

Agenda



Listening Learning Leading

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A MEETING OF THE

Scrutiny Committee

WILL BE HELD ON **WEDNESDAY 2 OCTOBER 2013** AT 6.00 PM

COUNCIL CHAMBER, SOUTH OXFORDSHIRE DISTRICT COUNCIL OFFICES

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Members of the Committee:

Mrs Celia Collett, MBE (Chairman)

Ms Joan Bland (Vice-Chairman)

Mr Steve Connel

Mr John Cotton

Ms Kristina Crabbe

Mrs Pat Dawe

Mr Will Hall

Mrs Eleanor Hards

Mr Paul Harrison

Ms Elizabeth Hodgkin

Mr Alan Rooke

Mr David Turner

Mrs Margaret Turner

Substitutes

Mr Roger Bell

Mr Felix Bloomfield

Mr David Bretherton

Mr Bernard Cooper

Mr Philip Cross

Mrs Margaret Davies

Mr Leo Docherty

Mr Mark Gray

Mr Tony Harbour

Mr Marcus Harris

Mr Marc Hiles

Ms Lynn Lloyd

Mrs Ann Midwinter

Ms Anne Purse

Mr Robert Simister

Miss Rachel Wallis

Mr Michael Welply

Mrs Jennifer Wood

Mrs Denise Macdonald

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1 Apologies

2 Declaration of disclosable pecuniary interest

3 Minutes

Purpose: to approve the minutes of the meeting on 3 September 2013.
Minutes circulated separately.

4 Performance review of Capita (Financial Services Contract)
(Pages 3 - 44)

Report of the Head of Finance (**attached**)

Purpose: to review the performance of Capita in providing financial services during the review period of 1 April 2012 to 31 March 2013 and make any recommendations to the Cabinet member for finance.

5 Corporate Plan review (Pages 45 - 50)

Report of the Head of Corporate Strategy (**attached**)

Purpose: to consider the results of the year one review of the corporate plan, including an update on progress with the key actions, targets and measures included in the plan.

MARGARET REED

Head of Legal and Democratic Services

Scrutiny Committee Report



Listening Learning Leading

Report of Head of Finance

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To: Scrutiny Committee

DATE: 2 October 2013

Performance review of CAPITA for the period 1 April 2012 – 31 March 2013

RECOMMENDATION

That the committee considers Capita's performance in delivering the eight elements of the financial services contract for the period 1 April 2012 to 31 March 2013 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 2012 to 31 March 2013.

STRATEGIC OBJECTIVES

2. **Strategic Objective - “effective management of resources”**: 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 and it is important to ensure our partnership working with Capita and Vale of White Horse District Council continues to provide improved efficiencies and value for money in these key services to the public.

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 SODC and VWHDC 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 currently 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)			✓
Cashier services	✓		
Customer contact services	✓		

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 six parts:
 - revenues and cash office
 - benefits
 - exchequer (accounts payable, accounts receivable)
 - financial management system
 - customer contact
 - payroll

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 **98.78 per cent** (2011/2012 98.64 per cent) for council tax collection against a target of 98.6 per cent. This was the **best in-year collection rate recorded** (and at least 30th best in the country) 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.
- Capita achieved an in-year collection rate of **98.55 per cent** (2011/2012 98.55 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 (BVPs) in 2007/08). Performance was again affected by the economic situation but it was still a considerable achievement.
- The cash office continued to run smoothly with no issues during the year.

12. Based on this performance the head of service has made a judgement on KPT performance for revenues:

KPT judgement

Excellent

Previous KPT judgement for comparison

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 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 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, Capita will be undertaking its own satisfaction surveys on council tax and business rates in 2013.
17. The council received **17** official revenues (council tax and business rates) complaints during 2012/13 (**48** in 2011/12). The majority of these complaints were dealt with promptly and although two complaints were justified (with costs of £240 being waived), one was resolved at stage one of the complaints procedure with the other being resolved at stage two.
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 over **76 per cent**. This is the second highest achieved by Capita and is higher than most other councils. In addition, Capita undertook an e-billing take up campaign which resulted in **10 per cent** of council taxpayers electing to receive their bills electronically. This equalled the best in the country according to Cipfa benchmarking statistics.
19. Capita undertook an Equalities Impact Assessment (EIA) of the council tax service in 2011/12 and completed some ongoing actions in 2012/13, specifically around raising awareness about council tax discounts/reliefs and targeting older people, people on low incomes and people with disabilities. In addition, all Capita staff spent time reading and gaining a better understanding of the Human Rights Act and completed a mandatory on-line equality and diversity training module. Capita also demonstrated its compliance with the Equality Act and the equality elements of the contract, through the completion of a quarterly monitoring form.
20. Quarterly meetings with the Citizens Advice Bureaux were once again well received and did not raise any concerns in the areas of council tax and business rate collection and enforcement.
21. Capita handled 28,224 council tax telephone calls at its Coventry contact centre during the year (3,242 fewer than 2011/12). It managed to answer **81** per cent of these calls within 20 seconds (the target being 80 per cent). Although the target will not be met where there have been unavoidable bulk mailings, the service is very good during calmer periods. The council received no official complaints regarding the contact centre during 2012/2013.

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
Previous Customer satisfaction judgement for comparison	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 **4.74** 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
Previous Council satisfaction judgement for comparison	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
Previous Overall assessment for comparison	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 8**.

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 **12.27 days** (under the **19 day target**) compared to 17.71 days in 2011/2012. This was the **best ever in-year performance**. Changes in circumstances (the old BVPI 78b measure) came in at **5.50 days** against a very challenging target of **9.5 days**, compared to 8.57 days in 2011/2012. Again, this was the **best ever in-year performance**. **NI 181** (combined new claims and changes processing) came in at an excellent **6.30 days** (and under the **13 day target**) compared to 9.86 days in 2011/2012. This was also **the best ever recorded performance**.
- Capita's focus on getting benefit assessments "right first time" continued during 2012/13. The financial accuracy performance rate for 2012/13 was an excellent **97.18 per cent** (based on the council's statutory checks), an impressive 1.15 per cent improvement upon the 96.03 per cent recorded in 2011/12. This was above the very challenging target of 95 per cent and was the best performance since the inception of the contract (and compared very favourably with our MKOB benchmarking group).
- During 2012/13 the Audit Commission qualified the council's 2011/12 benefit subsidy grant claim for a minor technicality regarding parameter setting, one input error and, a failure to update capital in another case – all of which were accepted. The Audit Commission also confirmed that previous recommendations had been carried out. Once again the council did **not** breach the local authority financial error threshold levels and, as a consequence, was not financially penalised. This was reported to the Audit and Governance Committee meeting on 21 January 2013. It should also be noted that 80 per cent of authorities received qualifications of one type or another.
- Recovery of overpaid benefit, which had in the past been subject to close scrutiny by the council, once again made great strides during 2012/13. During the year old debt reduced by **£410,000** whilst **66 per cent** of all debts raised during 2012/13 were collected, amounting to **£949,000**. 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 £1.660m, 59 per cent of the debt (56 per cent of debtors) was subject to arrangements. This tough and successful collection regime has allowed the council to significantly reduce its bad debt provision.

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

KPT judgement	Excellent
Previous KPT judgement for comparison	Excellent

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. The council did not carry out an annual resident's survey in 2012 and Capita will be undertaking its own satisfaction survey on benefit services in accordance with the financial services contract during 2013 – the last one being undertaken in 2011.
32. The financial services contract with Capita specifies 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 **200** mutual customers at any one time) and external (e.g. Registered Social Landlords – RSLs – who share approximately **3,703** 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 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 where there was demand for them. This increases customer access to the service and is an alternative to home visits.
33. Generally, very positive feedback was received from RSL's and the CABx via regular liaison meetings during 2012/13. The RSL's and CABx were more interested in focusing on forthcoming welfare reforms and didn't have any performance issues to raise during 2012/13. This is always a good yardstick as these organisations predominantly represent the most (and most) vulnerable of our customers.
34. Capita handled **13,858** benefit telephone calls at its Coventry contact centre during the year (over **6,600 less than in 2011/12**). It managed to answer **81** per cent of these calls within 20 seconds (the target being 80 per cent). Although the target may not be met on occasions (usually when there have been unavoidable bulk mailings) and where there seems to be a lack of understanding with complex queries, the service is generally very good during calmer periods. The council received no official complaints regarding the contact centre during 2012/2013 in respect of benefit calls.
35. Capita continued with the council's Equality Impact Assessment (EIA) tasks which advance equal opportunities for people protected by the Equality Act. During 2012/2013 tasks included holding surgeries where applicable; publicising legislative changes; and, promoting benefits to minority groups through the

“Embrace” publication. This should help inform our customers and help increase customer satisfaction in certain areas and groups. Capita also demonstrated its compliance with the Equality Act and the equality elements of the contract, through the completion of a quarterly monitoring form; the collection of equality monitoring data; and, all Capita staff spent time reading and gaining a better understanding of the Human Rights Act and completed a mandatory on line equality and diversity training module.

36. There were six official complaints, **none** of which were justified (compared to 15 and nine justified in 2011/2012). Five were dealt with at stage one of the complaints procedure with the other being resolved at stage two.

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

Customer satisfaction judgement	Good
Previous Customer satisfaction judgement for comparison	Good

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 **4.79** 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
Previous Council satisfaction judgement for comparison	Excellent

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	Excellent
Previous Overall assessment for comparison	Excellent

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.

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 8**.

EXCHEQUER – ACCOUNTS PAYABLE AND ACCOUNTS RECEIVABLE

Dimension 1 – Key performance targets (KPTs)

43. **Accounts Receivable** – maximising sundry debt collections was a key theme of the financial services procurement and during 2012/13 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 **£51k** compared to the previous year’s best ever of £109k and the debt of in excess of £1m at the commencement of the contract. This was a tremendous achievement.
44. Capita’s performance in issuing (14,377) invoices within two working days of instructions from cost centres was 99.6 per cent. Capita hit 100 per cent performance for the production of (2,051) reminders after 14 days (over 4,500 less than in 2011/12) and 450 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 write-off of unrecoverable debts were processed promptly.
45. From 1 May 2012, Capita took on the administrative functions relating to the garden waste service from its Mendip base. One of the reasons behind this was to maximise the number of customers paying for the service. This involved writing to all non direct debit customers to get them to switch to direct debit. To manage this process, the conversion period was carried out over 12 months and meant Capita wrote to 100 customers daily. In total, Capita wrote to 12,003 customers resulting in over **92 per cent** converting to direct debit. Capita took 16,488 calls during the process and issued 22,216 garden waste invoices. In addition Capita completed a weekly direct debit run to maximise collections.
46. This service area continues to be closely monitored by the council and we are seeing excellent results with cost centre managers also taking more responsibility in recovering the debts that they raise.
47. **Accounts Payable** - Capita continued 2012/13 where it left off at the end of 2011/2012. 100 per cent of (6,452) invoices received were scanned and distributed to service teams within 48 hours and 100 per cent of (15) 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 2012/2013 was an impressive **98.72 per cent**.
49. Based on this performance the head of service has made a judgement on KPT performance for exchequer as follows:

KPT judgement	Excellent
Previous KPT judgement for comparison	Excellent

Dimension 2 – Customer satisfaction

50. **Accounts payable** – Capita’s excellent performance in the accounts payable process was maintained in 2012/13. 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 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 no complaints were received.
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	Excellent
Previous Customer satisfaction judgement for comparison	Excellent

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 **4.89** 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
Previous Council satisfaction judgement for comparison	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
Previous Overall assessment for comparison	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

60. 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 8**.

FINANCIAL MANAGEMENT SYSTEM (FMS)

Dimension 1 – Key performance targets (KPTs)

61. System availability. The availability of the Agresso system has remained good throughout the period; there have been no major unannounced periods of system non-availability that have inconvenienced users.
62. 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. The contractor has continued to be of assistance in supporting the council's internal transfer of responsibilities to the finance team. Transfer to local CITRIX has improved the availability and response times.
63. Training for report writing. The training issues raised previously are being addressed locally with minimal contractor involvement and buy in.
64. Upgrade of Agresso. The upgrade to Agresso version 5.5.3 has continued to prove reliable with better functionality and reliability. As mentioned above, use of local CITRIX has helped the printing issues.
65. Although no KPTs are laid down for the FMS part of the contract, the estimated assessment of this dimension is "excellent".

[Notional] KPT judgement

Excellent

Previous KPT judgement for comparison

Good

Dimension 2 – Customer satisfaction

66. Accountancy is the primary customer for the financial management system. Service departments only use the web based version of Agresso. There has been no negative feedback received from the service departments and they remain satisfied with the general service provided, system availability and response to queries.
67. Accountancy services principally use the "back-office" live system. Routine use of the financial management system causes no issues. With the reconciliations, clarification over the timetables and reporting terminology has improved the statistics and there has been a marked improvement in the reconciliation response times.
68. On occasions the contractor could be more proactive on problem solving and resolution. Once an issue is raised, these are resolved satisfactorily; what would be helpful if lessons learned from their other client contracts could be readily shared and integrated into this contract.
69. Taking the whole year's performance into account, the performance is "good". Again, as with dimension one above, the direction of travel is one of continued improving performance.

Customer satisfaction judgement

Good

Previous Customer satisfaction judgement for comparison

Good

Dimension 3 – Council satisfaction

70. 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**.

71. This produced a score of **4.4** (last year was 3.9) out of a maximum score of **5.0**.

Council satisfaction judgement

Excellent

Previous Council satisfaction judgement for comparison

Good

Overall assessment

72. Performance is continually improving. The contractor/client relationship is probably the best it has been for a long time and the willingness of the contractor to engage in finding solutions (once issues are raised) to issues is encouraging.

73. We are pleased to note that the efforts made last year around the upgrade have continued to reap benefits for both the client and the contractor.

74. As with last year’s report, the client accountancy team consider the staff and support from the contractor’s team in Mendip to be helpful, polite and efficient 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.

75. 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

Excellent

Previous Overall assessment for comparison

Good

Strengths and areas for improvement

76. **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

77. 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 8**

PAYROLL

Dimension 1 – Key performance targets (KPTs)

78. Capita has been providing a payroll system and its administration since January, 2007. Up until February 2012 the council fulfilled the payroll inputting function. Since February 2012 Capita has provided the whole service.
79. 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. There have been only a few very minor errors made and the majority of these were due to problems with the data being fed to Capita and not errors made by Capita itself.
80. Given the number of changes Capita handle each year this performance is very pleasing. Based on this performance the head of service has made a judgement on KPT performance for payroll as follows:
81. Based on this performance the head of service has made a judgement on KPT performance for payroll as follows:

KPT judgement	Excellent
Previous KPT judgement for comparison	Excellent

Dimension 2 – Customer satisfaction

82. Satisfaction is covering the period April 2012 to March 2013. 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.
83. No customer complaints were received specifically as a consequence of Capita's actions.
84. Based on this performance, the head of service has made a judgement on customer satisfaction for payroll as follows:

Customer satisfaction judgement	Excellent
Previous Customer satisfaction judgement for comparison	Excellent

Dimension 3 – Council satisfaction

85. 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.
86. The working relationship between Capita, HR and finance has continued to develop well. Questions thrown up as part of the monthly checking of the payroll

are dealt with effectively and efficiently by Capita. It also responds to requests for information (e.g. maternity calculations) within the agreed timeframe.

87. This (Appendix 6) produced a score of 4.95 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	Excellent
Previous Council satisfaction judgement for comparison	Excellent

Overall assessment

88. 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
Previous Overall assessment for comparison	Excellent

Contractor's feedback

89. 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 8**.

CUSTOMER CONTACT

90. This element of the contract is managed by Geoff Bushell, performance, projects and customer services manager.

91. Capita first took on the management of South's reception and switchboard services on 16 April 2007, and the measurement of performance against targets began on 31 July 2007.

Dimension 1 – Key performance targets (KPTs)

VISITORS AND SWITCHBOARD

92. In 2012/13, Capita answered 43,700 calls to the council (2011/12: 52,300) via its Coventry call centre, and processed 26,800 visitors (2011/12: 32,500) to Crowmarsh reception. The year on year fall in volumes reflects the increasing availability of online services for most council transactions, and Capita's proactive raising of awareness of callers and visitors to internet self service options that don't require calling or visiting the council.

93. Performance of the switchboard team against the key performance targets has remained steady for the past year. Comparisons with 2011/12 appear in the table below. Abandoned calls have averaged 3.5 per cent, which remains well within the Service Level Agreement (SLA) of five per cent. The percentage of calls answered within 20 seconds (an industry standard benchmark) was 93.8 percent, and remained well above the 80 per cent SLA throughout 2012/2013. The less important legacy SLA target number of calls unanswered within 50 seconds has been measured outside this assessment as the target has we've agreed with Capita that the target has always been unrealistic to meet with the current level of switchboard resourcing.

94. The front of house team has performed strongly, and monthly reports show that visitors are seen promptly with performance exceeding SLA for visitors seen within two minutes.

95. In the later months of the contract period, Vale of White Horse District Council invited Capita to quote for an outsourced customer service function similar to South's, with potential economies through operating both in a similar way. This was agreed in April 2013, after informal agreement with South's Cabinet, and implemented on 1 July 2013. Its effect on South is to make minor changes to the SLA, to introduce interactive voice response (IVR) on the switchboard, for customers to save time by pushing a button to be put through to the service of their choice, and to introduce a more structured programme of encouraging customers to self serve by internet and phone without needing to come into the office. These improvements in customer service need fewer staff to operate, and thus they will offer savings of £32,000 to South over the remaining three years of the contract. Although all this is outside the time period of this review, Initial performance of these new arrangements is being carefully monitored, and will be reported on in detail this time next year.

96. The table below shows performance against the SLA for the period 1 April 2012 to 31 March 2013. First contact resolution is no longer a relevant target, as Capita staff are not expected to resolve all enquiries, only to signpost them to council departments. The three SLAs which are now less relevant are indicated by italics

and shading, and have been accorded a zero weighting in calculating the overall average KPT performance rating score. Individual KPT rating is calculated according to the guidance accompanying the contractor review process, as itself previously reviewed by the Scrutiny Committee.

KPT ref	Description of KPT	Target	Performance 2012/13	2011/12 performance for comparison	Trend	Individual KPT rating (excellent, good, fair, weak or poor)	KPT rating score (excellent = 5, good = 4, fair = 3, weak = 2, poor = 1)
KPT 1	Abandoned call rate	5%	3.5%	3.8%	Better	Excellent	5
KPT 2	Calls answered within 20 seconds	80%	87.0%	85.4%	Better	Excellent	5
<i>KPT 3</i>	<i>Calls answered within 50 seconds</i>	99%	92.0%	90.8%	<i>Better</i>	<i>Fair</i>	3
<i>KPT 4 etc</i>	<i>First contact resolution</i>	80%	<i>No longer relevant to measure</i>	-	-	-	-
KPT 5	Personal callers seen within 2 minutes of arrival	80%	99.6%	99.8%	About the same	Excellent	5
KPT 6	Personal callers seen within 5 minutes of arrival	100%	99.9%	99.9%	Same	Good	4
<i>KPT 7</i>	<i>First contact resolution</i>	80%	<i>No longer relevant to measure</i>	-	-	-	-
Overall "average" KPT performance rating score (allowing for zero weighting of shaded italic KPTs)							4.75
Overall "average" KPT performance (excellent, good, fair, weak or poor)							Excellent

97. Based on this performance, and excluding the three KPTs which are no longer relevant (which had been included the previous year) the Head of HR, IT and Customer Services has made a judgement on KPT performance as follows:

KPT judgement

Excellent

Previous KPT judgement for comparison

Excellent

Dimension 2 – Customer satisfaction

98. We use a range of methods to measure customer satisfaction with the service. This includes both direct feedback questionnaires collected from customers immediately after their visit and analysis of complaints, and a postal and online survey of citizens' panel members (carried out every two years).

Visitors

99. Customer feedback forms are displayed in the reception area, and staff are asked to encourage customers to provide feedback before leaving. Between April 2012 and March 2013, 408 feedback forms were completed. A good mixture of men and women, and people of different age groups and ethnicities took part as well as customers with disabilities.

100. Customers were asked 'Overall, how satisfied were you with the way in which your enquiry was handled at reception?' Of those who took part, 97 per cent were satisfied (2011/12: 96 per cent) and two per cent (2011/12: three per cent) were dissatisfied overall as shown below.

	Very satisfied	Satisfied	Neither satisfied or dissatisfied	Dissatisfied	Very dissatisfied
2012/13*	90%	7%	1%	1%	1%
2011/12	85%	11%	1%	1%	2%

(*Base: 408 completed customer feedback forms)

101. Other feedback collected also suggests very high levels of satisfaction with the following aspects of service provision; 'being polite', 'being welcoming', 'being professional', 'being helpful', 'greeting you with a smile', 'having a good attitude'. The score for each of these criteria was between 98 and 100 per cent of customers being satisfied or very satisfied. Only four people said their needs were not met in a positive manner at reception. Over 97 per cent of customers were satisfied or very satisfied with waiting times. The majority who took part said they were seen by reception staff straight away with just 15 people in the whole year saying they had to wait more than five minutes. By industry standards, these results collectively represent extremely high customer satisfaction.

102. A residents' panel survey was carried out independently (by Plus Four Market Research Limited) in March 2013. Not very many of those on the panel had used face-to-face visitor services, so the sample size is relatively low at 34. Respondents were asked "how satisfied or dissatisfied were you with the service received?" and gave the following results:

	Very satisfied	Satisfied	Neither satisfied or dissatisfied	Dissatisfied	Very dissatisfied
2012/13	44%	38%	12%	0%	6%

(Base: 34 postal and online residents' panel survey forms, Q12)

Switchboard

103. The residents' panel survey also included the question "if you contacted the council's switchboard on 01491 823000, how satisfied or dissatisfied were you with the way the switchboard handled your enquiry?" Seventy-nine panel members had used this service, and gave the following results:

	Very satisfied	Satisfied	Neither satisfied or dissatisfied	Dissatisfied	Very dissatisfied
2012/13	52%	30%	11%	5%	1%

(Base: 79 postal and online residents' panel survey forms, Q6b)

Overall

104. During 2012/13 (as in 2011/12), no customer complaints were received about the switchboard or front of house service.

105. The combined customer satisfaction (taking into account the different sample sizes) from the above three tables is:

	Very satisfied	Satisfied	Neither satisfied or dissatisfied	Dissatisfied	Very dissatisfied
2012/13	82%	12%	3%	1%	2%

106. Using the calculation formula in the guidance accompanying this process the overall customer satisfaction score is 4.71 out of 5.0. This is a very high score. The Head of HR, IT and Customer Services has made a judgement on customer satisfaction as follows:

Customer satisfaction judgement

Excellent

Previous Customer satisfaction judgement for comparison

Excellent

Dimension 3 – Council satisfaction

107. An analysis of council satisfaction performance appears in Appendix 8, as judged by the customer service contract manager in consultation with relevant colleagues.

108. This produced a score of 4.2 out of a maximum score of 5.0 – the same as last year. 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

Previous Council satisfaction judgement for comparison

Good

Overall assessment

109. Taking into account the performance of Capita against KPTs, customer satisfaction and council satisfaction, the Head of HR, IT and Customer Services 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

Excellent

Previous Overall assessment for comparison

Excellent

Strengths and areas for improvement

110. Appendix 7 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

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 council processes. This is included in for the contract as a whole in Appendix 8.

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 Operational 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** (11/12 – excellent)
- Benefits – **excellent** (11/12 – excellent)
- Exchequer (accounts payable, accounts receivable) – **excellent** (11/12 – excellent)
- Financial management system – **excellent** (11/12 good)
- Payroll – **excellent** (11/12 excellent)
- Customer Contact – **excellent** (11/12 excellent)

There has once again been an improvement in the quality of the financial services provided by Capita during 2012/13 – it has definitely been the best year since the inception of the contract and Capita should be congratulated. The FMS service improved on its assessment and Benefits saw another marked improvement with all speed of processing targets producing all time bests and financial accuracy improving once again. Collection of council taxes also provided a best ever performance standard. The governance process will continue to vigorously monitor the contract, and this, along with the commitment pledged by Capita management should help maintain and improve service provision in the future.

Performance Targets	2011/12 Target	2011/12 Achieved	2012/2013 Target	2012/2013 Achieved
Percentage of Council Tax collected	98.60%	98.64%	98.60%	98.78%
Percentage of NNDR collected	99.40%	98.55%	99.40%	98.55%
Average time (days) for processing new benefit claims.	19	17.84	19	12.27
Average time (days) for processing benefit changes in circumstances	9.5	8.63	9.5	5.50
NI181 Average time (days) for processing new claims and changes in circumstances	13	9.86	13	6.30
Financial accuracy of benefit assessments	95%	96.03%	95%	97.18%

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

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 *					

* 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) | <input type="checkbox"/> |
| 2. Updated risk register (Yes / No) | <input type="checkbox"/> |
| 3. Annual business plan (Yes / No) | <input type="checkbox"/> |
| 4. Updated business continuity plan (Yes / No) | <input type="checkbox"/> |

Strengths and areas for improvement

Strengths

Revenues management and support to the manager
Knowledge and commitment of staff
e-Government initiatives

Areas for improvement

Supporting information for invoices

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	15	3	1	0	0	19

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	15	X 5	75
Satisfied	4.3	3	X 4	12
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		90
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Calculation: $90 \div 19 = 4.74$

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

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 *					

* 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) | <input type="checkbox"/> |
| 2. Updated risk register (Yes / No) | <input type="checkbox"/> |
| 3. Annual business plan (Yes / No) | <input type="checkbox"/> |
| 4. Updated business continuity plan (Yes / No) | <input type="checkbox"/> |

Strengths and areas for improvement

Strengths	Equality awareness
	Surgeries/home visiting
	Keenness of staff
	e-Government initiatives

Areas for improvement Welfare reform policy input

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	16	2	1	0	0	19

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	16	X 5	80
Satisfied	4.3	2	X 4	8
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		91
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Calculation: $91 \div 19 = 4.79$

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					

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) | <input type="checkbox"/> |
| 2. Updated risk register (Yes / No) | <input type="checkbox"/> |
| 3. Annual business plan (Yes / No) | <input type="checkbox"/> |
| 4. Updated business continuity plan (Yes / No) | <input type="checkbox"/> |

Strengths and areas for improvement

Strengths	Processing of standard basic functions for AP and AR
	Keeness and helpfulness of staff
	Management of brown bin administration process
Areas for improvement	Telephone contact (although infrequent)

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	17	2	0	0	0	19

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	17	X 5	85
Satisfied	4.3	2	X 4	8
Neither satisfied or dissatisfied	3.9	0	X 3	0
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total	20			93
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Calculation: $93 \div 20 = 4.89$

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

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		√			

* 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) | Yes |

Strengths and areas for improvement

Strengths	<p>Good relationships with System Administration team at Mendip</p> <p>The goodwill generated by the Capita staff, both locally at South and also at Mendip is often indispensable to the smooth running of the systems</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 and understanding the client's needs;

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	9	10	1	0	0	20

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	9	X 5	45
Satisfied	4.3	10	X 4	40
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		88
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Calculation: $88 \div 20 = \underline{4.4}$

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

Payroll

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 *					

* 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
	18	1	0	0	0	19

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	18	X 5	90
Satisfied	4.3	1	X 4	4
Neither satisfied or dissatisfied	3.9	0	X 3	0
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total	19			94
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Calculation: $94 \div 19 = 4.95$

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

Review of Performance of Switchboard and Reception Services

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 *					
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 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		✓			

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths	<p>The front of house team delivers a good professional service to customers, and has proved to be flexible during the launch of new initiatives. Capita's customer service manager keeps the council's customer service contract manager well informed and always demonstrates a desire to offer a high quality service. The feedback from customer feedback forms is excellent.</p> <p>The switchboard service is generally efficient and meets all SLAs except those now deemed irrelevant.</p> <p>There have been no customer complaints this year.</p>
Areas for improvement	<p>The council's customer service contract monitoring officer would like to see a more timely approach to the reporting of key performance indicators (agreed to be received ten days after a period end) which have sometimes needed chasing.</p> <p>While Capita meets its duties of equalities monitoring and health and safety, the council would welcome a more responsive approach to ad-hoc requests from other council officers e.g. on documentation relating to the above topics.</p>

Council satisfaction calculation

Very satisfied (scores 5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Number of items assessed
6	9	3	0	0	18

Calculation	Range	Number of items	Calculation	Total weighted
Very satisfied	5.0	6	X 5	30
Satisfied	4.3	9	X 4	36
Neither satisfied or dissatisfied	3.9	3	X 3	9
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total		18		75
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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	<3.0	3.0 – 3.399	3.4 – 3.899	3.9 – 4.299	4.3 – 5.0
Classification	Poor	Weak	Fair	Good	Excellent

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 had another difficult yet ultimately very satisfying year and it is nice to see the hard work and dedication of the team recognised by the Council. The year ahead will offer new challenges due to some changes in Council policy but we look forward to meeting those head on. We will also be opening up new customer service offerings which will allow local residents to interact with the team via specially developed on-line forms, this should allow queries and changes of circumstances to be logged with the team 24 hours a day and should lead to a more efficient end to end process for the customers.

The Benefit service made huge strides forward during the year despite the ever increasing volume of work generated by the Department for Work and Pensions (DWP). The 13/14 year presents some significant challenges due to the Governments many and varied welfare reform measures all of which create extra work for the team. There is also the ongoing concern about the introduction of Universal Credit and the transfer of work from the Council to the DWP, this transfer ultimately means people will lose their jobs so it will be difficult to keep the staff motivated when their future is uncertain. As with revenues we will be opening up on-line service offerings for benefits during the coming year with the aim of improving the overall customer experience.

The transfer of the two new services (Garden Waste & Payroll) were made very easy to handle thanks to the effective working relationship with Council officers and Capita looks forward to further developing these areas where possible.

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. We will specifically be focusing on deploying technology lead improvements which should lead to better service availability for all residents.

Any areas where contractor disagrees with assessment

This assessment is a very fair reflection of our 12/13 performance and we will continue to work on the areas identified for improvement by the Council.

What could / should the Council do differently to enable the contractor to deliver the service more efficiently / effectively / economically?

Capita is very happy with the current relationship which has become much more of a partnership approach to service delivery. Most officers are very supportive about suggested process changes which will help deliver ongoing improvements for the years to come.

Feedback provided by D Keen

Date 11 September 2013

Scrutiny Committee Report



Report of Head of Corporate Strategy

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To: Councillor Ann Ducker

DATE: 2 October 2013

Corporate Plan 2012-2016 - year one review

Purpose of Report

1. This report sets out the results of the year one review of the corporate plan. It provides an update on progress with the key actions, targets and measures included in the plan.

Strategic Objectives

2. The Corporate Plan 2012 -16 provides a framework for the allocation of resources and to guide the council's decisions over the lifetime of the plan to ensure that the Council achieves its strategic objectives and corporate priorities.

Background

3. The plan was developed following widespread consultation with residents and stakeholders. It is a key document which describes our vision, strategic objectives and corporate priorities. For each of our strategic objectives and corporate priorities, key targets, actions and measures show how they will be achieved and measured.

Progress in 2012/13

4. We have made good progress in delivering on our corporate plan commitments in year one. A summary of progress in 2012/13 against measures, actions and targets in the corporate plan is attached in appendix one. Scrutiny Committee is invited to comment on progress made to date.

Financial Implications

5. There are no direct financial implications arising from this report.

Legal Implications

6. There are no direct legal implications arising from this report.

Conclusion

7. We have made good progress in delivering the council's strategic objectives and corporate priorities in the first year of the new corporate plan as set out in appendix one to this report.

Background Paper

- Corporate Plan 2012 – 2016

Appendix One – South Oxfordshire District Council Corporate Plan year one progress 2012/13

1. This report seeks to give the highlights of progress made against the corporate plan covering the period 2012 to 2016. As with any long term plan much of year one is about gaining appropriate base line data to agree key targets. We will continue to monitor progress against targets to ensure efficient delivery.

STRATEGIC OBJECTIVE: EXCELLENT DELIVERY OF KEY SERVICES

2. Customer Service Excellence: though there has been some delay in the original time frame, a new action plan is in progress and our new target for corporate assessment is spring 2014.
3. Await results of future resident's survey in 2013 to measure progress against targets set for:
 - increasing the percentage of people satisfied with the way the council runs things (from 73 per cent to 78 per cent by 2016)
 - increasing the percentage of people who say they feel informed by the council about the services it provides (from 73 per cent to 77 per cent by 2016).
4. Recycling rates have decreased this year, which mirrors the national picture. Our rate has fallen from 68.2 per cent to 65.3 per cent though we are still one of the top councils in the country for recycling. We have introduced two new services: a doorstep collection of batteries and bring banks for the disposal of small electrical items. A district wide and targeted communications campaign is also planned to try to halt the downward trend.
5. We are on track to achieve our target of five percent reduction in fly tipping by 2016, with a 17.8 per cent reduction compared to last year.
6. Base line data has been collected from the resident's survey 2011 and targets set for the percentage of people who are satisfied with provision of sports and recreational activity. Targets for future years are: 2013/14 – 66 per cent, 2014-/15 – 66 per cent and 2015/16 – 68 per cent. Whilst 64 per cent of people say they are satisfied with the provision of sports and leisure facilities this is one per cent down on the target set as part of the resident's survey findings, 2011.
7. Our leisure contractor achieved a rating of 'good' in their contractor review of performance.

STRATEGIC OBJECTIVE: EFFECTIVE MANAGEMENT OF RESOURCES

8. The council tax was reduced by 2.5 per cent in line with the agreed target.
9. We reduced CO2 emissions across the council operations by 22.5 per cent last year against a target of 30 per cent. The current carbon management programme has now come to an end. Our plan to develop a new energy reduction plan is delayed as this is dependent upon being able to agree energy saving targets in the leisure contract; Biffa implementing bio fuels on the waste contract and decisions on office accommodation. As a result this will be in place by the end of March 2014.
10. There has been a reduction of nine per cent in business mileage across both councils in the year and a joint target of five per cent reduction is proposed for 2013/14.
11. Examples of joint working include the procurement of a joint leisure management contract which is currently underway whilst 2012/13 sees the completion of the fifth year of energy reduction through joint working.

STRATEGIC OBJECTIVE: MEETING HOUSING NEED

12. The core strategy was adopted in December 2012 and has identified sufficient land supply to meet the current five year housing needs requirement. Progress will be reported in the annual housing supply statement in July 2013. The Local Development scheme will be reviewed by Cabinet in Quarter 2 2013/14 and a decision will be made as to when to prepare a Didcot Area Action Plan for consultation.
13. Targets for determining major and minor planning applications have been revised in line with national targets (60 per cent and 65 per cent respectively). Our performance to date is 63 per cent and 60 per cent respectively.
14. The council's policy on the Community Infrastructure Levy is scheduled for review by Cabinet in summer 2013 after undertaking public consultation
15. Projections for affordable housing schemes completed in year plus agreed sites either under construction or due to start are:
 - 68 per cent rented achieved against a target of 75 per cent
 - 35 per cent shared ownership achieved against a target of 25 per cent.

These figures reflect the fact that the secured mix for Great Western Park is 70 per cent shared ownership properties.

16. During 2012/13 four new developments have commenced. The officer development delivery group is in place and monitoring all sites, key actions include: setting internal targets for completion of S106 administration; working with developers to understand site blockages and proposing solutions; securing

registered providers to work alongside developers to deliver affordable housing and reporting on sites to cabinet members.

17. New neighbourhood development plans are in preparation for Woodcote, Chalgrove and Benson whilst Thame have completed their plan.

STRATEGIC OBJECTIVE: BUILDING THE LOCAL ECONOMY

18. Progress of market town action plans is on target and reviewed regularly. The retail vacancy rate in our market towns is 5.9 per cent, well below the national average of 11.4%.
19. The project programme for phase two of the Orchard Centre Didcot has been revised to reflect the longer than anticipated negotiations to secure big name retailers, due in part to the economic outlook. This in turn has delayed the compulsory purchase negotiations with existing retailers. A planning application will be submitted once the retailers have been secured.
20. The site for the new Didcot leisure centre has been identified and land acquisition negotiations are underway. The feasibility study and public consultation work is underway later than planned, however, this will not delay the overall delivery date.
21. The number of new local units in VAT / PAYE based enterprises has increased (two per cent) but this is lower than the English average increase (2.6 per cent).
22. Businesses were encouraged to take part in the Oxfordshire County council's (OCC) OXonline survey so that their needs could be taken into account as part of the county procurement process. We are currently awaiting the outcome of the OXonline project.
23. New businesses have located to the Enterprise Zone. 100 new jobs have been created. Milton Park has completed 2,300 sq m of offices and workshops. Harwell has completed 5,200 sq m of offices and workshops. The first report on business rate growth will be issued later in 2013 a year on from the baseline targets set in September 2012.
24. £7m has been allocated to fund infrastructure to support delivery in the Enterprise Zone. This funding originated from the growth in business rates in the Zone.
25. South residents feel very safe walking alone in their community in the daytime (99 per cent) and after dark (90 per cent), an improved picture based on the resident's survey 2011. The annual community safety report which monitors performance against the community safety strategy in detail, will be published in summer 2013.
26. The value of the visitor economy in South Oxfordshire increased by 0.2 per cent between 2010 and 2011 (latest figures) however this was lower than the original target of five per cent. A new measure to increase the number of page views to

www.southernoxfordshire.com by 20 per cent year on year, has been adopted as a more relevant and realistic reflection of visitor interest in South Oxfordshire.

STRATEGIC OBJECTIVE: SUPPORT FOR COMMUNITIES

27. The planning service structure is under review to establish 'planning champions', to work with Parish Councillors to support and provide advice on local planning enforcement issues. Thame has been identified as a pilot parish.
28. The council awarded a total of £1,051,841 in funding to 26 organisations for revenue funding, 15 capital projects and to 35 young people. In addition, £250,000 was awarded from new homes bonus funding for a community project in a parish accommodating a new housing development. 96 per cent of the £463,932 of CIF grants awarded have now been paid against a target of 85 per cent.
29. The council has supported the development and completion of five Community Led Plans (CLP) at Drayton St Leonard, Berinsfield, Sandford on Thames, Shiplake and Tiddington. With the help of the Oxfordshire Rural Community Council (ORCC) and OCC, a CLP actions audit is underway; as a result targets will be set by October 2013 for the number of CLP actions the council can help support the implementation of.
30. The electoral arrangements for the District Council have been revised by the The Local Government Boundary Commission, which recommended the District Council should be represented by 36 councillors, 12 fewer than at present, this change is due to come into effect for the May 2015 elections.
31. Local neighbourhood groups have been provided with information and advice about developing Neighbourhood plans on the Council website. The message has and will continue to be reinforced at the Annual Town and Parish Forum and briefings sessions through out the year.