

Meeting: Overview, Scrutiny & Policy Development Committee

Date: Monday 2nd September 2019

Title: Technical Services Partnership – Capita Quarterly Update

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Service: Environment, Housing and Leisure

Wards affected: All

1. Purpose of Report

As part of its work programme for 2017/18, Overview, Scrutiny and Policy Development Committee ('the Committee') undertook a review of the Authority's long term strategic technical services partnership ('the Partnership') with Capita Property & Infrastructure Limited ('Capita').

A programme of scrutiny for the municipal year was agreed at the Committee meeting on 18th July 2019. This report presents the update planned update to be provided to Committee, detailing Partnership performance for Q1 (April – June 2019) against the agreed Annual Service Plan for 2019/20, and the financial outturn of 2018/19.

2. Recommendations

The Committee is recommended to:

- a) Note the contents of this report;
- b) Note the 2018/19 Partnership outturn presented in **Appendix 1**;
- c) Consider the 2019/20 Q1 performance presented in **Appendix 2**; and
- d) Note that the next review of the Partnership by Committee will be in respect of Q2 performance (July- September 2019) and which will be presented to the 4th November 2019 meeting.

3. Details

3.1 Background

The Authority has a long-term strategic partnership with Capita to deliver a range of technical services. This followed a procurement exercise which led to the contract being awarded to Capita that commenced on 1 November 2012.

In January 2019 Cabinet provided its response to the recommendations of the Study Group, which reviewed the operation of the Partnership and agreed to a programme of continual engagement on the operation of the Partnership with the Committee.

That programme consists of the following:

- **Annual Service Plan**
 - **the agreed Annual Service Plan will be reported to the Committee at the start of each financial year:** this was done for 2019/20 at the meeting of the Committee on 18th July 2019.
 - **Monitoring reports against the Annual Service Plan will be made available each quarter:** this report provides the Committee with an update on Q1 performance (April – June 2019)
 - **The annual review of the Partnership will be reported to Committee at the next available meeting:** the performance outcomes for 2018/19 are included in the 2019/20 Annual Service Plan reported to the Committee on 18th July 2019 and this report now provides the Committee with the financial outturn of the previous financial year which is now available.

- **Benchmarking**
 - **Scrutiny Members will be presented with the outcome of the Year 5 benchmarking exercise once finalised:** this took place at the meeting of Committee on 18th July 2019
 - Arrangements will be made for Scrutiny Members to have oversight prior to the commencement of the Year 8 benchmarking exercise during 2020/21.

3.2 Financial Outturn for 2018/19

The financial outturn of the partnership is set out in **Appendix 1**.

The budget performance of the Partnership is being closely monitored and a strong governance rhythm has been developed following the Deed of Variation.

There were some items that caused in-year pressures which needed to be managed during the year. These were:

- Taxi Licensing
- Property Business Cases
- Engineer's Fees
- Repairs & Maintenance
- Security Costs at Sir G.B. Hunter

Management of these in-year pressures allowed the Partnership to return a year end outturn with a variance of zero.

For the Investment Schedule Outturn, against the annual target of £1.918m, the outturn investment was £2.202m

The Authority and Capita are jointly working hard, as you would expect, heading through into 2019/20 to manage budget pressures with oversight from relevant service leads and Cabinet Members.

3.3 Q1 2019/20 Performance update

The Authority monitor performance of the Partnership on a monthly basis. Capita are required to meet a series of important performance milestones for each service it delivers on behalf of the Authority and these are known as Key Performance Indicators ('KPI's). The KPI's are divided into Category 1 and Category 2 KPI's and each have an explicit target.

Performance scorecards are reported for each of the following service areas:

- Property Services
- Engineering Services
- Regulatory Services

The process of review is via subgroups for each service area, which then report into Operational Partnership Board on a monthly basis and Strategic Partnership Board on a quarterly basis. In addition to the KPI's, for each of the above service areas there are several action plans that are also monitored and additionally the investment commitments such as jobs and support to the Authority's priorities are also reviewed. Some examples of this have been included in the presentation, specifically support to Norham School and creation of jobs.

The information attached as **Appendix 2** will be presented to Committee to explain the outcome of Q1 performance.

4. **Appendices**

Appendix 1 – Presentation – Technical Services Partnership Financial Outturn 2018/19

Appendix 2 – Presentation - Technical Services Partnership performance Q1 2019/20

5. **Background Information**

The following documents have been used in the compilation of this report and may be inspected at the offices of the authors.

[Cabinet Response to Scrutiny Recommendations, 21 January 2019](#)

[Capita Study Group Report, October 2018](#)