

Meeting: Overview, Scrutiny & Policy Development Committee

Date: Thursday 18 July 2019

Title: Technical Services Partnership - Capita

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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 with Capita Property & Infrastructure Limited ('Capita').

The purpose of this report is to agree a programme of scrutiny for the municipal year, present the Annual Service Plan for 2019/20, and provide an update on the benchmarking.

2. Recommendations

The Committee is recommended to:

- a) Note the contents of this report;
- b) Agree the proposed 2019/20 Scrutiny Programme included in Appendix 1;
- c) Consider the Annual Service Plan for 2019/20 presented in Appendix 2; and
- d) Consider the benchmarking review presented in Appendix 3.

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.

As part of its work programme for 2017/18, Committee undertook a review of the delivery arrangement and established a Study Group that reported its findings to Cabinet in November 2018.

The Study Group noted that shortly after the bedding-in period of the contract some key issues started to arise within the partnership relating to achieving performance against the strategic objectives.

In autumn 2013, following a restructure of the Senior Leadership Team and a change in political administration of the Authority this new team began a review of the partnership to consider the Authority's options and to ensure the right outcomes for the Borough.

It was accepted by both the Authority and Capita that changes to the contract were needed and significant work took place to undertake a full review of the strategic partnering arrangement. At its meeting on 11 July 2016, Cabinet approved, in line with the original contract, to agree a proposal from Capita that would lead to a variation in the contract to adjust responsibilities, costs, fees and savings assumptions tested in negotiation with officers.

The Deed of Variation was agreed in early 2017 and provided a firmer footing to secure the savings, strengthen the performance test, targeting the partnership more effectively to and align it with the policy direction set by the Elected Mayor and the Cabinet.

3.2 Cabinet's Response to the report of the Study Group

In January 2019 Cabinet provided its response to the recommendations of the Study Group and; in doing so; formally recorded its thanks for the work undertaken.

As part of that its response, Cabinet agreed to a programme of continual engagement on the operation of the partnership with 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;
 - Monitoring reports against the Annual Service Plan will be made available each quarter; and
 - The annual review of the Partnership will be reported to Committee at the next available meeting.

- **Benchmarking**
 - Scrutiny Members will be presented with the outcome of the Year 5 benchmarking exercise once finalised; and
 - Arrangements will be made for Scrutiny Members to have oversight prior to the commencement of the Year 8 benchmarking exercise during 2020/21.

In order to do this a proposed 2019/20 Scrutiny Programme has been included as **Appendix 1**.

3.2 Annual Service Planning

The Study Group recognised the governance arrangements in place within the Partnership. This includes a Strategic Partnership Board ("the Board"), chaired by the Chief Executive and attended by the Elected Mayor, the Deputy Mayor, the Cabinet

Member for Environment & Transport and the Cabinet Member for Community Safety and Engagement.

Prior to the start of each financial year the Board receives for approval an Annual Service Plan for the Partnership. The Service Plan for 2019/20 was approved by the Board following its meeting on 13 March 2019. The information attached as **Appendix 2** will be presented to Committee to explain the format of the Service Plan, what is included within it, and the monitoring arrangements.

3.3 Benchmarking Review

The Study Group recognised that there is a requirement within the contract to undertake benchmarking reviews at set periods to assess the quality, effectiveness and value for money of the Partnership.

The information attached as **Appendix 3** will be presented to Committee to explain the outcome of the benchmarking review undertaken at Year 5 and the emerging thinking for what will take place in Year 8.

4. **Appendices**

Appendix 1 – Proposed 2019/20 Scrutiny Programme for the Partnership

Appendix 2 – Presentation - Technical Services Partnership Annual Service Plan
2019/20

Appendix 3 – Presentation – Benchmarking Review

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](#)