

DE&S CORPORATE KPI 2021/22 - DETAIL

OBJECTIVE END STATE: **1 - HITTING OUR NUMBERS**

TOP LEVEL GOAL CATEGORY: **FINANCE**

Specific Goals (KPI/PI) Description	KPI/ PI Detail	KPI/ PI Tolerances
KPI 1.1 Opex Budgetary Control - Operate within our in year Opex budget	This KPI is around DE&S, as a Bespoke Trading Entity, living within its allocated in-year Operating Cost Expenditure budget. This means ensuring the final outturn does not exceed the budget (adjusted where necessary to reflect changes in the Programme of Work).	Green ≤ budget Red > Budget
KPI 1.2 EP Budgetary Control - Operate within the EP allocation and no less than -1.5%	In respect of expenditure on the DE&S agreed Programme of Work (Equipment Procurement Plan [EPP] and Equipment Support Plan [ESP]). This KPI tracks in-year forecast outturn within an agreed tolerance of the budget by each Command-facing area (subject to any budget adjustments agreed with the Customers).	Overspend: Red Underspend: Green <0% ≥-1.5% Amber <-1.5% ≥-2% Red <-2%
KPI 1.3 Forecast Stability to budget (EPP & ESP) - Aggregate Underlying Cost Movement variance in 10yr EPP costing ≤ £0M	Underlying cost of the EPP / ESP at the Programme Cost Review (PCR) 2 of the reporting year to be the same or less than at the PCR 2 of the prior year, when measured on a like-for-like basis.	Green ≤0% Red >0%
KPI 1.4 Realise in-year EP efficiency targets of £66M for 2021-22	This KPI measures achievement of efficiencies realised in forecasts in-year where there is specific benefit in FY21-22. This is tracked against in-year targets negotiated at the start of the Financial Year.	Green ≥ target Red < target
KPI 1.5 Realise in-year EP efficiency targets of £763M across the ABC22 ten-year period (FY2022-23 to 2031-32)	This KPI measures achievement of efficiencies realised in forecasts in-year but where the benefit can span across the ABC22 ten-year period (FY2022-23 to 2031-32). This is tracked against ten-year targets negotiated at the start of the Financial Year.	Green ≥ target Red < target

OBJECTIVE END STATE: **2 - PERFORM TO PROCUREMENT PLAN**

TOP LEVEL GOAL CATEGORY: **EQUIPMENT ACQUISITION**

Specific Goals (KPI/PI) Description	KPI/ PI Detail	KPI/ PI Tolerances
KPI 2.1 Earned Value Management (EVM) Top 20 & Project Performance Summary Table (PPST) - 85% major projects within EVM tolerance of Combined Schedule Performance Index (SPI) and Cost Performance Index (CPI) >0.9 and <1.1 (against EP only)	The KPI will be looking at our top acquisition Order Book Items (OBI) which will measure Schedule and Cost performance. Performance would be measured by looking at the number of projects within a rolling 12 months that are within tolerance by year end. If an OBI is outside tolerance for either CPI or SPI it will be classed as not met.	Green ≥85% Amber ≥70% <85% Red <70%
KPI 2.2 CASP EPP Strategic Milestones - Over the year ≥ 85% of EPP CASP milestones to be met (on time or early) against the hard planned date agreed in the CASP	Each CASP includes up to 12 strategic milestones (split between EPP and ESP) that are due to be delivered in-year and which have been agreed as significant with our customers. These milestones are key to the measure of a project's success.	Green ≥85% Amber ≥75% <85% Red <75%
KPI 2.3 Full Business Case (FBC) Procurement Project Cost - Aggregate in-year forecast cost variance to be ≤ 0%	Aggregate in-year cost variance (Cat A-C post FBC approval and pre-ISD procurement projects). The cost variances show how much the forecast cost to complete these phases of work changed over the year.	Green ≤0% Red >0%
KPI 2.4 Outline Business Case (OBC) Procurement Project Cost - Aggregate in-year forecast cost variance to be ≤ 0%	Aggregate in-year cost variance (Cat A-C post OBC approval and pre-FBC approval procurement projects). The cost variances show how much the forecast cost to complete these phases of work changed over the year.	Green ≤0% Red >0%
KPI 2.5 FBC Procurement Project Time - Aggregate in-year forecast time variance to achieving Equipment Delivery Dates (EDD) to be ≤ 0 mths	Aggregate in-year time variance to achieving Equipment Delivery Date against the baseline agreed in the CASP (Cat A-C post FBC approval and pre-FOC). The time variances show how much the forecast time to complete this phases of work changed over the year.	Green ≤0 months Red >0 months
KPI 2.6 OBC Procurement Project Time - Aggregate in-year forecast time variance to the approved OBC duration to be ≤ 2 mths	Aggregate in-year time variance to the approved OBC duration against the baseline agreed in the CASP (Cat A-C post Initial Gate and pre-Main Gate procurement projects). The time variances show how much the forecast time to complete this phases of work changed over the year.	Green ≤2 months Amber >2 months ≤3 months Red >3 months

OBJECTIVE END STATE: 3 - SAFE AND OPTIMISED SUPPORT
TOP LEVEL GOAL CATEGORY: EQUIPMENT SUPPORT

Specific Goals (KPI/PI) Description	KPI/ PI Detail	KPI/ PI Tolerances
KPI 3.1 CASP ESP Strategic Milestones - Over the year ≥ 85% of ESP CASP milestones to be met (on time or early) against the hard planned date agreed in the CASP	Each CASP includes up to 12 strategic milestones (split between EPP and ESP) that are due to be delivered in-year and which have been agreed as significant with our customers. These milestones are key to the measure of a project's success.	Green ≥85% Amber ≥75% <85% Red <75%
KPI 3.2 Inventory (On Time Issues) - Have stock available to satisfy 90% of common and predictable demands.	This KPI measures the percentage of demands which are able to be allocated available stock (by an issue voucher) within 24 hours. Common and predictable demands are those categorised as Runners & Repeaters.	Green ≥90% Amber ≥85% <90% Red <85%
KPI 3.3 ESP Availability - Achieve 80% (or more) of agreed CASP ESP targets	The percentage of ESP outputs agreed in the CASP that DE&S is wholly responsible for that are scored as Green or Yellow for KPIs 3.3 to 3.5 and Green for KPI 3.6 (Safety Process Admin).	Green ≥80% Amber ≥70% <80% Red <70%
KPI 3.4 ESP Reliability - Achieve 80% (or more) of agreed CASP ESP targets	This KPI measures how well we support In-Service equipment against the performance measures set individually in each CASP. It takes into account Availability, Reliability and Sustainability, and also measures how well we administer safety processes (i.e. the percentage of In-Service equipment where the Safety Case Report or Assessment has been signed off and remains current).	
KPI 3.5 ESP Sustainability - Achieve 80% (or more) of agreed CASP ESP targets		
KPI 3.6 ESP Safety Administration - Achieve 90% (or more) of agreed CASP ESP targets		Green ≥ 90% Amber ≥80%<90% Red <80%

OBJECTIVE END STATE: 4 - STRENGTHEN OUR WORKFORCE CAPABILITY
TOP LEVEL GOAL CATEGORY: PEOPLE

Specific Goals (KPI/PI) Description	KPI/ PI Detail	KPI/ PI Tolerances
KPI 4.1 Sustain a workforce that meets the requirement Preventable attrition - rate to be 6.0% or lower	This Goal (and associated KPI) is about ensuring we have the right people, with the right skills, where and when we need them to enable delivery to Customers (i.e. mitigating our strategic people risk). It is about enabling a great place to work and the Measures support the sustaining of a skilled workforce through recruitment, retention and skills development. Definition of KPI: A rolling 12-month rate (against average headcount) of civilian employees on a permanent contract who have left DE&S for the following reasons: resignation, early retirement, transfer to wider MOD (not SDA), transfer to other Government Departments. It does not include anyone who has left for any other reasons, including retirement at normal pension age, ill-health retirement, dismissals, reorganisations, redundancies or any fixed-term appointees who have left for any reason.	Green ≤6.0% Amber >6.0% ≤6.5% Red >6.5%
KPI 4.2 Deliver workforce equality, diversity, inclusion and wellbeing Workforce diversity - Representation (female / ethnic minority) - rates to be above 35.5% and 7.5% respectively	This Goal is about great people who are able to deliver of their best and to be productive, in a diverse, inclusive and great place to work. Measures reflect key areas of diversity, health (supporting productivity) and addressing poor behaviours and grievances better. Definition of KPI: A calculation of the proportion of all permanent and fixed-term civilian staff in DE&S in FY 2021-22 who are female or who have declared their ethnicity in the DE&S HR system as other than white.	Green – both underpinning measures exceed target Amber – one underpinning measure exceeds target Red – neither underpinning measure exceeds target
KPI 4.3 Improve Employee Engagement To achieve an employee engagement score of 63% on way to target for 2022 of 66%	This Goal (KPI) is about delivering a great organisation measured through the annual people survey and specifically questions about pride, advocacy, inspiration, motivation and attachment. Measures reflect key workstreams relating to overall staff engagement. Definition of KPI: People Survey engagement score due publication in Dec 21 from Survey run in Oct 21.	Green ≥63% Amber <63% ≥60% Red <60%

Notes:

- 1) CASP Strategic Milestones (KPIs 2.2 and 3.1) - % target could be adjusted dependant on number of agreed milestones with the customer.**
- 2) Project Cost and Time (KPIs 2.3 to 2.6) - Performance for these metrics are measured against the April baseline which will be the cost and time forecasts (at 50% confidence) held in the Corporate Management Information System (CMIS) as at 1 April 2021.**