

Scrutiny Committee Report 23 June 2011



Report of Head of Corporate Strategy

Report no. 4/11

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Wards affected: All

Grounds maintenance contract monitoring: performance review of ISS Facility Services Landscaping

Recommendation

That the committee considers ISS Facility Services Landscaping performance in delivering the grounds maintenance service for the period 1 January to 31 December 2010 and makes any recommendation to the cabinet member to enable him to make a final assessment on performance.

Purpose of Report

1. The report considers the performance of ISS Facility Services Landscaping (ISS) in providing grounds maintenance for the period 1 January 2010 to 31 December 2010.

Strategic Objectives

2. The performance review of ISS helps ensure that the council is achieving its strategic objectives and corporate priorities, particularly the following:

Strategic objective 13: managing our business effectively, and corporate priority EB1: provide value for money services which meet the needs of our residents and service users.

Strategic objective 16: keeping the district a clean place to live, and corporate priorities CV1 and CV2: deal effectively with litter and detritus, tackle envirocrime, such as fly tipping, dog fouling and graffiti.

Background

3. The grounds maintenance partnership contract commenced on 1 January 2005, initially with a company called JV Strong and Co Ltd. They were subsequently acquired by ISS Waterers Landscape Ltd in January 2007. Then in March last year the company went through a re-branding exercise to remove the inherited branding which had been adopted through business acquisition and renamed themselves ISS Facility Services Landscaping.
4. The original contract was due to end on 31 December 2009 but an option to extend for a further two years was approved last year and will now end on 31 December 2011. The decision to extend was taken for two main reasons:
 - It has enabled us to work with the contractor to address the council's financial constraints and to agree a sustainable budget for grounds maintenance whilst limiting the impact on service provision.
 - It has allowed us to align the finishing dates for this contract with South Oxfordshire District Councils grounds maintenance contract so that both authorities can now enter into a single joint contract to commence on 1 January 2012.
5. The service provided by ISS encompasses the maintenance of district council owned parks, open spaces and play areas. It includes grass cutting, hedge maintenance, shrub and flower beds, trees, litter collection, flood prevention and maintenance of sports facilities. The contract also includes work undertaken on behalf of Oxfordshire County Council and Abingdon Town Council.
6. An open and trusting relationship between the contractor and council has developed over the years, providing a service which has proved to be effective, efficient and responsive to the needs of people within the district. As part of the 2010/11 budget setting process savings identified and implemented impacted on the contractors staffing levels last year. However, dry weather at the peak growing time enabled the contractor to maintain a good level of service although there was an overall increase in the number of notification notices issued compared to previous years. Finding experienced reliable labour to fill seasonal posts proved difficult again this year because of the type of work involved and the associated levels of pay.
7. The council monitors this contract by regular weekly update meetings, monthly formal minuted meetings to discuss performance, work scheduling and issues associated with the service. Joint performance monitoring inspections are carried out at randomly selected sites each month.
8. In addition to monthly performance monitoring inspections regular Health and Safety audits were undertaken to confirm safe working practices, provision of suitable equipment and compliance with agreed risk assessments and method statements.
9. Managing contractor performance is essential for delivering the council's objectives and targets. The councils cannot deliver excellent service to its residents unless its

contractors are excellent therefore working jointly with the contractor to review performance regularly is essential.

10. The council's process for managing contractor performance focuses on continuous improvement and action planning. The success of the performance review framework depends on contractors and the council working together to set and review realistic, jointly agreed and measurable targets.

11. The overall framework is designed to be:

- a consistent way for the council to measure contractor performance in order 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

12. The review process consists of three essential dimensions:

- performance measured against key performance targets (KPTs)
- customer satisfaction
- client satisfaction.

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

Dimension 1 – Key performance targets

14. Key performance targets are included in the grounds maintenance contract, they are:

- KPT 1 -the pass rate on randomly selected monthly monitoring inspections of district council play areas
- KPT 2 - the pass rate on randomly selected monthly monitoring inspections of district council owned parks and open spaces
- KPT3 - the annual customer satisfaction rating for Abbey Meadows and Manor Road.

15. The key performance targets KPT 1 and KPT 2 are measured by monthly joint inspections by the client and contractor. As well as an overall assessment providing a general impression about the level and quality of the service being achieved, each service activity for the 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 and an

average is calculated for all sites assessed throughout the year. The sites are randomly selected and the inspections undertaken in most cases within 48 hours.

16. Total average scores achieved in 2010 are:

	Target	Achieved
KPT 1	83%	86%
KPT 2	87%	85%
KPT 3	78%	79%
Average %	82.66%	83.33%

17. KPT 2 was not achieved due mainly to delays in completing some renovation works to the council's football pitches which were identified at an inspection carried out in October.

18. The other two targets were exceeded and therefore the average percentage achieved against the average target set for all key performance indicators results in a rounded up score of 101 per cent. This has been calculated as follows target achieved (83.33 per cent) ÷ Target (82.66 per cent) x 100 = 100.81 per cent.

19. For reasons of consistency with previous assessments, and for fairness between contractors, the following is a rough guide to the assessment of contractors against KPTs

Score	>95%	90-95%	80-89%	70-79%	<70%
Classification	excellent	good	fair	weak	poor

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

KPT judgement

excellent

Dimension 2 – Customer satisfaction

21. A customer satisfaction survey was undertaken in August at Abbey Meadows and Manor Road. Visitors to the parks were asked to complete a short questionnaire covering a range of issues associated with the park and its maintenance including equalities impact assessment data which will lead to further improvements in service provision. A total of 112 responses were received with 79 per cent of respondents being satisfied or very satisfied with the park they visited.

22. As part of the consultation process for the new grounds maintenance contract officers also undertook a web based survey where residents could complete a short on-line questionnaire. They were asked for their views on current service provision but also what their priorities were for the new contract. A total of 28 responses were received.

23. Customers were asked in both questionnaires “how satisfied are you with the cleanliness and maintenance of the park” and “how satisfied are you with the grounds maintenance tasks listed”. Each response was then ranked from 1-5 with 5 being very satisfied and 1 being not satisfied at all. This resulted in an average score of 3.92. An analysis of customer satisfaction performance appears in annex A attached to this report.
24. There have been no official complaints regarding the contractor’s performance logged through the council’s comments and complaints procedure during this review period.
25. 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

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

Customer satisfaction judgement

Dimension 3 – Client satisfaction

27. The grounds maintenance client team and a number of council officers who have interaction with ISS have provided feedback on their experience of the contractor. An analysis of council satisfaction performance appears in annex B attached to this report, along with the average score for each question and the strengths and areas for improvement that were identified. Officers were asked to mark each category from 1-5 with 5 being excellent and 1 being very poor. This resulted in a score of 3.97 out of a maximum of 5.
28. For reasons of consistency with previous assessments, and for fairness between contractors, the following is a rough guide to the assessment of contractors on customer satisfaction.

Score	4.3 – 5.0	3.9 – 4.3	3.4 – 3.9	3.0 – 3.4	<3.0
Classification	excellent	good	fair	weak	poor

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

Client satisfaction judgement

Overall assessment

30. The council considers that ISS has provided a consistent level of service despite the financial constraints imposed on them and contributed significantly again to the council achieving a Green Flag award for Abbey Gardens. This award recognises well managed and maintained high quality parks and open spaces.

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

Overall assessment

good

Strengths and areas for improvement

32. Annex B also records strengths and areas for improvement relating to the performance of the contractor over the last year. If performance is below expectations, the shared parks manager would agree an improvement plan with the contractor. This is not necessary based on the contractor's performance in this review year.

Contractor's feedback

33. 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 C attached to this report.

Financial Implications

34. There are no financial implications arising from this report

Legal Implications

35. There are no legal implications arising from this report

Conclusion

36. The head of corporate strategy, based on the information contained within this report, has assessed the performance of ISS Facility Services Landscaping for the period 1 January 2010 – 31 December 2010 as good. The committee is asked to make any recommendations to the cabinet member to enable him to make a final assessment on performance.

Annex A - Customer Satisfaction

140 completed questionnaires were received.

Customers were asked “how satisfied are you with the cleanliness and maintenance of the park” and “how satisfied are you with the grounds maintenance tasks listed”. They were asked to mark each question out of 1-5.

The combined results are shown in the table below.

Rating	Questions Answered	Ranking	Total Score
very satisfied	134	5	670
satisfied	223	4	892
neither satisfied or dissatisfied	15	3	45
dissatisfied	38	2	76
very dissatisfied	26	1	26
TOTAL	436		1709

calculation $1709 \div 436 = 3.92 = \text{good}$

Some additional comments were made by residents relating to the grounds maintenance service:

more litter and dog bins needed
would like to see additional seating
more shrubs/trees with wildlife food, bird boxes
frequency of grass cutting should not be reduced.

Annex B - Client Satisfaction

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

Contractor / supplier / partner name

From (date) To

SERVICE DELIVERY

Attribute	Excellent (5)	Good (4)	Fair (3)	Poor (2)	Very Poor (1)
1 understanding of the client's needs		4.12			
2 response time		4.12			
3 delivers to time			3.62		
4 delivers to budget		4.00			
5 efficiency of invoicing			3.80		
6 approach to health & safety		4.00			

COMMUNICATIONS AND RELATIONS

Attribute	Excellent (5)	Good (4)	Fair (3)	Poor (2)	Very Poor (1)
7 easy to deal with		4.75			
8 communications / keeping the client informed			3.87		
9 quality of written documentation			3.57		
10 compliance with council's corporate identity			3.50		
11 listening		4.25			
12 quality of relationship		4.50			

IMPROVEMENT AND INNOVATION

Attribute	Excellent (5)	Good (4)	Fair (3)	Poor (2)	Very Poor (1)
13 offers suggestions beyond the scope of work		4.14			
14 degree of innovation			3.20		
15 goes the extra mile		4.25			
16 supports the council's sustainability objectives			3.71		
17 supports the council's equality objectives			3.66		
18 degree of partnership working		4.42			

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) | N/A |
| 2. updated risk register (Yes / No) | YES |
| 3. annual business plan (Yes / No) | N/A |
| 4. updated business continuity plan (Yes / No) | N/A |

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths	good reliable workforce which is responsive and always willing to help
	excellent local knowledge and experience of the work force
	good working relationship with client
Areas for improvement	management team's knowledge and experience
	better self monitoring
	increase labour levels during peak periods

Annex C - Contractor 360° feedback

Contractor's reaction / feedback on Council's assessment

A fair reflection of the relationship ISS have built up with Vale of White Horse managers over the period we have been partnering in particular since the open and honest review undertaken to achieve savings for the year. This shows how we proactively work and plan together to achieve, or partially achieve targets set by current financial pressures.

Areas for improvement has indicated three specifics which ISS have and will continue to concentrate on. Specifically 'management team' where a recent change has taken place, 'better self monitoring' where an in-depth review of routes and teams has taken place with a view to increase productivity and improve efficiencies.

ISS are aware of the resources levels which will be acutely monitored to ensure they are correct and adequate for the season ahead. ISS are looking to synergies with other local teams with a view to improving efficiencies and productivity.

Any areas where contractor disagrees with assessment

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

Feedback provided by

Brian Ackroyd

Date

29 March 2011
