



Policy and Scrutiny

Open Report on behalf of the Chief Information and Commissioning Officer

Report to:	Value for Money Scrutiny Committee
Date:	22 February 2016
Subject:	Performance of the Corporate Support Services Contract

Summary:

The service delivery as measured by contractual Key Performance Indicators (KPIs) has shown some improvement from November to December.

The Agresso system continues to be the subject of intense focus from Serco and improvement work continues. Serco say it is confident that the impact of these improvements, especially within the payroll and accounts payable service areas will continue to be demonstrated in the coming months.

The CSC service area has met all available KPI target service levels for December, the first service area to achieve this since service commencement.

Actions Required:

The Committee is asked to note the contents of this report.

1. Background

This report is to provide an update of the contract performance information to enable the Value for Money Scrutiny Committee to fulfil its role in scrutinising performance of one of the Council's key contracts.

2. Performance

Appendix A to the report provides the KPI results for the period April to December, January's figures are currently being prepared.

The contract has target service levels (TSL) and minimum service levels (MSL). When the contract was agreed it was anticipated that the minimum service levels should be capable of being met and the target service levels should be capable of being reached but may need service improvement to achieve this. It is fair to say that the Council recognised from the outset that the agreed KPIs would be challenging for Serco and that has proved to be the case. Where the colour shows as green the target service level has been achieved and amber shows that the minimum service level has been achieved. Red shows that the minimum service level has not been achieved. Where Serco do not provide sufficient performance data to establish that the required service levels have been met or where the performance data is considered to be unreliable those KPIs affected are allocated a red status i.e. minimum service level has not been achieved. These KPIs are recorded as "data not available" in Appendix A. The blue colour indicates a "glide" period; this means that because of a dependency outside of Serco's control e.g. implementation of Mosaic, it is not yet appropriate to expect the agreed targets to be fully met.

Table 1 below provides summary performance statistics of the 43 KPIs for November and December with reference to the target service levels and the minimum service levels.

Table 1: KPI Summary Performance

KPI Performance Level	November (No of KPIs)	December (No of KPIs)
Target Service Level achieved	23	27
Minimum Service Level achieved	7	5
Below Minimum Service Level	11	9
Mitigation Agreed	2	2
TOTAL	43	43

3. People Management (PM)

The KPI performance for people management in December has improved since the previous report. Five of the ten KPIs measured are meeting their target service level (in November it was three), four are below the minimum service level (in November it was five and with one KPI meeting the minimum service level) and one has agreed mitigation the same as in November.

A summary position on the red status People Management KPIs is provided below:

- PM_KPI_02 + – remains unreportable as auditable data is not yet available.
- PM_KPI_03 –there is incomplete data available to evidence that payment deductions have been made on time to third parties as pay over data has

not been supplied to , LGPS, NHS and Teachers pensions. Up to date information has now been made available to HMRC up to and including January's payroll.

- PM_KPI_04 –the KPI sets out service levels for avoidable contacts but as yet there is insufficient information identifying on what basis the calls have been categorised as avoidable contacts
- PM_KPI_05-the KPI sets out service levels for first contact resolution and the supporting data containing details of contacts which were not resolved at the first point of contact is not complete

Serco report some improvement in other payroll statistics based on the number of contacts received in month by Serco declining as detailed in table 2 below:

Table 2: Payroll contacts received by Serco

Payroll Contacts Received by Serco	October	November	December
Schools and Corporate Contacts	2397	1312	684

Serco advise that approximately two thirds of these contacts are business as usual enquiries and do not represent payroll errors. Of the remaining one third issues still remain with payroll under/over payments, pension deductions and over-time payments.

4. Information Management Technology (IMT)

The December KPI performance results for IMT have remained largely similar to the November position with the same number of KPIs meeting their target and minimum service levels.

Of the twelve IMT KPI measures six met their target service level, four met their minimum service level with IMT-KPI-09 and IMT-KPI-11 remaining below the minimum service level.

A summary position on the red status IMT KPIs is provided below:

- IMT_KPI_09 – The finalisation of the Service Catalogue which should have been completed before service take on (February 2015) remains outstanding which prevents measurement of service fulfilment times as the detailed definitions of some services remain to be agreed. Serco are currently advising that the Service Catalogue should be complete by April 2016.
- IMT_KPI_11 – The measurement of this KPI is dependent upon having agreed project milestones in place for all IMT project delivery to enable

project progress to be effectively tracked. Once the outstanding Transformation/Remedial project plans have been agreed with appropriate systems to provide the evidence it will be possible to start to measure this KPI. Serco have promised plans during March so this should be capable of being measured from April 2016.

5. Customer Service Centre (CSC)

The CSC service has met all measured KPI target service levels, the first time a service area has achieved this since Services commencement in April 2015. Of the nine CSC KPI measures, eight have met their target service level whilst one still remains in mitigation.

The mitigation arises as it has been agreed that CSC_KPI_08 will be measured on a quarterly, rather than monthly basis to allow a greater number of survey returns to be captured to ensure a more representative result. The performance of this KPI will be reported on in January 2016.

Of particular note within the CSC is that the Customer Experience as measured by CSC_KPI_07 has improved since Serco took the service over. Customer experience scores have increased from an average 89% in 2014/15 to an average of 95% during 2015/16 year to date (April to December). In December the Customer Experience was 98% of customers rating the quality of service as Good or better. The method of data collection and the questions asked were the same in 2014/15 and 2015/16.

6. Adult Care Finance (ACF)

The majority of ACF KPI results continue to demonstrate good performance and December's achievement against the KPIs is the same as November's. Of the nine ACF KPIs measured, seven are meeting their target service levels, one is meeting the minimum service level and one is below its minimum service level.

A summary position on the red status ACF KPI is provided below;

- The performance data for ACF_KPI_06 was not accepted for December as the supporting evidence was not comprehensive.
- Of particular interest is ACF_KPI_03 where Serco is currently operating below the target service level but meeting the minimum service level. Serco attribute this failure to meet the target service level to service users or their representatives not fully completing the required information and/or not returning the completed forms promptly which was exacerbated by the Christmas period. Whilst Serco's performance is not currently meeting the target service level ACF_KPI_03 requires Serco to undertake adult care financial assessments within 15 Business Days a step change to previous arrangements that allowed up to 42 days. As care costs cannot be

retrospectively charged for, this reduction in assessment time should mean that the council receives income for care earlier increasing the total income collected.

7. Financial Administration

The December KPI performance results for Finance show two KPIs failing to meet the minimum service levels with one KPI meeting the minimum service level. The same outcome as in November.

A summary position on the red status ACF KPI is provided below;

- F_KPI_01 invoice payments in the month totalled approximately 27,000 in number and Serco ascribe their failure to meet the KPI service levels at least in part to the fact that the council has a significant proportion of its payments approximately 9,000 on zero day (immediate) payment terms.
- Debt recovery is being hampered by Agresso system issues. Access to a range of required outstanding debt information within Agresso is problematic and this is limiting the performance on F_KPI_03.

The other finance KPI (F_KPI_02) remains at its target service level of 100%.

Of note is an improvement in performance since the last report reflecting better performance in invoice payments (F_KPI_01) and debt recovery (F_KPI_03) albeit still below minimum service levels.

8. Conclusion

The service delivery as measured in contract KPIs has shown improvement from November to December. A particular success is the CSC where all available KPI performance measures met their target service levels.

Serco are acutely aware of the ongoing service issues, including those outlined above, and are working towards bringing the entire contract performance level up to acceptable levels with particular focus on improving the Agresso system.

9. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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