

Subject:	Capita Monitoring and Performance Report	Status:	For Publication
Report to:	Overview and Scrutiny Committee	Date:	12 th November 2018
Report of:	Head of Customer Services & ICT	Portfolio Holder:	Housing, Communities & Customer Services
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Community Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
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1.	RECOMMENDATION(S)
1.1	That the Committee notes the content of the report and the ongoing standard of performance achieved by Capita in delivering revenues, benefits and customer contact services on behalf of Rossendale Borough Council.

2. PURPOSE OF REPORT

- 2.1 To provide an update on the Capita contract and review the performance of the service in the light of the extension of the Rossendale/Capita contract.

3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following corporate priority:
- **Responsive and value for money local services** – responding to and meeting the different needs of customers and improving the cost effectiveness of services.

4. RISK ASSESSMENT IMPLICATIONS

- 4.1 There are no specific risk issues for members to consider arising from this report.

5. BACKGROUND AND OPTIONS

5.1 Services delivered by Capita

Capita has been contracted, since October 2006, to deliver revenues, benefits and associated customer contact services on behalf of Rossendale Borough Council. Back office services are delivered from Capita's offices in Blackburn, with customer contact by telephone being provided through the RBC One Stop Shop. Capita also provide the telephone switchboard service for all of the Council. The Capita contract was initially awarded for 10 years 2006-16, with a 3 year extension having been agreed in 2015. The current contract will end in October 2019. A tender process is ongoing for the delivery of these services from October 2019 on.

5.2 Contract monitoring

The Capita contract is monitored by the Service Assurance Team (SAT). The team reports to an Operational and Governance Board (OGB) comprising 3 Members. The lead member is the portfolio holder for Customer Services, with two other members drawn from each of the two largest groups at that time.

Updates on general performance indicators are brought to each OGB as well as an update on any legislative changes affecting the service, any potential risks and opportunities for the service. Additional reports are brought to each board which focus on a qualitative analysis, to complement that statistical data included in the performance indicators.

5.3 Performance Indicators

A full listing of performance indicators for 2017/18 and the current year to date is included in the appendix at the end of this report, with notes. To summarise;

- Council Tax collection improved by 0.3%, but missed target by 0.4%
- NNDR collection improved by 1.2%
- Housing Benefit and Council Tax support claims were within target for both new claims and changes in circumstances
- Benefit claim accuracy of processing was within target
- Housing Benefit overpayment collection achieved targets
- One Stop Shop Waiting times were within target
- Only 2 of 9 Tribunal cases were issued on time, well short of the 70% target.

5.4 Revenues and Benefits Helpline

The revenues and benefits telephone contact centre was moved from Coventry to the One Stop Shop in February 2016; new telephone software was introduced on February 2017.

When the contact centre moved from Coventry as part of the capita contract extension, it was agreed that formal performance indicators would not be retained. Therefore there are no formal targets in this area.

For the period April to June 8539 calls were handled, with 8544 July to September. Weekly call volumes varied between 479 and 838.

Average call waiting times over the period are:

	April -June	July - September
Benefits Calls	4 min 29 sec	4 min 45sec
Council Tax calls	4 min 36 sec	3 min 56 sec
Recovery Calls	4 min 34 sec	4 mon 9 sec

5.5 New Homes Bonus

New Homes Bonus is paid by central government to local councils. It is intended to promote increases in housing stock. In practice it is based on the annual CTB1 return, in which Councils set out the tax base including all discounts/exemptions etc. The bonus is calculated on increases in the total number of homes and decreases those properties categorised as long term empty.

Council officers have worked with Capita to tailor a property inspection programme which works to maximise new homes bonus for the council.

This year a net increase of 129 properties was identified and there were 24 less long term empty (more than 6 months) properties. Therefore a total increase of 153 properties was identified.

These are then converted to band 'D' equivalent, after which the figure for calculation purposes was 133. The 133 band 'D' increase equates to a 0.52% increase and the government has previously set an assumed target of 0.4% increase. It is possible that this may change before New Homes Bonus is allocated.

The comparative figures for 2017 were 200 new properties and 56 fewer long term empties. The 256 properties combined translated to 230 band 'D' equivalents last year.

Current estimates, assuming no change of threshold, are that around £42k will be payable to Rossendale. This compares to £171k last year.

5.6 Single Person Discount Exercise

A single person discount review exercise was undertaken in April – June 2018 using credit referencing data in order to quantify risk that additional adults may have been resident in properties with current discount claims.

In all 121 discount claims were cancelled, a little over 1% of all existing claims. This corresponds to approximately £45k in removed discount, with the Rossendale share being around £7k.

It should be noted that where similar exercised have been undertaken previously, some of these discounts will be reclaimed.

Where potential issues are identified, at least two letters are issued in order to allow customers to provide an explanation; in most cases this is to provide the alternative address at which the second adult is registered for council tax. If no response is received, the discount is cancelled. However this does not preclude the discount being reclaimed at a later date; it is likely that some of the claims have been allowed to lapse by omission and that once the claimant begins to pay council tax at the increased rate they will then address the issue of discount.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

- 6.1 Financial matters are noted in the report; any further financial implications arising will be contained within existing budget resources.

7. MONITORING OFFICER

- 7.1 No additional comments.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

- 8.1 Matters contained in the report relate to contractual arrangements with Capita LGS who employ the staff providing services on behalf of Rossendale. There are no HR implications.

Regular updates are provided to the Portfolio Holder and the Board.

Consideration to equalities, appropriate consultation and community engagement will be undertaken for any significant changes to the delivery of the contract

9. CONSULTATION CARRIED OUT

9.1 None.

10. CONCLUSION

10.1 Performance for both Council Tax and Non-Domestic rate collection improved in 2017/18, albeit that Council Tax collection fell short of an ambitious target. The key benefit targets were all met.

10.2 Half-year outturns suggest that this year's performance will be broadly similar with most, if not all targets met.

Background Papers	
Document	Place of Inspection
Appendix 1 - Capita Performance Targets and Outturn	Attached