation Works, Disrepair Works and Servicing completed in the KPI Measurement Period}} \times 100\%$														
KPI Performance Targets and KPI MAP Levels	<table border="1" data-bbox="564 1538 1455 1868"> <thead> <tr> <th></th> <th>KPI PERFORMANCE TARGET</th> <th>KPI MAP LEVEL</th> </tr> </thead> <tbody> <tr> <td>Year 1</td> <td>100%</td> <td>95%</td> </tr> <tr> <td>Year 2</td> <td>100%</td> <td>95%</td> </tr> <tr> <td>Year 3 and subsequent years</td> <td>100%</td> <td>95%</td> </tr> </tbody> </table> <p>KPI Performance Targets and KPI MAP Levels may be revised by agreement between the Client and Provider.</p>				KPI PERFORMANCE TARGET	KPI MAP LEVEL	Year 1	100%	95%	Year 2	100%	95%	Year 3 and subsequent years	100%	95%
	KPI PERFORMANCE TARGET	KPI MAP LEVEL													
Year 1	100%	95%													
Year 2	100%	95%													
Year 3 and subsequent years	100%	95%													

NHF FORM OF CONTRACT 2023 – KPI FRAMEWORK

KPI 5	Time – Time required to complete Planned Works, Major Works, Disability Adaptation Works, Disrepair Works and Servicing																				
<p>Example</p>	<p>During a Month, the following Orders for Order for Planned Works, Major Works, Disability Adaptation Works, Disrepair Works and Servicing achieved Order Completion. The following table sets out:</p> <ul style="list-style-type: none"> the numbers of each of those types of Orders for Planned Works, Major Works, Disability Adaptation Works, Disrepair Works and Servicing; the sum of the total numbers of Working Days comprised in the Target Completion Dates for those Orders; and the sum of the total numbers of Working Days spent to complete each of those Orders: <table border="1" data-bbox="568 633 1445 1196"> <thead> <tr> <th>Works</th> <th>No completed</th> <th>Sum of the nos of Working Days included in the Target Completion Dates</th> <th>Total no of Working Days to complete</th> </tr> </thead> <tbody> <tr> <td>Renewal of Kitchen (only)</td> <td>1</td> <td>13</td> <td>15</td> </tr> <tr> <td>Renewal of Bathroom (only)</td> <td>1</td> <td>12</td> <td>15</td> </tr> <tr> <td>Renewal of Kitchen & Bathroom</td> <td>1</td> <td>15</td> <td>15</td> </tr> <tr> <td>Total</td> <td></td> <td>40</td> <td>45</td> </tr> </tbody> </table> <p>Performance =</p> $\frac{40 \text{ Working Days}}{45 \text{ Working Days}} \times 100 = -88.8\%$ <p>This is rounded to -89%. As the figure is below 100% this represents a time saving by the Provider of 11% (rounded) on the Target Completion Dates.</p>	Works	No completed	Sum of the nos of Working Days included in the Target Completion Dates	Total no of Working Days to complete	Renewal of Kitchen (only)	1	13	15	Renewal of Bathroom (only)	1	12	15	Renewal of Kitchen & Bathroom	1	15	15	Total		40	45
Works	No completed	Sum of the nos of Working Days included in the Target Completion Dates	Total no of Working Days to complete																		
Renewal of Kitchen (only)	1	13	15																		
Renewal of Bathroom (only)	1	12	15																		
Renewal of Kitchen & Bathroom	1	15	15																		
Total		40	45																		
Incentivised	No																				
KPI Measurement Period	Monthly																				
Reporting interval	Monthly																				
Collection of data	Provider																				
Data processor	Client																				

NHF FORM OF CONTRACT 2023 – KPI FRAMEWORK

KPI 13	Completions notified, data provided and Works invoiced on time
Purpose	To determine the percentage of Orders for Responsive Maintenance, Void Property Works, Disrepair Works, Planned Works, Major Works, and Disability Adaptation Works completed during the KPI Measurement Period for which completion is notified, documentation is provided and the Works are invoiced within the deadlines in the Contract.
Definition	The percentage of Orders for Responsive Maintenance, Void Property Works, Disrepair Works, Planned Works, Major Works, and Disability Adaptation Works where the Order Completion Date occurred in the KPI Measurement Period for which completion is notified, all required documentation is provided and the Works are invoiced each within the deadlines set out in the Contract as a percentage of the total number of Orders for Responsive Maintenance, Void Property Works, Disrepair Works, Planned Works, Major Works, and Disability Adaptation Works for which the Order Completion Date occurred within the KPI Measurement Period.
Method	<p>Ascertain the number of Orders for Responsive Maintenance, Void Property Works, Disrepair Works, Planned Works, Major Works, and Disability Adaptation Works where the Order Completion Date occurred in the KPI Measurement Period. For those Orders ascertain the number for which the Provider:</p> <ul style="list-style-type: none"> notified Order Completion under Paragraph 12.2.1 [<i>Notification of Order Completions – Responsive Maintenance, Disrepair Works, Void Property Works, Planned Works, Major Works, and Disability Adaptation Works</i>] (for Responsive Maintenance, Routine Maintenance and Out of Hours Emergency Works) within the period stated in the Contract Details; notified the Client’s Representative by email or direct computer link (if in operation) by the period stated in the Contract Details in advance of and 48 (forty-eight) hours in advance of the anticipated completion of each Order for Disrepair Works, Void Property Works, Planned Works, Major Works and Disability Adaptation Works; supplied all documentation referred to in Paragraph 12.2.5 [<i>Notification of Order Completions – Responsive Maintenance, Disrepair Works, Void Property Works, Planned Works, Major Works, and Disability Adaptation Works</i>] of the Preliminaries either within 1 (one) Business Days of the Order Completion Date for all Orders for Responsive Maintenance, Routine Maintenance or Out of Hours Emergency Works or before the date for any joint inspection of any completed Disrepair Works, Void Property Works, Planned Works, Major Works, or Disability Adaptation Works; and submitted an invoice or an application for payment (as applicable) in respect of that Order within the period stated in Clause 9.2.2 [<i>Valuations</i>] of the Contract Conditions <p>Performance =</p> $\frac{\text{Number of Orders for Responsive Maintenance, Void Property Works, Disrepair Works, Planned Works, Major Works, and Disability Adaptation Works where the Order Completion Date occurred in the KPI Measurement Period for which completion is notified, all required documentation is provided and the Works are invoiced (all as defined above) within the deadlines required by the Contract}}{\text{Total number of Orders for Responsive Maintenance, Void Property Works, Disrepair Works, Planned Works, Major Works and Disability Adaptation Works where the Order Completion Date occurred in the KPI Measurement Period}} \times 100\%$

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KPI 13	Completions notified, data provided and Works invoiced on time		
	Measurement Period		
KPI Performance Targets and KPI MAP Levels		KPI PERFORMANCE TARGET	KPI MAP LEVEL
	Year 1	100%	95%
	Year 2	100%	95%
	Year 3 and subsequent years	100%	95%
	KPI Performance Targets and KPI MAP Levels may be revised by agreement between the Client and Provider.		
Example	<p>During a Month there were 20 Order Completion Dates for Orders for Planned Works - Major Works</p> <p>Of the 20 Orders, on 17 of these the Provider notified the Order Completion Date (under Paragraph 12.2.1 of the Preliminaries [Notification of Order Completions – Responsive Maintenance, Disrepair Works, Void Property Works, Planned Works, Major Works and Disability Adaptation Works]), supplied all information required by Paragraph 12.2.5 [Notification of Order Completions – Responsive Maintenance, Disrepair Works, Void Property Works, Planned Works, Major Works and Disability Adaptation Works] in time and submitted a Valuation each within the timescales required by the Contract.</p> <p>Of the remaining 3 Orders the Provider notified the Order Completion Date late on 1 of them, failed to provide all the documentation required by Paragraph 12.2.5 [Notification of Order Completions – Responsive Maintenance, Disrepair Works, Void Property Works, Planned Works, Major Works and Disability Adaptation Works] in time for 1 of them and failed to include 1 of them in the Valuation.</p> <p>Performance =</p> $\frac{17}{20} \times 100\% = 85\%$		
Incentivised	No		
KPI Measurement Period	Monthly		
Reporting interval	Monthly		
Collection of data	Client		
Data processor	Client		

Appendix A - Example Customer Satisfaction Questionnaire for Major Work / Planned Maintenance (Page 1 of 2)

TENANT HOME IMPROVEMENT FEEDBACK FORM

1. Was the work explained to you before it started?	Very Good	<u>Good</u>	Poor	Unacceptable	...Did the survey team explain everything to you?
2. During the works, did we turn up as expected?	Very Good	<u>Good</u>	Poor	Unacceptable	...did we turn up when we said we would?
3. How well did we do in completing works?	Very Good	<u>Good</u>	Poor	Unacceptable	...completed in the time agreed before starting?
4. How well did we treat your property? How well did we Tidy up?	Very Good	<u>Good</u>	Poor	Unacceptable	...were we respectful to you and your home. Did we remove all rubbish?
5. Were new products explained / demonstrated?	Very Good	<u>Good</u>	Poor	Unacceptable	Do you know where the consumer unit is? Has it been shown to you?
6. How do you rate the level of service provided by your Tenant Liaison Officer?	Very Good	<u>Good</u>	Poor	Unacceptable	...sufficient visits, keep you informed?
7. How do you rate the quality of the work?	Very Good	<u>Good</u>	Poor	Unacceptable	...was it right first time?
8. How would you rate your experience of the improvements to your home?	Very Good	<u>Good</u>	Poor	Unacceptable	...help us improve, be honest!
9. Are you satisfied with the improvements to your home?	YES		NO		

Appendix A - Example Customer Satisfaction Questionnaire for Major Work / Planned Maintenance (Page 2 of 2)



If answered no to question 9, Please give reasons

We want to improve our service so your feedback is important to us. Do you have any further comments?

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