

Agenda



Listening Learning Leading

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Date: 8 September 2014

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A MEETING OF THE

Scrutiny Committee

WILL BE HELD ON TUESDAY 16 SEPTEMBER 2014 AT 6.00 PM

COUNCIL CHAMBER, SOUTH OXFORDSHIRE DISTRICT COUNCIL OFFICES

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Members of the Committee:

Mr David Turner (Chairman)

Ms Joan Bland (Vice-Chairman)
Mrs Celia Collett, MBE
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
Mrs Margaret Turner

Substitutes

*Mr Roger Bell
Mr Felix Bloomfield
Mr David Bretherton
Mrs Dorothy Brown
Mr Bernard Cooper
Mr Philip Cross
Mrs Margaret Davies*

*Mr Leo Docherty
Mr Mark Gray
Mr Tony Harbour
Mr Marcus Harris
Mr Marc Hiles
Mrs Ann Midwinter
Mrs Denise Macdonald*

*Ms Anne Purse
Mr Robert Simister
Miss Rachel Wallis
Mr Michael Welply
Mrs Jennifer Wood*

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much notice as possible before the meeting.

1 Apologies

2 Declaration of disclosable pecuniary interest

3 Minutes of the previous meeting

Purpose: to approve the minutes of the meeting on 22 April 2014
Minutes previously circulated.

4 Performance Review of GLL Leisure 2013/14 (Pages 5 - 28)

To receive the report of the head of economy, leisure and property.

5 Performance Review of Capita (Pages 29 - 78)

To receive the report of the head of finance.

6 Review of Flooding in South Oxfordshire

Update to be provided at the meeting by technical and facilities manager, together with representatives of partner agencies.

Update to include list of key parishes affected and the capital programme for future flood alleviation/ prevention works.

7 Financial outturn to March 2014 (Pages 79 - 96)

To consider the head of finance's report.

8 Work Programme (Pages 97 - 104)

To consider the indicative work programme for Scrutiny Committee

MARGARET REED

Head of Legal and Democratic Services

Scrutiny committee report

Report of head of economy leisure and property

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To: SCRUTINY COMMITTEE

DATE: 16 September 2014



2013/14 performance review of GLL

RECOMMENDATION

That the committee considers GLL's performance in delivering the leisure management contract for the period 2013/14 and makes any recommendations to the cabinet member for leisure, grants and community safety to enable him to make a final assessment on performance.

PURPOSE OF REPORT

1. The report considers the performance of GLL in providing the leisure management service in South Oxfordshire for the period 1 April 2013 to 31 March 2014.

STRATEGIC OBJECTIVES

2. The review of GLL helps ensure that the council is achieving its strategic objectives in the following areas:
 - excellent delivery of key services - deliver high performing services with particular emphasis on ensuring good quality sports and leisure provision
 - effective management of resources - reducing energy usage throughout the council's operations and continue to work in partnership with Vale of White Horse District Council to extend the sharing of services and all resources.

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. The contract with GLL ran from 1 April 2009 until 31 August 2014. The value of the contract to the council increased since its commencement, due to major facility improvements at Park Sports Centre and Thame Leisure Centre, and the transfer of the swimming pool at Thame Leisure Centre from Thame Town Council to South Oxfordshire District Council. GLL provided a comprehensive programme of activities and opportunities for residents and visitors to South Oxfordshire to enjoy sporting and leisure facilities. It operated facilities in Berinsfield, Didcot, Henley, Thame, Wallingford and Wheatley on behalf of the council through a management contract and service specification document. Within these documents were a series of key performance targets, which helped to demonstrate the achievement of the contractor in delivering important parts of the service. These targets are summarised in paragraph 11 of this report and are detailed in annex A of this report.
9. The main deliverable within the contract, which provided a minimum income to the council of £217,566 each year, was to increase participation in the council's leisure facilities and it sought to provide a varied programme of activities to cater for different age groups and preferences.
10. The contract expired on 31 August 2014, which was in line with the contract expiry dates of the leisure management contracts in the Vale of White Horse. The procurement process relating to a new joint contract is now complete with GLL being

awarded a new ten year contract to manage the facilities in both South Oxfordshire and Vale of White Horse districts from 1 September 2014. In line with the performance reporting process, the next report of this kind will be in 2016; however, officers will monitor and challenge GLL to ensure that action plans and service levels continue to be improved upon while the new contract is established.

DIMENSION 1 – KEY PERFORMANCE TARGETS

11. There are ten key performance targets (KPTs) measured on this contract. An analysis of performance against KPTs appears below (and in more detail in Annex A of this report).

| 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 | Increase total visits | 2% | -10.7% | Poor | 1 |
| KPT 2 | Increase physical activity usage | 2% | -12.3% | Poor | 1 |
| KPT 3 | Increase U16 dry course visits | 2% | -38% | Poor | 1 |
| KPT 4 | Increase wet course visits | 2% | 5.4% | Excellent | 5 |
| KPT 5 | Reduce energy usage: electricity gas | -3% -3% | -3.5% -7.5% | Excellent Excellent | 5 5 |
| KPT 6 | Increase GP referral clients | 8% | 56% | Excellent | 5 |
| KPT 7 | Decrease S/V (subsidy per visit) | -£4.01 | -£6.27 | Excellent | 5 |
| KPT 8 | Increase in community leisure cards | 3% | 7.5% | Excellent | 5 |
| KPT 9 | Decrease operating cost per visit | £ 3.13 | £3.01 | Excellent | 5 |
| KPT 10 | Total internet bookings as a percentage of casual bookings | 25% | 31.2% | Excellent | 5 |
| Overall "average" KPT performance rating score (arithmetic average) | | | | | 3.91 |
| Overall "average" KPT performance (excellent, good, fair, weak or poor) | | | | | good |

12. These targets were agreed at the start of the year using the actual achievements from the previous year as the baseline. The targets were set lower than the previous year to take account of the actual results in 2012/13 and reflect anticipated trends at the start of the year. The achievement by GLL in last year's performance report resulted in scores that achieved an overall average KPT score of 2.81 and an overall average KPT performance of Fair.
13. As with last year, GLL needs to carry out some further work on the reports delivered by its management reporting system (Legend). It appears that the numbers reported by Legend may not be fully representative of the actual numbers coming through the doors. For the past two years, officers have repeatedly raised this point with GLL in order that their achievements in attracting more users are properly reflected. However the difficulties in amending the reporting system and inconsistencies that the changes would create to the trend analysis would not be helpful at this stage of the contract. Therefore, officers and GLL have agreed to leave the reports as they are for the remainder of this contract on the basis that the reports will be amended from 1 September 2014. This places GLL at a significant disadvantage in achieving its KPTs and, therefore, taking in to account officers' observations of usage in the centres, the head of service feels justified in using his discretion to raise the judgement to Good for KPT 1 and Fair for KPTs 2 and 3, which generates a score of 4.54. This results in an overall judgement for the KPT section of Excellent.
14. GLL continued to offer lower-priced membership offers to targeted postcodes with some very positive results; especially at Abbey Sports Centre and Didcot Wave. . There is still a considerable amount of work to be undertaken in attracting new, and retaining existing customers; apart from simply price-related initiatives, although price is a key factor.
15. The overall performance in this section has improved from Fair last year to Excellent this year, although GLL will need to make further efforts to retain this score and move it higher within the excellent judgement. In particular, the introduction of further initiatives to increase usage and a review of the management reporting system to ensure it is reporting accurately in relation to the new KPTs
16. Based on this performance, the head of service has made a judgement on KPT performance as follows:

KPT judgement

| |
|-----------|
| Excellent |
|-----------|

Previous KPT judgement for comparison

| |
|------|
| Fair |
|------|

DIMENSION 2 – CUSTOMER SATISFACTION

17. GLL carried out and collated customer satisfaction surveys during 2013/14. A copy of the face to face survey is attached in annex B of this report.
18. The sample size for this survey was 826, which is 200 more responses than were received last year. However, this is still a very small sample for the number of visitors attending the facilities and going forwards, GLL must put sufficient resource into this work and demonstrate a full commitment to better understanding customer satisfaction.

19. An analysis of customer satisfaction performance is also included in annex B of this report.
20. 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 |

21. The overall score achieved by GLL for customer satisfaction is 3.62, which delivers a judgement of Fair. In 2012/13, GLL achieved a score of 3.4. Although the judgement has not improved, the score achieved has, which is a welcome improvement. Based on this performance, the head of service has made a judgement on customer satisfaction as follows:

Customer satisfaction judgement **Fair**

Previous customer satisfaction judgement for comparison **Fair**

DIMENSION 3 – COUNCIL SATISFACTION

22. The council has taken the opinions of eight officers who have interaction with members of the GLL team at many levels. These officers provided scores that they considered were appropriate to the performance of the contractor and these have been used to calculate the overall satisfaction score. An analysis of council satisfaction performance appears in annex C of this report.
23. As reported in the previous year’s performance report, the formal merger of Nexus Community into GLL introduced significant initial change for the management teams within the leisure centres and the senior management team who control the overall direction of the contract. Unfortunately, this degree of change has not produced a consistent level of management with both the partnership manager resigning and two general managers leaving their facilities. This degree of change distracts the client team as they provide the consistency that allows the facilities to function, and with the potential for further change at a higher level within GLL it is possible that the inconsistency may continue.
24. Riverside outdoor pool was yet again a disappointing area of service delivery, with officers finding a range of service-related issues requiring attention. By its nature as a seasonal facility, the outdoor pool does not have a permanent team of staff and so to prepare, operate and decommission such a facility is new each year to most of the team. However, that does not alter the known work that is needed to prepare the site in readiness for opening and to manage it during the season. This is an unnecessary and continual drain on the client team’s resources during the summer and needs to be a major area of improvement within GLL in 2014/15.
25. Officers have communicated these concerns at the monthly client meetings and in quarterly progress meetings with senior GLL managers. These meetings will continue until the situation is rectified to the council’s satisfaction.

26. Despite these issues, GLL has continued to support a range of charitable initiatives and carbon reduction schemes funded by the council. These projects along with improved housekeeping at the facilities should produce reductions in the use of all utilities.
27. 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 |

28. The overall score achieved by GLL for council satisfaction is 3.65, which results in a judgement of fair. The score has dropped slightly from last year’s 3.86, which is disappointing, but reflects the continuing level of concern held by officers. This is the same mark that GLL achieved in 2012/13, which is disappointing as both the council and GLL were anticipating a significant improvement in 2013/14.

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

Council satisfaction judgement **Fair**

Previous council satisfaction judgement for comparison **Fair**

OVERALL ASSESSMENT

30. 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.

31. Officers consider that GLL has tried to improve from 2012/13 but despite improving its KPTs and customer satisfaction scores the council’s own satisfaction score reduced slightly. This has led to an improvement in the judgement awards for KPT, and an improvement in the customer satisfaction score, all of which leads the head of service to award an overall judgement of Good for 2013/14.

Overall assessment **Good**

Previous overall assessment for comparison **Fair**

STRENGTHS AND AREAS FOR IMPROVEMENT

32. Annex C of this report 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.

33. Officers have developed an action plan based on the findings of the customer survey and council officers' comments to address areas for improvement. The plan is attached as annex F of this report and the outcomes of this plan will be taken forward and worked upon in 2014/2015.

CONTRACTOR'S FEEDBACK

34. 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 attached to this report.

FINANCIAL IMPLICATIONS

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

LEGAL IMPLICATIONS

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

CONCLUSION

37. The head of economy, leisure and property has assessed GLL's performance as "Good" for its delivery of the leisure management contract during 2013/14, which is an improved level of performance to that achieved in 2012/13. This report is the last one on this contract, which ended on 31 August 2014. The first report on the new contract will be issued on the reporting year 2015/16, as the new contract is given eighteen months to bed in. However, officers will be ensuring standards are maintained and improved, as well as establishing new reporting mechanisms in preparation for the next report. The committee is asked to make any recommendations to the cabinet member for leisure, grants and community safety, to enable him to make a final assessment on performance.

BACKGROUND PAPERS

- none.

Annex A – Key performance targets

KPT 1 – increase in total number of visits to leisure centres by two per cent – not achieved

This target looks at the total number of visits to the leisure centres and includes figures for non-sporting attendances, such as spectators. The number of visits during 2013/14 was 895,499 the number of visits during 2012/13 was 980,449, a decrease of 8.7 per cent on the previous year's attendances, therefore 10.7 per cent below target. The two worst performing centres were Park and Didcot leisure centres, which both lack a swimming pool and rely solely on dry side activities. Thame Leisure Centre is the only facility to achieve its target in this category.

It should be noted that throughout this reporting year council officers have challenged GLL over the methodologies used to calculate their attendance figures as the council considers that the numbers reported are under representative of the actual attendances taking place. GLL acknowledged this and has only maintained the lower figures in order not to lose the trend data previously reported in this KPI.

KPT 2 – increase physical activity visits by two per cent – not achieved

This target looks at the total number of visits to the leisure centres to participate in physical activities. In 2013/14 there were 709,520 such visits and in 2012/13 there were 790,728 such visits, which is an underachievement of eleven per cent. Again, Park Sports Centre, along with Didcot Wave were the two worst performing centres; however, the Wave did experience major plant problems, which required significant replacement of equipment that caused operational difficulties and resulted in lost user figures GLL has action plans in place to tackle these reductions for 2014/15.

It should be noted that throughout this reporting year council officers have challenged GLL over the methodologies used to calculate their attendance figures as the council considers that the numbers reported are under representative of the actual attendances taking place. GLL acknowledged this and have only maintained the lower figures in order not to lose the trend data previously reported in this KPI.

KPT 3 – increase under 16 dry course visits by two per cent – not achieved

This target looks at the number of under 16's attending dry side courses organised at the centres. The two main concerns are Abbey and Park sports centres, which show significant drops in attendances in this category, and these along with other centre under achievements resulted in an actual reduction of 38 per cent against target. Abbey Sports Centre lost a well-attended gymnastics club, which moved to a larger venue, and despite efforts to attract other clubs the loss of these large weekly numbers has not yet been replaced. Park Sports Centre lost significant numbers through a specialist coach's long-term illness, which has impacted on its statistics.

| Under 16 dry course | 2012/13 | 2013/14 | Variance |
|---------------------|---------|---------|----------|
| Abbey | 9,082 | 3,547 | -5,535 |
| Henley | 545 | 613 | 68 |
| Park | 11,884 | 5,021 | -6,863 |
| Thame | 8,855 | 8,998 | 143 |
| Didcot L C | 2,329 | 2,704 | 375 |

| | | | |
|--------------|--------|--------|---------|
| Total | 32,695 | 20,883 | -11,812 |
|--------------|--------|--------|---------|

KPT 4 – increase in wet course visits by two per cent – achieved

During 2012/13, 154,112 wet course visits were recorded; whereas in 2013/14 162,828 wet course visits were achieved, resulting in 5.4 per cent more attendances than the previous year. Thame and Abbey pools were particularly successful in reorganising their programmes and filling existing capacity.

| Under 16 wet course | 2012/13 | 2013/14 | Variance |
|----------------------------|----------------|----------------|-----------------|
| Abbey | 16,362 | 17,885 | 1,523 |
| Henley | 23,556 | 24,355 | 799 |
| Thame | 49,959 | 56,679 | 6720 |
| Didcot Wave | 64,235 | 63,909 | -326 |
| Total | 154,112 | 162,828 | 8,716 |

KPT 5 – reduce energy consumption by three per cent - achieved

GLL did over achieve its target reduction in gas consumption for the reporting year, with the facilities using 7.5 per cent less than the previous year, due primarily to increased house keeping and the GLL Green initiative, which improved staff awareness of the costs associated with the consumption at their site on a weekly basis.

GLL achieved its target reduction in electricity consumption by 3.5 per cent. With the exception of Riverside Outdoor Pool and Thame Leisure Centre, all facilities contributed to the achievement of this target through improved housekeeping and investment in carbon reduction schemes by the council.

KPT 6 – increase GP referral clients by eight per cent - achieved

This target measures the increase in the number of people using the facilities who are referred by GP's and other referring practitioners, such as practice nurses and physiotherapists. GLL is the leading leisure contractor in the area for promoting and working in this field and invests significant resources into profiling and enabling participation. In 2013/14 the contract saw a 56 per cent increase in referrals from the previous year, which exceeded the eight per cent target by 48 per cent and is a welcome result. All centres increased their attendances, which is again a welcome improvement.

| | 2012/13 | 2013/14 | Variance |
|--------------------|----------------|----------------|-----------------|
| Abbey | 433 | 601 | 168 |
| Henley | 443 | 1123 | 680 |
| Park | 440 | 874 | 434 |
| Thame | 774 | 930 | 156 |
| Didcot Wave | 495 | 509 | 14 |
| Total | 2,585 | 4,037 | 1452 |

KPT 7 – decrease subsidy per visit (SV) to -£4.01 - achieved

The target subsidy per visit for the centres was -£4.01 per visit. The end of year figure reported is down to -£6.27 per visit - an overachievement of -£2.26. Didcot Leisure Centre was the poorest performing centre, due to lost income from reduced attendances and

additional energy costs through increased gas consumption. Overall, the contract has performed well for this KPT, despite the difficult economic conditions and extended bad weather. The client team are concerned that this KPT may have been achieved on the back of reduced expenditure on repairs and maintenance and other similarly important operational areas. These concerns have been raised with GLL and will be monitored up to the existing contract end.

**Negative S/V figures are GOOD, positive figures are BAD;
Negative Var £ figures are BAD**

| | 2012/13 | Target S/V 2013/14 | Actual S/V 2013/14 | Variance 2013/14 |
|--------------------------------------|----------------|-------------------------------|-------------------------------|-----------------------------|
| Abbey | £0.26 | £0.25 | -£0.71 | £0.96 |
| Wave | -£1.40 | -£1.43 | -£1.42 | -£0.01 |
| Henley | -£1.15 | -£1.18 | -£1.33 | £0.15 |
| Park | -£1.28 | -£1.30 | -£2.47 | £1.17 |
| Thame | -£1.62 | -£1.65 | -£1.75 | £0.10 |
| Didcot Leisure Centre | £0.62 | £0.60 | £0.64 | -£0.04 |
| Riverside | £0.70 | £0.70 | £0.76 | -£0.07 |
| Overall | | -£4.01 | -£6.27 | £2.26 |

KPT 8 – increase number of community leisure cards by three per cent – achieved

The number of community leisure cards issued achieved a 7.5 per cent increase on the last year. The main reason for this was the increase in prepaid memberships driven by a range of price-driven incentives, which proved successful both in financial and user numbers.

| | March 2013 | Target | March 2014 |
|----------------------|-----------------------|---------------|-----------------------|
| Pay as you go 30% | 3,099 | 3,192 | 3,008 |
| Pay as you go 60% | 702 | 723 | 688 |
| Prepaid | 3,470 | 3,574 | 4,294 |
| Swimming only | 501 | 514 | 770 |
| Under 14's | 2,052 | 2113 | 1,855 |
| Total | 9,824 | 10,116 | 10,615 |

YTD % Variance

KPT 9 – decrease operational cost per visit by two per cent to £3.13 – achieved

The target subsidy per visit for the centres was £3.13 per visit. The end of year figure reported is £3.01 per visit - an overachievement of -£0.12. The two worst performing centres were Didcot Leisure Centre and Park Sports Centre who had significantly lower customer numbers and, therefore, income received over through the till. Expenditure was well controlled, but it was the shortfall in income that resulted in the non-achievement of this KPT at these two centres.

| | Actual OC/V 2012/13 | Target OC/V 2013/14 | Actual OC/V 2013/14 | Variance 2013/14 |
|--------------------------------------|--------------------------------|--------------------------------|--------------------------------|-----------------------------|
| Abbey | £3.69 | £3.61 | £2.52 | £1.09 |
| Wave | £2.52 | £2.47 | £2.57 | -£0.10 |
| Henley | £3.06 | £3.00 | £2.95 | £0.05 |
| Park | £3.16 | £3.10 | £4.21 | -£1.11 |
| Thame | £2.49 | £2.44 | £2.50 | -£0.06 |
| Didcot Leisure Centre | £3.46 | £3.39 | £3.11 | £0.28 |
| Riverside | £3.95 | £3.87 | £3.19 | £0.68 |
| | £3.19 | £3.13 | £3.01 | £0.12 |

KPT 10 – internet bookings as a percentage of casual bookings 25 per cent – achieved

This KPT was achieved for the first time in recent years. There is continuing evidence that the level of use of internet bookings is increasing each quarter which is encouraging. The actual percentage achieved was 31.2 per cent. The number of bookings taken in the reporting year was 75,996 with 23,735 bookings taken online. This will hopefully continue to grow in the next reporting year due to the continuing efforts of the facility teams and the improved profile of this booking facility.

Annex B – Customer satisfaction

| | | Abbey | Didcot | Henley | Park | Thame | Partnership |
|---|--|-------|--------|--------|------|-------|-------------|
| Access | | | | | | | |
| 1 | Ease of getting through on telephone | 3.4 | 3.6 | 3.5 | 4.4 | 3.7 | 3.7 |
| 2 | Activity available at convenient times | 3.6 | 4.1 | 4.1 | 4.4 | 3.8 | 4.0 |
| 3 | Ease of booking | 3.3 | 4.1 | 3.4 | 4.6 | 3.7 | 3.8 |
| 4 | Ease of parking | 4.3 | 4.8 | 4.8 | 4.7 | 2.9 | 4.3 |
| 5 | Waiting time at reception | 3.3 | 3.7 | 3.2 | 4.4 | 4.0 | 3.7 |
| 6 | Activity charge | 2.9 | 3.3 | 3.3 | 4.3 | 3.7 | 3.5 |
| 7 | Range of activities available | 2.6 | 3.3 | 3.7 | 3.6 | 4.1 | 3.4 |
| 8 | Ease of contacting the centre with issues | 2.2 | 3.6 | 3.5 | 4.3 | 3.9 | 3.5 |
| 9 | If any issues, how well were they dealt with | 2.4 | 3.9 | 4.3 | 4.2 | 3.6 | 3.6 |
| Quality of Facilities / Services | | | | | | | |
| 10 | Quality of equipment | 4.1 | 3.9 | 4.2 | 4.4 | 3.9 | 4.1 |
| 11 | Water quality in the swimming pool | 3.1 | 3.7 | 4.1 | | 4.0 | 3.7 |
| 12 | Water temperature in the swimming pool | 3.9 | 3.5 | 3.1 | | 3.8 | 3.5 |
| 13 | Quality of food and drink | 2.1 | 3.4 | 3.7 | 4.1 | 3.4 | 3.3 |
| 14 | Quality of information / leaflets/websites | 3.6 | 3.7 | 3.5 | 4.0 | 3.8 | 3.7 |
| 15 | Availability of information | 3.3 | 3.7 | 3.8 | 4.4 | 3.7 | 3.7 |
| 16 | Quality of information on notice boards | 3.9 | 3.8 | 3.7 | 4.3 | 3.6 | 3.8 |
| 17 | Quality of flooring in sports hall/activity area | 2.6 | 3.1 | 3.5 | 4.2 | 3.1 | 3.3 |
| 18 | Quality of lighting in sports hall/activity area | 3.2 | 3.8 | 3.8 | 4.5 | 3.7 | 3.8 |
| 19 | Quality of artificial turf pitches | 1.7 | | | | | 1.7 |
| Cleanliness | | | | | | | |
| 20 | Cleanliness of changing rooms | 3.1 | 3.0 | 3.4 | 3.2 | 3.1 | 3.1 |
| 21 | Cleanliness of activity space | 3.2 | 3.4 | 3.6 | 4.4 | 3.6 | 3.6 |
| 22 | Cleanliness of cafeteria area | 2.9 | 3.0 | 4.7 | 4.4 | 3.7 | 3.7 |
| 23 | Quality of litter removal | 3.3 | 3.9 | 4.1 | 4.6 | 3.9 | 3.9 |
| 24 | Overall impression on cleanliness of centre | 3.1 | 2.6 | 4.5 | 4.5 | 3.3 | 3.6 |
| Cafeteria / Food & Drink / Vending | | | | | | | |
| 25 | Range of food and drink | 2.7 | 3.8 | 3.0 | 3.2 | 3.7 | 3.2 |
| 26 | Quality of food and drink | 2.4 | 3.4 | 3.7 | 3.3 | 3.3 | 3.2 |
| 27 | Value for money of food and drink | 2.3 | 3.3 | 3.4 | 3.9 | 3.2 | 3.2 |
| 28 | Reliability of vending services | 1.0 | 2.4 | 2.1 | 3.7 | 3.9 | 2.6 |
| Staff | | | | | | | |
| 29 | Helpfulness of reception staff | 3.4 | 4.2 | 4.4 | 4.7 | 4.4 | 4.2 |
| 30 | Helpfulness of other staff | 3.2 | 3.9 | 3.7 | 4.4 | 4.3 | 3.9 |
| 31 | Standard of coaching / instruction | 3.1 | 4.0 | 4.1 | 4.4 | 4.5 | 4.0 |
| 32 | Availability of staff | 2.4 | 3.8 | 3.9 | 4.7 | 3.7 | 3.7 |
| 33 | Visibility of staff including uniform | 4.0 | 4.2 | 4.7 | 4.6 | 4.1 | 4.3 |
| Value for Money | | | | | | | |
| 34 | Value for money of activities | 3.8 | 3.1 | 3.4 | 4.2 | 3.7 | 3.6 |
| 35 | Overall satisfaction with your visit today | 3.9 | 3.5 | 4.0 | 4.5 | 3.8 | 3.9 |

TOTAL 3.07 3.61 3.77 3.84 3.73 3.62

The survey results are detailed as follows and compared to the previous reporting year.

| Centre | Partnership results | |
|-------------------------------|---------------------|---------|
| | 2012/13 | 2013/14 |
| Abbey Sports Centre | 2.68 | 3.07 |
| Didcot Centres | 3.56 | 3.61 |
| Henley Leisure Centre | 3.60 | 3.77 |
| Thame Leisure Centre | 3.53 | 3.84 |
| Park Sports Centre | 4.15 | 3.73 |
| Contract average score | 3.47 | 3.62 |

The average score reached in 2012/13 was 3.47 across the contract, and the 2013/14 score has increased, which reflects a welcome change to the trends identified elsewhere within this report. The centre teams with the exception of Park should be commended for their efforts in improving their scores. There is no known reason for the Park decline; however, officers will be encouraging GLL to improve the scores at that facility as well as further improving the scores at the rest of the centres.

In addition to the surveys, customer comments are monitored throughout the year. In previous years the council had access to the GLL intranet where all comments were logged by centre managers. This reporting methodology was lost in 2013/14 when the council lost its access to the GLL intranet, so the client team amended its meeting format to collate comments to ensure that this important data was not lost. The volume of comments received during the reporting year is significantly down on previous years and is a cause for concern from the client team that all data is not being provided. The partnership manager is fully co-operating to ensure that any comment is properly recorded and that a comprehensive system is in place in future years.

A summary of the comments is as follows:

| Type of complaint | Year total 2012/13 | Year total 2013/14 | Type of compliment | Year total 2012/13 | Year total 2013/14 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Cleaning | 60 | 29 | Cleaning | 14 | 0 |
| Equipment/environment | 67 | 29 | Equipment/environment | 32 | 0 |
| Staff | 30 | 11 | Staff | 62 | 6 |

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| | | | | | |
|--------------|------------|------------|--------------|------------|----------|
| Other | 98 | 69 | Other | 29 | 2 |
| Parking | 0 | 11 | Parking | 0 | 0 |
| Total | 255 | 149 | Total | 137 | 8 |

Separate monitoring of equality and diversity related comments was also undertaken. In 2013/14 there were no comments received across the contract relating to equalities and diversity,

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 | | 4 | | | |
| 2 Response time | | | 3 | | |
| 3 Delivers to time | | | 3 | | |
| 4 Delivers to budget | | 4 | | | |
| 5 Efficiency of invoicing | | 4 | | | |
| 6 Approach to health & safety | | | 3 | | |
| 7 Easy to deal with | | 4 | | | |
| 8 Communications / keeping the client informed | | | 3 | | |

COMMUNICATIONS AND RELATIONS

| Attribute | (5) Very satisfied | (4) Satisfied | (3) Neither | (2) Dis-satisfied | (1) Very dissatsfd |
|---|--------------------|---------------|-------------|-------------------|--------------------|
| 9 Quality of written documentation | | 4 | | | |
| 10 Compliance with council's corporate identity | | 4 | | | |
| 11 Listening | | 4 | | | |
| 12 Quality of relationship | | 4 | | | |
| 13 Notifies Council of organisational or operational change | | 4 | | | |
| 14 Offers suggestions beyond the scope of works | | | 3 | | |

IMPROVEMENT AND INNOVATION

| Attribute | (5) Very satisfied | (4) Satisfied | (3) Neither | (2) Dis-satisfied | (1) Very dissatsfd |
|---|--------------------|---------------|-------------|-------------------|--------------------|
| 15 Degree of innovation | | | 3 | | |
| 16 Goes the extra mile | | | 3 | | |
| 17 Supports the council's sustainability objectives | | 4 | | | |
| 18 Supports the council's equality objectives | | 4 | | | |
| 19 Degree of partnership working | | 4 | | | |

KEY DOCUMENTS

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

- | | |
|--|-----|
| 1. Updated risk register (Yes / No) | Yes |
| 2. Updated business continuity plan (Yes / No) | Yes |

STRENGTHS AND AREAS FOR IMPROVEMENT

| | |
|-----------|---|
| Strengths | |
| | Centre managers and partnership managers are approachable and willing to help |
| | General managers are quick to respond to queries or issues when highlighted |
| | Works well in partnership at a senior level providing updates on activity changes |

| | |
|-----------------------|--|
| Areas for improvement | |
| | Improve training and induction processes of duty managers to improve delivery at the sites |
| | Be proactive to improve site systems and procedures for a consistent approach to deliver across the contract |
| | Too many items of maintenance being missed by site teams, which the client team observe |
| | It appears that there are very few taster or activity classes for children during school holidays, leaving facilities empty during significant periods of time |
| | Continue to maintain staffing levels that were achieved in the last year |
| | Improve internal communication to front of house staff when agreeing activities with the council's partnership team |

Annex D - Contractor 360° feedback

CONTRACTOR'S REACTION / FEEDBACK ON COUNCIL'S ASSESSMENT

GLL is pleased that the Council recognises the improvements that have been made on the previous year's performance with an improved score; from Fair to Good. However, it is recognised there is always room for improvement. Whilst not known in the period this report covers, GLL is also extremely pleased to have been successful with their bid for the new contract and fully appreciate the required standards and ambitions of the Council.

GLL is committed to continuous improvement with numerous measures already underway to achieve further improvement in 2014/2015.

It was pleasing to read that among key strengths recognised were approachable Centre managers and Partnership managers who were quick to respond and the partnership working at a senior level.

To achieve improved year on year performance against the Key Performance Targets (7 of 10 scored as Excellent) was particularly satisfying, especially as in Point 12 it is noted "officers and GLL have agreed to leave the reports as they are for the remainder of this contract on the basis that the reports will be amended from 1 September 2014. This places GLL at a significant disadvantage in achieving its KPTs".

GLL would like to record that achieving accurate data is extremely important and while GLL takes on board the Council's feedback, measures have been taken to improve accuracy but on some occasions greater accuracy produces lower figures as previous methodology assumptions are disregarded. Moving forwards the introduction of new technology e.g. fast track kiosks will improve data collection and reporting.

Improved customer satisfaction, with room for improvement, was recorded though the drop in Officer satisfaction was a surprise and steps have already being taken at a senior level to resolve this.

Major improvements to staffing levels were achieved which aided consistent service. Whilst there were changes at Partnership and General Manager levels, this change also provided opportunities and successful staff development and succession planning resulted in a number of internal promotions.

ANY AREAS WHERE CONTRACTOR DISAGREES WITH ASSESSMENT

Re point 23. GLL are keen to record that the merger between Nexus Community and GLL was actually back in January 2011 and that whilst the benefits of the merger are appreciated at a senior level, there is clearly work to be done to make these benefits more widely recognised. There were some initial and understandable, minor integration issues following the merger but there were also numerous benefits e.g. financial stability, increased capacity for training and career development, improved ICT platforms, significant central support in many areas.

Re point 24. GLL recognise that whilst there were some minor issues surrounding the operation of Riverside outdoor pool, it was one of the busiest and most successful seasons on record. The location of the pool adjacent to the Council offices keeps the pool high-profile and GLL are keen to minimise the Officer time spent addressing input issues. Despite significant issues caused by flooding at the start of 2014 preparations for this season were effective despite a limited lead time with customer service being the top priority.

Re point 25. GLL would like to record that the monthly client meetings and quarterly progress meetings are part of a planned and ongoing agenda not simply in place to resolve any dissatisfaction.

Re point 26. GLL would like to clarify that the carbon reduction schemes and improved housekeeping have actually produced significant reductions in the use of all utilities as reflected by the Excellent score in KPT 5.

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

A review, which is already underway, of the Key Performance Targets, will enable much more accurate and meaningful benchmarking of performance.

A review of the frequency and content of various meetings between contractor and Client might aid the interaction between the two parties as this is a key focus for an improved score to be achieved.

Feedback provided by

| |
|--|
| Ben Whaymand, Partnership Manager GLL |
|--|

Date

| |
|----------------|
| 26 August 2014 |
|----------------|

Annex E – progress of previous year’s action plan

| Action | Owner | Due date | Client officer’s comments |
|---|-------|----------------|---|
| Understanding and taking pro active actions for maintenance | GLL | Immediate | Some improvements have been evidenced at a senior level with the main central team supporting the sites and the council. Further on site improvements to identifying faults are required |
| Explaining the use of the BETTER branding within the facilities | GLL | September 2013 | As the volume of BETTER branding has increased and customers have discussed with site staff more, the understanding has improved |
| Reducing the volume of items that the client team identify in the facilities, which are easily visible to both staff and customers | GLL | Immediate | This area still has significant improvement to take place. |
| Improved technical and management support, plus appropriate resources for the operation of the outdoor pool at Riverside Park | GLL | September 2014 | Additional central support has taken place and is starting to impact positively, there is still room to improve the knowledge and awareness on site of technical issues |
| Management priorities re-balanced to service delivery, rather than corporate or business areas. | GLL | Immediate | There have been some major improvements on this issue; however, the remaining matter of concern is the amount of time general managers are on site driving their businesses, rather than at head office meetings or training |
| Consideration to have dedicated cleaning staff for all sites during the full opening hours of the centres to improve cleaning standards | GLL | September 2014 | Changes to cleaning teams have taken place at some facilities; however, the introduction of dedicated cleaning teams has not taken place. More reliance on outside contractors appears to have been the preferred option. Cleaning is still a consistent issue. |

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| | | | |
|--|-----|--------------|---|
| Reduce the number of complaints received with particular focus on staff related issues | GLL | Immediate | As noted in the report complaints significantly down on previous year with those relating specifically to staff down from 30 to 11. Review of logging system underway. |
| Improve customer satisfaction sample size to a minimum equivalent of 300 completed questionnaires per facility | GLL | January 2014 | This was achieved however the samples provided are far less than the council will continue to accept. Taking into account the number of customers attending the facilities. |

Appendix F – proposed action plan to improve performance

| Action | Owner | Due date |
|---|-------|-------------|
| Improve customer satisfaction response size for future consultation processes | GLL | As required |
| Improve induction and training processes for duty managers to improve service delivery at facilities | GLL | Ongoing |
| Improve site systems and staff awareness to deliver a consistent level of back office systems | GLL | Ongoing |
| Improve training and awareness for on-site staff to recognise items needing repair or maintenance | GLL | Ongoing |
| Improve holiday play schemes to encourage school holiday usage | GLL | July 2014 |
| Improve staffing levels and focus on customer service, rather than sales | GLL | Ongoing |
| Improve internal communication to front of house staff when agreeing activities with the council's participation team | GLL | Ongoing |
| Improve and ensure that all customer comment is recorded by every facility and reported monthly in the client report | GLL | August 2014 |

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Scrutiny Committee report



16 September 2014

Report no.

Report of Head of Finance

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To: Scrutiny Committee

DATE: 16 September 2014

Performance review of CAPITA for the period 1 April 2013 – 31 March 2014

RECOMMENDATION

That the committee considers Capita's performance in delivering the eight elements of the financial services contract for the period 1 April 2013 to 31 March 2014 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 2013 to 31 March 2014.

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 |
|---|
| 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) |
| Customer contact services |
| Cashier 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 **98.75 per cent** (2012/2013 98.78 per cent) for council tax collection against a target of 98.6 per cent. This was the **second best in-year collection rate recorded** (and was 16th best in the country compared to 30th the previous year). Considering the economic climate and the fact that nationally collection rates have dropped by 0.4 per cent (with a 21 per cent increase in arrears), it was a tremendous achievement. The council also had the third highest collection rate out of 31 in its south eastern benchmarking group. 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 **98.59 per cent** (2012/2013 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 (BVPIs) in 2007/08). The national collection rate was 97.9 per cent. The council had the 13th highest collection rate out of 31 in its south eastern benchmarking group
- 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. Capita undertook its own satisfaction surveys (guided by the council's consultation officer) on council tax and business rates during 2013/14 and these gleaned the following feedback:

- Satisfaction with the business rates service was **77 per cent** (64 per cent in 2011/2012) and specifically in terms of accuracy of the bill **64 per cent** (59 per cent in 2011/2012); additional information that accompanied the bill **76 per cent** (49 per cent in 2011/2012); and, methods of payment available **68 per cent** (67 per cent in 2011/2012). **Four per cent** (11 per cent in 2011/2012) said they encountered problems paying their bills and **14 per cent** (eight per cent in 2011/2012) 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 **100 per cent** (70 per cent 2011/2012) i.e. calls were answered quickly **100 per cent** (80 per cent 2011/2012); queries were dealt with swiftly **86 per cent** (70 per cent 2011/2012). In addition **no one** (15 per cent 2011/2012) felt it was difficult trying to get to speak to the right member of staff
- Satisfaction with staff was **100 per cent** (65 per cent 2011/2012), with staff being perceived as friendly; they treated respondents with respect; and, explained things in a way they could understand. However, **38 per cent** (35 per cent 2011/2012) did not always feel confident that what staff said was correct.

- Overall satisfaction with the council tax service was **83 per cent**. Ease of understanding the bill was **81 per cent** and additional information that accompanied the bill **78 per cent**. Satisfaction with methods of payment available was **87 per cent**.
- **78 per cent** were satisfied with written contact they had with the council. Satisfaction with staff was **71 per cent** with staff being perceived as friendly **73 per cent**; they treated respondents with respect **66 per cent**; and, explained things in a way they could understand **68 per cent**. However, **7 per cent** did not always feel confident that what staff said was correct.

17. The council received **19** official revenues (council tax and business rates) complaints during 2013/14 (17 in 2012/13). The majority of these complaints were dealt with promptly and although seven complaints were justified (with bailiff fees of £88 being waived), all seven were resolved at stage one of the complaints procedure. On one complaint which was not justified a refund of £18 was issued as a gesture of goodwill.

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 **77 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 **15 per cent** of council taxpayers electing to receive their bills electronically. Based on Cipfa benchmarking statistics this equalled the best in the country.

19. Capita undertook an Equalities Impact Assessment (EIA) of the council tax service in 2011/12 and completed some ongoing actions in 2013/14, 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 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. Regular (three times per year) 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 **38,407** council tax telephone calls at its Coventry contact centre during the year (**4,825 (14 per cent) more than 2012/13**). It managed to answer **74 per cent** of these calls within 20 seconds (the target being 80 per cent). Unfortunately, the target was not met due to the increased volume in calls at annual billing time following the technical changes made to council tax empty discounts and the long-term empty premium. Although the service was very good and met the target during calmer periods it did not recover enough to mitigate the problems we experienced at the start of the year. The council received no official complaints regarding the contact centre during 2013/2014.

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 **13.13 days** (under the **16 day target**) compared to 12.27 days in 2012/2013 against a target of 19 days). This was the **second best ever in-year performance**. Changes in circumstances (the old BVPI 78b measure) came in at **6.09 days** against a very challenging target of **8.5 days**, compared to 5.50 days in 2012/2013 against a target of 9.5 days. Again, this was the **second best ever in-year performance**. **NI 181** (combined new claims and changes processing) came in at an excellent **6.90 days** (and under the **10 day target**) compared to 6.30 days in 2012/2013 against a 13 day target. This was also **the second best ever recorded performance**. Generally, the council received more changes in circumstances during 2013/14 and, although we saw a 50 per cent take up in on-line reporting through the council's website (we are one of the first council's in the country to offer this facility) this has resulted in a slightly anomalous change in behaviour pattern in that people seem to be slower to provide supporting evidence for these claims. This has had a slight adverse effect on processing times – however, all our figures rank with the best in the benchmarking group
- Capita's focus on getting benefit assessments "right first time" continued during 2013/14. The financial accuracy performance rate for 2013/14 was an excellent **96.82 per cent** (based on the council's statutory checks). Although this was below the 97.18 per cent recorded in 2012/13 it was above the very challenging target of 95 per cent and was the second best accuracy rate since the inception of the contract (and compared very favourably with our benchmarking group)
- During 2013/14 the council's external auditors, for the first time since the inception of the contract, did not qualify the (council's 2012/13) benefit subsidy grant claim. Around 80 per cent were qualified nationally. 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 in January 2014
- Recovery of overpaid benefit, which had in the past been subject to close scrutiny by the council, once again made great strides during 2013/14. During the year old debt reduced by **£360,090** whilst **74.72 per cent** of all debts raised during 2013/14 were collected, amounting to **£849,240**. 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 £1.587m, 54 per cent of the debt (51 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. Capita undertook its own satisfaction survey during 2013/14 (guided by the council’s consultation officer) which gleaned the following feedback:

- Taking everything into account, **91 per cent** of customers were satisfied with the service they received from the benefits office compared to 78 per cent in 2011/2012
- **81 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 75 per cent in 2011/2012
- **17 per cent** of customers surveyed felt their benefit had been calculated incorrectly during the year compared to 19 per cent in 2011/2012.
- **83 per cent** of customers were satisfied with the ways in which they could contact the benefits office compared to 76 per cent in 2011/2012
- **22 per cent** of customers felt they had to wait a long time to see the person they wanted compared to 11 per cent in 2011/2012
- **86 per cent** of customers said they were satisfied with their visit to the benefits office compared to 43 per cent in 2011/2012
- **58 per cent** of customers were satisfied with the telephone service (compared to 33 per cent in 2011/2012), with **73 per cent** feeling their query was dealt with quickly (25 per cent in 2011/12) and **70 per cent** agreeing that their call was answered quickly (24 per cent in 2011/12). However, **21 per cent** felt it was difficult getting through to the right person (6 per cent in 2011/12)
- **92 per cent** of customers were satisfied with the service from staff (64 per cent in 2011/12) and **94 per cent** felt staff were friendly (62 per cent in 2011/12). **84 per cent** of customers felt staff treated with them respect (66 per cent in 2011/12) whilst **73 per cent** felt things were explained in a way they could understand (50 per cent in 2011/12)

- **10 per cent** of customers felt that staff were in a rush (13 per cent in 2011/12) and **8 per cent** felt they were not able to ask the questions they wanted to (15 per cent in 2011/12). **29 per cent** weren't always sure what staff said was correct (24 per cent in 2011/12)
- **62 per cent** of customers were satisfied with the claim form compared to 64 per cent in 2010/2011 whilst **25 per cent** felt letters sent about their claim were difficult to understand compared to 33 per cent in 2010/2011.
 - 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 **12 per cent** (ii) improvements to the claim form **8 per cent** (iii) improvements to the telephone service **3 per cent**. Interestingly, **39 per cent** said nothing needed improving.

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 during the regular liaison meetings in 2013/14. This is always a good yardstick as these organisations predominantly represent the most (and most) vulnerable of our customers.

34. Capita handled **21,944** benefit telephone calls at its Coventry contact centre during the year (**5,716 (35 per cent) more than in 2012/13**). It managed to answer **73** per cent of these calls within 20 seconds (the target being 80 per cent). Unfortunately, the target was not met due to the increased volume in calls for the reasons shown below and, although the service was very good and met the target during calmer periods it did not recover enough to mitigate the problems we experienced at the start of the year. The increase in calls were mainly due to:

- April 2013 saw the introduction of the removal of social sector spare room subsidy). This understandably generated additional and more involved

calls. It also caused a substantial increase in the volume of discretionary hardship applications, with associated chase-up calls for those, in addition to the initial enquiries about reduced entitlement. This had an impact, certainly in the earlier part of 2013/14

- During 2013 Capita introduced electronic claim forms. As a result of customers' not following up and providing proofs for these claims, Capita introduced text messaging, asking them to contact Capita to find out what information they had to provide. This resulted in more calls in response to texts
- In July 2013 the national benefit cap was implemented. The numbers of affected people were small, but there were speculative enquiries made by some customers to see if they were affected. Customers who were affected were contacted prior to the start of the cap, but that did not prevent people telephoning to ask questions, as with all of the welfare reforms because of the wide publicity the changes received.

It is fair to say that the council and Capita managed the welfare changes very well. The council received no official complaints regarding the contact centre during 2013/2014 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 2013/2014 Capita held surgeries where applicable; publicised legislative changes; and, promoted 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 completed a mandatory on line equality and diversity training module.

36. There were six official complaints, **3** of which were justified (compared to 6 and none justified in 2012/2013). All were dealt with at stage one of the complaints procedure.

37. As mentioned above, during the year Capita contributed to the council's channel shift programme with the introduction of electronic claims and change in circumstance reporting. We are one of the first councils in the country to benefit from this facility and it has been welcomed by our registered providers especially. Over 50 per cent of new claims are now received in this efficient and effective way.

38. 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

39. 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**.

40. This produced a score of **4.84** 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

41. 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

42. **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.

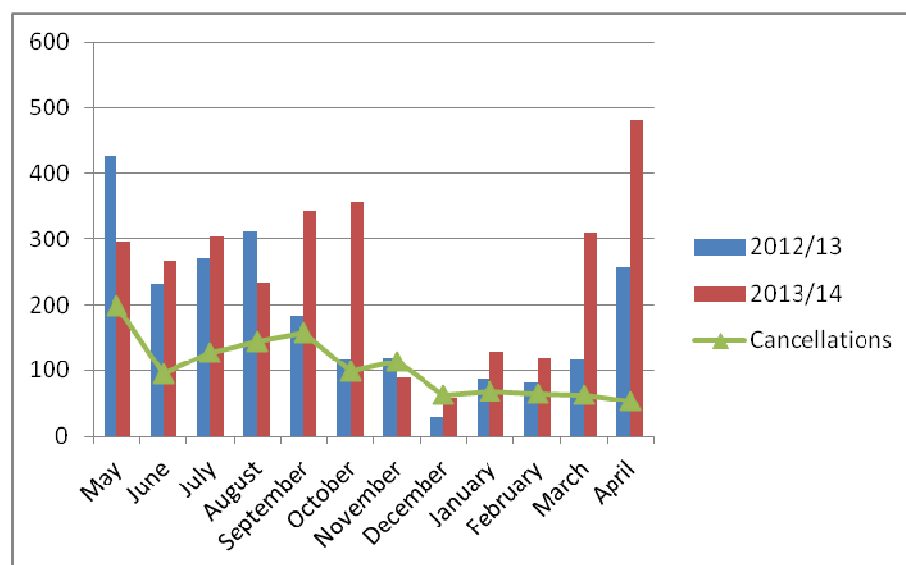
Contractor’s feedback

43. 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)

44. **Accounts Receivable** – maximising sundry debt collections was a key theme of the financial services procurement and during 2013/14 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 **£35k** compared to the previous year’s best ever of £51k and the debt of in excess of £1m at the commencement of the contract. This was a tremendous achievement.
45. Capita’s performance in issuing (25,632) invoices within two working days of instructions from cost centres was 99.9 per cent. Capita hit 100 per cent performance for the production of (1,172) reminders after 14 days (879 less than in 2011/12) and 747 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.
46. 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. The conversion period was successful and is now complete. In total, the council has 30,000 garden waste customers with **99 per cent** paying by direct debit. Capita took 16,099 calls during 2013/14 and issued 23,229 garden waste invoices. In addition, Capita completed a weekly direct debit run to maximise collections. Capita has also introduced the ability for customers to sign up online with an average of 37 per cent of customers signing up online, with 98 per cent providing an email address. The graph below graph demonstrates the growth in the service year on year.



47. 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.

48. **Accounts Payable** - Capita continued 2013/14 where it left off at the end of 2012/2013. **99.9 per cent** of (6,713) invoices received were scanned and distributed to service teams within 48 hours and **100 per cent** of (17) urgent payment requests (within the same day) were met. In addition, **100 per cent** of purchase order requests were met.

49. 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 2013/2014 was a superb **99.38 per cent** compared 98.72 per cent in 2012/2013.

50. 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

51. **Accounts payable** – Capita’s excellent performance in the accounts payable process was maintained in 2013/14. 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.

52. 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.

53. **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.

54. 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.

55. 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

- 56. 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.
- 57. The council's needs and expectations have been measured using the model for reviewing performance of contractors and are attached as **Appendix 4**.
- 58. This produced a score of **4.96** 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

59. 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

60. **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

61. 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)

62. System availability. The availability of the Agresso system has remained excellent throughout the period; there have been no major unannounced periods of system non-availability that have inconvenienced users.
63. 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.
64. Upgrade of Agresso. The system has had no major upgrades during the period reported on and therefore no comment is made.
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 remains 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. At times this year there have been some communication issues between Accountancy and the Capita team. We believe some of these issues arise because email is the primary method of communication. We are pleased that Capita is looking to work with us on improving communication between the two teams.
68. We do not feel that the contractor is always as proactive as they could be. We do not feel lessons learned from their other client contracts are always shared and integrated into this contract – this may not be part of the contract, but it would demonstrate that Capita 'offers suggestions beyond the scope of work' and 'go the extra mile'.
69. Quality control issues have been raised during this year. On a number of occasions information requested to be loaded into Agresso has not been successfully loaded. This is not checked by the contractor and is referred back to the accountancy team as completed only for the accountancy team to discover it has not worked properly, meaning a re-input request.
70. Taking the whole year's performance into account, the performance is "good".

Customer satisfaction judgement

Good

Previous Customer satisfaction judgement for comparison

Good

Dimension 3 – Council satisfaction

71. 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**.

72. This produced a score of **4.2** (last year was 4.4) out of a maximum score of **5.0**.

Council satisfaction judgement

Good

Previous Council satisfaction judgement for comparison

Excellent

Overall assessment

73. There is a reduction in the overall Capita score, but it should be noted that this is only a small reduction.

74. 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

Previous Overall assessment for comparison

Excellent

Strengths and areas for improvement

75. **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

76. 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)

77. 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.
78. 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 a few processing errors made by Capita and those that have been made have been rectified quickly with processes being reviewed to help prevent the problem reoccurring. Capita had to complete a re-run of payroll prior to sign off on three out of 12 occasions during 2013-2014 as a result of errors made by Capita that were picked up by HR. If the errors had not been picked up by HR, individuals' pay would have been incorrect. Although errors may occasionally occur it is felt that the number identified during 2013/14 was too high to rate the service as excellent.
79. Based on this performance the head of service has made a judgement on KPT performance for payroll as follows:

| | |
|---------------------------------------|-----------|
| KPT judgement | Good |
| Previous KPT judgement for comparison | Excellent |

Dimension 2 – Customer satisfaction

80. Satisfaction is covering the period April 2013 to March 2014. 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 generally accurate.
81. No significant customer complaints were received specifically as a consequence of Capita's actions.
82. However, HR was informed that Oxfordshire County Pension services experienced some delay in responses to its queries, which subsequently delayed the issue of the employee pension statements until 2 October 2013.
83. HR also noted a few issues through the year, including:
- Capita's incorrect interpretation of maternity regulations which impacted on employee's pay
 - Much of the auto enrolment changes effective from 1 February were driven by HR rather than Capita payroll and HR undertook the analysis to inform Capita of employees who would be subject to auto enrolment

- At times, Capita has demonstrated a lack of understanding of the pension changes introduced as part of the career average revalued earnings scheme introduced in April 2014, namely for employees returning from a period of unpaid leave.

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

Customer satisfaction judgement

Good

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 in Appendix 6. This produced a score of 4.2 out of a maximum score of 5.0

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 efficiently by Capita. It did not always respond to requests for information (e.g. maternity calculations, sickness entitlement) within the appropriate timeframe; however this situation has much improved.

87. HR continues to work alongside Capita to improve and refine the processes relating to payroll and recognises improvements were made during the course of 2013-2014.

Council satisfaction judgement

Good

Previous Council satisfaction judgement for comparison

Excellent

Overall assessment

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

Previous Overall assessment for comparison

Excellent

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 8.**

CUSTOMER CONTACT

88. This element of the contract is managed by Andrew Down, head of HR, IT and technical services.

89. 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

90. In 2013/14, Capita answered 25,200 calls to the council (2012/13: 43,700) via its Coventry call centre. The year on year fall in call volumes reflects the introduction of interactive voice response (IVR) at Coventry in July 2013, as a result of which approximately 52 per cent of switchboard calls are now handled automatically. This change was introduced at the same time that Vale of White Horse District Council took up the Capita switchboard and front of house service, with savings accruing to both councils as a result.

91. In the same period, Capita processed 30,200 visitors (2012/13: 26,800) to Crowmarsh reception. This increase may in part reflect the consolidation of staff at Crowmarsh, although most moves took place towards the end of the financial year so could be expected to have little impact on the figures for the year as a whole.

92. Performance of the switchboard team against the key performance targets has remained steady for the past year. Comparisons with 2012/13 appear in the table below. Abandoned calls have averaged 3.0 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 85.8 percent, and remained well above the 80 per cent SLA throughout 2013/14, while the percentage of calls answered within 50 seconds also exceeded the revised SLA which was agreed with effect from 1 July 2013.

93. 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.

94. The table below shows performance against the SLA for the period 1 April 2013 to 31 March 2014. Individual KPT rating is calculated according to the guidance accompanying the contractor review process.

| 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% | 3.0% | 3.5% | Better | Excellent | 5 |
| KPT 2 | Calls answered within 20 seconds | 80% | 85.8% | 87.0% | Worse | Excellent | 5 |
| KPT 3 | Calls answered within 50 seconds | 90% | 90.4% | 92.0% | Worse | Good | 4 |
| KPT 4 | Personal callers seen within 2 minutes of arrival | 80% | 99.8% | 99.6% | Better | Excellent | 5 |
| KPT 5 | Personal callers seen within 5 minutes of arrival | 100% | 100% | 99.9% | Better | Excellent | 5 |
| Overall "average" KPT performance rating score (allowing for zero weighting of shaded italic KPTs) | | | | | | | 4.8 |
| Overall "average" KPT performance (excellent, good, fair, weak or poor) | | | | | | | Excellent |

Based on this performance the Head of HR, IT and Technical Services has made a judgement on KPT performance as follows:

| | |
|---------------------------------------|-----------|
| KPT judgement | Excellent |
| Previous KPT judgement for comparison | Excellent |

Dimension 2 – Customer satisfaction

95. 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. The citizens' panel survey is carried out every two years and there was no survey during 2013/14.

- 96. Customer feedback forms are displayed in the reception area, and staff are asked to encourage customers to provide feedback before leaving. Between April 2013 and March 2014, 887 feedback forms were completed.
- 97. Customers were asked 'Overall, how satisfied were you with the way in which your enquiry was handled at reception?' Of those who took part, 98.6 per cent were satisfied (2012/13: 95.7 per cent) and 0.3 per cent (2012/13: 1.3 per cent) were dissatisfied overall as shown below.

| | Very satisfied | Satisfied | Neither satisfied or dissatisfied | Dissatisfied | Very dissatisfied |
|---------|----------------|-----------|-----------------------------------|--------------|-------------------|
| 2013/14 | 89.8% | 8.8% | 1.1% | 0.2% | 0.1% |
| 2012/13 | 88.7% | 7.0% | 2.9% | 0.3% | 1.0% |

- 98. During 2013/14 we received one complaint about the front of house and switchboard service, relating to the council's response to an email sent to the generic info@southoxon.gov.uk mailbox. Capita's front of house team is responsible for processing email to this mailbox and there was some confusion over the response in the case in question. Capita's team leader made changes to the process of responding to email and there have been no further complaints. By comparison, in 2012/13 no customer complaints were received about the switchboard or front of house service.

- 99. The Head of HR, IT and Technical 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

- 100. An analysis of council satisfaction performance appears in Appendix 7, as judged by the customer service contract manager in consultation with relevant colleagues.
- 101. This produced a score of 4.28 out of a maximum score of 5.0. Based on this performance, the Head of HR, IT and Technical 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

102. Taking into account the performance of Capita against KPTs, customer satisfaction and council satisfaction, the Head of HR, IT and Technical 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

103. 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

104. 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

105. 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

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

Conclusion

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

- Revenues – excellent (12/13 – excellent)
- Benefits – excellent (12/13 – excellent)
- Exchequer (accounts payable, accounts receivable) – excellent (12/13 – excellent)
- Financial management system – good (12/13 excellent)

- **Payroll – good (12/13 excellent)**
- **Customer Contact – excellent (12/13 excellent)**

Although four of the service areas have maintained their excellent rating there has been a slight deterioration in the quality of the services provided by Capita during 2013/14 in respect of Financial Management System and Payroll. Overall, the assessments given confirm that the services provided continue to be of a high standard and Capita should be congratulated for this. The governance process will continue to vigorously monitor the contract, and this, along with the commitment pledged by Capita management should help maintain those excellent service areas and improve service provision for those areas which have slipped for the remainder of the contract.

| Performance Targets | 2012/2013 Target | 2012/2013 Achieved | 2013/2014 Target | 2013/2014 Achieved |
|---|---------------------|-----------------------|---------------------|-----------------------|
| Percentage of Council Tax collected | 98.60% | 98.78% | 98.60% | 98.75% |
| Percentage of NNDR collected | 99.40% | 98.55% | 99.40% | 98.53% |
| Average time (days) for processing new benefit claims. | 19 | 12.27 | 16 | 13.13 |
| Average time (days) for processing benefit changes in circumstances | 9.5 | 5.50 | 8.5 | 6.09 |
| NI181 Average time (days) for processing new claims and changes in circumstances | 13 | 6.30 | 10 | 6.90 |
| Financial accuracy of benefit assessments | 95% | 97.18% | 95% | 96.82% |

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 2013 To 31 March 2014

Service delivery

| Attribute | (5) Very satisfied | (4) Satisfied | (3) Neither | (2) Dissatisfied | (1) Very dissatisfied |
|--|--------------------|---------------|-------------|------------------|-----------------------|
| 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) Dissatisfied | (1) Very dissatisfied |
|--|--------------------|---------------|-------------|------------------|-----------------------|
| 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 |
|------------------|----------------------------|

| | |
|------------------------------|---|
| Areas for improvement | Knowledge and commitment of staff |
| | e-Government initiatives |
| | |
| | Supporting information for invoices |
| | Resilience when Revenues Manager is away |

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 |
|--------------|----|--|----|

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 Capita

From (date) 1 April 2013 To 31 March 2014

Service delivery

| Attribute | (5) Very satisfied | (4) Satisfied | (3) Neither | (2) Dissatisfied | (1) Very dissatisfied |
|--|--------------------|---------------|-------------|------------------|-----------------------|
| 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) Dissatisfied | (1) Very dissatisfied |
|--|--------------------|---------------|-------------|------------------|-----------------------|
| 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 | Benefits management including managing welfare reforms |
|------------------|---|

| |
|--------------------------|
| Surgeries/home visiting |
| Equality awareness |
| e-Government initiatives |

Areas for improvement

Could have been more engaged in amendments to annual CTRS uprating

COUNCIL SATISFACTION ASSESSMENT

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

| Rating | Range | Votes | Weighting | Total weighted |
|-----------------------------------|-------|-------|-----------|----------------|
| Very satisfied | 5.0 | 16 | X 5 | 80 |
| Satisfied | 4.3 | 3 | X 4 | 12 |
| 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 | | 92 |
|--------------|--|----|--|----|

Calculation: $92 \div 19 = 4.84$

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 Capita

From (date) 1 April 2013 To 31 March 2014

Service delivery

| Attribute | (5) Very satisfied | (4) Satisfied | (3) Neither | (2) Dissatisfied | (1) Very dissatisfied |
|--|--------------------|---------------|-------------|------------------|-----------------------|
| 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) Dissatisfied | (1) Very dissatisfied |
|---|--------------------|---------------|-------------|------------------|-----------------------|
| 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 | Processing of standard basic functions for AP and AR |
| | Exchequer management and keenness and helpfulness of staff |
| | Management of brown bin administration process |

Areas for improvement

Making sure that Agresso updates notified by the grids are updated and correct before officers are notified.

| | |
|--|--|
| | |
| | |

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 | | 20 | | 94 |
|--------------|--|----|--|----|

Calculation: $94 \div 20 = 4.96$

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 2013

To 31 March 2014

Service delivery

| Attribute | (5) Very satisfied | (4) Satisfied | (3) Neither | (2) Dissatisfied | (1) Very dissatisfied |
|--|--------------------|---------------|-------------|------------------|-----------------------|
| 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) Dissatisfied | (1) Very dissatisfied |
|---|--------------------|---------------|-------------|------------------|-----------------------|
| 9 Easy to deal with | | √ | | | |
| 10 Communications / keeping the client informed | | √ | | | |

Agenda Item 5
Appendix 5

| | | | | | |
|----|--|---|--|--|--|
| 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 | The contractor does hard work to resolve issues once raised |
| | |

Areas for improvement

To improve their communications with the client and importantly develop a better understanding the client's needs;

To improve quality control

COUNCIL SATISFACTION ASSESSMENT

| | Very satisfied (5) | Satisfied (4) | Neither (3) | Dissatisfied (2) | Very dissatisfied (1) | Votes cast |
|--|--------------------|---------------|-------------|------------------|-----------------------|------------|
| | 7 | 10 | 3 | 0 | 0 | 20 |

| Rating | Range | Votes | Weighting | Total weighted |
|-----------------------------------|-------|-------|-----------|----------------|
| Very satisfied | 5.0 | 7 | X 5 | 35 |
| Satisfied | 4.3 | 10 | X 4 | 40 |
| 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 | | 20 | | 84 |
|--------------|--|----|--|----|

Calculation: $84 \div 20 = 4.2$

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 |

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) Dissatisfied | (1) Very dissatisfied |
|--|--------------------|---------------|-------------|------------------|-----------------------|
| 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) Dissatisfied | (1) Very dissatisfied |
|---|--------------------|---------------|-------------|------------------|-----------------------|
| 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 | ✓ | | | | |

COUNCIL SATISFACTION ASSESSMENT

| | Very satisfied (5) | Satisfied (4) | Neither (3) | Dissatisfied (2) | Very dissatisfied (1) | Votes cast |
|--|-----------------------|------------------|----------------|---------------------|--------------------------|------------|
| | 5 | 9 | 1 | 0 | 0 | 15 |

| Rating | Range | Votes | Weighting | Total weighted |
|--|-------|-------|-----------|----------------|
| Very satisfied | 5.0 | 5 | X 5 | 25 |
| 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 | | | 64 |
|--------------|----|--|--|----|

Calculation: **64 ÷ 15 = 4.26**

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

Capita

From (date) 1 April 2013

To 31 March 2014

SERVICE DELIVERY

| Attribute | (5) Very satisfied | (4) Satisfied | (3) Neither | (2) Dissatisfied | (1) Very dissatisfied |
|---------------------------------------|--------------------|---------------|-------------|------------------|-----------------------|
| 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) Dissatisfied | (1) Very dissatisfied |
|---|--------------------|---------------|-------------|------------------|-----------------------|
| 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 | | ✓ | | | |

STRENGTHS AND AREAS FOR IMPROVEMENT

| | |
|------------------------------|---|
| Strengths | <p>The front of house team delivers a good professional service to customers, and has continued to show flexibility during times of change such as the move of many staff from Abbey House to Crowmarsh. Capita's customer service manager keeps us 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. The introduction of interactive voice response has helped to reduce costs and has been taken up by just over half of all switchboard callers.</p> |
| Areas for improvement | <p>In response to last year's comment, Capita's reporting of key performance indicators has improved, but reminders are still required occasionally.</p> |

Council satisfaction calculation

| Very satisfied (scores 5) | Satisfied (4) | Neither (3) | Dissatisfied (2) | Very dissatisfied (1) | Number of items assessed |
|---------------------------|---------------|-------------|------------------|-----------------------|--------------------------|
| 7 | 9 | 2 | 0 | 0 | 18 |

| Calculation | Range | Number of items | Calculation | Total weighted |
|--|------------|-----------------|-------------|----------------|
| Very satisfied | 5.0 | 7 | X 5 | 35 |
| Satisfied | 4.3 | 9 | X 4 | 36 |
| 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 | | 18 | | 77 |
|--------------|--|----|--|----|

Calculation: $75 \div 18 = 4.28$

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 very good year despite the ongoing financial pressures felt across the area. The next year's focus will be on opening up further lines of electronic interaction for the customers to enable them to receive a swifter and more efficient resolution to their enquiries.

The Benefit service once more delivered very high levels of performance amid the many legislation changes introduced by the Government. As with revenues we will be opening up more on-line service offerings during the coming year with the aim of improving the overall customer experience.

Our Call Centre managed extremely well given the sharp increase in calls generated by the numerous changes to both revenues and benefits last year. Between revenues and benefits Capita handled 10,541 extra calls last year (20% increase on the previous year) and due to the more complicated nature of the calls this equated to the work of an additional 5 FTE. Whilst we failed to meet the 80/20 SLA Capita believes that this still represented an excellent achievement in the circumstances.

Overall Capita is 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 again be focusing on deploying technology lead improvements which should lead to better service availability for all residents.

Any areas where contractor disagrees with assessment

Para 68.

The system admin team regularly use the knowledge that they have gained from other contracts, and where possible this is utilised on this contract, however in the majority of cases we do not get problems that affect all clients and therefore issues have to be logged with the software provider. Capita welcomed the council to come to visit the Mendip site and completed a knowledge share on Excelerator, as well as using one of the technical accountants to share knowledge on fixed assets to avoid the council having to pay unnecessary consultancy costs. Capita are also currently arranging a date for the accountancy team to come to Mendip to view the planner setup. Mendip staff (not working on SODC) have also attended one of the local accountancy meetings and shared their experiences with the accountancy team.

Para 69

Capita prides itself on a quality service, however on occasions incorrect information was provided by the council regarding budget uploads, the incorrect templates were sent multiple times and additional checks had to be introduced by the system admin team to ensure the template was correct before loading. These checks should not have been required but due to the inaccurate information being provided they became necessary. Whilst some quality issues were identified with data grids this process has since been reviewed. For many years this was controlled by a member of staff with limited knowledge of how the approvals process worked. This weakness was identified and is now managed by an appropriately skilled member of staff. Since this change of staff the process has greatly improved and whilst there were some issues to start with, these have now been resolved and was this was recognised in the last audit.

General Comments regarding FMS

Capita believe that some of the scoring on council satisfaction is an unfair reflection of our work during the year.

Offers suggestions beyond the scope of work - As previously mentioned we have offered visits to the Mendip site to allow knowledge sharing which is definitely outside the scope of the contract, we have also initiated new uses of the Agresso system (see below) which had not previously been looked at by the council.

Degree of innovation – whilst there may be some recognition of innovation under AP & AR there have been a number of enhancements made to the system over the last year including the workflow for credit control, the suggestion of GL workflow, documents provided on Contract accounting as well as a document outlining the benefits of upgrading to 5.6. Enhancing the system for accountancy is difficult as there are no set accountancy meetings (unlike the debtors or super users that happen regularly) and the Agresso development meetings have been few and far between. The suggestions made around GL workflow and 5.6 were not taken forward due to accountancy, which is not a reflection of Capita's lack of innovation.

Goes the extra mile – as previously mentioned we have seen an increase in calls but have still exceed our own internal SLA, we have had to implement additional controls in some areas due to errors that have occurred, this included the budget upload process. The team have had to handle additional phone calls due to issues with cash postings which caused several customer complaints, these were caused by cash postings not being carried out in a timely manner or in certain instances missed altogether.

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Scrutiny Committee



Report of Head of Finance

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To: SCRUTINY COMMITTEE

DATE: 16 September 2014

Financial outturn 2013/14

Recommendations

- (a) Note the overall outturn position of the council as well as the outturn of individual service areas.
- (b) Take into account the impact of the outturn position in the integrated service and financial planning process when setting the 2015/16 original budget.
- (c) Note the slippage in the capital programme to 2014/15.

Note: If committee members wish to raise specific questions please send these in advance if possible to either the committee clerk or the accountancy manager. Please be aware that if questions are not submitted in advance, it may not be possible to answer these in detail at the meeting.

Purpose of Report

1. To report the final year end position for revenue and capital expenditure against budget for the financial year 2013/14.

Strategic Objectives

2. The council has a strategic objective of effective management of resources. Monitoring actual performance against budget ensures that expenditure continues to be in accordance with the delegated powers within the constitution, and that changes in circumstances which have affected spending requirements are recognised and can be considered in the preparation of future years' budgets.

Background

3. The attached papers contain summarised schedules of revenue and capital expenditure for 2013/14; they also present an explanation of the significant variances against budget. This is presented by service, and follows the format of the budget monitoring reports presented to cabinet briefings and published during the year in In Focus.
4. A detailed report was presented to Cabinet briefing on Wednesday 27 August and provided the opportunity for cabinet to discuss the outturn with senior management, and also for individual portfolio holders to further discuss with their heads of service.

Revenue outturn 2013/14

5. The council's budget requirement for 2013/14 was £14.234 million. Net expenditure for services at year end was £12.065 million – this equates to a variation of £2.169 million, which has been transferred to the council's reserves. This will therefore improve the council's financial position going into what is likely to be yet another very challenging budget setting period when the budgets are set for 2015/16.
6. The council has continued to deliver on its various savings initiatives started in previous years to further reduce the council's expenditure in support of central government's austerity programme of public sector funding cuts.
7. Table 1 below summarises the outturn position by service. More detail of variances is shown at Appendix 1.

Table 1: summary of revenue budgets and variances

| Summary of revenue budgets and variances | Budget £000 | Actual £000 | Variance £000 | Notes |
|---|------------------------|------------------------|--------------------------|--------------|
| Corporate management team | 558 | 244 | (314) | |
| Corporate strategy | 5,147 | 4,841 | (306) | |
| Economy leisure and property | (108) | (312) | (204) | |
| Finance | 2,436 | 2,416 | (20) | a |
| Housing and health | 2,143 | 1,619 | (524) | |
| HR, IT and customer services | 1,571 | 1,451 | (120) | |
| Legal and democratic services | 841 | 472 | (369) | |
| Planning | 1,642 | 1,334 | (308) | |
| Contingency | 4 | 0 | (4) | |
| Net cost of services | 14,234 | 12,065 | (2,169) | |
| Investment income | (1,947) | (2,205) | (258) | b |
| Outturn report in Appendix 1 | 12,287 | 9,860 | (2,427) | |

Notes:

- a. Finance line contains housing benefits and rent allowances funded by government grant as shown in table 2 below:

Table 2: housing benefits and rent allowances

| | Budget £000 | Actual £000 | Variance £000 |
|---------------------------------------|------------------------|------------------------|--------------------------|
| Rent allowance payments | 30,569 | 30,411 | (158) |
| Government grants benefits | (36) | (105) | (69) |
| Government grants income | (29,653) | (29,316) | 337 |
| Rent allowance overpayments recovered | (1,200) | (1,137) | 63 |
| Net position | (320) | (147) | 173 |

- b. The council's treasury management outturn report will detail the performance on investment income. This will be considered by Audit and Corporate Governance Committee on Monday 29 September before being presented to cabinet and council. Investment income is shown within finance in Appendix 1.

Capital

8. Including new growth bids, the original capital budget for 2013/14, as agreed by council in February 2013, was £15.804 million. Of this, £4.209 million was included in the approved capital programme and £11.595 million was budgeted in the provisional programme.

Approved capital programme

9. Details of the changes of the approved capital programme in year are summarised in table 3 below:

Table 3: movement on approved capital programme

| | 2013/14 £000 |
|---|-------------------------|
| Original budget 2013/14 | 4,209 |
| Roll forward from 2012/13 | 641 |
| Schemes deleted from approved programme in year | (28) |
| Schemes added to approved programme in year: | |
| SOHA loan | 15,000 |
| Crowmarsh office refurbishment | 405 |
| Carbon management | 86 |
| Wallingford Rowing Club | 50 |
| Transfer from provisional programme | 2,987 |
| Slippage into 2014/15 | (4,667) |
| Approved programme 31 March 2014 | 18,683 |

10. Capital expenditure for 2013/14 was £17.742 million. Of this spend £566,000 was funded from government grants and other contributions with the balance drawn from capital receipts and earmarked revenue reserves. Detail of the variance of spend against budget is shown in appendix 2 to this report.

Provisional capital programme

11. When funding for schemes is approved by council they are added to the provisional capital programme. Transfers to the approved capital programme are made after submission of a detailed capital scheme appraisal report to cabinet or by individual cabinet member's decision, at which point the scheme can

commence. The movement on the provisional capital programme for 2013/14 is shown in table 4 below:

Table 4: movement on provisional capital programme

| | 2013/14 £000 |
|--|-------------------------|
| Original budget 2013/14 | 11,595 |
| Rolled forward from 2012/13 | 2,377 |
| Additions to programme | 0 |
| Transferred to approved programme | (2,987) |
| Slippage identified in year | (3,940) |
| Balance at 31 March 2014 to be carried forward to 2014/15 | 7,045 |

12. The £7.045 million remaining in the provisional programme relates to schemes that have not been progressed for a number of reasons, including the emergence of higher priorities or scheme delays. These will now be rolled forward to 2014/15.

Analysis of revenue underspend

13. The variations between budgeted and actual revenue income and expenditure are summarised in table 5 below:

Table 5: variations between budgeted and actual revenue income and expenditure

| | Total variance | Income variance | | Expenditure variance | | | | Under-spends c/fwd to 2013/14 |
|-------------------------------|----------------|--------------------------|--------------|----------------------|-----------------------|----------------------|-------------------------|-------------------------------|
| | | Grants and contributions | Other Income | Employee costs | Supplies and services | Third party payments | Other gross expenditure | |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Corporate management team | (314) | (250) | (7) | 19 | (86) | 0 | 10 | 45 |
| Corporate strategy | (306) | (11) | (85) | (4) | 73 | (269) | (10) | |
| Economy leisure and property | (204) | (5) | (49) | (48) | (121) | 9 | 10 | 99 |
| Finance | (20) | 252 | (2) | (41) | (372) | 290 | (147) | 46 |
| Housing and health | (524) | (535) | (15) | 12 | 9 | 0 | 5 | 0 |
| HR, IT and customer services | (120) | 0 | 2 | (9) | (80) | (27) | (6) | 20 |
| Legal and democratic services | (369) | (6) | (181) | (76) | (95) | 1 | (12) | 30 |
| Planning | (308) | (44) | (65) | (144) | (71) | 40 | (24) | 18 |
| Contingency | (4) | | | | | | (4) | |
| Total | (2,169) | (599) | (402) | (291) | (743) | 44 | (178) | 258 |

14. We have analysed the outturn position to identify cross-council explanations for the significant variation from budget, excluding a number of budgets that have a net zero impact on the council's bottom line. The following key reasons for variances have been identified.

Over achievement of income budgets

15. We have overachieved against a number of income budgets for two main reasons:

- firstly, the government awarded us a number of grants during the year which we had no knowledge of when setting the budget in January 2013. These include £525,000 being South's share of the capacity funding grant in health and housing to accelerate housing growth across the Science Vale area of South and Vale, and £250,000 being South's share of the transformation grant in corporate management team for the office move; and
- second, in a number of services we have raised significantly more in fees and charges that we budgeted for. The main example is in legal services where income from taxi licenses and land charges exceeded budgets by £64,000 and £73,000 respectively.

Underspend against employee budgets

16. The underspend on employee costs includes £144,000 in planning which includes savings arising from the "Fit for the Future" review of the service.

Underspends in supplies and services budgets

17. Included within the £743,000 underspend on supplies and services is £259,000 adjustment to the bad debt provision in finance which has been made now that the more effective debt management by the council and its contractor has proved to be sustainable. There was also a significant underspend on consultants projects costs across services, equating to £144,000. Much of this has been carried forward to 2014/15.

Overspends in third party payments budgets

18. Included in third party payments is £256,000 underspend on payments to the council's waste and street cleansing contractor resulting from contract costs and inflation being lower than budget. There was also an overspend on payments to the financial services contractor, Capita, of £262,000. This is shown within finance and reflects increased payments to Capita as a result of improved performance a part of which relates to the vastly improved debt collection performance that has allowed us to substantially reduce our bad debt provisions (see above).

Measures to control future variances

19. As members will recall, the financial outturn report for 2012/13 also reflected a significant underspend against budget. As with last year, much of the variance reflected unbudgeted, additional income which was unknown at the start of the year.

20. However, following 2012/13 outturn, a number of measures were adopted to help control the level of underspend and variances. As scrutiny committee was advised at the time, these measures were introduced for 2014/15 budget setting and therefore the full impact of these measures will not be evident until the financial outturn for 2014/15 is reported next year. The following paragraphs show the measures that were adopted.

Employee costs

21. For the 2014/15 budget setting process, management team retained a two per cent managed vacancy factor (net across the council). This level reflected the level of underspend against employee costs experienced at that time and will be reviewed annually.

Challenge process during budget setting

22. Budget holders were asked to thoroughly review their base budgets for possible savings. Historically, budget holders have tended to be reluctant to do this in case savings exercises are required at a later date in the budget setting process. However, managers were reassured that any savings offered up would count in any future savings review. In addition, for the first time SMB conducted “Star Chambers” with heads of service to critically review their base budgets and seek to identify further savings. As a result of this, £1.241 million of base budget reductions were identified and made in 2014/15.

Use of contingency

23. A review of service budgets identified that, in addition to the central contingency budget, there were also budgets within services that could also be considered contingency budgets. These budgets have now been centralised. The level of the corporate contingency has been assessed based on the likelihood of the individual component budgets being required. The make-up of the corporate contingency budget will be reviewed annually.

Financial, legal and any other implications

24. The financial implications are as set out in the body of the report. There are no other implications of this report.

Conclusion

25. The council has underspent on both revenue and capital for 2013/14, following the trends of recent years. As reported above, the council has taken steps to mitigate against future significant revenue variances and as a consequence reduced its 2014/15 base budget by over £1 million.

Appendices

1. Revenue outturn 2013/14 and commentary on major variances
2. Capital outturn 2013/14 – summary and commentary

Background Papers

- Annual statement of accounts 2013/14 (currently being audited)
- Annual budget papers for 2013/14

South revenue outturn report as at 31 March 2014

| Net Revenue Expenditure | Working Budget Full Year | | Outturn | | Current variance | | Explanation of current variances >£50,000 | | Working Budget Full Year | | Forecast last Quarter | | Outturn Variance against Last Forecast | | Explanation of forecast variances >£50,000 | |
|---|--------------------------|------------------|--------------------|---|------------------|---|---|-------------------|--------------------------|--------------------|-----------------------|---|--|---|--|---|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Corporate Management Team | 558,229 | 243,829 | (314,400) | | | | | | 558,229 | 554,838 | (311,009) | | | | | |
| Corporate Strategy | 5,147,688 | 4,840,811 | (306,877) | | | | | 5,147,688 | 4,802,077 | 38,734 | | | | | | |
| Economy Leisure & Property | (108,135) | (311,792) | (203,657) | | | | | (108,135) | (301,103) | (10,689) | | | | | | |
| Finance | 488,825 | 210,850 | (277,975) | | | | | 488,825 | 549,064 | (338,214) | | | | | | |
| Health & Housing | 2,142,858 | 1,618,800 | (524,058) | | | | | 2,142,858 | 2,025,097 | (406,297) | | | | | | |
| HR IT and Customer Services | 1,571,234 | 1,451,370 | (119,864) | | | | | 1,571,234 | 1,512,858 | (61,488) | | | | | | |
| Legal & Democratic | 841,355 | 471,171 | (370,184) | | | | | 841,355 | 600,919 | (129,748) | | | | | | |
| Planning | 1,642,096 | 1,334,525 | (307,571) | | | | | 1,642,096 | 1,210,213 | 124,312 | | | | | | |
| Contingency | 3,517 | 0 | (3,517) | | | | | 3,517 | 0 | 0 | | | | | | |
| Direct Service Expenditure (including investment income) | 12,287,668 | 9,859,564 | (2,428,104) | | | | | 12,287,668 | 10,953,964 | (1,094,400) | | | | | | |

The big move

- 1) For the purposes of budget monitoring the Working budget for Corporate Strategy has been reduced by £140,230 in respect of the revenue contribution to capital for additional lighting works for the
- 2) A budget virement of £130,000 has been made from contingency to Corporate Management Team for the office move and represents contributions from budgets held in various services .
- 3) The Q3 forecast for the Big Move in CMT has been revised in the above figures to reflect amended budgeted costs and accounting arrangements

South revenue outturn report as at 31 March 2014

| Net Revenue Expenditure | Working Budget Full Year £ | Outturn £ | Current variance | Explanation of current variances >£50,000 | Working Budget Full Year £ | Forecast last Quarter £ | Outturn Variance against Last Forecast £ | Explanation of forecast variances >£50,000 |
|--|----------------------------|----------------|------------------|---|----------------------------|-------------------------|--|---|
| Corporate Management Team | | | | | | | | |
| Corporate Management Team - Jeanette Cox | 524,449 | 213,253 | (311,196) | £250k grant awarded Q4 £46k u/spent - Big Move | 524,449 | 521,058 | (307,805) | £250k grant awarded Q4 £46k u/spent - Big Move |
| Fit for the Future - Anna Robinson | 33,780 | 30,576 | (3,204) | | 33,780 | 33,780 | (3,204) | |
| Corporate Management Team | 558,229 | 243,829 | (314,400) | | 558,229 | 554,838 | (311,009) | |

South revenue outturn report as at 31 March 2014

| Net Revenue Expenditure | Working Budget Full Year £ | Outturn £ | Current variance £ | Explanation of current variances >£50,000 | Working Budget Full Year £ | Forecast last Quarter £ | Outturn Variance against Last Forecast £ | Explanation of forecast variances >£50,000 |
|--|----------------------------|------------------|--------------------|---|----------------------------|-------------------------|--|---|
| Corporate Strategy | | | | | | | | |
| Support costs - Clare Kingston | 101,176 | 59,711 | (41,465) | | 101,176 | 61,199 | (1,488) | |
| Communications and grants - Shona Ware | 666,946 | 682,786 | 15,839 | | 666,946 | 656,812 | 25,973 | |
| Open Spaces - Ian Matten | 180,264 | 157,251 | (23,013) | | 180,264 | 174,601 | (17,350) | |
| Policy - Sally Truman | 305,367 | 353,259 | 47,893 | | 305,367 | 268,307 | 84,953 | £45k is due to a prior year adjustment for community funding grant. |
| Waste - Ian Matten | 3,893,936 | 3,587,804 | (306,131) | Contract inflation budgeted at 3%, actual 0.29%. Bonus payment not achieved by Biffa. Increased recycling income compared to previous year. | 3,893,936 | 3,641,159 | (53,354) | Bonus payment not achieved by Biffa |
| Corporate Strategy | 5,147,688 | 4,840,811 | (306,877) | | 5,147,688 | 4,802,077 | 38,734 | |

South revenue outturn report as at 31 March 2014

| Net Revenue Expenditure | Working Budget Full | Outturn | Current variance | Explanation of current variances | Working Budget Full | Forecast last | Outturn Variance | Explanation of forecast variances |
|--|---------------------|------------------|------------------|--|---------------------|------------------|------------------|---|
| | Year | £ | £ | >£50,000 | Year | Quarter | against Last | >£50,000 |
| | £ | £ | £ | | £ | £ | Forecast | |
| Economy Leisure & Property | | | | | | | | |
| Cornerstone - Emma Dolman | 419,270 | 420,262 | 992 | | 419,270 | 430,421 | (10,159) | |
| Arts Development - Emma Dolman | 30,697 | 23,982 | (6,715) | | 30,697 | 25,773 | (1,791) | |
| Technical Services - John Backley | 42,629 | 156,028 | 113,399 | Emergency work during flooding events in January and February and flooding in Moulisford | 42,629 | 40,857 | 115,171 | Didn't anticipate amount of emergency work in Q4 due to flooding, particularly in Moulisford |
| Car Parking - John Backley | (550,165) | (628,872) | (78,707) | Overstated budgets (ins, NND, eng support) and income from Goldsmiths Lane cp put in holding a/c | (550,165) | (599,304) | (29,568) | |
| Economic Development - Suzanne Malcolm | (814,235) | (936,543) | (122,309) | Additional rental income / lower consultancy spend / some projects delayed/not completed | (814,235) | (920,622) | (15,922) | |
| Facilities - John Backley | 530,834 | 500,711 | (30,122) | | 530,834 | 570,910 | (70,198) | The projected spends on postage, repair & maintenance in facilities management and food and catering costs in the restaurant did not materialise. |
| Leisure - Kate Arnold | 63,358 | (30,620) | (93,978) | Berinsfield co-location project team not yet appointed - re-scheduled for 2014/15 | 63,358 | (14,410) | (16,210) | |
| Toilets - John Backley | 169,477 | 183,260 | 13,783 | | 169,477 | 165,272 | 17,988 | |
| Economy Leisure & Property | (108,135) | (311,792) | (203,657) | | (108,135) | (301,103) | (10,689) | |

South revenue outturn report as at 31 March 2014

| Net Revenue Expenditure | Working Budget Full Year £ | Outturn £ | Current variance £ | Explanation of current variances >£50,000 | Working Budget Full Year £ | Forecast last Quarter £ | Outturn Variance against Last Forecast £ | Explanation of forecast variances >£50,000 |
|--|----------------------------|----------------|--------------------|---|----------------------------|-------------------------|--|--|
| Finance including investment income (treasury) | | | | | | | | |
| Investment income (LF) * | (1,947,000) | (2,205,385) | (258,385) | Longer-term deposits placed yielding higher rates of return. | (1,947,000) | (2,090,000) | (115,385) | Longer-term deposits placed yielding higher rates of return. |
| Accountancy & Treasury - Simon Hewings | 613,835 | 519,824 | (94,011) | £42k underspend on Accountancy restructure budget. £56k under in bank charges and treasury service. | 613,835 | 543,389 | (23,565) | |
| Internal Audit - Adrianna Partridge | 84,727 | 74,113 | (10,614) | | 84,727 | 76,648 | (2,535) | |
| Payroll & Pension - William Jacobs | 707,383 | 690,205 | (17,178) | | 707,383 | 693,967 | (3,762) | |
| Exchequer, Revenues, Benefits and Con. Fares - Paul Howden | 967,162 | 1,072,176 | 105,014 | Mainly additional benefit costs and an increase in Capita bonus for exceeding collection targets which conversely allowed a reduction in the HB bad debt provision. | 967,162 | 1,285,114 | (192,938) | Better than than assumed collection rates at Q3 allowed reduction in HB bad debt provision of £259k. |
| Shared Services Finance - William Jacobs | 62,718 | 59,917 | (2,801) | | 62,718 | 59,945 | (29) | |
| Finance including investment income (treasury) | 488,825 | 210,850 | (277,975) | | 488,825 | 549,064 | (338,214) | |

* NOTE - investment income excludes impact of financial instruments accounting adjustment required for financial accounts.

South revenue outturn report as at 31 March 2014

| Net Revenue Expenditure | Working Budget Full Year £ | Outturn £ | Current variance £ | Explanation of current variances >£50,000 | Working Budget Full Year £ | Forecast last Quarter £ | Outturn Variance against Last Forecast £ | Explanation of forecast variances >£50,000 |
|--|----------------------------|------------------|--------------------|---|----------------------------|-------------------------|--|---|
| Health & Housing | | | | | | | | |
| Environmental Health - Paul Holland | 36,039 | 44,216 | 8,177 | | 36,039 | 25,621 | 18,595 | |
| Environmental Services - Paul Holland | 601,990 | 540,671 | (61,319) | Vacant post filled in April 2014. Increased income from Environmental Protection Fees and Charges | 601,990 | 543,309 | (2,638) | |
| Didcot Growth Point - Alan Wyde | 414,863 | 440,589 | 25,726 | | 414,863 | 414,863 | 25,726 | |
| Housing Services Homelessness - Phil Ealey | 537,019 | 573,832 | 36,812 | | 537,019 | 543,409 | 30,422 | |
| Housing Development - Alan Wyde | 101,718 | (444,631) | (546,349) | Capacity funding grant received but not spent | 101,718 | 66,087 | (510,718) | Capacity funding grant received but not spent |
| Private Sector Housing - Paul Holland | 83,987 | 77,565 | (6,422) | | 83,987 | 79,591 | (2,026) | |
| Food Safety - Diane Moore | 367,242 | 386,559 | 19,317 | | 367,242 | 352,217 | 34,342 | |
| Health & Housing | 2,142,858 | 1,618,800 | (524,058) | | 2,142,858 | 2,025,097 | (406,297) | |

South revenue outturn report as at 31 March 2014

| Net Revenue Expenditure | Working | Outturn | Current variance | Explanation of current variances | Working | Forecast last | Outturn Variance | Explanation of forecast variances |
|--|--------------------------|------------------|------------------|---|--------------------------|------------------|-------------------------------|-----------------------------------|
| | Budget Full Year £ | £ | £ | >£50,000 | Budget Full Year £ | Quarter £ | against Last Forecast £ | >£50,000 |
| HR IT and Customer Services | | | | | | | | |
| IT Operations - Simon Turner | 649,148 | 539,038 | (110,110) | Staff vacancies (one post deleted for 2014-15); £20k software purchase carried forward into 2014-15 | 649,148 | 612,793 | (73,755) | Staff vacancies |
| IT Applications - Lee Brown | 162,775 | 146,524 | (16,251) | | 162,775 | 148,775 | (2,251) | |
| Land & Property Data - Lee Brown | 109,516 | 96,359 | (13,157) | | 109,516 | 84,495 | 11,864 | |
| Customer Contact - Andrew Down | 81,968 | 86,913 | 4,945 | | 81,968 | 84,968 | 1,945 | |
| Human Resources - Mark Gibbons | 321,398 | 270,074 | (51,324) | Reduction in hidden pension costs | 321,398 | 285,398 | (15,324) | |
| Training - Mark Gibbons | 110,448 | 162,184 | 51,736 | Agreed overspend on corporate training including mgt dev, cust svce, high performing teams | 110,448 | 150,448 | 11,736 | |
| Performance & Projects - Geoff Bushell | 114,076 | 123,313 | 9,237 | | 114,076 | 118,076 | 5,237 | |
| Recruitment - Mark Gibbons | 21,906 | 26,966 | 5,060 | | 21,906 | 27,906 | (940) | |
| HR IT and Customer Services | 1,571,234 | 1,451,370 | (119,864) | | 1,571,234 | 1,512,858 | (61,488) | |

South revenue outturn report as at 31 March 2014

| Net Revenue Expenditure | Working Budget Full Year £ | Outturn £ | Current variance £ | Explanation of current variances >£50,000 | Working Budget Full Year £ | Forecast last Quarter £ | Outturn Variance against Last Forecast £ | Explanation of forecast variances >£50,000 |
|---|-------------------------------|----------------|-----------------------|--|-------------------------------|----------------------------|---|--|
| | | | | | | | | |
| Legal & Democratic | | | | | | | | |
| Community Safety/CCTV - Katharine Doherty | 266,618 | 199,976 | (66,642) | impact of CCTV shared team & maternity leave, in year saving on purchase of equipment and grants. | 266,618 | 191,840 | 8,136 | |
| Democratic and Electoral Services - Steven Corrigan | 365,268 | 322,574 | (42,693) | | 365,268 | 325,830 | (3,255) | |
| Electoral Services - Steven Corrigan | 182,270 | 141,771 | (40,499) | | 182,270 | 158,681 | (16,910) | |
| Land Charges - Liz Hayden | (181,875) | (234,063) | (52,188) | Income above predicted budget due to receiving a greater number of search requests than anticipated. | (181,875) | (212,189) | (21,874) | |
| Licensing - Liz Hayden | (190,006) | (257,346) | (67,340) | Taxi licensing income which will be taken into consideration over 3-5 year position. | (190,006) | (247,265) | (10,081) | |
| Legal - Ian Price | 399,081 | 298,259 | (100,822) | Additional recovery costs, reimbursement on major case, savings external legal costs | 399,081 | 384,023 | (85,764) | Additional recovery of costs and savings on external legal fees. |
| Legal & Democratic | 841,355 | 471,171 | (370,184) | | 841,355 | 600,919 | (129,748) | |

South revenue outturn report as at 31 March 2014

| Net Revenue Expenditure | Working Budget Full Year £ | Outturn £ | Current variance £ | Explanation of current variances >£50,000 | Working Budget Full Year £ | Forecast last Quarter £ | Outturn Variance against Last Forecast £ | Explanation of forecast variances >£50,000 |
|--|----------------------------|------------------|--------------------|--|----------------------------|-------------------------|--|---|
| Planning | | | | | | | | |
| Building Control - Mal Brown | (85,827) | (86,051) | (223) | | (85,827) | (101,208) | 15,158 | |
| Policy, Conservation and Design - Derek McKenzie | 998,834 | 805,122 | (193,712) | restructure created underspend, balanced off with agency staff | 998,834 | 821,000 | (15,878) | |
| Development Services | 729,089 | 615,454 | (113,636) | | 729,089 | 490,421 | 125,032 | Income was down due to 2 major applications not being submitted before March and there were additional redundancy and consultancy costs |
| Planning | 1,642,096 | 1,334,525 | (307,571) | | 1,642,096 | 1,210,213 | 124,312 | |
| Contingency | | | | | | | | |
| Contingency - William Jacobs | 3,517 | 0 | (3,517) | | 3,517 | 0 | 0 | |
| Contingency | 3,517 | 0 | (3,517) | | 3,517 | 0 | 0 | |

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South 2013/14 Q4 capital budget monitoring

| | Working Budget full yr | Actuals to end Q4 | Actuals as % of budget | Outturn variance | Outturn as % of budget | Outturn forecast made Q3 | Actual outturn against last forecast | Variance as % of budget |
|------|------------------------------|----------------------|------------------------------|---------------------|------------------------------|--------------------------------|---|-------------------------------|
| CMT | 987,530 | 524,870 | 53.15% | (462,660) | -46.85% | 603,000 | (78,130) | -7.91% |
| CORP | 1,013,700 | 924,866 | 91.24% | (88,834) | -8.76% | 872,170 | 52,696 | 5.20% |
| ELP | 675,000 | 303,096 | 44.90% | (371,904) | -55.10% | 565,562 | (262,466) | -38.88% |
| FIN | 15,060,000 | 15,051,169 | 99.94% | (8,831) | -0.06% | 15,054,000 | (2,831) | -0.02% |
| HIC | 48,000 | 40,565 | 84.51% | (7,435) | -15.49% | 43,000 | (2,435) | -5.07% |
| HSH | 878,000 | 880,847 | 100.32% | 2,847 | 0.32% | 842,442 | 38,405 | 4.37% |
| LDS | 12,000 | 7,113 | 59.27% | (4,887) | -40.73% | 10,000 | (2,887) | -24.06% |
| PLAN | 8,000 | 9,782 | 122.28% | 1,782 | 22.28% | 8,000 | 1,782 | 22.28% |
| | <u>18,682,230</u> | <u>17,742,306</u> | | <u>(939,924)</u> | | <u>17,998,174</u> | <u>(255,868)</u> | |

Accountancy commentary

The final 2013/14 working budget for the capital programme was £18.7 million; this reflected budget adjustments made for prior-year slippage and additions made to the approved capital programme since the start of the financial year. Total expenditure for the year was £17.7 million. The main variances by service were:

CMT

The main variances were in respect of Didcot Station Forecourt and Crowmarsh Office Refurbishment.

Spend on Didcot Station Forecourt was £374k underspent against budget for the year and against quarter three projections. No narrative has been received in respect of these variances.

The capital scheme for Crowmarsh Office Refurbishment was added to the approved programme subsequent to the issue of quarter three budget monitoring. Spend for the year was £297k against a working budget of £405k (£350k budget plus £55k revenue contribution to capital for lighting), reflecting delays in undertaking remedial heating works and the timing of phase three works.

CORP

The main variances were on the Carbon Management capital scheme (£113k underspent against working budget for the year) and on Waste Management (£69k greater than budgeted spend and estimates made for quarter three).

Spend on Carbon Management was delayed due to uncertainty about what element of the budget might potentially be called on to cover works at Crowmarsh. The apparent overspend on Waste Management is covered by transfer of funding from the provisional to the approved capital programme which has been approved. The 2014/15 budget allocations will be adjusted accordingly to reflect this transfer of funds.

ELP

There are several schemes showing variances against working budget and quarter three estimates, of which the largest are on the Arts Development budgets and Lesiure works.

Total spend of Arts Development was £53k less than budget for the year and £31k less than forecast in quarter three monitoring. This was due to delays in finishing the final snagging issues at Cornerstone and fabrication of the Orchard Centre Sculpture.

Leisure projects underspent against full year budget and quarter three projections by approximately £221k. This was due to delays in receiving agreement from the County Council to proceed with joint-use projects.

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Scrutiny Work Programme



Listening Learning Leading

containing scrutiny work to be undertaken 1 OCTOBER 2014 - 31 OCTOBER 2015

The scrutiny work programme belongs to the council's Scrutiny Committee and sets out a schedule of scrutiny work due to be carried out over during period shown above. It is a rolling plan, subject to change at each Scrutiny Committee meeting; however, the scrutiny work programme and changes to it are subject to the council's approval.

Representations can be made on any of the following issues before an item is considered by the Scrutiny Committee. The meeting dates are shown below beside the items to be considered.

How do I get copies of agenda papers and other relevant documents?

The agenda papers for committee meetings and other relevant documents are available five working days before the meeting on the Council's website www.southoxon.gov.uk. Alternatively you can contact Susan Harbour, Democratic Services Team Leader, Legal and Democratic Services, South Oxfordshire District Council, Council Offices, Crowmarsh Gifford, Wallingford, Oxon, OX10 8HQ, email susan.harbour@southandvale.gov.uk. On occasions, the papers you request may contain exempt or confidential information. If this is the case, we will explain why it is not possible to make copies available.

How to make representations to the committee

Members of the public wishing to address a meeting on an issue on the agenda should notify the Head of Legal and Democratic Services by noon on the day before the meeting. Please contact Susan Harbour.

Scrutiny Work Programme

| Item title | Scrutiny Committee meeting date and other decision dates | Lead officer | Cabinet member | Why is it here? | Scope | Notes/ Consultees/Invitees |
|---|---|--|--|--|--|----------------------------|
| Financial outturn to March 2014 | Scrutiny Committee 16 Sep 2014 Is the issue on the Cabinet work programme? No | Mr Simon Hewings Tel: 01491 823583 simon.hewings@southoxfordshire.gov.uk | Mr David Dodds, Cabinet member for finance, waste and parks | Purpose: to report the final year end position for revenue and capital expenditure against budget for the financial year 2012/13. Exempt? No | | |
| Performance Review of GLL (leisure contract) 2013/14 | Scrutiny Committee 16 Sep 2014 Is the issue on the Cabinet work programme? No | Kate Arnold Tel: 01491 823091 kate.arnold@southoxfordshire.gov.uk | Mr Bill Service, Cabinet member for community safety, leisure and grants | Annual performance review of the GLL leisure contract Exempt? No | To recommend a final assessment of performance to the Cabinet member | Invitees: GLL Leisure |
| Review of flooding in South Oxfordshire | Scrutiny Committee 16 Sep 2014 Is the issue on the Cabinet work programme? No | | | Exempt? No | | |

Scrutiny Work Programme

| Item title | Scrutiny Committee meeting date and other decision dates | Lead officer | Cabinet member | Why is it here? | Scope | Notes/ Consultees/Invitees |
|--|---|--|--|---|----------------------------------|--|
| Performance review of Capita 2013/14 | Scrutiny Committee 16 Sep 2014 Is the issue on the Cabinet work programme? No | Mr Paul Howden Tel: 01491 823830 paul.howden@southandvale.gov.uk | Mr David Dodds, Cabinet member for finance, waste and parks | Review of the performance of the council's provider of financial and customer services. Exempt? No | Officer's report to the meeting. | Representatives of Capita will attend. |
| Welfare Reform: Changes to Council Tax Benefit and Spare Room Subsidy | Scrutiny Committee 21 Oct 2014 Is the issue on the Cabinet work programme? No | | | Exempt? No | | |
| Community Safety Partnership annual report | Scrutiny Committee 2 Dec 2013 Is the issue on the Cabinet work programme? No | Mrs Liz Hayden Tel: 01491 823705 liz.hayden@southandvale.gov.uk | Mr Bill Service, Cabinet member for community safety, leisure and grants | Purpose: statutory Exempt? No | | |

Scrutiny Work Programme

| Item title | Scrutiny Committee meeting date and other decision dates | Lead officer | Cabinet member | Why is it here? | Scope | Notes/ Consultees/Invites |
|--|---|--------------|----------------|-----------------|-------|---------------------------|
| Quarterly Budget Monitoring and Profiling | Scrutiny Committee 2 Dec 2014 Is the issue on the Cabinet work programme? No | | | Exempt? No | | |

Scrutiny Work Programme

| Item title | Scrutiny Committee meeting date and other decision dates | Lead officer | Cabinet member | Why is it here? | Scope | Notes/ Consultees/Invitees |
|--|--|---|----------------|--|-------|---|
| <p>Burial ground provision in the district - review</p> | <p>Scrutiny Committee 2 Dec 2014</p> <p>Is the issue on the Cabinet work programme? No</p> | <p>Mr Chris Tyson Tel: 01491 823125 chris.tyson@southandvale.gov.uk</p> | | <p>June 2014 To scope a review into burial ground provision in the district and specifically council owned burial grounds. To task relevant officers with the review.</p> <p>November/December 2014 or earlier To consider the findings and make recommendations to Cabinet and/or Council.</p> <p>Exempt?</p> | | <p>Cabinet and relevant council officers. Others as determined by the review group.</p> |

Scrutiny Work Programme

| Item title | Scrutiny Committee meeting date and other decision dates | Lead officer | Cabinet member | Why is it here? | Scope | Notes/ Consultees/Invitees |
|---|--|--|---|---|---------------------------------------|--|
| <p>Performance review of Biffa to 31 December 2014</p> | <p>Scrutiny Committee Not before 17 Feb 2015</p> <p>Mr David Dodds, Cabinet member for finance, waste and parks Not before 17 Feb 2015</p> <p>Is the issue on the Cabinet work programme? No</p> | <p>Mr Ian Matten</p> <p>Mr Ian Matten Tel: 01235 540373 ian.matten@southandvale.gov.uk</p> | <p>Mr David Dodds, Cabinet member for finance, waste and parks</p> <p>Mr David Dodds, Cabinet member for finance, waste and parks</p> | <p>Performance review of the council's contractor in delivering the waste services contract.</p> <p>Exempt?</p> | <p>Officer's report to committee.</p> | <p>Representatives of Biffa will be invited to attend.</p> |

Scrutiny Work Programme

| Item title | Scrutiny Committee meeting date and other decision dates | Lead officer | Cabinet member | Why is it here? | Scope | Notes/ Consultees/Invitees |
|--|--|--|---|---|-------------------------------------|---|
| <p>Performance review of Sodexo to 31 December 2014</p> | <p>Mr David Dodds, Cabinet member for finance, waste and parks Not before 17 Feb 2015</p> <p>Scrutiny Committee Not before 17 Feb 2015</p> <p>Is the issue on the Cabinet work programme? No</p> | <p>Mr Ian Matten</p> <p>Mr Ian Matten Tel: 01235 540373 ian.matten@southandvale.gov.uk</p> | <p>Mr David Dodds, Cabinet member for finance, waste and parks</p> <p>Mr David Dodds, Cabinet member for finance, waste and parks</p> | <p>Performance review of council's grounds maintenance contractor.</p> <p>Exempt?</p> | <p>Officer's report to meeting.</p> | <p>The contractor's representative will attend.</p> |
| <p>Quarterly Budget Monitoring and Profiling</p> | <p>Scrutiny Committee 17 Feb 2015</p> <p>Is the issue on the Cabinet work programme? No</p> | | | <p>Exempt?</p> | | |

Scrutiny Work Programme

| Item title | Scrutiny Committee meeting date and other decision dates | Lead officer | Cabinet member | Why is it here? | Scope | Notes/ Consultees/Invitees |
|------------|---|--------------|----------------|-----------------|-------|----------------------------|
| Budget | Scrutiny Committee 17 Feb 2015 Is the issue on the Cabinet work programme? No | | | Exempt? | | |