

Scrutiny Committee Report



Listening Learning Leading

Report of Head of Finance

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To: Scrutiny Committee

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AGENDA ITEM 5

Performance review of CAPITA for the period 1 April 2010 – 31 March 2011

RECOMMENDATION

That the committee considers Capita's performance in delivering the ten elements of the financial services contract for the period 1 April 2010 to 31 March 2011 and makes any recommendations to the Cabinet member for finance.

PURPOSE OF REPORT

1. The purpose of this report is to review the performance of Capita in providing financial services during the review period of 1 April 2010 to 31 March 2011.

STRATEGIC OBJECTIVES

2. **Strategic Objective - “*managing our business effectively*”:** The financial services contract contains a number of key performance indicators and a payment and performance mechanism that details a system of bonuses and penalties relating to these indicators. The majority of services provided are also key front line services. The contract with Capita is therefore particularly significant in helping to achieve the corporate priorities of:
 - providing value for money services that meet the needs of our residents and service users; and,
 - providing equality of access to our services.

BACKGROUND

3. The financial services contract commenced on 31 July 2006 and is a joint contract between South Oxfordshire District Council (SODC), Vale of White Horse District Council (VWHDC) and Capita. It was a ground breaking contract that included the creation of a shared services model created by VWHDC and SODC to modernise and achieve economies of scale in the provision of financial services. The partnership has enabled processes and procedures to be harmonised and efficiency savings to be made as a consequence.
4. The contract duration was for an initial term of seven years (ending on 30 July 2013) but an option to extend it for a further three years to 30 July 2016 was taken up in April 2011.
5. The specification for the financial services contract comprises the following elements:

Service	SODC only	VWHDC only	Joint
Council tax and non-domestic rates collection			✓
Benefits administration			✓
Accounts receivable (debtors) administration			✓
Accounts payable (creditors) administration			✓
Payroll system and system administration			✓
Integrated financial management information system and system administration (general ledger, accounts payable & receivable, payroll)			✓
Collection of car park excess charges *	✓		
Cashier services	✓		
Administration of assisted travel scheme			✓ (July 09)
Customer contact services	✓		

* Excess charges administration transferred to in-house provision from 1 November 2010

6. Although the contract is a joint one with VWHDC, this report only concentrates on performance in respect of SODC.

PERFORMANCE REVIEW OF CAPITA

7. A system for the performance review of contractors has been devised which requires the following measures to be included in the evaluation:
 - measured performance against key performance targets (KPT's)
 - customer satisfaction with the total service experience, and
 - council satisfaction as client
8. For the purpose of this review the contract with Capita has been scored in seven parts:
 - revenues and cash office
 - benefits

- exchequer (accounts payable, accounts receivable)
- financial management system
- payroll
- customer contact
- concessionary fares (assisted travel)

9. The Cabinet member for Finance will make the assessments of Capita's performance after consideration by the committee. The detailed officer assessments (based on the measures of excellent; good; fair; weak; poor) are as follows:

REVENUES

Dimension 1 – Key performance targets (KPTs)

10. Performance against performance targets is given in **Appendix 1** with the indicators that are key performance targets for the contractual payment and performance mechanism in bold.

11. The main points to note when assessing performance for the review period include:

- Capita achieved an in-year collection rate of **98.65 per cent** (2009/10 98.63 per cent) for council tax collection against a target of 98.6 per cent. This was the best in-year collection rate recorded and considering the ongoing economic downturn, it was a tremendous achievement. It should also be noted that arrears continue to be collected after the end of the financial year. At the time of writing this report **99.1 per cent** of last year's council tax debt has been collected.
- Capita achieved an in-year collection rate of **98.75 per cent** (2009/10 98.94 per cent) for business rate collection against a target of 99.4 per cent (this target relates to the final year of Best Value Performance Indicators (BVPIs) in 2007/08). Performance was once again affected by the economic downturn but it was still a considerable achievement.
- The cash office has continued to run smoothly and up until October 2010 Capita worked to produce regular summonses for parking fines. Capita acts as a remote cashier within its Coventry contact centre and during the year collected almost £750,000

12. Based on this performance the head of service has made a judgement on KPT performance for revenues and the cash office as follows:

KPT judgement

Excellent

Dimension 2 – Customer satisfaction

13. Customer satisfaction with council services is of high importance. Though the council is ultimately responsible for delivering customer satisfaction, the operational duty of providing customer service is delegated to the contractor.

Taking customer satisfaction into account when evaluating performance ensures that Capita is focused on the outcome of performance for customers.

14. In accordance with the model for reviewing performance of contractors, measurement of customer satisfaction should be undertaken through:
 - ongoing measurement by the contractor as part of the service
 - independent surveys and gap analyses commissioned by the council as part of its consultation process.

15. To meet the council's requirements, satisfaction is measured on a scale of 1-5 which is convenient and replicates the Audit Commission's previous BVPI measurements:
 - 5 – very satisfied
 - 4 – satisfied
 - 3 – neither satisfied nor dissatisfied
 - 2 – dissatisfied
 - 1 – very dissatisfied

16. Due to its significant impact upon our more vulnerable customers, it is the benefits service (evaluated below) that is heavily scrutinised as far as the financial services contract is concerned. The revenues collection function rarely gets compliments due to the nature of the service, and although the council demands high collection rates it requires processes to be efficient and perceived as fair by the customer. However, during 2010 the council and Capita undertook a business rates satisfaction survey which produced the following results:
 - Satisfaction with the service was very positive overall (73 per cent) and specifically in terms of accuracy of the bill (72 per cent); additional information that accompanied the bill (63 per cent); and, methods of payment available (85 per cent). However, six per cent said they encountered problems paying their bills (these were a mix of direct debit and cheque payers); and eight per cent of those who contacted the council claimed that their query was not resolved on first contact
 - Respondents who contacted the service by telephone were positive about the way their calls were handled (70 per cent) i.e. calls were answered quickly (72 per cent); queries were dealt with swiftly (64 per cent). However, 29 per cent felt it was difficult trying to get to speak to the right member of staff
 - Satisfaction with staff was 77 per cent, with staff being perceived as friendly; they treated respondents with respect; and, explained things in a way they could understand. However, 44 per cent did not always feel confident that what staff said was correct.

17. The council received 33 official (revenues) complaints during 2010/11 (54 in 09/10). The majority of these complaints were dealt with promptly and although ten were justified (16 in 09/10) and resulted costs being written off totalling £285, all but four were resolved at stage one of the complaints procedure with three being resolved at stage 2 and one at stage 3.

18. The annual billing process was once again carried out efficiently and the continuation of paperless direct debits offers a convenient facility for taxpayers to set up direct debits over the phone. By the end of the year the council was at its all time highest direct debit take-up of 76 per cent. This is the second highest achieved by Capita at any of its clients and is higher than most other councils. In addition, for the first time ever, benefit notifications were posted in the same envelope as council tax bills.
19. Capita undertook an Equalities Impact Assessment (EIA) of the council tax service in 2010/11 following on from a successful assessment carried out in 2007/08. EIA assessments help to achieve racial, disability and gender equality. It reviewed recent improvements in the service including the introduction of the second direct debit date; various articles that had appeared in Outlook; the use of visiting officers meeting disabled residents; and, the improvement in web forms. A further action plan was agreed which included looking at increasing awareness of council tax discounts/relief's available for older people, people on low incomes and people with disabilities; increasing staff knowledge of the Human Rights Act; and, consideration of undertaking a satisfaction survey of the collection service. The action plan will be monitored during 2011/12.
20. Quarterly meetings with the Citizens Advice Bureaux did raise a few concerns with the bailiff service, which tends to be inevitable due to the nature of the work, but a presentation from Capita's bailiff company Equita, was very well received by bureaux staff.
21. Capita handled **34,368** council tax telephone calls at its Coventry contact centre during the year. It managed to answer **86** per cent of these calls within 20 seconds (the target being 80 per cent). The council does receive some complaints about the service from time to time (usually when there have been unavoidable bulk mailings), but generally the service is good during calmer periods. However, no official complaints were received during 2010/11.
22. Based on this performance, the head of service has made a judgement on customer satisfaction for revenues and the cash office as follows:

Customer satisfaction judgement

Good

Dimension 3 – Council satisfaction

23. Whilst customer satisfaction is an important priority, a further important dimension is the satisfaction expressed by the council as the client on whether the contractor is meeting its needs and expectations. These needs and expectations have been measured using the model for reviewing performance of contractors and are attached as **Appendix 2**.
24. This produced a score of **4.42** out of a maximum score of **5.0**. Based on this performance, the Head of Finance made the following judgement on Capita's delivery of council satisfaction.

Council satisfaction judgement

Excellent

Overall assessment – Revenues

25. Taking into account the performance of Capita against KPTs, customer satisfaction and council satisfaction, the head of service has made an overall judgement as follows.

Overall assessment

Excellent

Strengths and areas for improvement

26. **Appendix 2** records strengths and areas for improvement relating to the performance of Capita during the review period. Where performance is lower than that expected the contract manager will agree an improvement plan with Capita. This has not been required for this element of the contract.

Contractor's feedback

27. A key feature of the process for reviewing the performance of contractors is that the council provides them with an opportunity to give their feedback on the assessment, including suggestions for improvements to the council processes. This is included in **Appendix 9**.

BENEFITS

Dimension 1 – Key performance targets (KPT's)

28. Performance against performance targets is given in **Appendix 1** with the indicators that are key performance targets for the contractual payment and performance mechanism in bold.

29. The main points to note when assessing performance for the review period include:

- The figure for speed of processing new claims (the old BVPI 78a measure) came in at **20.13 days**, just marginally outside the **19 day target**, compared to 24.23 days in 2009/10. Although the target was not achieved, it was the best in-year performance since the inception of the contract. Changes in circumstances (the old BVPI 78b measure) came in at **11.79 days** against a very challenging target of **9.5 days**, compared to 15.20 days in 2009/10. **NI 181** (combined new claims and changes processing) came in at a very pleasing **12.81 days** and under the **13 day target**, compared to 15.72 days in 2009/10.
- Capita's promised focus on getting benefit assessments "right first time" materialised during 2010/11. The financial accuracy performance rate for 2010/11 was **94.14 per cent** (based on the council's statutory checks), an impressive 8.83 per cent improvement upon the 85.31 per cent recorded in 2009/10. Although below the very challenging target of 95 per cent, it was by far the best performance since the inception of the contract (and compared favourably with our MKOB (Milton Keynes, Oxfordshire and Buckinghamshire) benchmarking group) and was what the council (through strict monitoring by the Partnership Board) and Capita have been striving for.

- During 2010/11 the Audit Commission qualified the council's 2009/10 benefit subsidy grant claim: criticised the council's benefits arrangements (although it accepted that the improvements in quality and accuracy made during the current year would not be seen until the 2010/11 grant claim) and adjusted the subsidy grant claim meaning the council would be penalised to the sum of £133,300 for breaching the local authority financial error threshold – the loss being recovered from Capita. Finally, the Audit Commission made two recommendations; to reduce the general level of benefit errors and, improve the accuracy of benefit classifications for subsidy purposes. Both recommendations were accepted at the Audit and Governance Committee meeting on 22 March 2011 and, as noted above, accuracy levels were on the increase during 2010/11 in any case.
- Recovery of overpaid benefit, which was subject to close scrutiny by the Board, really improved during 2010/11. This was an area of performance which the council hoped would take off under Capita following the introduction of an incentive scheme and during the year saw old debt reduce by **£547,796** whilst **70 per cent** of all debts raised during 2010/11 were collected, amounting to **£1,206.032**. Benefit debt, which is predominantly claimant error and fraudulent overpayments, is notoriously difficult to collect and prompt; firm action is required to keep on top of it. Of the year-end arrears, which totalled £1.572m, 56 per cent of the debt (50 per cent of debtors) was subject to arrangements. 2010/11 was the best performance in terms of managing and collecting the debt since the inception of the contract.

30. Based on this performance the head of service has made a judgement on KPT performance for Benefits as follows:

KPT judgement

Good

Dimension 2 – Customer satisfaction

31. As explained above, due to its significant impact upon our more vulnerable customers, it is the benefits service that is heavily scrutinised as far as the financial services contract is concerned. Capita is contracted to gauge customer satisfaction by conducting surveys (which is important following the previous BVPI surveys being abolished), and a survey carried out during 2010/11 produced the following results:

- Taking everything into account, 89 per cent of customers were satisfied with the service they received from the benefits office compared to 72 per cent in 2007
- 85 per cent of customers were satisfied with the amount of time it took to tell them whether their claim was successful or not, compared to 65 per cent in 2007
- 21 per cent of customers surveyed felt their benefit had been calculated incorrectly during the year
- 82 per cent of customers were satisfied with the ways in which they could contact the benefits office

- 25 per cent of customers felt they had to wait a long time to see the person they wanted compared to 16 per cent in 2007
 - 88 per cent of customers said they were satisfied with their visit to the benefits office compared to 80 per cent in 2007
 - 75 per cent of customers were satisfied with the telephone service (compared to 65 per cent in 2007), with 71 per cent feeling their query was dealt with quickly (15 per cent disagreed) and 66 per cent agreeing that their call was answered quickly (19 per cent disagreed). However, 24 per cent felt it was difficult getting through to the right person
 - 82 per cent of customers were satisfied with the service from staff (six per cent disagreed) and 85 per cent felt staff were friendly (seven per cent disagreed). 81 per cent of customers felt staff treated them with respect (seven per cent disagreed) whilst 74 per cent felt things were explained in a way they could understand (8 per cent disagreed)
 - 13 per cent of customers felt that staff were in a rush and 12 per cent felt they were not able to ask the questions they wanted to. 27 per cent weren't always sure what staff said was correct
 - 72 per cent of customers were satisfied with the claim form compared to 50 per cent in 2007 whilst 34 per cent felt letters sent about their claim were difficult to understand compared to 48 per cent in 2007
 - Generally, the main improvements customers would like to see would be (i) the time taken to tell them whether their claim was successful or not (ii) improvements to the claim form and (iii) improvements to the telephone service
32. The financial services contract with Capita is heavily weighted towards achieving good performance and high levels of customer care and satisfaction. It also specifies building up good working relationships with stakeholders – both internal (e.g. the council's Housing Services Team who share approximately **150** mutual customers at any one time) and external (e.g. Registered Social Landlords – RSLs – who share approximately **3,350** mutual customers at any one time), to promote joint working where appropriate to improve the end customer experience. To this end Capita has:
- Conducted joint visits with both Housing and RSL staff where this has been requested and held surgeries at RSL offices.
 - Trained Housing and RSL staff to verify benefit applications (which avoids unnecessary duplication).
 - Held regular meetings with Housing staff where required to address working practices to improve efficiency and effectiveness, end customer experience, and, service level agreements
 - Held benefit surgeries around the district. This increases customer access to the service and is an alternative to home visits.

33. Generally, positive feedback has been received from RSL's and the CABx via regular liaison meetings. This is always a good yardstick as these organisations

predominantly represent the most vulnerable of our customers. However, the RSL's in particular (who represent over 60 per cent of the benefit customer caseload) have voiced concerns about the quality and accuracy of benefit notifications.

34. The "front of house" function (provided by Capita) continues to be able to process benefit claims at the first point of contact. This is a particularly convenient facility for customers
35. Capita handled 26,207 benefit telephone calls at its Coventry contact centre during the year. It managed to answer 86 per cent of these calls within 20 seconds (the target being 80 per cent). Unfortunately the council does receive some complaints about the service from time to time (usually when there have been unavoidable bulk mailings) and where there seems to be a lack of understanding with complex queries, but generally the service is good during calmer periods (and no official complaints were received during the year). Capita undertook an Equalities Impact Assessment (EIA) of the benefits service in 2008/09 which was especially well received by the external disability panel. EIA assessments help to achieve racial, disability and gender equality. Although there were no major issues some recommendations were carried forward to 2010/2011 and most were implemented, such as publicising legislative changes and promoting benefits to minority groups. This should help improve customer satisfaction in certain areas.
36. There were 27 official complaints, 12 of which were justified (compared to 32 and 13 in 2009/10). All except five were dealt with at stage one of the complaints procedure with four progressing to stage one and one progressing to stage three. Compensation totalling £550.00 was paid by Capita.

37. Based on this performance, the head of service has made a judgement on customer satisfaction for benefits as follows:

Customer satisfaction judgement

Fair

Dimension 3 – Council satisfaction

38. Whilst customer satisfaction is an important priority, a further important dimension is the satisfaction expressed by the council as the client on whether the contractor is meeting its needs and expectations. These needs and expectations have been measured using the model for reviewing performance of contractors and are attached as **Appendix 3**.
39. This produced a score of **3.95** out of a maximum score of **5.0**. Based on this performance, the Head of Finance made the following judgement on Capita's delivery of council satisfaction.

Council satisfaction judgement

Good

Overall assessment – Benefits

40. Taking into account the performance of Capita against KPT's, customer satisfaction and council satisfaction, the head of service has made an overall judgement as follows.

Overall assessment

Good

Strengths and areas for improvement

41. **Appendix 3** records strengths and areas for improvement relating to the performance of Capita during the review period. Where performance is lower than that expected the council will agree an improvement plan with Capita. This was already in force following the 2009/10 report and was being monitored through the governance processes during 2010/11. However, it was signed off as completed in June 2011.

Contractor's feedback

42. A key feature of the process for reviewing the performance of contractors is that the council provides them with an opportunity to give their feedback on the assessment, including suggestions for improvements to the council processes. This is included in **Appendix 9**

EXCHEQUER – ACCOUNTS PAYABLE AND ACCOUNTS RECEIVABLE

Dimension 1 – Key performance targets (KPTs)

43. In August 2009 Capita decided to move the majority of Exchequer functions to its Mendip site, so 2010/11 was the first full year of operations from the remote site. The problems encountered following the transfer which were eradicated by the end of 2009/10 did not return during 2010/11 and the service provided continued to improve.
44. **Accounts Receivable** – maximising sundry debts was a key theme of the financial services procurement and during 2010/11 the council (its legal representative and cost centre managers), assisted by Capita, finished the end of the year with its lowest ever recorded arrears levels over 30 days – to the sum of £215k compared to the previous year's best ever of £600k. If it wasn't for the problematic brown bin debt which totalled £121k, the year-end position would have been even better.
45. Capita's performance in issuing (24,133) invoices within 2 working days of instructions from cost centres was 100 per cent. Capita also hit 100 per cent performance for the production of (5,708) reminders after 14 days and (1,262) final notices after 28 days. In addition, important aged debt reports (required for monitoring debt progress) and legal lists (required to determine recovery action) were issued promptly throughout the year and the write-off of unrecoverable debts were processed promptly.
46. As with other issues, this service area continues to be closely monitored by the Board and we are now seeing real progress, with cost centre managers taking more responsibility in recovering the debts that they raise.
47. **Accounts Payable** - Capita continued 2010/11 where it left off at the end of 2009/2010. 99 per cent of (7,105) invoices received were scanned and distributed to service teams within 48 hours and 100 per cent of (401) urgent payment requests (within the same day) were met. In addition, 100 per cent of purchase order requests were met.
48. Payment of invoices within 30 days (the old BVPI8 measure) is not a contractual target upon Capita, but it is greatly influenced by the operation and understanding of the Agresso system and by Capita ensuring that invoices are scanned and distributed in a timely manner. Performance in 2010/11 was **97.83 per cent** compared to 96.02 per cent in 2009/10.
49. Based on this performance the head of service has made a judgement on KPT performance for exchequer as follows:

KPT judgement

Excellent

Dimension 2 – Customer satisfaction

50. **Accounts payable** – Capita's performance in the accounts payable process was much improved in 2010/11. Capita worked closely with the on-site council staff (especially through the Agresso Superuser group during the year) to discuss any problems that arose and make service improvements.

51. Capita now has processes in place to provide the council with weekly and monthly reports of invoices waiting to be paid or those that were paid late, which have contributed to the significant improvement in payment of invoice performance.
52. **Accounts receivable** – As explained above, due to its significant impact upon our more vulnerable customers, it is the benefits service that is heavily scrutinised as far as the financial services contract is concerned. However, complaints are monitored through the council’s complaints procedure and during the year one justified complaint was received – which was dealt with at stage 1 of the process.
53. Training and access issues for internal customers (cost centre managers) to enquire on the status of debts raised and income collected were good with Capita becoming more proactive generally. The exchequer manager continued to attend meetings with the legal representatives and the client manager and was generally more accessible for staff.
54. Based on this performance, the head of service has made a judgement on council satisfaction for exchequer as follows:

Customer satisfaction judgement

Good

Dimension 3 – Council satisfaction

55. Whilst customer satisfaction is an important priority, a further important dimension is the satisfaction expressed by the council as the client on whether the contractor is meeting its needs and expectations.
56. The council’s needs and expectations have been measured using the model for reviewing performance of contractors and are attached as **Appendix 4**.

57. This produced a score of **4.35** out of a maximum score of **5.0**. Based on this performance, the Head of Finance made the following judgement on Capita’s delivery of council satisfaction:

Council satisfaction judgement

Excellent

Overall assessment

58. Taking into account the performance of Capita against KPT’s, customer satisfaction and council satisfaction, the head of service has made an overall judgement as follows.

Overall assessment

Excellent

Strengths and areas for improvement

59. **Appendix 4** records strengths and areas for improvement relating to the performance of Capita during the review period. Where performance is lower than that expected the contract manager will agree an improvement plan with Capita.

Contractor's feedback

A key feature of the process for reviewing the performance of contractors is that the council provides them with an opportunity to give their feedback on the assessment, including suggestions for improvements to the council processes. This is included in **Appendix 9**.

FINANCIAL MANAGEMENT SYSTEM

Dimension 1 – Key performance targets (KPTs)

60. System availability. The availability of the Agresso system has remained satisfactory throughout the period; there have been no major unannounced periods of system non-availability that have inconvenienced users.
61. Systems administration. The service to upload to the system, setting up new codes and new users/removing users, has proved responsive and there are no issues with this part of the contractor's performance.
62. Upgrade of Agresso. The upgrade to Agresso version 5.5.3 has seen a marked improvement in the level of support and functionality available to the council's accountancy service. There was an impressive level of work undertaken by the contractor's team to ensure that the upgrade was initiated, pursued and installed with the minimum disruption to services. This dedication and commitment to the upgrade was not unnoticed and shows what can be achieved when working proactively and as one with the client
63. Although no KPTs are laid down for the FMS part of the contract, the estimated assessment of this dimension is "good".

KPT judgement

Good

Dimension 2 – Customer satisfaction

64. The council is the customer for the financial management system. Service departments only use the web based version of Agresso. They appear generally satisfied with the service provided, in terms of system availability and response to queries.
65. For users in accountancy services, routine use of the financial management system causes no issues.
66. Taking the whole year's performance into account, the performance is considered good.

Customer satisfaction judgement

Good

Dimension 3 – Council satisfaction

67. Whilst customer satisfaction is an important priority, a further important dimension is the satisfaction expressed by the council as the client on whether the contractor is meeting its needs and expectations. These needs and expectations have been measured using the model for reviewing performance of contractors and are attached as **Appendix 5**.

68. This produced a score of **3.90** (last year was **3.15**) out of a maximum score of **5.0**. This year the contractor is on the cusp of the “fair” and “good”. Based on this performance, and in recognition of the effort made in the upgrade to version 5.5.3, the Head of Finance made the following judgement on Capita’s delivery of council satisfaction:

Council satisfaction judgement

Good

Overall assessment

69. Performance is improving. The level of commitment and proactive working to ensure the upgrade to Agresso 5.5.3 was achieved with the minimum of disruption. The prompt identification of issues and more importantly, the development of solutions and willingness to put in the extra effort to deliver the project to the specified deadlines was an example of what can be achieved. Whilst it is acknowledged that the upgrade was a team effort, special mention must go to the project manager, Craig Richmond; without his sterling efforts and dedication the project may well have floundered.

70. It is extremely encouraging that this year has seen an improvement in the contractor’s performance and consequently the satisfaction rating has increased accordingly. The management of the upgrade played a significant part in the improved score. It is hoped that this level of performance is sustained and is maintained for the remaining life of the contract (to July 2016) – a standard has been set and needs to be maintained – possibly by extra effort on the training of staff and the report writing element of the FMS.

71. As previously stated, the client accountancy team consider the staff and support from the contractor’s team in Mendip to be helpful, polite and efficient (when in their control) in dealing with issues, problems and queries raised by the client team. The client accountancy team would once again like to pass on their thanks to the contractor’s staff at Mendip.

72.

73. Taking into account the performance of Capita against KPT’s, customer satisfaction and council satisfaction, the Head of Finance has made an overall judgement as follows.

Overall assessment

Good

Strengths and areas for improvement

74. **Appendix 5** records strengths and areas for improvement relating to the performance of Capita during the review period. Where performance is lower than that expected the contract manager will agree an improvement plan with Capita.

Contractor's feedback

75. A key feature of the process for reviewing the performance of contractors is that the council provides them with an opportunity to give their feedback on the assessment, including suggestions for improvements to the council processes. This is included in **Appendix 9**.

PAYROLL

Dimension 1 – Key performance targets (KPTs)

76. Capita has been providing a payroll system and its administration since January, 2007. The council fulfils the payroll inputting function.

77. There is one KPT for the payroll part of the contract. This requires a timely and accurate payment to all staff and councillors. In other words 100 per cent accuracy of payments by the due date.

78. Based on this performance the head of service has made a judgement on KPT performance for payroll as follows:

KPT judgement

Excellent

Dimension 2 – Customer satisfaction

79. Satisfaction is covering the period April 2010 to March 2011. Customers in this context are staff and councillors. Monthly payments have been made into customers' accounts by the due date, with gross to net calculations accurate.

80. During this period there were no instances of customer dissatisfaction as a consequence of the performance of the element of the payroll service provided by Capita.

81. Based on this performance, the head of service has made a judgement on customer satisfaction for payroll as follows:

Customer satisfaction judgement

Excellent

Dimension 3 – Council satisfaction

82. Council satisfaction is measured by the client based on the contractor's performance against the council's needs and expectations. These needs and expectations have been measured using the model for reviewing performance of contractors.

83. There have been no areas of concern during 2010/11. This is a great improvement on 2009/10.

84. This (**Appendix 6**) produced a score of 4.11 out of a maximum score of 5.0. Based on this performance, the Head of Finance made the following judgement on Capita's delivery of council satisfaction:

Council satisfaction judgement

Good

Overall assessment

85. Taking into account the performance of Capita against KPTs, customer satisfaction and council satisfaction, the head of service has made an overall judgement as follows.

Overall assessment

Excellent

Contractor's feedback

86. A key feature of the process for reviewing the performance of contractors is that the council provides them with an opportunity to give their feedback on the assessment, including suggestions for improvements to the council processes. This is included in **Appendix 9**.

CUSTOMER CONTACT

Dimension 1 – Key performance targets (KPTs)

87. Capita took on the management of the reception and switchboard services on 16 April 2007, and the measurement of performance against targets began on 31 July 2007.
88. Performance of the switchboard team against the key performance targets has remained steady for the past year. Abandoned calls have averaged 4.3 per cent, which is within the Service Level Agreement (SLA). There was one month in which this SLA was breached because of technical problems with the telephone system on 9 August 2010. The percentage of calls answered within 20 seconds (an industry standard benchmark) remained above the 80 per cent SLA throughout 2010-11. The number of calls that are not answered within 50 seconds is consistently too high and has not met the SLA since the start of the contract.
89. The front of house team has performed strongly, and monthly reports show that visitors to reception are seen promptly with performance exceeding SLAs.
90. Based on this performance the head of service has made a judgement on KPT performance for customer contact as follows:

KPT judgement

Good

91. Dimension 2 – Customer satisfaction Citizens' Panel Survey 19 covered a wide variety of matters relating to customer service, of which a number are relevant. Customers' satisfaction with the switchboard has decreased since Survey 16, with 71 per cent satisfied and 23 per cent dissatisfied compared with 88 per cent and 5 per cent previously. The survey does not provide any obvious reasons why this should have changed. The survey shows that 93 per cent of visitors were satisfied with the service they received in reception and only one per cent dissatisfied. This is an improvement from Survey 16.
92. We hold monthly contract meetings specifically to discuss customer service, and any issues arising are dealt with through these meetings if they have not already been resolved informally.
93. Based on this performance, the head of service has made a judgement on customer satisfaction for customer contact as follows:

Customer satisfaction judgement

Fair

Dimension 3 – Council satisfaction

94. Whilst customer satisfaction is an important priority, a further important dimension is the satisfaction expressed by the council as the client on whether the contractor is meeting its needs and expectations. These needs and expectations have been measured using the model for reviewing performance of contractors and are attached as **Appendix 7**.

95. This produced a score of **4.2** out of a maximum score of **5.0**. Based on this performance, the Head of HR, IT and Customer Services made the following judgement on Capita's delivery of council satisfaction:

Council satisfaction judgement

Good

Overall assessment

96. Taking into account the performance of Capita against KPTs, customer satisfaction and council satisfaction, the head of service has made an overall judgement as follows. Recognising the high importance of customer satisfaction, this dimension is accorded greater weight in the judgement.

Overall assessment

Good

Strengths and areas for improvement

97. The front of house team delivers a good professional service to customers, and has proved to be flexible during the launch of new initiatives. The team leader keeps the Head of HR, IT and Customer Services well informed and always demonstrates a desire to offer a high quality service. The feedback from the Citizens' Panel survey is excellent.
98. The switchboard service is generally efficient and meets most SLAs. There is a very small number of complaints, and yet the Citizens' Panel survey shows reduced levels of satisfaction. There is no detailed evidence to provide reasons for this, but it is possible that this relates to the service received from council staff after a call has been transferred.

Contractor's feedback

99. A key feature of the process for reviewing the performance of contractors is that the council provides them with an opportunity to give their feedback on the assessment, including suggestions for improvements to the council processes. This is included in **Appendix 9**.

CONCESSIONARY FARES

Dimension 1 – Key performance targets (KPTs)

100. Capita administers the national bus pass scheme on behalf of the council. Generally, the national scheme is administered from the contact centre in Coventry, whilst the arrangements for lost bus passes are administered in the council offices.
101. As far as the national bus pass scheme is concerned, Capita is required to (i) order new passes within three working days of a completed application being received;(ii) update the customer database records within three working days of changes being received; (iii) request replacement bus passes within three days of a request being made. Against all these KPT's Capita generally achieved full compliance during 2010/11.
102. Capita handled 2,921 telephone calls at its Coventry contact centre during the year. It managed to answer 95 per cent of these calls within 20 seconds (the target being 80 per cent).
103. Based on this performance the head of service has made a judgement on KPT performance for concessionary fares as follows:

KPT judgement

Excellent

Dimension 2 – Customer satisfaction

104. No customer satisfaction survey was undertaken during the year so it was not possible to gauge satisfaction levels on service administration.
105. However, no customer complaints were received in respect of the assisted travel service during the course of the year.
106. Based on this performance, the head of service has made a judgement on customer satisfaction for concessionary fares as follows:

Customer satisfaction judgement

Good

Dimension 3 – Council satisfaction

107. Whilst customer satisfaction is an important priority, a further important dimension is the satisfaction expressed by the council as the client on whether the contractor is meeting its needs and expectations. These needs and expectations have been measured using the model for reviewing performance of contractors and are attached as **Appendix 8**.
108. This produced a score of **4.36** out of a maximum score of **5.0**. Based on this performance, the Head of Finance made the following judgement on Capita's delivery of council satisfaction:

Council satisfaction judgement

Excellent

Overall assessment

109. Taking into account the performance of Capita against KPT's, customer satisfaction and council satisfaction, the head of service has made an overall judgement as follows.

Overall assessment

Excellent

Strengths and areas for improvement

110. Capita generally provides a good concessionary fares service. The team leader keeps the client team well informed and always demonstrates a desire to offer a high quality service.

Contractor's feedback

111. A key feature of the process for reviewing the performance of contractors is that the council provides them with an opportunity to give their feedback on the assessment, including suggestions for improvements to the council processes. This is included in **Appendix 9**.

FINANCIAL IMPLICATIONS

112. The contract with Capita incorporates a payment and performance mechanism. Issues around the exact application of the mechanism and the changes going forward are the responsibility of the Strategic Board.

LEGAL IMPLICATIONS

113. There are no legal implications arising from this report.

CONCLUSION

114. The Head of Finance has assessed Capita's performance as follows for its delivery of the financial services contract:

- Revenues – **excellent** (09/10 – good)
- Benefits – **good** (09/10 – weak)
- Exchequer (accounts payable, accounts receivable, excess charges collection) – **excellent** (09/10 – fair)
- Financial management system – **good** (09/10 weak)
- Payroll – **excellent** (09/10 – fair)
- Customer Contact – **good** (09/10 – good)
- Concessionary fares (assisted travel) – **excellent** (09/10 good)

115. There has been a notable improvement in the quality of the financial services provided by Capita during 2010/11 – it has definitely been the best year since the inception of the contract and Capita should be congratulated. Benefits is still an area where improvements could be made – especially where customer service is concerned. The governance process will continue to vigorously monitor the contract, and this, along with the commitment pledged by the Capita management should help improve service provision in the future.

Performance Targets	2009/10 Target	2009/10 Achieved	2010/11 Target	2010/11 Achieved
Percentage of Council Tax collected	98.60%	98.51%	98.60%	98.65%
Percentage of NNDR collected	99.40%	98.87%	99.40%	98.75%
Average time (days) for processing new benefit claims.	20.5	24.23	19	20.13
Average time (days) for processing benefit changes in circumstances	-	15.20	9.5	11.79
NI181 Average time (days) for processing new claims and changes in circumstances	-	15.72	13	12.81
Financial accuracy of benefit assessments	95%	85.31%	95%	94.14%

Council satisfaction – Revenues

This assessment allows the council (as a client) to record its own satisfaction with aspects of a contractor's performance which lie outside Key Performance Targets and customer satisfaction. Each officer with direct knowledge and who frequently interacts with the contractor should complete this form. Questions can be left blank if not relevant to a contract or contractor.

Contractor / supplier / partner name | Capita

From (date) | 1 April 2010 | To | 31 March 2011

SERVICE DELIVERY

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
1 Understanding of the client's needs	✓				
2 Response time	✓				
3 Delivers to time		✓			
4 Delivers to budget	✓				
5 Efficiency of invoicing		✓			
6 Approach to health & safety	✓				
7 Supports the council's plans for joint working	✓				
8 *					

* These spaces are deliberately left blank for the addition of any performance criteria which are specific to this particular contract / service.

COMMUNICATIONS AND RELATIONS

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
9 Easy to deal with	✓				
10 Communications / keeping the client informed		✓			
11 Quality of written documentation	✓				
12 Compliance with Council's corporate identity		✓			
13 Listening		✓			
14 Quality of relationship	✓				

IMPROVEMENT AND INNOVATION

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dissatisfied	(1) Very dissatisfied
15 Offers suggestions beyond the scope of work		✓			
16 Degree of innovation			✓		
17 Goes the extra mile		✓			
18 Supports the Council's sustainability objectives		✓			
19 Supports the Council's equality objectives	✓				
20 Degree of partnership working		✓			

KEY DOCUMENTS

If required, has the contractor provided the Council with annual updates of the following documents?

1. Annual Corporate Governance Assurance Statement? (Yes / No)
2. Updated risk register (Yes / No)
3. Annual business plan (Yes / No)
4. Updated business continuity plan (Yes / No)

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths	Revenues management and support to the manager
	Knowledge and commitment of staff

Areas for improvement	Innovation – particularly around “on-line” initiatives
	Liaison with the benefits department

COUNCIL SATISFACTION ASSESSMENT

	Very	Satisfied	Neither	Dissatisfied	Very	Votes cast
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Appendix 2

	satisfied (5)	(4)	(3)	(2)	dissatisfied (1)	
	9	9	1	0	0	19

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	9	X 5	45
Satisfied	4.3	9	X 4	36
Neither satisfied or dissatisfied	3.9	1	X 3	3
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total		19		84
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Calculation: $84 \div 19 = 4.42$

For reasons of consistency with previous assessments, and for fairness between contractors, the following is a rough guide to the assessment of contractors on customer satisfaction:

Score	4.3 – 5.0	3.9 – 4.3	3.4 – 3.9	3.0 – 3.4	<3.0
Classification	Excellent	Good	Fair	Weak	Poor

Council satisfaction –Benefits

This assessment allows the council (as a client) to record its own satisfaction with aspects of a contractor's performance which lie outside Key Performance Targets and customer satisfaction. Each officer with direct knowledge and who frequently interacts with the contractor should complete this form. Questions can be left blank if not relevant to a contract or contractor.

Contractor / supplier / partner name | Capita

From (date) | 1 April 2010 | To | 31 March 2011

SERVICE DELIVERY

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
1 Understanding of the client's needs		✓			
2 Response time		✓			
3 Delivers to time			✓		
4 Delivers to budget	✓				
5 Efficiency of invoicing	✓				
6 Approach to health & safety	✓				
7 Supports the council's plans for joint working	✓				
8 *					

* These spaces are deliberately left blank for the addition of any performance criteria which are specific to this particular contract / service.

COMMUNICATIONS AND RELATIONS

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
9 Easy to deal with		✓			
10 Communications / keeping the client informed		✓			
11 Quality of written documentation			✓		
12 Compliance with Council's corporate identity		✓			
13 Listening		✓			
14 Quality of relationship		✓			

IMPROVEMENT AND INNOVATION

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
15 Offers suggestions beyond the scope of work			✓		
16 Degree of innovation			✓		
17 Goes the extra mile			✓		
18 Supports the Council's sustainability objectives		✓			
19 Supports the Council's equality objectives		✓			
20 Degree of partnership working		✓			

KEY DOCUMENTS

If required, has the contractor provided the Council with annual updates of the following documents?

1. Annual Corporate Governance Assurance Statement? (Yes / No)
2. Updated risk register (Yes / No)
3. Annual business plan (Yes / No)
4. Updated business continuity plan (Yes / No)

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths	Equality awareness
	Surgeries/home visiting
	Keenness of off-site team
	Liaison with housing
Areas for improvement	Off site operations/staff including inter –site communication
	General benefits quality regarding written documentation

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	4	10	5	0	0	19

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	4	X 5	20
Satisfied	4.3	10	X 4	40
Neither satisfied or dissatisfied	3.9	5	X 3	15
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total		19		75
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Calculation: $75 \div 19 = 3.95$

For reasons of consistency with previous assessments, and for fairness between contractors, the following is a rough guide to the assessment of contractors on customer satisfaction:

Score	4.3 – 5.0	3.9 – 4.3	3.4 – 3.9	3.0 – 3.4	<3.0
Classification	Excellent	Good	Fair	Weak	Poor

Council satisfaction – Exchequer

This assessment allows the Council (as a client) to record its own satisfaction with aspects of a contractor's performance which lie outside Key Performance Targets and customer satisfaction. Each officer with direct knowledge and who frequently interacts with the contractor should complete this form. Questions can be left blank if not relevant to a contract or contractor.

Contractor / supplier / partner name

From (date) To

SERVICE DELIVERY

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
1 Understanding of the client's needs		✓			
2 Response time		✓			
3 Delivers to time		✓			
4 Delivers to budget	✓				
5 Efficiency of invoicing	✓				
6 Approach to health & safety	✓				
7 Supports the Council's plans for joint working	✓				
8 Contingency plans		✓			

COMMUNICATIONS AND RELATIONS

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
9 Easy to deal with	✓				
10 Communications / keeping the client informed		✓			
11 Quality of written documentation		✓			
12 Compliance with Council's corporate identity		✓			
13 Listening			✓		
14 Quality of relationship	✓				

IMPROVEMENT AND INNOVATION

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
15 Offers suggestions beyond the scope of work		✓			
16 Degree of innovation		✓			
17 Goes the extra mile		✓			
18 Supports the Council's sustainability objectives	✓				
19 Supports the Council's equality objectives	✓				
20 Degree of partnership working		✓			

KEY DOCUMENTS

If required, has the contractor provided the Council with annual updates of the following documents?

1. Annual Corporate Governance Assurance Statement? (Yes / No)
2. Updated risk register (Yes / No)
3. Annual business plan (Yes / No)
4. Updated business continuity plan (Yes / No)

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths	Processing of standard basic functions for AP and AR
Areas for improvement	Management resilience
	System administration

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	8	11	1	0	0	20

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	8	X 5	40
Satisfied	4.3	11	X 4	44
Neither satisfied or dissatisfied	3.9	1	X 3	3
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total		20		87
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Calculation: $87 \div 20 = 4.35$

For reasons of consistency with previous assessments, and for fairness between contractors, the following is a rough guide to the assessment of contractors on customer satisfaction:

Score	4.3 – 5.0	3.9 – 4.3	3.4 – 3.9	3.0 – 3.4	<3.0
Classification	Excellent	Good	Fair	Weak	Poor

Council satisfaction – FMS

This assessment allows the Council (as a client) to record its own satisfaction with aspects of a contractor's performance which lie outside Key Performance Targets and customer satisfaction. Each officer with direct knowledge and who frequently interacts with the contractor should complete this form. Questions can be left blank if not relevant to a contract or contractor.

Contractor / supplier / partner name | Capita

From (date) | 1 April 2010 | To | 31 March 2011

SERVICE DELIVERY

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
1 Understanding of the client's needs		√			
2 Response time		√			
3 Delivers to time		√			
4 Delivers to budget		√			
5 Efficiency of invoicing		√			
6 Approach to health & safety	√				
7 Supports the Council's plans for joint working		√			
8 Contingency plans		√			

COMMUNICATIONS AND RELATIONS

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
9 Easy to deal with		√			
10 Communications / keeping the client informed		√			
11 Quality of written documentation		√			
12 Compliance with Council's corporate identity			√		
13 Listening		√			
14 Quality of relationship		√			

IMPROVEMENT AND INNOVATION

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
15 Offers suggestions beyond the scope of work			√		
16 Degree of innovation		√			
17 Goes the extra mile		√			
18 Supports the Council's sustainability objectives		√			
19 Supports the Council's equality objectives		√			
20 Degree of partnership working		√			

KEY DOCUMENTS

If required, has the contractor provided the Council with annual updates of the following documents?

- | | |
|--|-----|
| 1. Annual Corporate Governance Assurance Statement? (Yes / No) | |
| 2. Updated risk register (Yes / No) | |
| 3. Annual business plan (Yes / No) | |
| 4. Updated business continuity plan (Yes / No) | Yes |

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths	<p>Good relationships with system administration team at Mendip,</p> <p>Generally helpful, pleasant staff</p> <p>Upgrade to v 5.5.3 in May 2011 has produced improvements – especially for web clients</p>
Areas for improvement	<p>To continue to build on the improvement made in year, in terms of:</p> <ul style="list-style-type: none"> working with the client; proactive development of FMS.

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	018	2	0	0	20	

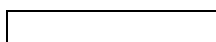
Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	0	X 5	0
Satisfied	4.3	18	X 4	72
Neither satisfied or dissatisfied	3.9	2	X 3	6
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total		20		78
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Calculation: $78 \div 20 = 3.90$

For reasons of consistency with previous assessments, and for fairness between contractors, the following is a rough guide to the assessment of contractors on customer satisfaction:

Score	4.3 – 5.0	3.9 – 4.3	3.4 – 3.9	3.0 – 3.4	<3.0
Classification	Excellent	Good	Fair	Weak	Poor



Review of Performance of Payroll

SERVICE DELIVERY

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
1 Understanding of the client's needs		√			
2 Response time		√			
3 Delivers to time		√			
4 Delivers to budget	√				
5 Efficiency of invoicing	√				
6 Approach to health & safety	√				
7 Supports the Council's plans for joint working	√				
8 *					

* These spaces are deliberately left blank for the addition of any performance criteria which are specific to this particular contract / service.

COMMUNICATIONS AND RELATIONS

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
9 Easy to deal with		√			
10 Communications / keeping the client informed		√			
11 Quality of written documentation		√			
12 Compliance with Council's corporate identity		√			
13 Listening		√			
14 Quality of relationship		√			

IMPROVEMENT AND INNOVATION

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
15 Offers suggestions beyond the scope of work		√			
16 Degree of innovation			√		
17 Goes the extra mile			√		
18 Supports the Council's sustainability objectives		√			
19 Supports the Council's equality objectives		√			
20 Degree of partnership working		√			

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	4	13	2	0	0	19

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	4	X 5	20
Satisfied	4.3	13	X 4	52
Neither satisfied or dissatisfied	3.9	2	X 3	6
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total	19	78
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Calculation: $78 \div 19 = 4.11$

For reasons of consistency with previous assessments, and for fairness between contractors, the following is a rough guide to the assessment of contractors on customer satisfaction:

Score	4.3 – 5.0	3.9 – 4.3	3.4 – 3.9	3.0 – 3.4	<3.0
Classification	Excellent	Good	Fair	Weak	Poor

Review of Performance of Switchboard and Reception Services

SERVICE DELIVERY

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
1 Understanding of the client's needs	✓				
2 Response time		✓			
3 Delivers to time		✓			
4 Delivers to budget	✓				
5 Efficiency of invoicing	✓				
6 Approach to health & safety		✓			
7 *					
8 *					

* These spaces are deliberately left blank for the addition of any performance criteria which are specific to this particular contract / service.

COMMUNICATIONS AND RELATIONS

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
9 Easy to deal with	✓				
10 Communications / keeping the client informed	✓				
11 Quality of written documentation		✓			
12 Compliance with Council's corporate identity		✓			
13 Listening		✓			
14 Quality of relationship	✓				

IMPROVEMENT AND INNOVATION

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
15 Offers suggestions beyond the scope of work			✓		
16 Degree of innovation			✓		
17 Goes the extra mile		✓			
18 Supports the Council's sustainability objectives			✓		
19 Supports the Council's equality objectives		✓			
20 Degree of partnership working		✓			

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	6	9	3	0	0	18

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Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.06	X 5	30	
Satisfied	4.39	X 4	36	
Neither satisfied or dissatisfied	3.93	X 39		
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0
Total		18		75

Calculation: $75 \div 18 = 4.2$

For reasons of consistency with previous assessments, and for fairness between contractors, the following is a rough guide to the assessment of contractors on customer satisfaction:

Score	4.3 – 5.0	3.9 – 4.3	3.4 – 3.9	3.0 – 3.4	<3.0
Classification	Excellent	Good	Fair	Weak	Poor

Review of Concessionary Fares (Assisted Travel)

SERVICE DELIVERY

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
1 Understanding of the client's needs	✓				
2 Response time	✓				
3 Delivers to time	✓				
4 Delivers to budget	✓				
5 Efficiency of invoicing	✓				
6 Approach to health & safety	✓				
7 Supports the council's plans for joint working	✓				
8 *					

* These spaces are deliberately left blank for the addition of any performance criteria which are specific to this particular contract / service.

COMMUNICATIONS AND RELATIONS

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
9 Easy to deal with	✓				
10 Communications / keeping the client informed	✓				
11 Quality of written documentation		✓			
12 Compliance with Council's corporate identity	✓				
13 Listening			✓		
14 Quality of relationship	✓				

IMPROVEMENT AND INNOVATION

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
15 Offers suggestions beyond the scope of work			✓		
16 Degree of innovation			✓		
17 Goes the extra mile		✓			
18 Supports the Council's sustainability objectives		✓			
19 Supports the Council's equality objectives		✓			
20 Degree of partnership working			✓		

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	11	4	4	0	0	19

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	11	X 5	55
Satisfied	4.3	4	X 4	16
Neither satisfied or dissatisfied	3.9	4	X 3	12
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total	19		83
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Calculation: $83 \div 19 = 4.36$

For reasons of consistency with previous assessments, and for fairness between contractors, the following is a rough guide to the assessment of contractors on customer satisfaction:

Score	4.3 – 5.0	3.9 – 4.3	3.4 – 3.9	3.0 – 3.4	<3.0
Classification	Excellent	Good	Fair	Weak	Poor

Contractor 360° feedback

CONTRACTOR'S REACTION / FEEDBACK ON COUNCIL'S ASSESSMENT

Capita is pleased to be given the opportunity to feedback on the findings of this annual report. The contents whilst not always positive are a very valuable tool to:

- Enable key service areas to meet and reflect across a whole year
- Understand, in the context of an overall contract, the positives and negatives
- Identify learning points from both organisations' point of view, to enable the service to be developed and improved as time progresses
- Document, for councillors, a good picture of the overall contract.

Capita is fully committed to this process, and believes it can be one very important tool for improving service to customers.

The Revenues service has again delivered the best ever collection rates for the Council despite the continued financial pressures on residents and businesses. This is due to the excellent teamwork and dedication shown by the whole team. Capita will however continue to look at how it can improve the overall service to its customers and will be working closely with the Council to deliver more electronic service solutions to those residents who are keen to exploit technology for speed of response and the benefit of the environment.

The Benefit service has really moved forward over the last 12 months and with the appointment of a new benefit manager further improvements have already been seen during the current year. The progress on performance indicators is steady and we will continue to do everything we can to drive the numbers as low as possible for the benefit of our customers. Our work on the recovery of overpayments has been complicated and lengthy at times as many of the debts relate to very aged periods of time where the relevant data is held on an old Council system which few people actually even remember how to use! We have however been able to ensure that all debts prior to 2007 have now been actively addressed and the appropriate actions taken, whilst we have also been able to maintain focus on current year debts to keep things in good order. We will continue to move the age profile of these debts nearer and nearer to this year in order to give us the best chance of recovering the monies and thereby maximise the income raised for the Council. As with Council Tax Capita will continue to look at how it can improve the overall service to its customers and will be working closely with the Council to deliver more electronic service solutions to those residents who are keen to exploit technology for speed of response and the benefit of the environment.

It is pleasing that the hard work of the Exchequer team in Mendip has been acknowledged and we will continue to drive service improvements wherever we can.

The feedback on the FMS is generally positive and Capita will work closely with the Council to make further improvements through systems and training.

Payroll have had a solid year and it is pleasing that there has been no dissatisfaction with the service and no areas of improvement have been highlighted.

Customer services in general have been under a lot of pressure over the last year due to the ongoing economic pressures and whilst Capita would wish to give 100% satisfaction it is pleasing to note the high approval of the face-to-face service provided at Crowmarsh. The area highlighted regarding answering calls within 50 seconds is fair but it should be noted that there will be periods of time throughout the year when sheer volumes of calls will make the target unachievable, during these peak times Capita does everything it can to get to customer calls as quickly as possible but does not speed through existing calls just to try and meet an SLA, each customer is given the appropriate time to resolve their queries satisfactorily and this does mean some will wait longer than we would all desire.

Concessionary fares have had another very good year and continue to provide an excellent service to the residents of the area.

Overall Capita is very pleased with the report and we look forward to working closely with the Council to make further improvements in the coming 12 months.

ANY AREAS WHERE CONTRACTOR DISAGREES WITH ASSESSMENT

For Council Tax, liaison with benefits is listed as a area for improvement, Capita believe that there is a very close working relationship with the benefit team and that joined up working is continually happening, i.e. members of the Havant team do council tax moves, discounts etc. This means both sides are dealt with at the same time and prevents memos and emails flying back and forth between sections. Separate processes are also in place for other situations, such as deceased cases. It is accepted that there have at times been isolated errors but on the whole Capita do not feel that there are any big gaps to fill.

For Benefits, offsite staff and communication has been raised as an area for improvement. Given the major improvements in accuracy and performance all of which are down to the offsite staff and the very regular daily/weekly/monthly service reviews (dependant on subject matter) Capita feel that significant steps have already been taken in this area but would welcome any feedback which may assist us in further improving what we believe is now a robust service.

WHAT COULD / SHOULD THE COUNCIL DO DIFFERENTLY TO ENABLE THE CONTRACTOR TO DELIVER THE SERVICE MORE EFFICIENTLY / EFFECTIVELY / ECONOMICALLY?

The current working relationship is very healthy and robust

Feedback provided by D Keen

Date 2nd November 2011