

5.8 Establish KPI Baselines

Key Performance Indicators shall be monitored on a monthly basis as part of on-going efforts to improve efficiency and levels of service. These KPIs may include but will not be limited to: O&M works, quality, safety, general management and end user related matters. With respect to the KPIs, reference should be made to the O&M Contract requirements and specifications.

The DMAT / Consultant will develop target values for all KPIs. The KPI targets shall be regularly reviewed jointly by the DMAT / Consultant with the intention of making them more onerous each year by agreement. KPI reports shall be prepared and submitted each month to the DMAT / Consultant , within the specified period.

The DMAT'S minimum requirements for the performance standards will include categories under which KPIs will be deployed to evaluate and monitor the performance, as well as, calculation methods and application of abatement upon contractor's non-performance.

Where there is a failure in the system, or any part of thereof, the KPI adjustment will remain in effect unless it can be demonstrated to the satisfaction of the DMAT that the failure or non-performance, is a result of an act or omissions by the DMAT.

The DMAT will monitor and inspect performance against the KPIs and the DMAT'S assessment will be the final determining factor in applying any abatement. The monthly report shall include details of the evaluation.

Access to sites shall be provided for the purpose of verifying the KPI report and the O&M performance.

Where required, detailed descriptions of KPIs will be provided in O&M Contract Documents. During the Contract period, the DMAT may, at its sole discretion, review and revise the KPIs in the Agreement to reflect actual operating conditions.

5.8.1 Example Key Performance Indicators

The chart shown in Figure 5.8 is an example summary of KPI categories and KPIs that a Contractor's performance could be assessed against throughout the duration of their O&M contract.

In this example, the collective maximum amount the Total Monthly Service Fee can be reduced each month is 100%. Subject to the aforementioned condition, the chart shows the maximum percentage the total monthly service fee will be reduced by in the event of Contractor non-performance against each one of the KPI categories. The number indicated for each KPI denotes the maximum percentage of abatements from the total monthly service fee due to non-performance on that KPI.