

# FIVE COUNCILS CORPORATE SERVICES JOINT COMMITTEE

Agenda Item: 7

<b>FROM:</b>	Matt Goodwin	<b>Date:</b> 7 <sup>th</sup> July 2021
<b>SUBJECT:</b>	<b>Capita Performance Measures</b>	
Internal Use Only:	Please complete sign off boxes below prior to submission to Democratic Services	
<b>Report Sign off</b>	<b>Seen by:</b>	<b>Date</b>
	5C Monitoring Officers	22 June 2021
	5C S151 (Finance) Officers	22 June 2021
	5C Joint Tactical Board representatives	22 June 2021
<b>Summary:</b>	This report outlines key context relating to contractual performance, in support of proposed consideration of this matter by Members of the Joint Committee.	
<b>Recommendation:</b>	To note only.	
<b>Direct and/or indirect impact on service delivery to our customers and communities</b>	The performance of the contract has a direct impact on customers accessing front line services contained within the contract. Regular monitoring of the contract performance ensures that a good quality service is maintained to benefit customers. However, the measures are subject to regular review, to ensure this remains the case.	
<b>Financial Implications:</b>	There are no direct financial implications arising from this report.	
<b>Legal Implications:</b>	There are no direct legal implications arising from this report.	
<b>Equalities Implications:</b>	There are no direct equalities implications arising from this report.	
<b>Impact on Mutual Aims of the Five Councils</b>	The mutual aims include improving value for money and the productivity of the councils' staff.	

## INTRODUCTION

Performance of the Capita contract is monitored regularly through the performance measures set out in the contract; these measures are a range of Key Performance Indicators (KPIs) and Performance Indicators (PIs).

Over the past year, Joint Committee have considered Capita performance issues in all areas. However, Customer Services has been an area of particular focus, and Capita have been invited to account for performance here on several occasions. This has driven a view that a wider discussion on performance measures would be beneficial.

The purpose of this report is to provide Members of the Joint Committee important context surrounding the employment of these metrics, to inform a proposed review of measures.

## CONTEXT – CONTRACTUAL COVERAGE

All relevant Performance Measures for the contract can be found in **Schedule 2.2, Annex 1**. For convenience a listing of measures is provided in Appendix A. This is a summary only. Schedule 2.2, Annex 1, provides full detail, including targets, the method of calculation, any associated service credits, and a summary of success / failure tiers.

The other relevant sections of the contract include:

**Main Contract, Section B, 7:** This outlines the key elements of the performance regime, including use of service points as a penalty for service failures, interventions in case of failure, and ongoing review. Service points are assigned to levels of failure, under KPIs only. If a KPI is failed, a predetermined number of service points are converted to service credits, to apply a minor deduction to the monthly Capita invoice.

**Main Contract, Section H, 27:** This details the rectification plan process, which is a key intervention step in cases where performance fails materially.

**Schedule 2.2, Performance Levels:** this is the main reference for matters relating to performance indicators, their operating and reporting, as well as the practical application of service credits relating to failure.

The contract includes provision for an annual review of performance measures. It states that this must not be more than once per year, on giving the supplier at least three months' notice. Changes, once agreed, can be implemented via a change control. Options include re-allocation of service points, conversion of PIs to KPIs, and proposal of new PIs.

In reviewing measures, it is important to note:

- There is a limit to the number of KPIs. This does not apply if a PI is converted to a KPI due to material failures.
- The total number of service points, which are assignable to KPIs where they are failed, cannot be increased. They can only be re-distributed.
- PIs do not attract financial penalties. However, repeated failure can trigger other contract interventions, including, for example, conversion to a KPI. If a PI converts to a PI, service points can be applied. However, this must remain within the total points limit.

## **POINTS OF DISCUSSION**

The initial discussions being tabled are intended to provide terms for review of the current contract KPIs and PIs. This is a particularly appropriate time for this discussion, in the context of:

- A series of service exits, which have changed the nature of the contract.
- The impacts of Covid-19.
- Authorities' experiences, having run the contract for 5 years.

Based on events, and previous discussions, potential areas for review include:

- Development and use of quality measures for customer services. The current focus on timeliness does not account for experiences once the call is answered. There is a satisfaction measure applied (KPI 004). However, the current utility of this is limited, due to the nature of those surveyed (parties whose calls are addressed by agents). Capita make use of a range of internal metrics for quality already. These, and other benchmarks tabled by Authorities, could be used to inform new measures in this space. Joint Committee direction received so far will also be considered, but further deliberation is welcomed.
- On the above, it should also be noted that wider customer surveys across all front-line service offerings are planned. Joint Committee will be apprised, once firmer plans for this are in hand.
- Consideration on whether Revenues and Benefits measures should remain annual. Thought has been given previously to more time sensitive measurement and reporting of key operational areas, such as benefits processing and council tax collection. However, these changes were deferred due to the pandemic, so very much remain an option to consider.

Following recent deliberations over the IT elements of the contract under Heads of Terms, there are no immediate plans to review IT KPIs. The Land Charges KPIs and PIs are also considered fit for purpose.

## **NEXT STEPS**

This is a discussion item only. Based on the outputs of this discussion and subsequent consultation with Authority Representatives and Capita, a formal review of measures will be conducted. The outcome of this will be a series of proposed changes, for formal approval by the Joint Committee in either October 2021 or Dec 2021. The decision of Committee will then be enacted via change control.

## **RECOMMENDATION**

Committee note the contents of this report.

Contact Officer: Matt Goodwin  
Tel No: 07771 378362  
e-mail: [matt.goodwin@havant.gov.uk](mailto:matt.goodwin@havant.gov.uk)

## Appendix A – Performance Measures

<b>Customer Services</b>	
KPI002	Maintain first time resolution – Revenues and Benefits Customer Contact above 80% through September 2025
KPI003	Maintain first time resolution – Contact Centre/Switchboard – above 95% through September 2025
KPI004	Maintain Customer satisfaction above 95% through September 2025
PI001	Maintain emails responded to by the close of the next working day above 95% through September 2025
PI002	Maintain % of calls answered in 20 seconds across the Contact Centre above 80% through September 2025
PI003	Maintain % of hour of hours calls answered in 50 seconds above 80% through September 2025
PI004	Maintain % of council tax and benefits related calls answered in 60 seconds above 80% through September 2025
PI005	Maintain % of visitors with appointments for in-scope services to be seen within 2 minutes at Customer Access points / Remote Offices above 80% through September 2025

<b>Land Charges</b>	
PI002	Maintain local land charges registrations completed within 24 hours of receipt above 99% through September 2025
PI003	Maintain complaints upheld relating to search below 0 complaints through September 2025
KPI001	Maintain % of all official and accepted requests for local authority searches returned within 5 working days of receipt above 50% through September 2025
PI001	Maintain % of all official and accepted requests for local authority searches returned within 8 working days of receipt above 99.5% through December 2025

<b>Revenues and Benefits</b>	
KPI001	Maintain average speed of processing for new benefits claims below 13 Days through September 2025
KPI002	Maintain average speed of processing for benefit changes on or below 6 Days through September 2025
PI001	Maintain financial accuracy of benefits assessments above 96 % through September 2025
PI002	Maintain council tax in year collection above targeted % through March 2021
PI004	Maintain council tax in year collection above targeted % through March 2021
PI 005	Maintain business rates in year collection above 99 % through September 2025
PI 007	Maintain housing subsidy claims accurately completed & submitted on a timely basis above 100 % through September 2025

<b>IT</b>	
KPI01	Maintain availability of internal facing business critical services above 99.9% through September 2025
KPI02	Maintain availability of external facing business critical services for core hours above 99.9% through September 2025
KPI03	Maintain availability of external facing business critical services for non-core hours above 99% through September 2025
KPI04	Maintain incident management - P1 (severity 1 service incident) above 90% through September 2025
PI001	Maintain patch management above 90% through September 2025
PI003	Maintain incident management of severity 2 - severity 4 service incidents above 90% through September 2025
PI004	Maintain service requests above 90% through September 2025
PI005	Maintain change requests above 90% through September 2025
PI006	Maintain first time fixes above 60% through September 2025