

Joint Scrutiny Committee

22 October 2015



Listening Learning Leading



Report of Head of Finance

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To: Scrutiny Committee

DATE: 22 October 2015

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To: Scrutiny Committee

DATE: 22 October 2015

Performance review of CAPITA for the period 1 April 2014 – 31 March 2015

Recommendation(s)

That the committee considers Capita's performance in delivering the six elements of the financial services contract for the period 1 April 2014 to 31 March 2015 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 2014 to 31 March 2015.

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 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 the councils and Capita. It was a ground breaking contract that included the creation of a shared services model 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)
Customer contact services
Cashier services

6. This report reports on performance in respect of both **South** and **Vale**.

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 five parts:
 - revenues
 - benefits
 - exchequer (accounts payable, accounts receivable)
 - financial management system
 - customer contact
 - payroll

9. The respective Cabinet members 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** council tax collection rate of **98.73 per cent** (2013/2014 98.75 per cent) for **South** and **98.69 per cent** (2013/14 98.72 per cent) for **Vale** against a target of 98.6 per cent. The national average was 97 per cent and **South** and **Vale** ranked at least **24th** and **30th** respectively in the country. In our benchmarking group **South** and **Vale** ranked at least **2nd** and **3rd** respectively out of 33 councils. Considering the economic climate and, the fact that both authorities had a number of accounts on hold due to a legal issue and, that Vale reduced its council tax reduction entitlement, this represents excellent performance. It should also be noted that arrears continue to be collected after the end of the financial year and, at the time of writing, **South** and **Vale's** 2014/15 collections now stand at **99.02 per cent** and **99 per cent** respectively.
- Capita achieved an in-year business rate collection rate of **99 per cent** (2013/14 98.59) for **South** and **99.3 per cent** (2013/14 99.25 per cent) for **Vale** against a target of 99.4 per cent (this target relates to the final year of Best Value Performance Indicators (BVPs) in 2007/08). The national average was 98.1 per cent and **South** and **Vale** ranked at least **18th** and **44th** respectively in the country. In our benchmarking group **South** and **Vale** ranked at least **3rd** and **7th** respectively out of 33 councils. Considering the economic climate and, the fact that both authorities had a number of accounts on hold due to complex legal issues this represents excellent performance.
- 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 **South** and **Vale**) 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 councils are 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 councils as part of their consultation processes.
15. To meet the councils' requirements, satisfaction is measured on a scale of 1-5 which is convenient and replicates the Audit Commission's previous BVPI measurements:
- 5 – very satisfied
 - 4 – satisfied
 - 3 – neither satisfied nor dissatisfied
 - 2 – dissatisfied
 - 1 – very dissatisfied
16. Due to its significant impact upon our more vulnerable customers, it is the benefits service (evaluated below) that is heavily scrutinised as far as the financial services contract is concerned. The revenues collection function rarely gets compliments due to the nature of the service, and although the councils demand high collection rates they require processes to be efficient and perceived as fair by the customer. Capita undertook its own satisfaction surveys (guided by the councils' consultation officer) on council tax during 2014/15 which gleaned the following feedback:
- For **South**, overall satisfaction with the (way we collect) council tax service was **87 per cent** (83 per cent 2013/14). Ease of understanding the bill was **90 per cent** (81 per cent 2013/14) and additional information that accompanied the bill **83 per cent** (78 per cent 2013/14). Satisfaction with methods of payment available was **87 per cent** (87 per cent 2013/14).
 - **94 per cent** were satisfied with the time it took us to respond to enquiries. **81 per cent** were satisfied with the information we provided whilst **10 per cent** were not. Satisfaction with staff was **77 per cent** (71 per cent 2013/14) with **3 per cent** not being satisfied.
 - For **Vale**, overall satisfaction with the (way we collect) council tax service was **87 per cent** (85 per cent 2013/14). Ease of understanding the bill was **85 per cent** (88 per cent 2013/14) and additional information that accompanied the bill **79 per cent** (80 per cent 2013/14). Satisfaction with methods of payment available was **87 per cent** (87 per cent 2013/14).
 - **79 per cent** were satisfied with the time it took us to respond to enquiries. **79 per cent** were satisfied with the information we provided whilst **9 per cent**

were not. Satisfaction with staff was **73 per cent** (77 per cent 2013/14) with **6 per cent** not being satisfied.

17. **South** received **22** official revenues (council tax and business rates) complaints during 2014/15 (19 in 2013/14). The majority of these complaints were dealt with promptly and although four complaints were justified, all but two were resolved at stage one of the complaints procedure with the other two being resolved at stage two. **Vale** received **16** complaints (9 in 2013/14). The majority of these complaints were dealt with promptly and although five complaints were justified, all but five were resolved at stage one of the complaints procedure with the other five being resolved at stage two. Two Vale complaints resulted in compensation being paid, totalling £310.
18. The annual billing process was once again carried out efficiently for both councils 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 both councils were at their highest direct debit take-up – both at **80 per cent**. This is the highest achieved by Capita at any of its clients and is higher than most other councils. In addition, by the end of the year **7,700** council taxpayers at **South** and **7,200** at **Vale** had elected to receive their bills electronically. This is comfortably the highest in our benchmarking group and percentage wise is probably one of, if not the best, in the country.
19. Following an Equalities Impact Assessment (EIA) of the council tax service in 2011/12 Capita has continually demonstrated equalities awareness. All Capita staff completed a mandatory on-line equality and diversity training module during the year and completed quarterly monitoring forms. In the surveys (mentioned above) no residents of either council reported discrimination as a result of age, disability, ethnicity or gender when asked.
20. Regular (every three months) meetings with the Citizens Advice Bureaux were once again well received and did not raise any concerns in respect of either council in the areas of council tax and business rate collection and enforcement.
21. Capita handled 31,107 **South** council tax telephone calls at its Coventry contact centre during the year (7,300 less than 2013/14). It managed to answer 77 per cent of these calls within 20 seconds (the target being 80 per cent). In respect of **Vale** Capita handled 28,600 (4,181 less than 2013/14). It managed to answer 77 per cent of these calls within 20 seconds. Unfortunately, the target was not met as the volume of calls received during the busiest time of the year (annual billing) was increased due to a system issue concerning encrypted e-mails. This meant performance during that period was very low and whilst Capita achieved the target for most months they were unable to recover the overall annual performance to exceed the target. The council received no official complaints regarding the contact centre during 2014/2015.
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

Previous Customer satisfaction judgement for comparison

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Good
Good

Dimension 3 – Council satisfaction

23. Whilst customer satisfaction is an important priority, a further important dimension is the satisfaction expressed by the councils as the client on whether the contractor is meeting their 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 councils provide 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:

- For speed of processing **new claims** (the old BVPI 78a measure) Capita came in at **14.07 days** for **South** (under the **16 day target**) compared to 13.13 days in 2013/14. This was the third best ever in year performance. For **Vale** Capita came in at **12.72 days** (under the **16 day target**) compared to 12.90 days in 2013/14. Both councils compared very favourably with our south – east benchmarking group.
- For **changes in circumstances** (the old BVPI 78b measure) Capita came in at **6.13 days** for **South** against a very challenging target of **8.5 days**, compared to 6.09 days in 2013/14. For **Vale** Capita came in at **6.52 days** against a very compared to 6.26 days in 2013/14. Again, this compared very favourably with our south- east benchmarking group.
- **NI 181 (combined new claims and changes processing)** came in at an excellent 6.13 days for **South 7.06 days** (and under the **10 day target**) compared to 6.90 days in 2013/14). For **Vale**, Capita achieved **6.52 days** compared to 7.06 days against in 2013/14. This was **the best and second best ever recorded performance levels** for South and Vale respectively. As the councils received more changes in circumstances during 2014/15 than in previous years, this was an excellent achievement.
- Capita's focus on getting benefit assessments "right first time" continued during 2014/15. The financial accuracy performance rate for **South** in 2014/15 was an excellent **96.49 per cent** compared to 96.82 per cent in 2013/14. **Vale's** performance was **96.37 per cent** compared to 96.91 per cent in 2013/14. These were above the very challenging target of 95 per cent and was the second best performance for both councils since the inception of the contract (and again compared very favourably with our benchmarking group).
- During 2014/15 the councils' external auditors, for only the second time since the inception of the contract (the first time was in 2013/14), did not qualify the benefit subsidy grant claim. Around 80 per cent were qualified nationally. Again, neither council breached **the local authority financial error threshold levels and, as a consequence, were not financially penalised. This was reported to the Audit and Governance Committee meeting in January 2015.**
- Recovery of overpaid benefit, which had in the past been subject to close scrutiny by the councils, once again made great strides during 2014/15. During the year old debt for **South** reduced by **£290,124** whilst **57.84 per cent** of all debts raised during 2014/15 were collected, amounting to **£801,759**. For **Vale**, old debt reduced by reduced by **£371,751** whilst **57.36 per cent** of all debts raised during 2014/15 were collected, amounting to **£813,837**. 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 £1.9m for **South** and £1.7m for **Vale**, 55 per cent and 60 per cent respectively of the debt was subject to arrangements. Our tough and successful collection regime has allowed the councils to significantly reduce their bad debt provisions over recent years.

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 councils' consultation officer) which gleaned the following feedback:

- For South
- **89 per cent** of customers were satisfied with the overall benefits service compared to 91 per cent in 2013/14.
- **84 per cent** of customers were satisfied with the service they received from the benefits office in person compared to 86 per cent in 2013/14
- **84 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 81 per cent in 2013/14
- **88 per cent** of customers were satisfied with the professionalism of staff service from staff compared to 92 per cent in 2013/14
- **83 per cent** of customers were satisfied with the claim form compared to 62 per cent in 2013/14
- **84 per cent** of customers were satisfied with the telephone service compared to 58 per cent in 2013/14
- **87 per cent** of customers were satisfied with the information we provide about claiming benefits
- Out of **102 responders**, **11** said they had problems using the benefits service.
- For Vale

- **98 per cent** of customers were satisfied with the overall benefits service compared to 89 per cent in 2013/14
- **90 per cent** of customers were satisfied with the service they received from the benefits office in person compared to 82 per cent in 2013/14
- **91 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 86 per cent in 2013/14
- **95 per cent** of customers were satisfied with the professionalism of staff service from staff compared to 90 per cent in 2013/14
- **91 per cent** of customers were satisfied with the claim form compared to 62 per cent in 2013/14
- **86 per cent** of customers were satisfied with the telephone service compared to 72 per cent in 2013/14
- **93 per cent** of customers were satisfied with the information we provide about claiming benefits
- Out of **83 responders**, **five** said they had problems using the benefits service.

32. The financial services contract with Capita is heavily weighted towards achieving good performance and high levels of customer care and satisfaction. It also specifies building up good working relationships with stakeholders – both internal (e.g. the councils' Housing Services Team who share approximately 400 mutual customers at any one time) and external (e.g. Registered Social Landlords – RSLs – who share approximately 8,000 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 districts where there was demand for them. This increases customer access to the service and is an alternative to home visits.

33. Generally, very positive feedback was received from RSL's and the CABx via regular liaison meetings during 2014/15. This is always a good yardstick as these organisations predominantly represent the most vulnerable of our customers.

34. Capita handled 15,889 **South** benefit telephone calls at its Coventry contact centre during the year (6,055 less than 2013/14). It managed to answer 78 per cent of these calls within 20 seconds (the target being 80 per cent). In respect of **Vale**

Capita handled 15,805 (171 less than 2013/14). It managed to answer 79 per cent of these calls within 20 seconds. Unfortunately, the target was not met due to the impact of the encryption issue referred to previously under the revenues review.

35. It is fair to say that the councils and Capita continued to manage the national welfare changes very well. The council received no official complaints regarding the contact centre during 2014/15 in respect of benefit calls.
36. Capita continued with the councils' Equality Impact Assessment (EIA) tasks which advance equal opportunities for people protected by the Equality Act. During 2014/15 Capita held surgeries where there was a demand. All Capita staff completed a mandatory on-line equality and diversity training module during the year and Capita completed quarterly monitoring forms. In the surveys (mentioned above) no residents of either council reported discrimination as a result of age, disability, ethnicity or gender when asked.
37. **South** received **3** official benefits complaints during 2014/15 (6 in 2013/14). All three were resolved at stage one of the complaints procedure, with two justified. **Vale** received **8** complaints (3 in 2013/14). All were resolved at stage one, with two being justified – with one receiving £100 compensation.
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 councils as the client on whether the contractor is meeting their 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 councils 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 councils provide 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 2014/15 the councils (their legal representative and cost centre managers), assisted by Capita, finished the end of the year with pretty decent (low) arrears levels over 30 days – to the sum of **£149k for South** (£35k 2013/14) and **£211k for Vale** (£187k 2013/14). When compared to figures of in excess of **£1million** at the commencement of the contract, it shows how the councils' firm debt strategy, aided by Capita, has worked well. Considering the disruption caused by the fire, keeping arrears to such low levels was outstanding, especially when considering the two councils billed over £23million between them during the year.
45. Capita performance in issuing invoices within two working days of instructions from cost centres was **99.8 per cent** for both **South** and **Vale**. Capita hit **100 per cent** performance for the production of reminders for both **South** and **Vale** after 14 days and final notices after 28 days. Important aged debt reports (required for monitoring debt progress) and legal lists (required to determine recovery action) were issued promptly for the first part of the year, likewise write-offs of unrecoverable debts were processed promptly. However, during the course of the year (from August 2014) some aspects of the service started to deteriorate, including the prompt issue of reports. Queries and therefore monitoring had to be stepped up.
46. From 1 May 2012, Capita took on the administrative functions relating to the garden waste service. 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. By the end of 2014/15, **South** and **Vale** had **30,323** and **23,367** garden waste customers respectively with **99.2 per cent** paying by direct debit at both council's. Capita took **16,099** calls during 2014/15 and issued **24,669** garden waste invoices for South, whilst the figures at Vale were **9,858** and **18,786** respectively. In addition, Capita completed a weekly direct debit run to maximise collections. Capita introduced the ability for customers to sign up online two years ago and during 2014/15 around 50 per cent of customers signed up by this method. In addition over 98 per cent of new customers provided an email address.
47. **Accounts Payable** - Capita started 2014/15 where it left off at the end of 2013/14. Invoices received were scanned and distributed to service teams within 48 hours and urgent payment requests (within the same day) were met. In addition, purchase order requests were met.
48. However, during the course of 2014/15 the service provided deteriorated. Invoices were not being scanned and distributed promptly, communications broke down and various system problems were encountered. This all led to delays in payments to suppliers and serious frustration for service teams. At the end of the year, payments made within 30 days came in at **97.82 per cent** for **South** (99.38 per cent 2014/15) and **97.58 per cent** for **Vale** (99.45 per cent 2014/15).

49. Council staff worked with Capita to try and overcome these difficulties but, at times, this was hampered by Capita being unwilling to accept the issues being encountered and taking steps to address them.

50. Notwithstanding the above, it should be acknowledged that in the aftermath of the Crowmarsh fire, Capita performed brilliantly in assisting council officers to implement temporary measures to make payments to suppliers. Not only did this help maintain some existing supplier relationships, it also helped the councils order replacements for items destroyed by the fire.

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

KPT judgement	Good
Previous KPT judgement for comparison	Excellent

Dimension 2 – Customer satisfaction

52. Accounts payable – as stated above, despite a strong start to the year, performance severely dipped during the course of the year. This not only affected Capita’s relationship with service teams, but at times also damaged the councils’ relationships with their suppliers.

53. 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. Whilst these were provided fairly regularly by Capita during the course of the year, as service levels dropped council officers often had to chase Capita to provide the reports.

54. Accounts receivable – As stated above, although headline performance is generally good, certain aspects of the service deteriorated during the year. This led to more client side monitoring and intervention, with Capita implementing skills and progression schemes for its new staff. Generally, although there were issues with some debtors, there was only **one** official complaint (which was justified) received through the complaints procedure and during the year. This was in respect of a **South** debtor.

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

Customer satisfaction judgement	Fair
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 councils as the client on whether the contractor is meeting their needs and expectations.

57. The councils' 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 **3.84** 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	Fair
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	Fair
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 councils provide 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	Excellent

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 little 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.
- 68. We consider the contractor support on site to be excellent. The introduction of a Deputy Contract Manager (DCM) who is primarily based with the councils is a positive step and has gone a long way to address some of the communication issues.
- 69. We consider the contract management (remote) to be on the cusp of good and/or fair. The changeover of system managers did not seem to go well and there have been clearly issues with the contractor’s workforce during the year. We have also found certain offsite managers occasionally overly defensive and difficult to interact with constructively. This was raised as an issue in year and was pro-actively addressed by the contractor.
- 70. Post fire response – excellent. The support provided by the contractor following the fire at the Crowmarsh Gifford was excellent. This is a shining example of how we and they can work together and how the contractor can be proactive and positive.
- 71. Routine query administration – good. Some of the statistics considered by the Agresso Development Group (ADG) (a council/contractor group) on performance

dropped to their lowest point since 2011/12. However this had been improved by year end. It should be noted that there were indications that staff turnover at Mendip has caused some of these in year performance issues.

72. Non-routine query administration – fair. There are not many of these, and they do tend to be complex. However, to achieve resolution of these queries often requires a lot of time and effort by the client to chase the contractor to progress them.

73. System development – fair. Some items on the wish list (e.g. posting to the Agresso server) have been outstanding for a number of years with seemingly no sign of resolution. Some development activities (e.g. progressing an Agresso 6.6 site visit, and check digits on invoices) were clearly lost in the changeover of the system manager. The contractor has been happy to attend more frequent meetings on this but unfortunately this has still not led to much active progress on development activities.

74. Overall summary – good. There are many positive elements to report especially around the post-fire support and the introduction of the DCM. Also it must be noted that, in volume terms, any issues raised are small in number when you consider the large volumes of work that are processed without error or omission. This year however it would be difficult to award an ‘excellent’ rating given the issues that have arisen over the year and the lack of knowledge transfer when staff have left, particularly as this contract has been running for a number of years now. To achieve an ‘excellent’ rating, the councils would expect to see a return to the high standards set in previous years (as evidenced by the stats) and some positive movement on the wish list items. We do however have faith that the local management are as committed to this as we are and look forward to working with them.

75. 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

76. 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**.

77. This produced a score of **4.3** (last year was 4.2) out of a maximum score of **5.0**.

Council satisfaction judgement

Excellent

Previous Council satisfaction judgement for comparison

Good

Overall assessment

78. There has been a marginal increase in the overall Capita score which, although borderline, has tipped the grading into the ‘excellent’ assessment category, which we consider fairly reflects the general direction of travel and the general performance on the majority of the FMS part of the contract. It does however leave room for improvement in some areas as outlined above.

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

Overall assessment	Excellent
Previous Overall assessment for comparison	Good

Strengths and areas for improvement.

80. **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

81. A key feature of the process for reviewing the performance of contractors is that the councils provide 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)

- 82. Capita has been providing a payroll system and its administration since January, 2007. Up until February 2012 the councils fulfilled the payroll inputting function. Since February 2012 Capita has provided the whole service.
- 83. 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 have had to complete a re-run of payroll prior to sign off on six occasions for South and four occasions for Vale out of 24 occasions during 2014/15 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 2014/15 was too high to rate the service as excellent.
- 84. Based on this performance the head of service has made a judgement on KPT performance for Payroll as follows:

KPT judgement	Fair
Previous KPT judgement for comparison	Good

Dimension 2 – Customer satisfaction

- 85. Satisfaction is covering the period April 2014 to March 2015. 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.
- 86. Capita has demonstrated a lack of understanding of the requirement for pension reporting and HR were informed that Oxfordshire County Pension services have continued to experience delays in response to queries.
- 87. HR also noted a few issues through the year
 - Capita were informed of the criteria for pension deductions for employees with lease cars however their interpretation of the scheme resulted in several months of incorrect employees' pay from January 2015 to March 2015
 - Employees' professional subscription continued to be taxed albeit the Council had been awarded dispensation not to tax the repayment of professional subscriptions, the situation was corrected in February 2015
 - Capita's incorrect interpretation and calculation of sickness entitlement has impacted on employees' pay on a number of occasions

- Capita incorrectly deducted pension payment from annual leave payments made to employees at the point of leaving the councils
- IAW system error relating to pension contribution banding which became effective from 1 April 2014 were not corrected until August 2014, this affected 13 employees.

88. Based on this performance, HR has made a judgement on customer satisfaction for payroll as follows:

Customer satisfaction judgement	Fair
Previous Customer satisfaction judgement for comparison	Good

Dimension 3 – Council satisfaction

89. 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 **3.72** out of a maximum score of 5.0

90. The working relationship between Capita, HR and finance has continued to develop well. However, questions thrown up as part of the monthly checking of the payroll are not always dealt with as effectively and efficiently as in previous years. It did not always respond to requests for information (e.g. maternity calculations, sickness entitlement) within the appropriate timeframe; however this situation is much improved.

91. We acknowledge the continued support given to us throughout the aftermath of the fire for which the councils are grateful, however we recognise the changes to Capita's staffing resources and holiday commitment has impacted on the regularity of the conference call to discuss the issues pertaining to the contract.

92. HR continues to work alongside Capita to improve and refine the processes relating to payroll and recognises improvements were made during the course of 2014/15:

Council satisfaction judgement	Fair
Previous Council satisfaction judgement for comparison	Good

Overall assessment

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

Overall assessment	Fair
Previous Overall assessment for comparison	Excellent

Contractor's feedback

94. A key feature of the process for reviewing the performance of contractors is that the councils provide 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

- 95. This element of the contract is managed by Andrew Down, head of HR, IT and technical services.
- 96. Capita first took on the management of Vale’s reception and switchboard services on 1 July 2013, having provided a similar service to South Oxfordshire District Council since 2007.

Dimension 1 – Key performance targets (KPTs)

Visitors and switchboard

- 97. The major episode affecting performance against reception and switchboard targets during 2014/15 was the fire at Crowmarsh in January. The Capita team adapted quickly to the changed circumstances and Capita worked well with the councils to establish emergency ways of working. On the day of the fire calls to the South switchboard were diverted by BT to the Vale switchboard number and the switchboard call answering service to customers continued with little disruption. Soon after the fire we changed the interactive voice response (IVR) system on the switchboard so that customers could select South or Vale as their first menu choice.
- 98. Other than for January, performance against the switchboard performance targets has been within the service level agreements (SLAs). Overall for the year, 3.8 per cent of calls were abandoned (3.2 per cent in 2013/14), well within the SLA maximum of five per cent. Call answering times were also within the SLA standards, and showed an improvement from the previous year.
- 99. Of all calls to the switchboard, customers chose to use the IVR system in 54 per cent of cases, so that fewer than half of the calls required a call centre operator to respond.
- 100. As with the switchboard, so too was there a change in face to face reception service, with customers no longer able to visit the Crowmarsh premises. Unsurprisingly there was an increase in the number of visitors to Abbey House which at times was very busy, though Capita was still able to maintain its SLA performance by seeing each customer quickly and within the target times.
- 101. The average number of monthly visitors to Abbey House increased from 3,236 before the fire to 4,419 for the six months afterwards.
- 102. 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

103. Customer feedback forms are displayed in the reception areas, and staff are asked to encourage customers to provide feedback before leaving. Between April 2014 and March 2015 a total of 1,375 feedback forms were completed at Abbey House and Crowmarsh together.

104. The question which best captures customers' overall view of the service is: 'Overall, how satisfied were you with the way in which your enquiry was handled at reception?' Of those who took part, 98.5 per cent were satisfied (2013/14: 99.0 per cent) and 0.6 per cent (2013/14: 0.2 per cent) were dissatisfied overall as shown below.

	Very satisfied	Satisfied	Neither satisfied or dissatisfied	Dissatisfied	Very dissatisfied
2014/15	88.8%	9.7%	0.7%	0.1%	0.5%
2013/14	92.9%	6.0%	0.7%	0.2%	0.0%

105. During 2014/15 we received no complaints about the front of house and switchboard service, as in the previous year.

106. 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

107. An analysis of council satisfaction performance appears in **Appendix 7**, as judged by the customer service contract manager in consultation with relevant colleagues.

108. This produced a score of **4.44** out of a maximum score of 5.0, an improvement on last year. 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

Excellent

Previous Council satisfaction judgement for comparison

Good

Overall assessment

109. Taking into account the performance of Capita against KPTs, customer satisfaction and council satisfaction, the Head of HR, IT and Technical Services has made an overall judgement as follows.

Overall assessment

Excellent

Previous Overall assessment for comparison

Excellent

Strengths and areas for improvement

110. **Appendix 7** records strengths and areas for improvement relating to the performance of Capita during the review period. Where performance is lower than that expected the contract manager will agree an improvement plan with Capita. This has not been required for this element of the contract.

Contractor's feedback

111. A key feature of the process for reviewing the performance of contractors is that the councils provide them with an opportunity to give their feedback on the assessment, including suggestions for improvements to council processes. This is included in for the contract as a whole in **Appendix 8**.

FINANCIAL IMPLICATIONS

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

LEGAL IMPLICATIONS

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

CONCLUSION

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

	South		Vale	
	2013/14	2014/15	2013/14	2014/15
Revenues	Excellent	Excellent	Excellent	Excellent
Benefits	Excellent	Excellent	Excellent	Excellent
Exchequer	Excellent	Fair	Excellent	Fair
Financial Management System	Good	Excellent	Good	Excellent
Payroll	Good	Fair	Good	Fair
Customer contact	Excellent	Excellent	Excellent	Excellent

115. Although three of the service areas maintained their excellent rating and the Financial Management Service went from good to excellent there was a deterioration in the quality of the services provided by Capita during 2014/15 in respect of Exchequer and Payroll. Overall, the assessments given confirm that generally 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 (especially in those areas which have dipped), 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.

Appendix 1

Performance Targets	SODC 2013/2014 Achieved	VOWH 2013/2014 Achieved	Targets	SODC 2014/2015 Achieved	VOWH 2014/2015 Achieved
Percentage of Council Tax collected	98.75%	98.72%	98.60%	98.73%	98.69%
Percentage of NNDR collected	98.53%	99.25%	99.40%	98.99%	99.30%
Average time (days) for processing new benefit claims.	13.13	12.90	16	14.07	12.72
Average time (days) for processing benefit changes in circumstances	6.09	6.26	8.5	5.35	5.82
NI181 Average time (days) for processing new claims and changes in circumstances	6.90	7.06	10	6.13	6.52
Financial accuracy of benefit assessments	96.82%	96.91%	95%	96.49%	96.37%

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 2014

To | 31 March 2015

SERVICE DELIVERY

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

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

COMMUNICATIONS AND RELATIONS

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

Appendix 2

13	Listening		✓		
14	Quality of relationship	✓			

IMPROVEMENT AND INNOVATION

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

KEY DOCUMENTS

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

- | | | |
|----|---|--------------------------|
| 1. | Annual Corporate Governance Assurance Statement? (Yes / No) | <input type="checkbox"/> |
| 2. | Updated risk register (Yes / No) | <input type="checkbox"/> |
| 3. | Annual business plan (Yes / No) | <input type="checkbox"/> |
| 4. | Updated business continuity plan (Yes / No) | <input type="checkbox"/> |

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths	Revenues management and support to the manager
	Knowledge and commitment of staff
	e-Government initiatives
Areas for improvement	Supporting information for invoices
	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
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Calculation: 90 ÷ 19 = 4.74

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

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

Council satisfaction –Benefits

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

Contractor / supplier / partner name

From (date) To

SERVICE DELIVERY

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

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

COMMUNICATIONS AND RELATIONS

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

Appendix 3

13	Listening		✓			
14	Quality of relationship	✓				

IMPROVEMENT AND INNOVATION

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

KEY DOCUMENTS

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

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

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths	Benefits management including managing welfare reforms
	Surgeries/home visiting
	Equality awareness
	e-Government initiatives

Areas for improvement Confirmation of debts written off

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
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Calculation: $92 \div 19 = 4.84$

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

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

Council satisfaction – Exchequer

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

Contractor / supplier / partner name

From (date) To

SERVICE DELIVERY

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

COMMUNICATIONS AND RELATIONS

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

Appendix 4

13	Listening		✓		
14	Quality of relationship		✓		

IMPROVEMENT AND INNOVATION

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

KEY DOCUMENTS

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

- | | |
|--|--------------------------|
| 1. Annual Corporate Governance Assurance Statement? (Yes / No) | <input type="checkbox"/> |
| 2. Updated risk register (Yes / No) | <input type="checkbox"/> |
| 3. Annual business plan (Yes / No) | <input type="checkbox"/> |
| 4. Updated business continuity plan (Yes / No) | <input type="checkbox"/> |

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths	Exchequer management and keenness and helpfulness of staff for part of the year
	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

Resilience, knowledge transfer, overall management of resources at the Mendip site

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	6	4	9	0	0	19

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	6	X 5	30
Satisfied	4.3	4	X 4	16
Neither satisfied or dissatisfied	3.9	9	X 3	27
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total		19		74
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Calculation: 74 ÷ 19 = 3.84

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

Score	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 2014

To 31 March 2015

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 (post fire support) 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
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Appendix 5

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

The contractor does work hard to resolve issues once raised

The introduction of a deputy contract manager on-site has been welcomed and is regarded as positive action.

Post fire support greatly helped the councils resilience

Areas for improvement

Issues with the remote working have occasionally caused misunderstanding and led to minor issues being escalated.

Continuity when staff changeover/move on could be improved

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	7	12	3	0	0	20

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	7	X 5	35
Satisfied	4.3	12	X 4	48
Neither satisfied or dissatisfied	3.9	3	X 1	3
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total		20		86
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Calculation: $86 \div 20 = 4.3$

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

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

Payroll

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

Contractor / supplier / partner name

From (date) To

SERVICE DELIVERY

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

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

COMMUNICATIONS AND RELATIONS

Attribute	(5) Very satisfied	(4) Satisfied	(3) Neither	(2) Dis-satisfied	(1) Very dissatsfd
9 Easy to deal with			✓		
10 Communications / keeping the client informed			✓		

Appendix 6

11	Quality of written documentation	✓			
12	Compliance with Council's corporate identity	✓			
13	Listening	✓			
14	Quality of relationship	✓			

IMPROVEMENT AND INNOVATION

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

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths	Reasonably flexible in dealing with issues post payroll deadline.
	Fairly responsive in dealing with urgent enquiries

Areas for improvement	Working knowledge of pension regulations, lease car scheme and sickness calculations.

COUNCIL SATISFACTION ASSESSMENT

	Very satisfied (5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Votes cast
	3	7	8	0	0	18

Rating	Range	Votes	Weighting	Total weighted
Very satisfied	5.0	3	X 5	15
Satisfied	4.3	7	X 4	28
Neither satisfied or dissatisfied	3.9	8	X 3	24
Dissatisfied	3.4	0	X 2	0
Very dissatisfied	3.0	0	X 1	0

Total		18		67
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Calculation: 67 ÷ 18 = 3.72

18. 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

Switchboard and Reception Services

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

Contractor / supplier / partner name

From (date)

To

SERVICE DELIVERY

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

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

COMMUNICATIONS AND RELATIONS

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

13	Listening		✓			
14	Quality of relationship	✓				

IMPROVEMENT AND INNOVATION

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

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths

The front of house team delivers a good professional service to customers, and has shown particular flexibility during times of change such as the aftermath of the Crowmarsh fire, and (after the end of the year covered by this report) the move to Milton Park. 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.

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 more than half of all switchboard callers.

Areas for improvement

Occasional reminders are required for timely production of monthly management information.

COUNCIL SATISFACTION CALCULATION

Very satisfied (scores 5)	Satisfied (4)	Neither (3)	Dissatisfied (2)	Very dissatisfied (1)	Number of items assessed
9	8	1	0	0	18

Appendix 7

Calculation	Range	Number of items	Calculation	Total weighted
Very satisfied	5.0	9	X 5	45
Satisfied	4.3	8	X 4	32
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		18		80

Calculation: $80 \div 18 = 4.44$

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

Contractor 360° feedback

CONTRACTOR'S REACTION / FEEDBACK ON COUNCIL'S ASSESSMENT

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

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

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

Capita was happy to be able to assist the Council during the difficult times following the fire at Crowmarsh and in many ways it brought us all closer together as a team, both physically and mentally!

The Revenues service had another very good year and we will continue to explore new and innovative ways to try and improve the customer experience and maintain high collection figures.

The Benefit service once more delivered excellent levels of performance amid the many legislation changes introduced by the Government. As with revenues we will continue to look to improve the customer experience in the coming year.

Our Call Centre managed well for most of the year but again the peak times meant we were unable to hit our annual objective of 80/20. We are looking at better ways to try and manage these peaks without having to bring in loads of extra resources over and above those currently paid for by the Councils. Pilots are ongoing at the moment and early results seem positive.

Whilst Capita do not agree with everything stated regarding the Exchequer service it is accepted that performance did suffer from issues in the latter half of the year and that communication around those issues should have been handled more effectively. We will continue to work closely with the Council to ensure that we address any outstanding problems promptly and efficiently as we pride ourselves on good service delivery and clearly we fell short of this last year.

