

Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	Overview and Scrutiny Management Board
Date:	28 April 2022
Subject:	Performance of the Corporate Support Services Contract

Summary:

This report provides an update of Serco's performance against contractual Key Performance Indicators specified in the Corporate Support Services Contract during the review period January to March 2022. The last report to this Board was on 27 January 2022.

Actions Required:

The Board is invited to:

1. seek assurance about the performance of the Corporate Support Services Contract.
2. provide feedback and challenge as required.

1. Abbreviations

CSS	Corporate Support Services	F	Finance (Exchequer)
KPI	Key Performance Indicator	ACF	Adult Care Finance
TSL	Target Service Level	CSC	Customer Services Centre
MSL	Minimum Service Level	RAG	Red/ Amber/ Green
IMT	Information Management and Technology	LCC	Lincolnshire County Council

2. Background

This report provides an update on Serco's performance for months 82 to 84 since the service commencement date 1 April 2015. It includes the Corporate Support Services Review (CSSR) high-level status report (Table 3 below).

3. Performance

Table 1 below provides the summary red/ amber/ green (RAG) status of the Key Performance Indicator (KPI) results since the last report.

Agreed mitigation is shown as blue status.

Table 1: Overall KPI Summary Performance

(All Services) Contract Performance	Number of KPIs					
	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22
Target Service Level achieved	37	35	33	34	33	35
Minimum Service Level achieved	0	0	1	0	0	0
Below Minimum Service Level	0	0	0	0	0	0
Mitigation agreed	3	5	5	5	6	4
TOTAL	40	40	39	39	39	39

Note: at the time of report submission the results for March 22 were pending LCC verification.

4. Exceptions

There were no instances where KPIs failed to meet the MSL (red status) or the TSL (amber status) during the review period.

Table 2 below shows the background and rationale for the Council granting mitigation where a dependency outside Serco's control (eg implementation of Mosaic) prevents agreed targets from being fully met. Granting mitigation relieves Serco from the application of Service Credits (deductions).

Table 2: Details of KPI Mitigation, Jan – Mar 22:

KPI Ref No (Mit. period)	Short Description	Reason for granting Mitigation	Impact	Path to Green
ACF_KPI_03 (Jan-Mar) ACF_KPI_04 (Jan-Mar)	% of new, and change of circumstance, financial assessments for non-res and res care completed within 15 Business Days of referral from the Council.	In mitigation automatically since December 2016 as a result of Mosaic implementation which is yet to extend to financial payments as committed to by the Council in 2015. This means Serco must still use two systems - Mosaic and Abacus, which hinders their ability to meet a very optimistic 15-day target. LCC and Serco have worked to optimise the service by streamlining the supporting evidence required.	The end-user experience has <i>improved</i> as a result of the optimisation/ streamlining work.	Two replacement KPIs are in the final stages of agreement between the Council and Serco and both are due to live retrospectively from 1 April 2022, ref CCN109.
CSC_KPI_12 (Jan-Mar)	% of callers the CSC attempt to contact to discuss Access Channel Preferences.	This is a new KPI. Systems not ready yet – Verint now implemented, but still requires: <ul style="list-style-type: none"> - Avaya upgrade to v8, followed by; - CRM upgrade - additional functionality 	n/a. (The abatement points for this KPI have been temporarily redistributed to the other CSC KPIs)	Serco and the Council are currently in the final stages of reviewing alternative mechanisms for achieving the measures using VerintEFM; aiming for implementation 1 May.
IMT_KPI_12 (Jan-Mar)	% of users who score the IT Service as "Good" or above for IT Incident handling	This measure has been temporarily suspended in order to redirect resource on MDM (Office 365) ticket resolution at the Council's direction. On basis that this measure is not service critical.	Performance measure not available – does not affect front line services.	Suspension mutually agreed in support of project delivery and will be re-instated on 1 May 2022.
IMT_KPI_18 (Jan-Feb)	% of P3 & P4 incidents notified to the Service Desk achieving the Incident resolution target as detailed in the Specified Services Description or the Service Catalogue.	This measure has been temporarily suspended in order to redirect resource on MDM (Office 365) ticket resolution at the Council's direction.	Some individual users will not receive resolution in the target time.	Suspension mutually agreed in support of project delivery and will be re-instated on 1 May 2022.
IMT_KPI_19 (Feb)	% of Service Requests notified to the Service Desk achieving Service Request Fulfilment within the time detailed in the Specified Services Description or the Service Catalogue.	This measure has been temporarily suspended in order to redirect resource on MDM (Office 365) ticket resolution at the Council's direction.	Some P1 and P2 service requests will not be fulfilled in the target time.	Suspension mutually agreed in support of project delivery and will be re-instated on 1 May 2022.

5. KPI Changes

There are 39 Key Performance Indicators for the Serco Support Services Contract. They are subject to a continuous process of review. The outcome of a review may effect no change, a re-draft of the KPI or its machinery, replacement with a completely new KPI, or decommissioning. The purpose of these changes is to respond to external factors and to changing Council priorities so that measures continue to be relevant to the overall management of the contract. There were no changes during the review period.

6. Corporate Support Services Review Project

Table 3: Position Update as at 31 March 2022:

IMT	IMT is proceeding in accordance with the project plan. The recommended service model is in accordance with earlier thinking which was reviewed and supported by the Board in 2021 i.e., a combination of specialist providers complemented by increased in-house capability. The full options appraisal is being scrutinised by the Board in the next item on the agenda before going to the Executive for decision making on 4 May.
Customer Service Centre (CSC)	The CSC and HR Administration and Payroll and Finance Exchequer services and Adult Care Finance are proceeding in accordance with a project plan which bought the decision making for these services forward by three months to maximise the time for transition.
HR and HR Administration and Payroll	The investigation work is drawing to a close and recommended proposals have been reached for the services and for digital transformation which is aligned to the CSC. It is anticipated that the full options appraisal will be presented to the Board on 26 May before going to the Executive for decision making on 7 June.
Finance Exchequer and Adult Care Finance	

7. Green Trend Analysis

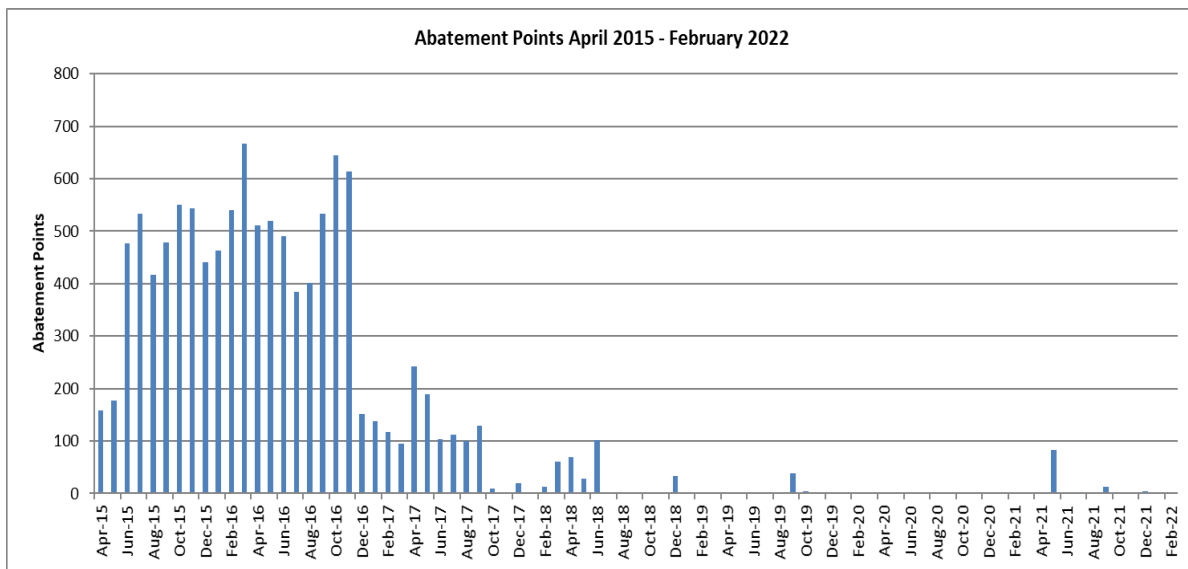
This section aims to note any significant changing trends in those KPIs which have met the TSL but may be showing signs of significant performance change - deterioration or improvement. This green KPI trend data has been tracked from April 2018 to date. It is important to note that the purpose of this analysis is to detect long-term changes in 'normal' delivery, i.e., when the results are green. Instances where a particular KPI scores red or amber are treated as exceptions and not counted in this analysis. The results are therefore not an indicator of overall performance, but an examination of underlying background trends.

For the period ending February 2022, 72% of the green KPIs are currently stable or improving. The result in November 2021 was 70%. None of the KPIs are on a trajectory to fail before contract end.

8. Abatement Points

Table 4 shows the total number of abatement points the Serco CSS Contract has attracted in each month since contract start. A total of 902 points is currently distributed amongst the KPIs. The maximum service credits payable by each service area is capped at 10% of that area’s financial payment for that month.

Table 4: Total monthly abatement points from contract start to Feb 2022:



9. Conclusion

KPI Performance Summary January to March 2022:

This period showed a strong 'green' performance, with no TSL/ MSL failures.

Serco Highlights for the review period January to March 2022:

Kevin Hales, Serco Operations Director, will introduce his replacement, Graham Beckett, and provide an additional verbal update at the meeting.

10. Consultation

a) Risks and Impact Analysis

Not Applicable

11. 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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