

Scrutiny Committee Report

Report of Head of ##

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##Cabinet Member responsible: ##

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To: ## SCRUTINY COMMITTEE

DATE: ##

AGENDA ITEM NO
[##]

Performance review of [##]

RECOMMENDATION

That the committee considers [##contractor name]'s performance in delivering the [##service] contract for the period [##period] and makes any recommendations to the Cabinet Member for [##] to enable [##him/her] to make a final assessment on performance.

PURPOSE OF REPORT

1. The report considers the performance of [##contractor] in providing the [##service] in ##South Oxfordshire/Vale of White Horse for the period [##start date] to [##end date].

STRATEGIC OBJECTIVES

2. [##State which strategic objectives the contract helps to achieve and how they help to achieve them.]

BACKGROUND

3. Managing contractor performance is essential for delivering the council's objectives and targets. Since a high proportion of the council's services are outsourced (approximately half the revenue budget is spent on seven main contractors), the council cannot deliver excellent service to its residents unless its contractors are excellent. Working jointly with contractors to review performance regularly is therefore essential.
4. The council's process for managing contractor performance focuses on continuous improvement and action planning. The council realises that the success of the

framework depends on contractors and the council working together to set and review realistic, jointly agreed and measurable targets.

5. The overall framework is designed to be

- A consistent way for the council to consistently measure contractor performance, to help highlight and resolve operational issues.
- Flexible enough to suit each contract, including smaller contracts which may not require all elements of the framework.
- A step towards managing risk more effectively and improving performance through action planning.

OVERVIEW OF THE REVIEW FRAMEWORK

6. The review process consists of three essential dimensions:

1. Performance measured against key performance targets (KPTs)
2. Customer satisfaction with the total service experience
3. Council satisfaction as client.

7. Each dimension is assessed and the head of service makes a judgement of classification. Contractor feedback and an assessment of strengths and areas for improvement are also included. Where some dimensions are not relevant, or difficult to apply fairly to certain types of contract, the framework may be adjusted or simplified at the discretion of the heads of service.

8. [##Describe main contract deliverables, contract value, duration etc]

DIMENSION 1 – KEY PERFORMANCE TARGETS

9. [##Discuss KPTs used to measure contractor performance and summarise performance against KPTs] An analysis of performance against KPTs appears below [and in more detail in Annex A].

KPT ref	Description of KPT	Target	Performance	Individual KPT rating (excellent, good, fair, weak or poor)	KPT rating score (excellent = 5, good = 4, fair = 3, weak = 2, poor = 1)
KPT 1					
KPT 2					
KPT 3					
KPT 4 etc					
Overall "average" KPT performance rating score (arithmetic average)					
Overall "average" KPT performance (excellent, good, fair, weak or poor)					

10. Based on this performance, the head of service has made a judgement on KPT performance as follows:

KPT judgement

Previous KPT judgement for comparison

DIMENSION 2 – CUSTOMER SATISFACTION

11. [##Describe methods used to collect data, sample size, and any qualifying comments (e.g. the sample of 200 users was self-selecting, which is a small proportion of the total usage and thus the statistics should be treated with caution)]. An analysis of customer satisfaction performance appears in Annex B.

12. 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	<3.0	3.0 – 3.399	3.4 – 3.899	3.9 – 4.299	4.3 – 5.0
Classification	Poor	Weak	Fair	Good	Excellent

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

Customer satisfaction judgement

Previous customer satisfaction judgement for comparison

DIMENSION 3 – COUNCIL SATISFACTION

14. [##Discuss client satisfaction and summarise score, mentioning whether it was just the contract monitoring officer most closely associated with the contract who had sufficient knowledge, or whether other officers contributed]. An analysis of council satisfaction performance appears in Annex C.

15. 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	<3.0	3.0 – 3.399	3.4 – 3.899	3.9 – 4.299	4.3 – 5.0
Classification	Poor	Weak	Fair	Good	Excellent

16. Based on this performance, the head of service has made a judgement on council satisfaction as follows:

Council satisfaction judgement

Previous council satisfaction judgement for comparison

OVERALL ASSESSMENT

17. Taking into account the performance of the contractor 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. [Change this last sentence to include reasoning if head of service agrees with Cabinet Member that double weighting is not appropriate]

Overall assessment

Previous overall assessment for comparison

18. [## note – this must be agreed with the Cabinet member in advance]

19. [## mention here any issues of capacity and direction of travel, referring to guidance document]

STRENGTHS AND AREAS FOR IMPROVEMENT

20. Annex D records strengths and areas for improvement relating to the performance of the contractor over the last year. Where performance is below expectations, the contract monitoring officer will agree an improvement plan with the contractor.

CONTRACTORS FEEDBACK

21. 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 council processes. This is included in annex D.

FINANCIAL IMPLICATIONS

22. There are no financial implications arising from this report.

LEGAL IMPLICATIONS

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

CONCLUSION

24. The Head of [##service] has assessed [##contractor]'s performance as “##” for its delivery of the [##contract name] contract. The committee is asked to make any recommendations to the ##Cabinet Member for [##] to enable [##him/her] to make a final assessment on performance.

BACKGROUND PAPERS

25. List any background papers

Annex A – Key performance targets

##

Annex B – Customer satisfaction

##

Annex C - Council satisfaction

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	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2 Response time	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3 Delivers to time	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
4 Delivers to budget	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
5 Efficiency of invoicing	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
6 Approach to health & safety	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
7 *	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
8 *	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

* 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	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
10 Communications / keeping the client informed	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
11 Quality of written documentation	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
12 Compliance with council's corporate identity	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
13 Listening	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
14 Quality of relationship	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

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

Areas for improvement

Annex D - Contractor 360° feedback

CONTRACTOR'S REACTION / FEEDBACK ON COUNCIL'S ASSESSMENT

ANY AREAS WHERE CONTRACTOR DISAGREES WITH ASSESSMENT

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

Feedback provided by

Date

Appendix E – progress of previous year’s action plan

Action	Owner	Due date	Date completed	Contract monitoring office comments

##or##

Appendix E – proposed action plan to improve performance

Action	Owner	Due date