

Joint Scrutiny Committee Report

Report of Head of Housing and Environment

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To: JOINT SCRUTINY COMMITTEE

DATE: 20 September 2018

Performance review of Sodexo Limited (Horticultural Services) - 2017

RECOMMENDATION

That scrutiny committee considers Sodexo Limited's performance in delivering the grounds maintenance services contract for the period 1 January 2017 to 31 December 2017 and makes any comments before a final assessment on performance is made.

PURPOSE OF REPORT

1. To ask scrutiny committee for its views on the performance of Sodexo in providing grounds maintenance services in the Vale of White Horse and South Oxfordshire for the period 1 January 2017 to 31 December 2017.

STRATEGIC OBJECTIVES

2. The service contributes to Vale's strategic objective of running an efficient council and South's strategic objective of delivering services that reflect residents' needs.

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:

- i. performance measured against key performance targets (KPT)
- ii. customer satisfaction with the total service experience
- iii. council satisfaction as client
- iv. 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. A summary of officer's assessment for 2017 for each dimension, the overall assessment and a comparison against 2016 can be seen in the following table:

	<i>2016</i>	<i>2017</i>
Key Performance Target	Excellent	Good
Customer satisfaction	Excellent	Good
Council satisfaction	Good	Good
Overall officer assessment	Excellent	Good

9. 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. During 2016, in accordance with the original terms, the contract was extended for three years and is now due to end in December 2019.

10. The value of the contract as of the end of 2017, as a fixed annual charge was £561,500 per annum of which the Vale proportion was £437,000 per annum and the South Oxfordshire proportion was £124,500 per annum. The reason for the significant difference in values is because of the amount of land ownership at each authority.

11. The contract includes delivery of the following services:

- 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
- a burial service at Wallingford and Kidmore End cemeteries
- maintenance of sports facilities.

DIMENSION 1 – KEY PERFORMANCE TARGETS (KPT)

12. KPTs are recognised as an important element of monitoring the contractor's performance. The KPT cover those aspects of the service which are 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

13. 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.
14. During this review period the average percentage rate of randomly selected play areas and open spaces was 86 per cent. This exceeds the target of 85 per cent and is the same as last year's score of 86 per cent. In total 48 joint inspections took place.

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

15. 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 the council's 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.
16. During the review period 128 notices were issued and 112 were completed within the timescale set. This is 88 per cent against a target of 90 per cent, an improvement in last year's score of 86 per cent.

KPT 3 – overall customer satisfaction

17. The overall customer satisfaction rating for the cleanliness and maintenance of the council owned parks and open spaces was 78 per cent, the target is 85 per cent. This is based on 171 respondents out of 219 being fairly or very satisfied. The score last year was 82 per cent and therefore this year's result is a slight drop in satisfaction. There were 28 respondents who were fairly dissatisfied or very dissatisfied and nine of them commented about the poor public toilet facility. (Note: this has not been included in the satisfaction rating as it is outside of Sodexo's control). 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

18. There were five joint health and safety inspections by the contract supervisor and parks officer, this involved attending sites, observing the crews and examining personal protective clothing and machinery.
19. As a result of the inspections one action sheet was raised. All actions were rectified within the agreed timescales, exceeding the target of 95 per cent.

KPT 5 – percentage of work orders completed within agreed timescales

20. 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.

21. During the review period 329 work orders have been issued and 271 were completed within the agreed timescale. This is 82 per cent against a target of 80 per cent and a reduction on last year's score of 88 per cent.

Overall KPI performance

22. Based on Sodexo's performance an overall "average" KPT performance rating score of 4.4 has been achieved. An analysis of performance against the KPT can be found in Annex A.

23. 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

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

KPT judgement

Previous KPT judgement for comparison

DIMENSION 2 – CUSTOMER SATISFACTION

25. 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. In total 219 questionnaires were completed.

26. 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.

27. In response to the overall question 'how satisfied are you with all aspects of the parks' (access, design and appearance, facilities, cleanliness and maintenance) 57 percent were very satisfied and 27 per cent were fairly satisfied.

28. There were no formal complaints regarding Sodexo logged as part of the council's complaints procedure during the review period. We received seven compliments directly linked to Sodexo's work (two Vale and five South). Two in Vale were for grass

cutting in Abingdon and Wantage and in South, for grass cutting and maintenance in churchyards in Crowmarsh, Forest Hill and Kidmore End

29. Based on Sodexo's performance a combined overall customer satisfaction rating score of 4.294 has been achieved. An analysis of customer satisfaction can be found in Annex B.

30. 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

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

Customer satisfaction judgement **Good**

Previous customer satisfaction judgement for comparison **Excellent**

DIMENSION 3 – COUNCIL SATISFACTION

32. 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 parks team leader, tree officer, parks officer, and parks business support team. In total six questionnaires were sent out and returned.

33. Based on Sodexo's performance an overall council satisfaction rating score of 4.28 has been achieved. An increase in last year's score of 4.25. An analysis of council satisfaction can be found in Annex C.

34. 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

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

Council satisfaction judgement **Good**

Previous council satisfaction judgement for comparison **Good**

OVERALL ASSESSMENT

36. 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

Good

Previous overall assessment for comparison

Good

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

- Vale retained the Green Flag for Abbey Gardens, this was first awarded to Abbey Gardens in 2009.
- Wallingford Castle Meadows also retained its Green Flag, first achieved in 2008 and have had a Green Heritage Award for the past four years. The site is managed by the Earth Trust but Sodexo cut the paths through the meadow in the summer.

STRENGTHS AND AREAS FOR IMPROVEMENT

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

39. Areas for improvement identified in the review are:

- *Accuracy and timeliness of invoicing*
- *Compliance with council's corporate identity*
- *Reliability of seasonal staff*

40. Officers have commented that the contractor's staff are approachable and provide a quick response to urgent requests and that the quality of the contractor notifications has improved since last year. It was also noted that the Sodexo staff are particularly knowledgeable regarding burials and that there is an experienced core team and 'Jason is a particularly good manager'. Officers thought that Sodexo provided better value tree work than tree specialists for non-climbing work.

41. During last year's review the committee requested the following action be taken

- *That the survey for the customer satisfaction key performance target be reviewed to ensure that issues outside of Sodexo's control were excluded*

Officers reviewed the questionnaire to ensure that the respondents were only responding to areas over which Sodexo had direct control.

FINANCIAL IMPLICATIONS

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

CONCLUSION

43. Sodexo have had another good year and provided a good grounds maintenance service to the council throughout the review period. In Dimension 1, they have achieved an “excellent” rating on three of their five Key Performance Targets but a relatively low score of KPT 3 of “fair” for overall customer satisfaction meant that the overall KPT score of 4.4 was “good” and just missed “excellent” Last year’s “excellent” customer satisfaction (Dimension 2) rating has reduced to “good” but was again very close to achieving an “excellent rating” (actual score of 4.294 and 4.3 is an excellent). The Dimension 3, council satisfaction of score 4.28 (“good”) also was very close to scoring an “excellent”.
44. The head of service has assessed Sodexo’s performance as “good” for its delivery of the grounds maintenance services contract for 2017. The committee is asked to make any comments to the Cabinet Member with responsibility for grounds maintenance to enable them to make a final assessment on performance by way of an Individual Cabinet Member Decision.
45. If the committee does not agree with the head of service assessment, then this report will be referred to Cabinet for further discussion and a final assessment of Sodexo’s performance.

BACKGROUND PAPERS

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%	86%	excellent	5
KPT 2	percentage of notifications and complaints resolved within timescale	90%	88%	good	4
KPT 3	overall customer satisfaction	85%	78%	Fair	3
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%	82%	excellent	5
Overall “average” KPT performance rating score (arithmetic average) refers to point 22 in the report					4.4

Annex B – Customer satisfaction

In total, 219 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 responses	Score weighting	Total
Very satisfied	102	X 5	510
Fairly satisfied	69	X 4	276
Neither satisfied or dissatisfied	18	X3	54
Fairly dissatisfied	17	X 2	34
Very dissatisfied	11	X 1	11
Total	217		885

Overall satisfaction with cleanliness and maintenance $885 \div 217 = 4.08$

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 grass cutting?

Rating	Number of responses	Score weighting	Total
Very satisfied	132	X 5	660
Fairly satisfied	67	X 4	268
Neither satisfied or dissatisfied	14	X 3	42
Fairly dissatisfied	2	X 2	4
Very dissatisfied	0	X 1	0
Total	215		974

Satisfaction with standard of grass cutting calculation: $974 \div 215 = 4.53$

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 responses	Score weighting	Total
Very satisfied	109	X 5	545
Fairly satisfied	60	X 4	240
Neither satisfied or dissatisfied	21	X 3	63
Fairly dissatisfied	4	X 2	8
Very dissatisfied	0	X 1	0
Total	194		856

Satisfaction with standard of shrub bed maintenance calculation: $856 \div 194 = 4.41$

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 responses	Score weighting	Total
Very satisfied	108	X 5	540
Fairly satisfied	64	X 4	256
Neither satisfied or dissatisfied	19	X 3	57
Fairly dissatisfied	16	X 2	32
Very dissatisfied	7	X 1	7
Total	214		892

Satisfaction that the park is kept clear of litter calculation: $892 \div 214 = 4.17$

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 \div number of residents

$$(885+974+856+892) \div (217+215+194+214)$$

$$3607 \div 840 = 4.294 \text{ (refers to point 28 in the report) (4.35 last year)}$$

Areas of improvement to the park that customers identified which are outside of Sodexo's control were (these have not been taken into account in the assessment).

- improve public toilet facilities
- update some of the play equipment
- fencing around splash pads and the river
- more benches
- improve lighting

There were a few compliments regarding grass cutting in Abingdon and grass and hedge cutting in churchyards in South.

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

From (date) To

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	3	3			
3 Delivers to time	1	5			
4 Delivers to budget	1	2			
5 Efficiency of invoicing		2		1	
6 Approach to health and safety	1	4			
7 *					
8 *					

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	4	2			
11 Quality of written documentation		4			
12 Compliance with council's corporate identity	1		3		
13 Listening	3	3			
14 Quality of relationship	6				

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		3	1		
16 Degree of innovation		2	1		
17 Goes the extra mile	3	2			
18 Supports the council's sustainability objectives		2			
19 Supports the council's equality objectives		2			
20 Degree of partnership working	1	4			

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	46	X 4	184
neither satisfied or dissatisfied	5	X 3	15
dissatisfied	1	X 2	2
very dissatisfied	0	X 1	0
Total	82		351

The overall council satisfaction is calculated as follows: $351 \div 82 = 4.28$ (refers to point 32 in the report).

STRENGTHS AND AREAS FOR IMPROVEMENT

Strengths

Loyal, friendly, helpful and dedicated workforce
Efficient team leaders and manager
Better value tree work than tree specialists for non-climbing work
The quality of the handwriting on the contractor notifications has improved since last year
Approachable – quick response to urgent service requests
Knowledgeable regarding burials
Experienced core team, good manager

Areas for improvement

Accurate and timely invoicing
More staff in the teams

Annex D - Contractor 360° feedback

CONTRACTOR'S REACTION / FEEDBACK ON COUNCIL'S ASSESSMENT

- Accuracy and timeliness of invoicing – Sodexo have moved to a new invoice processing system (Basware) which has seen errors on invoices. This has now been corrected.
- Compliance with council's corporate identity – We would be happy to play a more active role in this area and would welcome a meeting to discuss how we can comply and support the councils corporate identity
- Reliability of seasonal staff – It is always our intention to limit the number of seasonal staff on the contract to try and retain knowledge and attract more high-calibre candidates with longer-term positions. We are looking into solutions for how to improve candidate responses for these positions, and would welcome SODC/VOWH support; for example the posting of adverts on SODC/VOWH websites etc, our attendance at community events where recruitment can be seen as a positive step for the local community.
- The implementation of Fleetmatics, should be a major improvement for operations and communications
- We feel that the report is a fair assessment of our current performance and would like to add our client relationship / partnership has been excellent. This is mainly due to our continued drive to ensure our standards are kept at a very high level on all aspects of the specification.

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?

Review completion times on work order and Notification issued during busy periods of the season which will allow us to complete in the time frame.

We are looking to trial battery operated equipment. If successful, this will help reduce fuel consumption and reduce our carbon footprint which would give clear benefits to efficiencies and to the environment.

Feedback provided by

Paul Donnelly

Date

30.08.2018