



Policy & Resources Committee

20 April 2023

Title	Q3 2022/23 Contracts Performance Report
Report of	Chair of Policy & Resources Committee
Wards	All
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Summary

This report provides an overview of Quarter 3 (Q3) 2022/23 performance for the contracted services delivered by the Customer and Support Group (Capita) and Regional Enterprise (Capita), which do not fall under the remit of another theme committee.

It also provides oversight of collective performance for the contracted services delivered by Regional Enterprise (Capita), with specific performance reported to Environment and Climate Change Committee and Housing and Growth Committee in March 2023.

Overall, performance is going well with the vast majority of KPIs achieving their targets. The council continues to work with its contracted partners to address areas of concern, particularly on ensuring that progress is being made where backlogs have occurred due to the impact of the Covid-19 pandemic.

Officers Recommendations

The Committee is asked to note:

1. the Quarter 3 (Q3) 2022/23 performance for the contracted services delivered by the Customer and Support Group (Capita) and Regional Enterprise (Capita), which do not fall under the remit of another theme committee.
2. the collective performance for the contracted services delivered by Regional Enterprise (Capita).

PURPOSE OF REPORT

Introduction

- 1.1 This report provides an overview of Quarter 3 (Q3) 2022/23 performance for the contracted services delivered by the Customer and Support Group (Capita) and Regional Enterprise (Capita), which do not fall under the remit of another theme committee.
- 1.2 It also provides oversight of collective performance for the contracted services delivered by Regional Enterprise (Capita), with specific performance reported to Environment and Climate Change Committee and Housing and Growth Committee in March 2023. Services included in this report are listed per contract in alphabetical order:

Customer and Support Group (CSG)

- Customer Services
- Estates
- Finance
- Human Resources
- Information Systems
- Revenues and Benefits

Regional Enterprise (Re)

- Local Land Charges
- Planning and Building Control
- Strategic Planning

- 1.3 The report does not include budget information, which was provided separately to Policy and Resources Committee on 23 February 2023.

OVERVIEW OF CONTRACTS

- 1.4 Overall both CSG and Re services performed well in Q3 2022/23. Out of 65 total KPIs, 57 passed and five failed against their targets (three KPIs were monitor only).
- 1.5 Capita has been working closely with the council to prepare for the return of all Re services by 1 April 2023, and Estates (including Print) services by 31 August 2023. An update on the transition programme will be reported separately to Overview and Scrutiny Committee in June 2023.

1.6 This will be the last report for contract performance in this format due to changes to the governance structure and move to a cabinet system starting in May 2023.

Overview - Customer and Support Group (CSG)

1.7 The CSG contract continues to perform well with all 16 KPIs achieving target, including the cross-cutting KPI¹ for CSG that measures compliance with the Authority’s Customer Service Standard and Complaints Policy.

Indicator	Polarity	Unit	Target	Current Period Actual	Actual for Same Period Last Year	DoT on Last Year
Compliance with Authority Policy	N/A	Pass / Fail	Pass	Pass	Pass	Same

1.8 Service highlights included:

- The Customer Services team successfully rolled out a new contact centre telephony solution.
- The HR service completed the annual salary uplift in November with minimal errors due to a new upload method.

Overview - Regional Enterprise (Re)

1.9 The services managed by Re fall under the remit of three committees – Housing and Growth Committee, Environment and Climate Change Committee and Policy and Resources Committee. Reports were submitted to Environment and Climate Change Committee and Housing and Growth Committee on 14 and 23 March 2023 respectively, while performance for the services that were not covered by the remit of these committees, as set out in paragraph 1.2, is reported below in section 3.

1.10 Re services broadly performed well. Overall, for the whole of the Re contract, there were 49 KPIs reported in Q3 2022/23. 41 KPIs achieved target and three KPIs were “monitor only”. Five KPIs did not achieve the Q3 2022/23 target:

- Three KPIs related to Food Hygiene / Standards Inspections failed (reported to Environment and Climate Change Committee) due to knock on impacts of the backlogs generated by the Covid-19 restrictions, as well as changes to business operating hours or businesses not currently trading (resulting in lack of access to premises).
- Two KPIs related to the Planning service failed and are reported in paragraph 3.4 and 3.5 below.

1.11 Seven KPIs relate to services which do not fall under the remit of other theme committees. Five KPIs achieved the Q3 2022/23 target, including the cross-cutting KPI for Re which measures compliance with the Authority’s Customer Service Standard and Complaints Policy.² Two KPIs related to the Planning service failed and are reported in paragraph 3.4 and 3.5 below.

¹ The compliance target is to have no higher than 30 ‘fails’ in any given quarter: 1. Complaints responded to late i.e. outside of timescales are ‘fails’ against this target, and 2. Complaints arising from a failure to do what we promised to do are also ‘fails’ against this target.

² The methodology for this KPI involves a review of all Re service complaints recorded on the council’s system in any given quarter: 1. Complaints responded to late i.e. outside of timescales are ‘fails’ / instances of non-compliance against this KPI; and 2. Complaints arising from a failure to do what we promised to do are also ‘fails’ against this KPI.

Indicator	Polarity	Unit	Target	Current Period Actual	Actual for Same Period Last Year	DoT on Last Year
Compliance with Authority Policies (number of instances of non-compliance with Authority policies)	Smaller is Better	Number	No more than 30	19	27	Improved

1.12 Service highlights in Q3 2022/23 included:

- The average time taken to process local land charges requests improved by almost one day compared to the same time last year.
- The Planning Service had difficulties with resourcing and the legacy impacts of Covid-19.
- There was significant progression with the Local Plan Examination in Public (EiP).

Notes on tables

1.13 The targets listed for both CSG and Re are for the year 2022/23 and the current reporting period, Q3 2022/23.

2. CUSTOMER AND SUPPORT GROUP (CSG)

Customer Services

Indicator	Polarity	Unit	Target	Current Period Actual	Actual for Same Period Last Year	DoT on Last Year
Customer satisfaction (phone, face-to-face, email and post case closure)	Bigger is Better	%	89	90.6	93.0	Worsened
Customer Services cases closed on time	Bigger is Better	%	94	100	100	Same
Cases / transactions completed via self-service channels	Bigger is Better	%	50	66.7	72.1	Worsened
Customer satisfaction (web performance and customer feedback)	Bigger is Better	%	65	69.6	67.0	Improved

2.1 There are four KPIs for Customer Services. All met the Q3 2022/23 target.

2.2 Both Customer Satisfaction KPIs remained above target this quarter, although for the measure related to 'phone, face-to-face, email and post-case closure' there was a decrease on the same period last year (2.4% from 93% in Q3 2021/22) and previous quarter (94.3% in Q2 2022/23). This was investigated by the service and believed to be due to a change in when and how the survey was conducted with residents following the successful roll out of the new contact centre telephony solution in October 2022. This has now seen an improved performance in Q4 2022/23 and we will continue to monitor.

2.3 The service continued to support the authority with the Homes for Ukraine initiative, with service staff taking calls and helping residents and hosts.

2.4 The service has continued to work with the web team on 'Digital Health Checks'. These have identified over 70 content improvement suggestions for the web site, many of which are planned to go live over Q4 2022/23.

Estates

Indicator	Polarity	Unit	Target	Current Period Actual	Actual for Same Period Last Year	DoT on Last Year
Lease Renewals	Bigger is Better	%	100	100	100	Same

2.5 There is one KPI for Estates. This met the Q3 2022/23 target.

Building Services

2.6 The Measured Term Contract for building services, cyclical compliance inspections, repairs, and maintenance was initially due for completion in September 2022, but was delayed until Q4 2022/23 (completed in February 2023). This was due to a delay with finalising the legal contracts.

2.7 Energy saving measures for the civic estate and libraries were reviewed and quick wins were implemented. These included reducing hot water and heating temperatures and reducing occupation times of buildings. The service has worked on programmes as part of the Public Sector Decarbonisation Scheme (PSDS) and have assisted where required on the reduction of carbon in line with the council's sustainability initiative.

2.8 The service completed restoration works to the obelisk on The Mill Hill war memorial, located at The Ridgeway in Mill Hill in December 2022.

Property Services

2.9 The Asset Valuation project for 2022/23 commenced earlier than last year, and 159 asset valuations were completed by the end of Q3 2022/23.

2.10 The service completed five rent reviews in Q3 2022/23, bringing the year-to-date total to 40.

2.11 Progress has been made on debt recovery from tenants accumulated following the Covid-19 period, and for the first time this debt owed is less than £1.0 million.

2.12 The service completed nine lease renewals in Q3 2022/23, bringing the year-to-date total to 25.

Facilities Management

2.13 The service signed up to 'The British Institute of Cleaning Science' (BICSc) cleaning standards and audits against this standard have commenced.

2.14 A quarterly building user group for the Colindale office commenced in October 2022 with representatives invited from every department, including from the unions.

2.15 The Housing Options Unit was handed over back to the Housing Options team ready for occupation following the refurbishment of the space. The security team are supporting by directing people to the correct location as some visitors for the Housing Options team are still arriving at the Colindale office main entrance.

2.16 The Colindale café has opened on the ground floor, which is being supported by security in the main entrance.

Print & Mail

2.17 There were 199 logged calls for either printer faults or courier requests in Q3 2022/23, compared to 209 for Q2 2022/23.

2.18 The service mitigated issues resulting from the Royal Mail strike days over Q3 2022/23. Most of the strikes were single day which effected only special and first-class delivery. The service kept staff informed of potential delays with posters in the office, and asked staff to work any large volume post around the strike dates.

Finance

Indicator	Polarity	Unit	Target	Current Period Actual	Actual for Same Period Last Year	DoT on Last Year
Operational availability of financial system application (Integra) to the hosted network	Bigger is Better	%	92	99.8	99.6	Improved
Invoice documents in Accounts Payable processed within agreed timescales	Bigger is Better	%	90	98.3	99.5	Worsened
Completion of audit recommendations by Capita in relation to their provision of finance services	Bigger is Better	%	100	100	100	Same

2.19 There are three KPIs for Finance. All met the Q3 2022/23 target.

2.20 The Accounts Payable (AP) team and Central Support Team (CST) continue to work with the council to facilitate payment of the Homes for Ukraine scheme.

2.21 The process of performing the 2019 aged creditors review has been completed, and £5.5m will be cleared off the ledger following final approval for all the items. This was in addition to the £5.0 million reported following a review of creditors from 2018, which was reported in Q2 2022/23.

Human Resources

Indicator	Polarity	Unit	Target	Current Period Actual	Actual for Same Period Last Year	DoT on Last Year
Payroll Accuracy – error rates and correct dates	Smaller is Better	%	0.10	0.00	0.02	Improved
DBS verification audits	Bigger is Better	%	100	100	100	Same

2.22 There are two KPIs for Human Resources. Both achieved the Q3 2022/23 target.

2.23 The service completed the Annual Salary increase in November by means of a new upload. Accuracy of this annual task was significantly increased resulting in an improved score for the Payroll Accuracy KPI (0.00% in Q3 2022/23 compared to 0.02% in Q3 2021/22, and against a target of 0.10%).

- 2.24 Successfully implemented the Nest Pension scheme ensuring all stakeholders were fully aware of progress and confident that deadlines would be met. Monthly tasks have been embedded including reporting. Completed the enrolment process for those opting out of the Local Government Pension Scheme, ensuring all statutory obligations were met for the Council.
- 2.25 Implemented Terms & Conditions amendments for The Barnet Group relating to Sickness, Maternity and Paternity leave, backdating the new schemes to April 2022.

Information Systems

Indicator	Polarity	Unit	Target	Current Period Actual	Actual for Same Period Last Year	DoT on Last Year
Incident resolution	Bigger is Better	%	91.0	95.2	94.5	Improved
Critical system availability	Bigger is Better	%	99.5	99.9	99.8	Improved

- 2.26 There are two KPIs for Information Systems. Both met the Q3 2022/23 target.
- 2.27 The service provided support to the Customer Contact Centre for the move to a new contact centre telephony solution. The new platform provides better security and resilience through its modern cloud-based infrastructure.
- 2.28 As part of ongoing efforts to improve the IT security of the Barnet estate, the service deployed Microsoft Sentinel which allows:
- Comprehensive security to get end-to-end visibility across all resources including users, devices, applications, and infrastructure.
 - Detection of advanced threats by using AI driven capabilities.
 - Investigation of prioritised incidents by surfacing critical incidents and hunt suspicious activities at scale.
 - Efficient and effective response by allowing the service to respond to incidents rapidly with built in automation of common tasks.
- 2.29 The core case management system in Family Services is used to hold data about children in care, which was occasionally going offline. The service identified this system was being overloaded by increased numbers of sessions (usage) at certain times of the day. Extra server capacity was added to ensure the system stays online, and this will continue to be monitored for further issues.

Risks

- 2.30 There was one high-level (scoring 15+) joint risk related to Information Systems in Q3 2022/23, which is being managed in accordance with the council's risk management framework.

Title	Description	Score	Review Summary
IT cyber security	A cyber attack could lead to the council being unable to operate resulting in widescale disruption and financial cost.	15	Cyber awareness campaign ran over Christmas with staff, and a scenario planning workshop was run with business continuity leads in February. A review of wider cyber staff training that sits on the council's learning management system is being conducted. Simulated phishing campaigns are also being trialled as a learning tool for staff.

Revenues and Benefits

Indicator	Polarity	Unit	Target	Current Period Actual	Actual for Same Period Last Year	DoT on Last Year
Accuracy of benefit assessments	Bigger is Better	%	95.0	100.0	97.8	Improved
Days to process new claims	Smaller is Better	Number	22	17	33	Improved
Days to process changes in circumstances	Smaller is Better	Number	6	4	2	Worsened

2.31 There are three KPIs for Revenues and Benefits. All three measures achieved target for Q3 2022/23. Accuracy of benefit assessments scored 100.0% for Q3 2022/23, however the volume of checks carried out was low in the period (401 compared to 2,663 for Q3 2021/22), due to the quality assurance team being redeployed to work on the energy rebates in October and November.

2.32 At the end of Q3 2022/23, Council Tax 4-year collection was 98.19% and in-year collection was 79.08%, a 0.06% increase on the same period last year (79.02%). Outbound calls or emails were made to residents who had a debt during Q3 2022/23 and a Telsolutions campaign (outbound text and email messages to those who have not paid before a formal reminder is issued, to prompt payment) that commenced in September 2022, continued this quarter.

2.33 Direct debit take-up increased to 72.36%, compared to 70.55% in December 2021.

2.34 The service supported the discretionary top up amount of the energy rebate and this was delivered by the deadline on 30 November 2022.

2.35 A recovery matrix was installed in December 2022. This will allow the service to view all debt/recovery stages for individual customers in one area, which enables more efficient targeting of debt recovery.

2.36 The automated form HBAAI (Housing Benefit Award Accuracy Initiative) was put in place and the project was on track to be completed by the deadline in February 2023 (which was achieved), with 4601 reviews being undertaken on high-risk cases.

3. REGIONAL ENTERPRISE (Re)

3.1 The following Re services do not fall under the remit of another theme committee and have been included for completeness.

Local Land Charges

Indicator	Polarity	Unit	Target	Current Period Actual	Actual for Same Period Last Year	DoT on Last Year
Average time taken to process requests for full official Land Charges searches (online and post)	Smaller is Better	Number	3.0	1.1	2.1	Improved

3.2 There is one KPI for Local Land Charges which achieved the Q3 2022/23 target and reduced by almost one day compared to the same time last year.

Planning and Building Control

Indicator	Polarity	Unit	Target	Current Period Actual	Actual for Same Period Last Year	DoT on Last Year
Planning Application Basket of KPIs	Bigger is Better	Number	6	4	6	Worsened
Planning Enforcement Basket of KPIs	Bigger is Better	Number	6	3	0	Improved
Compliance with planning application statutory timescales (for major, minor, other applications)	Bigger is Better	%	80.0	84.3	90.4	Worsened
Decisions meeting building regulation statutory timescales	Bigger is Better	%	100	100	100	Same

3.3 There are four KPIs for Planning and Building Control. Two achieved the Q3 2022/23 target and two did not.

3.4 There were two fails in the planning application basket of KPIs: one relating to a complex prior notification which required legal advice after the target date, and the other related to certificates of lawfulness which were given a lower priority (statutory work was prioritised due to resourcing issues) in Q3 2022/23. The service met all other targets during Q3 2022/23.

3.5 There were three failures in the planning enforcement basket of KPIs. The indicators that were not met were due to the legacy impact on the casework from Covid-19, as they relate to the later stages of the enforcement process such as appeals, where the control over the timing of action sit with the Planning Inspectorate and the Courts.

Strategic Planning

Indicator	Polarity	Unit	Target	Current Period Actual	Actual for Same Period Last Year	DoT on Last Year
Strategic Planning Documents completed and signed off	Bigger is Better	%	100	100	No Activity	Not comparable

3.6 There is one KPI for Strategic Planning which achieved the Q3 2022/23 target.

3.7 There was significant progression with the Local Plan Examination in Public (EiP) with many resources across the service diverted to producing the 71 action notes required by the Planning Inspectors. Additional Statements of Common Ground with third party participants have also been negotiated at the request of the Inspectors. As expected, resources were stretched in dealing with the unprecedented detail and intensity of the EiP and the two high profile Planning Inquiries on the Homebase site and upcoming B&Q Cricklewood.

- 3.8 Community Infrastructure Levy (CIL) receipts were higher in Q3 2022/23 than Q2 2022/23 (£8.507 million compared to £2.204 million). Although the KPI for the year is likely to be met, there was £6.651 million from 43 cases of overdue payments, and of these, 24 cases were overdue for over a year. Most of the overdue cases were from larger schemes that delayed payment due to knock on effects of Covid-19 and the developers are in difficulty. It has been identified that legal advice is urgently required, as the team are unable to proceed further with enforcement without legal advice.

4. REASONS FOR RECOMMENDATIONS

- 4.1 This report provides an overview of Quarter 3 (Q3) 2022/23 performance for the contracted services delivered by the Customer and Support Group (Capita) and Regional Enterprise (Capita), which do not fall under the remit of another theme committee.
- 4.2 It also provides oversight of collective performance for the contracted services delivered by Regional Enterprise (Capita) and Barnet Homes (The Barnet Group), with specific performance reported to Housing and Growth Committee and Environment and Climate Change Committee in March 2023.

5 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 5.1 None.

6 POST DECISION IMPLEMENTATION

- 6.1 None.

7 IMPLICATIONS OF DECISION

8. Corporate Priorities and Performance

- 8.1 Performance monitoring is essential to ensure robust management of the council's strategic contracts and supports commercial discussion and decision-making. It also ensures resources are adequately and appropriately directed to support delivery and achievement of corporate priorities.

- 8.2 Relevant council strategies and policies include the following:

- CSG contract
- Re Contract

9. Resources (Finance and Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 9.1 The report does not include budget information, which is provided separately to Policy and Resources Committee.

10. Legal and Constitutional References

- 10.1 Section 151 of the Local Government Act 1972 states that: "without prejudice to

section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs". Section 111 of the Local Government Act 1972 relates to the subsidiary powers of local authorities to take actions which are calculated to facilitate, or are conducive or incidental to, the discharge of any of their functions. Robust contract management assists with ensuring the proper administration of the council's financial affairs.

10.2 The council's Constitution, Article 7.5 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Policy and Resources Committee.

- To be responsible for developing the Corporate Plan and recommending it to Full Council for adoption.
- To be responsible for Finance including:
 - Recommending the Capital and Revenue Budget (including all fees and charges); and Medium Term Financial Strategy; to Full Council for adoption
 - Revenue and Capital Monitoring and Expenditure: Committee to receive a cross-council overview with theme committees scrutinising revenue and capital expenditure within their remits
 - Treasury Management
 - Local Taxation
 - Insurance
 - Corporate Procurement
 - Revenues and Benefits
 - Grants
 - Writing-Off Debt
 - Virements
 - Effective Use of Resources
 - Procurement Forward Plan
- To be responsible for strategic policy, risk management, oversight of the organisation, performance and operational working of the council including the following specific functions/activities:
 - Local Plans (except for matters reserved to Full Council)
 - ICT and Digital
 - Customer Services
 - Emergency Planning
 - Equalities, Diversity and Inclusion
 - Contract Monitoring and Management: Cross-organisation overview of contracts with contracts in the terms of reference of another theme committee being scrutinised by that committee.
 - Performance Monitoring and Management: Cross-organisation overview of performance with performance in the terms of reference of another theme committee being scrutinised by that committee.
- Consider for approval budget and business plan of the Barnet Group Ltd
- To be responsible for those matters not specifically allocated to any other committee affecting the affairs of the council.

11. Insight

11.1 The report identifies performance information in relation to the council's strategic contracts for Quarter 3 (Q3) 2022/23. The report covers delivery from Capita: the Customer and Support Group (CSG) and Regional Enterprise (Re).

12. Social Value

- 12.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders. As set out in the council's Contract Procedure Rules, commissioners should use the Procurement Toolkit, which includes Social Value guidance. The Contract Management Toolkit should also be used to help ensure that contracts deliver the expected services to the expected quality for the agreed cost. Requirements for a contractor to deliver activities in line with Social Value will be monitored through the contract management process.

13. Risk Management

- 13.1 The council has an established approach to risk management, which is set out in the Risk Management Framework. Risks are reviewed quarterly (as a minimum) and any high-level (scoring 15+) joint risks with strategic contractors are included in this report, as well as being reported to Policy and Resources Committee as part of a wider corporate risk report.

14. Equalities and Diversity

- 14.1 The Equality Act 2010 requires organisations exercising public functions to demonstrate that due regard has been paid to equalities in:

- Elimination of unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- Advancement of equality of opportunity between people from different groups.
- Fostering of good relations between people from different groups.

- 14.2 The Equality Act 2010 identifies the following protected characteristics: age; disability; gender reassignment; marriage and civil partnership, pregnancy and maternity; race; religion or belief; sex and sexual orientation.

- 14.3 In order to assist in meeting the duty the council will:

- Try to understand the diversity of our customers to improve our services.
- Consider the impact of our decisions on different groups to ensure they are fair.
- Mainstream equalities into business and financial planning and integrating equalities into everything we do.
- Learn more about Barnet's diverse communities by engaging with them.

This is also what we expect of our partners.

- 14.4 This is set out in the council's Equalities Policy, which can be found on the website at:

<https://www.barnet.gov.uk/your-council/policies-plans-and-performance/equality-and-diversity>

15. Corporate Parenting

- 15.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. There are no implications for Corporate Parenting in relation to this report.

16. Consultation and Engagement

- 16.1 Obtaining customer feedback is part of the contract management process to inform service delivery, service development and service improvement.

17. Environmental Impact

- 17.1 There are no direct environmental implications from noting the recommendations. Implementing the recommendations in the report will lead to a positive impact on the Council's carbon and ecology impact, or at least it is neutral.

18. BACKGROUND PAPERS

- 18.1 None