

CSG – 2013/14 Q2

1.1 DELIVERY UNIT DASHBOARD

Revenue budget projected year end variance £000 ^[1]	Capital actual variance £000	Corporate Plan Performance	Contract Performance
0	(20)	N/A	12

1.2 TOP ACHIEVEMENTS AND ACTIONS

Top 3 Achievements	Key Challenges	Actions required
8 services and 413 staff (385 FTE) transferred successfully with no major operational issues arising. The overall health and performance of the service remains good.	Baseline of Civic Estate condition surveys	3rd party surveys carried out were poor. Capita are working alongside Mouchel and Pellings to get the compliance surveys re-done where quality poor.
Good progress has been made to ensure PSN compliance following the new Zero Tolerance policy. Both Capita and the Council are now focussing considerable joint effort and resources to the project - work is on-going and of the 75 issues identified originally, only 3 remain.	Performance against key performance Indicators for benefits speed of processing and accuracy was above target but represents a challenge as this is achieved through the implementation in Dec-12 of a face to face operating model using 16 staff that Capita state was not built into their offer or price (BAFO in Oct-12), which assumed all benefits processing staff were located outside Barnet.	Ongoing detailed analysis of costs v performance being undertaken and escalation to Operations Board for decision on acceptable service levels within the contracted cost.
Estates - succeeded in the short notice relocation of the Somali Bravanese Community Centre to Barnet House and dealt with the challenge of preparing for and supporting the Council during the Fire Fighters Strike.		

1.3 SUMMARY OF THE DELIVERY UNIT'S PERFORMANCE

This quarter's performance represents 2 months (Jul & Aug) of service delivery by the Council's Delivery Unit and 1 month (Sep) following the transfer of services to Capita on 1st September. Commentary against performance therefore represents a combined - view and any interventions or escalations referenced will be the responsibility of Capita to take forward. For the month of September, no service credits were due against those indicators where service credits are calculated monthly. September saw the successful transition of staff from Barnet to Capita and service levels were largely improved through this period which is a major achievement and the commitment of the staff is to be applauded. Given the uncertainty of the JR outcome throughout this period and the significant transition effort through August and September, the fact that all KPI's demonstrate an improved outturn over Q1 is due to the significant efforts of all staff involved in the operation.

Some contractual challenges are being experienced as a result of the delay, in particular the Commercial Team is working with Capita to identify if baseline volumes and costs require adjustment regarding the transfer of library calls in the last week of August. All challenges are being actively addressed by Capita and the LBB Commercial Team and are reviewed at the monthly Partnership Operations Board.

Challenges specifically relate to base lining of some KPI information and process changes that have occurred during the period of the JR. In summary these are as follows;

- Revenues & Benefits: the service changed its operating model in December 2012 to deliver benefits claim processing based on a face to face operation and relocated back office personnel. This model has delivered improvements in turnaround times but is more expensive to operate than Capita had assumed based on the previous back office operations. A detailed review is now underway to determine the most cost and service effective model for the future.
- Estates Condition & Compliance Surveys: the Estates function experienced issues with the suppliers commissioned to deliver the baseline surveys resulting in the baselines data being delayed. The LBB Client and Commercial teams have been working with Capita to resolve the issue and expect to have baselines fully agreed in Q3.
- Additional call volumes from the Libraries service were taken into the Contact Centre prior to Service Commencement without any transfer of staff or budget which has placed some additional strain on the services performance levels. LBB and Capita are working together to resolve this issue and determine the most cost effective solution.

1.4 ASSESSMENT OF SUPER KPIS

No Super KPIs due to report in period

2. CONTRACT REPORTING

2.1 Overview of performance against Contract

Total No. of KPIs	RAG ratings				Positive/neutral DoT	Negative DoT	No. of indicators expected to report this quarter
	Green	Green Amber	Red Amber	Red			
31	15 (75%)	1 (5%)	1 (5%)	3 (15%)	20	0	20

2.2 How is the Delivery Unit achieving against its Key Performance Indicators (KPIs): Escalated KPIs only

KPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
CS001	Percentage of customer satisfaction with the contact centre telephone service, face to face service, web service & first contact e-mail service	Jul 13 - Sept 13	45%	60%	6,401/12,077	53%	11.7%	▲ 18.3%	Best avg GovMetric result is 1, the worst is -1. In Q2 Barnet scored 0.2 , amongst the other 74 GovMetric councils the top performing third exceeded 0.5 , bottom third scored below -0.7 , so Barnet was in the middle third.
CS002	First contact resolution – the percentage of telephone calls where the query/request was resolved without transfer to another officer or team ¹	Jul 13 - Sept 13	15.5%	35% ²	55,925/180,470	31%	11%	▲ 99.5%	No benchmarking data currently available.

¹ This calculation excludes switchboard calls because it is primarily a 'transfer' function, and also excludes calls answered by recorded messages because we are not yet able to verify with customers that their query or request was resolved by the virtual agent.

KPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
FIN012	% or £ variance to budget for the Authority Variation of forecast or actual outturn from latest budget	Jul 13-Sept 13	1.1%	0%	296460/292951	1%	N/A	▲ 8.8%	No benchmarking data currently available.
FIN013	Percentage savings implemented: quality of budget planning process outcome	Jul 13-Sept 13	86%	91%	12831/14492	88.5%	2.7%	▲ 3%	No benchmarking data currently available.
PR026b	Number of work experience placements through new procurement activity & Number of work experience opportunities within existing supply chain	Jul 13-Sept 13	0	4	N/A	0	100%	↔	No benchmarking data currently available.

2.3 Interventions & Escalations

KPI NO	Comments and Proposed Intervention
CS001 Percentage of customer satisfaction with the contact centre telephone service, face to face service, web service & first contact e-mail service	<p>Level 2 Intervention (Operational improvement plan within Delivery Unit)</p> <p>The overall satisfaction levels are driven by low satisfaction with Face to Face and Web service. Telephone satisfaction is reported at 91%, but lower volumes of completed responses. Action is being taken to review resourcing levels in the Face to Face operation and determine any quick wins. Low levels of satisfaction in the web service centre on the new Waste & Recycling Service and lack of clear CPZ boundaries. Actions are underway to improve the information being provided by the responsible</p>

² Some targets will be subject to amendment during the transition period as the agreed baseline targets incorporated in the CSG Contract – Schedule 4, Payment mechanism Appendices were contracted at the end of March 2013 with a 1st April 2013 anticipated contract commencement date. Changes in operational circumstances during the five month delay have impacted on the baselines. Any changes to targets can only be introduced via contract variation and must be agreed by the CSG Partnership Operations Board

KPI NO	Comments and Proposed Intervention
	Delivery Units to address these issues.
<p>CS002 First contact resolution – the percentage of telephone calls where the query/request was resolved without transfer to another officer or team</p>	<p>Level 1 intervention Although performance has improved, ability to improve is limited by the numbers of calls for Revenues and Benefits being transferred to the back office. Actions are underway to address these and provide additional training. These actions are expected to improve the telephone rate of first contact resolution.</p>
<p>FIN012 % or £ variance to budget for the Authority Variation of forecast or actual outturn from latest budget</p>	<p>Level 1 intervention It has been recognised that the Target profile requires adjusting to reflect the fact the 0% overspend is an end-of-year target. The Quarterly target is in the process of being agreed. The Finance Service continues to work directly with the Delivery Units to identify and address overspends. The main overspends relate to Children's, Street scene and The Barnet Group.</p>
<p>FIN013 Percentage savings implemented: quality of budget planning process outcome</p>	<p>Level 1 intervention Transport savings partially achieved - balance of £316k. Further detailed work is being carried out on the SEN Assisted Travel budget to maximise savings this year and to find additional longer term savings; DRS commenced on 1st October. Only half year saving of £878 to be delivered; £249k on SPA parking contract. A Parking recovery plan is in place to mitigate this. Further £69k on off-street to be deferred until 2014/15 and incorporated into moving violations programme. £28k textile income, shared contract delayed, to be substituted into waste transformation</p>
<p>EST018a Civic Estates Condition</p>	<p>Level 2 Intervention (Operational improvement plan within Delivery Unit) No KPI performance levels below target but there is an on-going dialogue to baseline the current KPIs. The KPIs and PIs for Condition cannot be fully adopted as there are outstanding issues to finalise the outstanding Condition & Compliance surveys with Pellings and Mouchel. The Council and Capita are working together to seek a resolution to a dispute with Third Party suppliers and finalise an action plan</p>
<p>EST018b Building Key Statutory Compliance</p>	<p>Baseline finalised at end of September and will be reported in Q3.</p>
<p>EST020 Asset Disposals Annual Receipts Target</p>	<p>Baseline finalised at end of September and will be reported in Q3</p>

KPI NO	Comments and Proposed Intervention
<p>PR025 All Complex/High Risk managed in accordance with Contract Procedure Rules (CPR's) and Code of Practice</p>	<p>Level 1 Procurement Board are deciding final strategy for this KPI. To be confirmed in Q3.</p>
<p>PR026b Number of work experience placements through new procurement activity & Number of work experience opportunities within existing supply chain</p>	<p>Level 1 There have been no examples of work experience being undertaken within the Council. The procurement team is working with new potential suppliers so that contracts can be aligned to support both work experience and apprenticeships. Targets are expected to be met by end of Year,</p>

3. RESOURCES AND VALUE FOR MONEY

3.1 Revenue

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q2 forecast	Variation		
	£000	£000	£000	£000		
CSG	24,178	24,546	24,546	-		0.0%
Total	24,178	24,546	24,546	-		0.0%

3.2 Capital

	2013/14 Latest Approved Budget	Additions/ (Deletions) - Quarter 2	(Slippage) / Accelerated Spend - Quarter 2	2013/14 Budget (including Quarter 2)	Forecast to year end	Variance from Approved Budget	% slippage of 2013/14 Approved Budget
	£000	£000	£000	£000	£000	£000	%
CSG Delivery Unit	6,838	-	(20)	6,818	6,818	(20)	0%
CSG Delivery Unit	6,838	-	(20)	6,818	6,818	(20)	0%

4. OVERVIEW OF DELIVERY UNIT

4.1 Managing the Business

This quarter saw the transition from an Internal Delivery Unit to Capita on the 1st of September. Performance data and commentary therefore represents 2 months internal and 1 month external delivery. Given the uncertainty or the JR outcome throughout this period and the significant transition effort through August and September, the fact that all KPIs demonstrate an improved outturn over Q1 is due to the significant efforts of all staff involved in the operation.

Customer Service

Although not meeting target in two KPIs the direction of travel is positive and actions are being put in place provide confidence that targets will be met in Q3. Increased call volumes were experienced during this period due to the waste management project which rolled out 102,000 bins across the borough, plus calls for schools admissions and the early introduction of two additional services for Libraries and Children's Services (Duty roster and Foster Care).

Estates

All Estates Services were delivered without major incident during the transition. Ongoing issues with finalising baselines for KPI's are being jointly addressed and are expected to be finalised in Q3.

Finance

All Finance services were delivered without major incident during the transition. Challenges around Council wide savings and overspend targets are addressed above. The majority of performance indicators have met targets in the quarter with PI targets still to be defined and agreed around levels of aged sundry debt. This will be finalised in Q3.

A new AD of Finance has been appointed and work has now begun to fill some key posts to support the delivery Units.

Quarter 2 monitoring is timetabled for completion on the 14th October and we are on track to meet this deadline. The cost pressures have been reviewed by the finance team to ensure the Q2 reporting reflects an accurate position as at the end of September. Future year savings have also been reviewed and re-submitted by the finance team.

The Pension fund account close down for the period to March 2013 has been reviewed with the auditors with a small number of areas for improvement being identified. These will be built into the planning for next year's close down.

HR service

All HR key performance indicators have been met for the quarter and it is recognised that the HR service has been particularly under pressure during the transition in August and September. HR have supported the outgoing CSG and DRS transfers, one academy conversion, insourcing of May Gurney staff and the transformation programme for HR.

Customer Services PI in relation to Contact resolution was not met. This is mainly due to the high level of inexperienced temporary staff on the team and improvement is expected in the next reporting period.

The final Internal Audit Report for Payroll (commissioned before the transfer to Capita) was received with an overall outcome of 'satisfactory'. There were no 'Priority 1' Management Actions and no serious process issues identified.

IS Service

Performance targets have been achieved despite a number of challenges during the month including the following: the work required to support both the CSG and DRS transfers and the considerable work on the PSN compliance.

Good progress has been made to ensure PSN compliance in the face of the new Zero Tolerance policy with Capita and the Council focussing considerable joint effort and resources to the project - work is on-going and of the 75 issues identified originally, only 3 remain.

Procurement Service

The Central Procurement Team has continued to support the Council in the delivery of its Procurement activity through the set-up and transition of CSG and DRS, including the novation of key contracts with no impact on service levels.

The Service has been engaging with the Delivery Units in order to better understand their procurement plans, MTFs savings plans and strategies in order to support them more effectively in achieving their savings and ensure there is no double count with Capita savings.

There are currently 13 projects in flight, which have governance documents submitted to the procurement board, which are due to deliver around £1.2m annualised savings. There are a further 50+ identified projects with estimated aggregated savings of between £3m and £5m

Revenues and Benefits

Performance against the key performance indicator for benefits speed of processing new claims and accuracy is good, although there is a need to finalise the contracted target as current performance levels of 6 days and 96% respectively are in part due to the council implementing a new face to face service prior to contract. This face to face service was not part of the Capita operating model or price and agreement needs to be reached on how to take this forward

Capita began using Equita as the preferred bailiffs transferring cases to them after service commencement. While this has improved the allocation of payments the previous Bailiff firms did make complaints to members and seek legal advice on the legality of this change of supplier. It also raised concerns on potential conflicts of interest. Capita and the Council worked closely with HB Public Law to demonstrate that the previous contracts allowed for this transfer and to satisfy the members that any conflict of interest was offset by protocols and processes.

4.2 Risk Overview

The following is the 5 X 5 matrix 'heat map' highlighting the number of risks at Delivery Unit Level and where they are currently rated:

IMPACT	SCORE	PROBABILITY				
		1	2	3	4	5
		Rare	Unlikely	Possible	Likely	Almost Certain
5	Catastrophic	0	0	1	1	0
4	Major	0	0	0	1	0
3	Moderate	0	1	2	1	0
2	Minor	0	1	1	0	0
1	Negligible	0	0	0	0	0

Risk Commentary for Delivery Unit:

- Risk overview shows residual risks allocated to CSG Commercial following Service Commencement on 1st September.
- Identified risk profile expected to change following initial period after Service Commencement and definition / agreement of joint risk review process.
- Long term risks relating to contractual flexibility and innovation will require monitoring and active management from both parties throughout the term of the contract to ensure partnership objectives are met.
- Reporting of Risk profile to be agreed as there will be three categories of Risk; a) Council Risk b) Joint Council / Capita Risk and c) Capita Risk.
- Any Reported Capita Risk expected to be backed off in the contract.

The following risk register lists all council risks relating to CSG:

Risk	Current Assessment			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
ESR29- Lack of clarity of the 'retained client' for Estates	Catastrophic 5	Likely 4	High 20	Work with Capita to review key functional decisions and activities and provide detailed definition of client side overview required.	Treat	Quarterly	TBC	TBC	TBC
PRR01- New 2014-15 MTFS savings projects may impact on projected NSCSO savings outside of the MFTS projections, if overlaps are identified	Major 4	Likely 4	High 16	Work with Delivery units to firm up plans, review with LBB finance, assess impact on NSCSO savings projections and agree changes	Treat	Quarterly	TBC	TBC	TBC

Risk	Current Assessment			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
EP05R4- The lack of appetite for introducing Agile workplace by LBB	Catastrophic 5	Possible 3	High 15	Agile workplace introduced with significant stakeholder engagement	Treat	Quarterly	TBC	TBC	TBC
IS3- Novation of contracts creates confusion with suppliers / council / CSG	Moderate 3	Possible 3	Medium High 9	Request and escalate action in Procurement stream	Treat	Quarterly	TBC	TBC	TBC
COMNS0001 - Financial Any expensive, long-term, inflexible contracts/leases (over £25k and EU threshold) could lead to a sub-optimal solution to the NSCSO project	Moderate 3	Possible 3	Medium High 9	Procurement compliance exercise underway to identify size/length of contracts, and review whether possible to renegotiate contracts to meet NSCSO project timelines	Treat	Quarterly	TBC	TBC	TBC

4.3. Customer Experience

Satisfaction

<i>% satisfied (survey total)</i>	July 2013	August 2013	September 2013	Quarter 2 2013/14
Face to face	41%	47%	35%	41% (3,912)
Telephone	90%	91%	91%	91% (3,032)
Web	41%	40%	38%	48% (4,975)
Email	80%	69%	63%	69% (163)
Combined	53%	59%	47%	53% (12,082)

Customer satisfaction with the telephone channel is consistently very high – at 91%, yet the sample is very low compared to face to face and the web as it is staff dependent. Web feedback continues to be challenging. Analysis of this feedback has revealed that the feedback received via this route covers more than the web – it is used to express dissatisfaction with policy and service failure too. A prominent theme for web feedback in Q2 was lack of clarity regarding new waste arrangements and missed bin collections.

Long wait times at Barnet House continue to drive more negative than positive Govmetric feedback for the Housing Service. The waiting time issue needs to be addressed urgently by the 2 areas with the lengthiest face to face wait times – Housing Advice and Housing Benefits (for the latter, despite lengthy wait times at Barnet House continues to drive very positive Govmetric feedback overall).

Wait times

<i>Average wait time mins (footfall)</i>	July 2013	August 2013	September 2013	Quarter 2 2013/14
Burnt Oak	2.80 (4,096)	3.75 (3,550)	1.80 (4,058)	2.78 (11,704)
Housing Benefit	3.1 (1,760)	2.6 (20,180)	2 (2,004)	2.5 (5,782)
General	2.5 (2,236)	4.9 (1,532)	1.6 (2,054)	3 (5,922)
Barnet House	5.43 (7,606)	6.83 (6,285)	9.52 (7,028)	7.26 (20,919)
Homeseekers	11.3 (1,147)	8.5 (983)	12 (1,223)	10.6 (3,353)
Housing Benefit	13.60 (945)	23 (1,104)	32.2 (12,130)	22.97 (3,262)
2 nd floor	1 (578)	2.5 (608)	6.1 (886)	3.2 (2,072)

An increasing wait time at Barnet House has led to an action for CSG to review the processes at Barnet House and Burnt Oak to address the disparity in service level between both sites.

Appendix

KPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
CS003	Percentage of calls answered within 20 seconds ³	Jul 13 - Sept 13	61.1%	70%	168428/234580	71.8%	2.6%	▲ 17.5%	Level of performance is upper quartile based on 25 local authorities
IS004	Percentage availability of top 7 IT systems and services ("core council systems") over supported hours	Jul 13 - Sept 13	99.3%	99.5%	4540.76/4550	99.8%	0.3%	▲ 0.5%	No benchmarking data currently available.
IS006	Percentage of incidents resolved within agreed service levels	Jul 13 - Sept 13	84%	83%	5915/6910	85.6%	3.1%	▲ 1.9%	No benchmarking data currently available.
HR007	Criminal Records Checks - To facilitate compliance with statutory legislation and Council Policy to ensure that every employee who has a requirement to have a Criminal Record Check (CRB) undertaken, has a valid check in place which should be no more than three years old	Jul 13 - Sept 13	100%	100%	75/75	100%	0%	↔ 0%	No benchmarking data currently available.

³ This calculation includes 1,831 calls answered within 20 seconds by virtual agents in September. 17 virtual agent options were introduced – 12 for libraries, 5 for Recycling. Changes to the indicator methodology have resulted in an amendment to the figure reported in quarter 1(previous outturn).

HR008	To ensure all employees are paid correctly including ensuring all statutory and other deductions of pay are correct (Minimal errors: Pay Errors - an error is defined as made directly by HR and excludes any errors resulting from incorrect authorisation or information supplied by line managers)	Jul 13 – Sept 13	0.3%	0.34%	35/23474	0.1%	56.1%	▲ 42.7%	No benchmarking data currently available.
HR009	To ensure all employees are paid on the published 'pay date'	July 13 - Sept 13	100%	100%	23474 /23474	100%	0%	↔ 0%	No benchmarking data currently available.
FIN015	External audit completed and draft ISA 260 produced	Jul 13 - Sept 13	NA	18 th July	NA	Draft ISA 260 received on 12th July	0%	↔ 0%	No benchmarking data currently available.
FIN016	Unqualified external audit opinion and submitted in line with required deadlines	Jul 13 - Sept 13	NA	Pass	NA	Unqualified audit opinion	0%	↔ 0%	No benchmarking data currently available.
EST019	FM Incident resolution	Jul 13 - Sept 13	100%	100%	438/438	100%	0%	↔ 0%	No benchmarking data currently available.
RB022	Average speed of processing for new claims	Jul 13 - Sept 13	10	12	20520/4412	4.65	61.2%	▲ 52.2%	No benchmarking data currently available.
RB023	Average speed of processing for changes	Apr 13 - Jun 13	6	6	136011/25864	5.26	12.4%	▲ 8.7%	No benchmarking data currently available.
RB023a	Accuracy of benefit assessments	Jul 13 - Sept 13	94.1%	93%	288/300	96%	3.2%	↔ 2%	No benchmarking data currently available.

PR024a ⁴	% of the value of new contracts over £25k awarded and managed in accordance with CPR's and procurement legislation	Jul 13 - Sept 13	84.3%	100%	206554/206554	100%	0%	▲ 18.6%	No benchmarking data currently available.
PR024b	% of the value of legacy contracts over £25k managed in accordance with CPR's and procurement legislation	Jul 13 - Sept 13	99.5%	98.94%	949395915.37/951286377.27	99.8%	0.9%	▲ 0.3%	No benchmarking data currently available.
PR026a	Number of apprenticeships through new procurement activity & Number of apprenticeships within existing supply chain	Jul 13 - Sept 13	0	1	N/A	1	0%	▲	No benchmarking data currently available.

EST018a	Civic Estates Condition	Annual Indicator						
EST018b	Building Key Statutory Compliance	Annual Indicator						
EST020	Asset Disposals Annual Receipts Target	Annual Indicator						
IS005	Percentage of users satisfied with service	Annual Indicator						
HR010	All projects / interventions that have been agreed are delivered in a rolling quarterly Programme of Work order to positively reduce the Authority's absence in levels where completion is within the	New Quarterly Indicator - To be reported from Q3						

⁴The previous outturn has been updated to reflect actual reporting methodology as specified in contract

	Service Providers span of control	
HR011	User satisfaction with HR Service	Annual Indicator.
FIN014	Production of draft Statement of Accounts and to pass to the Authority's external auditors, and provide External Audit with all working papers to the Statement of Accounts	Annual Indicator (Q1).
FIN017	Percentage of users satisfied with service	Annual Indicator.
EST021	Percentage of users satisfied with service	Annual Indicator.
PR025	All Complex/High Risk managed in accordance with Contract Procedure Rules (CPR's) and Code of Practice	Baseline to be defined by Procurement Board and reported in Q3.
PR027	Percentage of users satisfied	Annual Indicator.