

Joint Scrutiny Committee Report

Report of Head of Corporate Strategy

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To: JOINT SCRUTINY COMMITTEE

DATE: 30 July 2015

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Performance review of Sodexo Ltd (Horticultural Services) - 2014

RECOMMENDATION

That the committee considers Sodexo Limited's performance in delivering the grounds maintenance services contract for the period 1 January 2014 to 31 December 2014 and makes any comments to the Cabinet Members with responsibility for grounds maintenance to enable them to make a final assessment on performance.

PURPOSE OF REPORT

1. The report considers the performance of Sodexo in providing grounds maintenance services in Vale of White Horse and South Oxfordshire for the period 1 January 2014 to 31 December 2014.

STRATEGIC OBJECTIVES

2. The service contributes to the council's strategic objective of excellent delivery of key services with particular emphasis on delivering high performance services, keeping public spaces clean and attractive and ensuring good quality sport and leisure provision.

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, the council cannot deliver high quality services to its residents unless its contractors are performing well. 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 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. Evaluating contractor performance has four elements:
 1. performance measured against key performance targets (KPT)
 2. customer satisfaction with the total service experience
 3. council satisfaction as client
 4. summary of strengths and areas for improvement, plus feedback from the contractor on the overall assessment and the contractor's suggestions of ways in which the council might improve performance.
7. The first three dimensions are assessed and the head of service makes a judgement of classification. The fourth element is a summary of strengths and areas for improvement and includes contractor feedback. Where some dimensions are not relevant or are difficult to apply fairly to certain types of contract, the framework may be adjusted or simplified at the discretion of the head of service.
8. Sodexo were awarded a joint contract for South Oxfordshire and Vale of White Horse district councils for the supply of grounds maintenance in October 2011 with a commencement date of January 2012.
9. The current value of the contract, as a fixed annual charge is £459,330 per annum of which Vale of White Horse proportion is £359,427 per annum and South Oxfordshire is £99,903 per annum. The reason for the difference in costs is because of the difference in land ownership between the two authorities. The contract is due to end in December 2016. There is an option to extend for a further three years, subject to satisfactory performance.
10. The contract includes delivery of the following service:
 - grass cutting
 - maintenance of horticultural features :

flower beds

hanging baskets

shrub beds

mixed borders

- maintenance of hedges
- maintenance of play areas
- litter clearance
- vegetation control of hard surfaces
- minor tree works
- burial service at Wallingford and Crowmarsh cemeteries
- maintenance of sports facilities.

DIMENSION 1 – KEY PERFORMANCE TARGETS

11. KPT are recognised as an important element of monitoring the contractor's performance. The KPT cover those aspects of the service which are considered to be most important as a means of benchmarking against which performance can be measured. The KPT are:

- KPT 1 – quality inspection– the average percentage quality rating of randomly selected play areas and open spaces. Target – 85 per cent
- KPT 2 – the percentage of notifications and complaints that are resolved within agreed timescales. Target – 90 per cent
- KPT 3 – Overall customer satisfaction rating for the grounds maintenance service. Target – 85 per cent
- KPT 4 – Percentage of actions, identified as part of health and safety audit inspections, which are rectified within agreed time scales. Target – 95 per cent
- KPT 5 – Percentage of work orders issued that are completed within agreed time scales. Target – 80 per cent.

KPT 1 – quality inspections

12. This KPT is measured by monthly joint inspections by the client and contractor of randomly selected sites. As well as an overall assessment, providing a general impression of the quality of the service being achieved, each service activity for the particular site is subject to a more detailed assessment and given a score out of ten. The total of all scores for the site are then shown as a percentage, for the purposes of this review the average for the year is then calculated.

13. During this review period the average percentage rate of randomly selected play areas and open spaces was 84 per cent. This is just below the target of 85 per cent and lower than last year's score of 86 per cent. In total 42 joint inspections took place.

KPT 2 – percentage of notifications and complaints that are resolved within agreed timescales

14. This KPT is measured by evaluating the length of time the contractor takes to resolve an issue that has been brought to their attention. These can be as a result of a member of the public contacting us or as a result of the councils parks team monitoring. A notification notice is issued to the contractor with a period of time to resolve the issue, the amount of time given varies depending on the nature of the issue. For the purpose of this review the number of notifications resolved in the agreed timescale are shown as a percentage
15. During the review period 194 notices were issued and 149 were completed within the time scales. This is 77 per cent against a target of 90 per cent. This is an improvement on last year's 69 per cent score but is still an area for improvement. One reason for not meeting the set timescales is that the majority of these notification are issued during the peak summer period when resources are already operating at capacity.

KPT 3 – overall customer satisfaction

16. The overall customer satisfaction rating for the cleanliness and maintenance of the council owned parks and open spaces was 88 per cent. This is based on 180 respondents out of 205 being fairly or very satisfied. More details on customer satisfaction are included in Dimension 2 that follows.

KPT 4 – percentage of actions identified during health and safety monitoring that are rectified within agreed timescales.

17. As suggested in the last review joint health and safety inspections by the contracts supervisor and parks officer were increased from quarterly to monthly and involved attending sites, observing the crews and examining personal protective clothing and machinery.
18. As a result of the inspections four action sheets were raised covering nine points of concern. All actions identified were rectified within the agreed timescales, exceeding the target of 95 per cent.

KPT 5 – percentage of work orders completed within agreed timescales

19. Additional work not included within the core service is issued to Sodexo as a work order. This includes a timescale in which to complete the work. The timescales vary depending on the urgency of the work required.
20. During the review period 207 work orders have been issued and 159 were completed within the agreed timescale. This is 77 per cent against a target of 80 per cent.
21. Based on Sodexo's performance an overall "average" KPT performance rating score of 4.0 has been achieved. An analysis of performance against the KPT can be found in Annex A.

22. For reasons of consistency and for fairness between contractors, the following is a rough guide to the assessment of Sodexo against all KPT:

Score	1 – 1.4999	1.5 – 2.499	2.5 – 3.499	3.5 – 4.499	4.5 – 5.0
Classification	Poor	Weak	Fair	Good	Excellent

23. The head of service has made a judgement on KPT performance as follows:

KPT judgement

Previous KPT judgement for comparison

DIMENSION 2 – CUSTOMER SATISFACTION

24. Customer satisfaction for this report has been measured by the results of questionnaires handed out to users of the council’s parks, open spaces and play areas and an online questionnaire which was available during August/September. In total 206 questionnaires were completed.

25. The main areas of questioning relating to satisfaction with the grounds maintenance service were :

- satisfaction with the overall cleanliness and maintenance of the park
- satisfaction with the different elements of the grounds maintenance service
- Whether there were areas of improvement that customers would like to see.

26. There were no official complaints logged as part of the council’s complaints procedure during the review period. We received six compliments directly linked to Sodexo’s work.

27. Based on Sodexo’s performance a combined overall customer satisfaction rating score of 4.20 has been achieved. An analysis of customer satisfaction can be found in Annex B.

28. For reasons of consistency with previous assessments, and for fairness between contractors, the following is a rough guide to the assessment of Sodexo on overall 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

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

Customer satisfaction judgement

Previous customer satisfaction judgement for comparison

DIMENSION 3 – COUNCIL SATISFACTION

30. As part of the performance review officers with direct knowledge and who frequently interact with the contractor were asked to complete a short questionnaire, this included the head of service, parks manager, parks officer, monitoring officer and parks business support team. In total six questionnaires were sent out and returned.
31. Internal customers were also consulted and some areas of concern were raised. Joint meetings have taken place to clarify the specification, their expectations and to review areas of work not routinely included within the grounds maintenance contract. Additional work orders have been issued to address some of these concerns.
32. Based on sodexo’s performance an overall council satisfaction rating score of 4.23 has been achieved. This is an improvement on last year’s score of 3.79 and 3.50 the previous year. An analysis of council satisfaction can be found in Annex C.
33. For reasons of consistency with previous assessments, and for fairness between contractors, the following is a rough guide to the assessment of Sodexo on council 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

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

Council satisfaction judgement

Previous council satisfaction judgement for comparison

OVERALL ASSESSMENT

35. Taking into account the performance of the contractor against KPT, customer satisfaction and council satisfaction, the head of service has made an overall judgement as follows.

Overall assessment

Previous overall assessment for comparison

36. Other areas of note within the period of this review are:

- We retained the Green Flag for Abbey Gardens

- One member of staff has completed the apprenticeship scheme and is now employed by Sodexo on a full time contract.

STRENGTHS AND AREAS FOR IMPROVEMENT

37. Annex C also records strengths and areas for improvement relating to the performance of the contractor in this review period.

38. Areas for improvement identified in last year's review were:

- *transparency and honesty with regards to day to day operational issues.*

Officers have continued to build on the working relationship with Sodexo, in particular with the local contracts manager and feel this is no longer an area requiring improvement.

- *additional resources and equipment to deal with peak periods of work*

Additional equipment has been brought onto the contract to provide extra resource when required and the recruitment of seasonal staff started earlier so operationally Sodexo were better prepared for the peak periods. Although as already mentioned in the review, dealing with notification notices during peak periods does still present some problems.

- *additional supervision to monitor crews*

No additional supervision has been brought in but the electronic monitoring system has been operational and used to monitor crews progress. There is scope to expand on this going forward.

39. During last year's review the committee requested the following be included within the 2014 action plan, a copy of the 2014 action plan is attached.

- Communication
- time/response targets
- tracking of operations technology
- play areas – annual report and weekly visual inspections
- to know whether customers who were dissatisfied with the parks were dissatisfied with the same or different parks.

The 2014 customer satisfaction survey addressed this issue. Respondents were asked to name the park they were referring to. Those respondents that were dissatisfied mainly related to Vale parks at Peachcroft and Cotman Close. These are both high usage areas which suffer misuse and already receive increased maintenance.

CONTRACTORS FEEDBACK

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

FINANCIAL IMPLICATIONS

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

LEGAL IMPLICATIONS

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

CONCLUSION

43. Sodexo have provided a good grounds maintenance service to the council throughout the review period with very few issues of concern. The nature of the work makes it difficult to address unforeseen issues during peak periods of work or during adverse weather, this is reflected in the results of some of the KPT but whilst they may not have met their target these are not areas of concern. No formal complaints have been received indicating that members of the public are happy with the service provided.

44. The committee is asked to make any comments to the Cabinet Members with responsibility for grounds maintenance to enable them to make a final assessment on performance.

BACKGROUND PAPERS

45. None

Annex A – Key performance targets

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	average percentage quality rating of randomly selected play areas and open spaces	85 %	84%	good	4
KPT 2	percentage of notifications and complaints resolved within timescale	90%	77%	weak	2
KPT 3	Overall customer satisfaction	85%	88%	excellent	5
KPT 4	percentage of actions identified during health and safety monitoring that are rectified with agreed timescales	95%	100%	excellent	5
KPT 5	percentage of work orders completed within agreed timescales	80%	77%	good	4
Overall “average” KPT performance rating score (arithmetic average) refers to point 21 in the report					4.0
Overall “average” KPT performance (excellent, good, fair, weak or poor)					good

Annex B – Customer satisfaction

In total, 206 users completed a questionnaire about the grounds maintenance service although not all respondents answered every question.

Q. How satisfied overall are you with the cleanliness and maintenance of the park?

Rating	Number of residents	Score equivalent	Total
Very satisfied	55	X 5	275
Fairly satisfied	125	X 4	500
Neither satisfied or dissatisfied	13	X3	39
Fairly dissatisfied	9	X 2	18
Very dissatisfied	3	X 1	3
Total	205		835

Overall satisfaction with cleanliness and maintenance $835 \div 205 = 4.07$

The following is a guide to the assessment of Sodexo on overall customer satisfaction for the grounds maintenance service:

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

Q. How satisfied are you with the standard of grass cutting?

Rating	Number of residents	Score equivalent	Total
Very satisfied	94	X 5	470
Fairly satisfied	100	X 4	400
Neither satisfied or dissatisfied	1	X 3	3
Fairly dissatisfied	6	X 2	12
Very dissatisfied	0	X 1	0
Total	201		885

Satisfaction with standard of grass cutting calculation: $885 \div 201 = 4.40$

The following is a guide to the customer satisfaction assessment of Sodexo for the standard of grass cutting:

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

Q. How satisfied are you with the standard of shrub bed maintenance?

Rating	Number of residents	Score equivalent	Total
Very satisfied	64	X 5	320
Fairly satisfied	115	X 4	460
Neither satisfied or dissatisfied	3	X 3	9
Fairly dissatisfied	11	X 2	22
Very dissatisfied	2	X 1	2
Total	195		813

Satisfaction with standard of shrub bed maintenance calculation: $813 \div 195 = 4.16$

The following is a guide to the customer satisfaction assessment of Sodexo for the standard of shrub bed maintenance:

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

Q. How satisfied are you that the park is kept litter free?

Rating	Number of residents	Score equivalent	Total
Very satisfied	76	X 5	380
Fairly satisfied	108	X 4	432
Neither satisfied or dissatisfied	5	X 3	15
Fairly dissatisfied	10	X 2	20
Very dissatisfied	5	X 1	5
Total	204		852

Satisfaction that the park is kept clear of litter calculation: $852 \div 204 = 4.17$

The following is a guide to the customer satisfaction assessment of Sodexo that the park is kept clear of litter:

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

The combined overall customer satisfaction rating for the grounds maintenance is calculated as follows:

Users total weighted scores ÷ number of residents
 $(835 + 885 + 813 + 852) \div (205 + 201 + 195 + 204)$

$3385 \div 805 = 4.20$ (refers to point 27 in the report)

Areas of improvement that customers identified:-

- more trees planted
- additional litter bins and seating
- more staff working in the park
- update some of the play equipment
- wildflower areas
- more enforcement of dog owners who allow their dogs to mess
- more activities
- less activities – return to informal area
- provide somewhere to buy food and drinks.

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. Some questions can be left blank if the officer does not have direct knowledge of that particular question.

The numbers indicated in the following table are the total number of responses received for each question.

Contractor / supplier / partner name Sodexo Limited (Horticultural Services)

From (date) 1 January 2014 To 31 December 2014

SERVICE DELIVERY

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

COMMUNICATIONS AND RELATIONS

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

IMPROVEMENT AND INNOVATION

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

The following table is a summary of council satisfaction based on the completed questionnaires

Rating	Votes	Score equivalent	Total
very satisfied	30	X 5	150
satisfied	63	X 4	252
neither satisfied or dissatisfied	5	X 3	15
dissatisfied	1	X 2	2
very dissatisfied	0	X 1	0
Total	99		419

The overall council satisfaction is calculated as follows: $419 \div 99 = 4.23$ (refers to point 32 in the report)

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths

The local staff are very knowledgeable and responsive
Proficient and experienced core team
Partnership working
Knowledgeable and efficient contracts manager
Responding quickly to urgent work
Responsive to requests for additional services such as snow and ice clearance and flooding
Reporting of damage to play equipment when identified
Approachable staff

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Areas for improvement

Electronic monitoring system – further development needed
Additional supervision to increase productivity in some areas of work

Quality of hand written documents could be improved

A satellite depot to improve efficiency

Annex D - Contractor 360° feedback

CONTRACTOR'S REACTION / FEEDBACK ON COUNCIL'S ASSESSMENT

Sodexo are pleased with the progress that we have made in improving the service delivery, and particularly the grass cutting, and that this is reflected in the Councils assessment. We will continue to improve and innovate wherever possible.

ANY AREAS WHERE CONTRACTOR DISAGREES WITH ASSESSMENT

We do not disagree with the Council's assessment

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

We would request longer time scales for completion of notifications during the main grass cutting season, so we can reduce the negative impact on the planned works schedule

Feedback provided by

Date