

Public Document Pack

Overview and Scrutiny Management Committee

Wednesday, 16th October,
2013
at 6.00 pm

Council Chamber - Civic Centre

This meeting is open to the public

Members

Councillor Moulton (Chair)
Councillor Vinson (Vice-Chair)
Councillor Chaloner
Councillor Fitzhenry
Councillor Hammond
Councillor Hannides
Councillor Keogh
Councillor Mintoff
Councillor Morrell
Councillor Stevens

Appointed Members

Mr T Blackshaw, The Church of England (Dioceses
of Winchester & Portsmouth)
Mrs U Topp, (Roman Catholic Church)
Vacancies

- Primary Parent Governors Representative;
and
- Parent Governor Representative

Contacts

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PUBLIC INFORMATION

Role of Overview and Scrutiny

Overview and Scrutiny includes the following three functions:

- Holding the Executive to account by questioning and evaluating the Executive's actions, both before and after decisions taken.
- Developing and reviewing Council policies, including the Policy Framework and Budget Strategy.
- Making reports and recommendations on any aspect of Council business and other matters that affect the City and its citizens.

Overview and Scrutiny can ask the Executive to reconsider a decision, but they do not have the power to change the decision themselves.

Overview and Scrutiny Management Committee

The Overview and Scrutiny Management Committee holds the Executive to account, exercises the call-in process, and sets and monitors standards for scrutiny. It formulates a programme of scrutiny inquiries and appoints Scrutiny Panels to undertake them. Members of the Executive cannot serve on this Committee.

Southampton City Council's Priorities:

- **Economic:** Promoting Southampton and attracting investment; raising ambitions and improving outcomes for children and young people.
- **Social:** Improving health and keeping people safe; helping individuals and communities to work together and help themselves.

- **Environmental:** Encouraging new house building and improving existing homes; making the city more attractive and sustainable.
- **One Council:** Developing an engaged, skilled and motivated workforce; implementing better ways of working to manage reduced budgets and increased demand.

Smoking Policy

The Council operates a no-smoking policy in all civic buildings.

Mobile Telephones

Please turn off your mobile telephone whilst in the meeting.

Fire Procedure

In the event of a fire or other emergency a continuous alarm will sound and you will be advised by Council officers what action to take.

Access

Access is available for disabled people. Please contact the Democratic Support Officer who will help to make any necessary arrangements.

Dates of Meetings: Municipal Year 2013/14

2013	2014
20 May	16 January
13 June	13 February
11 July	13 March
15 August	10 April
12 September	
10 October	
14 November	
12 December	

CONDUCT OF MEETING

TERMS OF REFERENCE

The general role and terms of reference for the Overview and Scrutiny Management Committee, together with those for all Scrutiny Panels, are set out in Part 2 (Article 6) of the Council's Constitution, and their particular roles are set out in Part 4 (Overview and Scrutiny Procedure Rules – paragraph 5) of the Constitution.

RULES OF PROCEDURE

The meeting is governed by the Council Procedure Rules and the Overview and Scrutiny Procedure Rules as set out in Part 4 of the Constitution.

DISCLOSURE OF INTEREST

Members are required to disclose, in accordance with the Members' Code of Conduct, **both** the existence **and** nature of any "Disclosable Personal Interest" or "Other Interest" they may have in relation to matters for consideration on this Agenda.

DISCLOSABLE PERSONAL INTERESTS

A Member must regard himself or herself as having a Disclosable Pecuniary Interest in any matter that they or their spouse, partner, a person they are living with as husband or wife, or a person with whom they are living as if they were a civil partner in relation to:

- (i) Any employment, office, trade, profession or vocation carried on for profit or gain.
- (ii) Sponsorship:

Any payment or provision of any other financial benefit (other than from Southampton City Council) made or provided within the relevant period in respect of any expense incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

(iii) Any contract which is made between you / your spouse etc (or a body in which the you / your spouse etc has a beneficial interest) and Southampton City Council under which goods or services are to be provided or works are to be executed, and which has not been fully discharged.

(iv) Any beneficial interest in land which is within the area of Southampton.

(v) Any license (held alone or jointly with others) to occupy land in the area of Southampton for a month or longer.

(vi) Any tenancy where (to your knowledge) the landlord is Southampton City Council and the tenant is a body in which you / your spouse etc has a beneficial interests.

(vii) Any beneficial interest in securities of a body where that body (to your knowledge) has a place of business or land in the area of Southampton, and either:

- a) the total nominal value for the securities exceeds £25,000 or one hundredth of the total issued share capital of that body, or
- b) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you / your spouse etc has a beneficial interest that exceeds one hundredth of the total issued share capital of that class.

BUSINESS TO BE DISCUSSED

Only those items listed on the attached agenda may be considered at this meeting.

QUORUM

The minimum number of appointed Members required to be in attendance to hold the meeting is 4.

Other Interests

A Member must regard himself or herself as having a, 'Other Interest' in any membership of, or occupation of a position of general control or management in:

Any body to which they have been appointed or nominated by Southampton City Council

Any public authority or body exercising functions of a public nature

Any body directed to charitable purposes

Any body whose principal purpose includes the influence of public opinion or policy

Principles of Decision Making

All decisions of the Council will be made in accordance with the following principles:-

- proportionality (i.e. the action must be proportionate to the desired outcome);
- due consultation and the taking of professional advice from officers;
- respect for human rights;
- a presumption in favour of openness, accountability and transparency;
- setting out what options have been considered;
- setting out reasons for the decision; and
- clarity of aims and desired outcomes.

In exercising discretion, the decision maker must:

- understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
- take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
- leave out of account irrelevant considerations;
- act for a proper purpose, exercising its powers for the public good;
- not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
- comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now, pay later' and forward funding are unlawful; and
- act with procedural propriety in accordance with the rules of fairness.

AGENDA

Agendas and papers are now available online via the Council's Website

1 APOLOGIES AND CHANGES IN PANEL MEMBERSHIP (IF ANY)

To note any changes in membership of the Panel made in accordance with Council Procedure Rule 4.3.

2 DISCLOSURE OF PERSONAL AND PECUNIARY INTERESTS

In accordance with the Localism Act 2011, and the Council's Code of Conduct, Members to disclose any personal or pecuniary interests in any matter included on the agenda for this meeting.

NOTE: Members are reminded that, where applicable, they must complete the appropriate form recording details of any such interests and hand it to the Democratic Support Officer.

3 DECLARATIONS OF SCRUTINY INTEREST

Members are invited to declare any prior participation in any decision taken by a Committee, Sub-Committee, or Panel of the Council on the agenda and being scrutinised at this meeting.

4 DECLARATION OF PARTY POLITICAL WHIP

Members are invited to declare the application of any party political whip on any matter on the agenda and being scrutinised at this meeting.

5 STATEMENT FROM THE CHAIR

6 EXCLUSION OF THE PRESS AND PUBLIC - CONFIDENTIAL PAPERS INCLUDED IN THE FOLLOWING ITEM

To move that in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the confidential appendix 1 and 2 to the following Item

Confidential appendix 1 and 2 contains information deemed to be exempt from general publication based on Category 3 and 7A of paragraph 10.4 of the Council's Access to Information Procedure Rules. Publication of this information could influence bids for the property which may be to the Councils financial detriment.

7 STRATEGIC SERVICES PARTNERSHIP (SSP) CONTRACT: EXTENSION AND RE-NEGOTIATION

Report of the Leader to the Council providing details of the extension and Re-negotiation of the Strategic Services Partnership (SSP), attached.

Tuesday, 8 October 2013

Head of Legal, HR and Democratic Services

Agenda Item 7

DECISION-MAKER:	OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE			
SUBJECT:	STRATEGIC SERVICES PARTNERSHIP (SSP) CONTRACT: EXTENSION AND RE-NEGOTIAION			
DATE OF DECISION:	16 OCTOBER 2013			
REPORT OF:	Leader of the Council			
<u>CONTACT DETAILS</u>				
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STATEMENT OF CONFIDENTIALITY				
<p>Appendix 1 and 2 of this report is not for publication by virtue of categories 3 (financial and business affairs) and 7A (obligation of Confidentiality) of paragraph 10.4 of the Council's Access to Information Procedure Rules as contained in the Council's Constitution.</p> <p>It is not in the public interest to disclose this information as this appendix contains confidential and commercially sensitive information supplied by Capita Business Services Limited. It would prejudice the Council's ability to operate in a commercial environment and obtain best value in negotiations and would prejudice the Council's commercial relationships with third parties, if they believed the Council would not honour any obligation of confidentiality.</p>				

BRIEF SUMMARY

This report outlines the current changes which are proposed to the SSP contract recognising both that negotiations are continuing and that consultation is ongoing and provides scrutiny members with the opportunity to review progress.

The contract for the Strategic Services Programme (SSP) with Capita Business Services Limited (Capita) commenced on 1 October 2007 for a term of 10 years. The outsourced services comprise Customer Services, IT Services (including printing services), HR and Payroll Services (including health & safety, learning & development and occupational health), Property Services (comprising professional construction related services and valuation and estates management services), Local Taxation and Benefits Services and Procurement Services.

Following negotiations, pursuant to the provisions in the SSP contract allowing for its extension, the Director of Corporate Services will be seeking authority to extend the contract by five years and to implement simultaneously changes to the contract which are set out in this report as far as they are known and agreed. Five years is the maximum extension permitted under the SSP contract and the EU contract notice under which it was originally awarded and the extension would mean that the expiry date of the SSP contract would become 30 September 2022 (rather than the currently scheduled 30 September 2017).

In conjunction with service amendments included in the contract changes, it is currently estimated that the extension would produce forecast net savings for the

Council of £24M over the period from 1 December 2013 (the intended date of implementation of the contract extension) to 30 September 2022.

Further benefit would accrue to the City Council from the flexible charging mechanisms included in the proposed contract changes, which would enable the Council to deal with changing demand for many of the services delivered under the SSP in the future in a way which is more appropriate than the originally structured contract given the less predictable environment we now find ourselves in.

Service delivery would be modernised in Customer Services and IT Services and revised Governance arrangements would be introduced.

The purpose of the report to Full Council is to enable Council to make a Policy Framework decision. Full Council will be invited to express a view as to whether or not the SSP contract should be extended. This would form an addendum to the Council's Policy Framework.

If the Full Council makes a Policy Framework decision to proceed, the Executive will then need to implement that decision. If the decision is to extend the SSP contract, the Director of Corporate Services, who has overall responsibility for the SSP, together with the Head of Legal, HR and Democratic Services, will be given joint delegated authority to agree the detailed terms and conditions. The Head of Legal HR and Democratic Services will be given authority to complete the necessary legal documentation.

RECOMMENDATIONS:

- (i) That the Committee discuss the issues raised within the report and make recommendations as appropriate / note progress to date.
- (ii) That the Committee note the currently drafted recommendations detailed below that will be set out to Full Council and Cabinet respectively.

Full Council

- a) Approves as a Policy Framework decision, the extension of the SSP contract with Capita Business Services Limited for five years, so that its expiry date becomes 30 September 2022 (extended from 30 September 2017), subject to the changes to the contract described in this report being made simultaneously.
- b) Recommends that the Executive implements the Policy Framework decision to extend the SSP contract by 5 years
- c) Delegates authority to the Director of Corporate Services, the Chief Financial Officer and the Head of Legal, HR and Democratic Services to agree the detailed terms and conditions.
- d) Authorises the Head of Legal HR and Democratic Services to enter into the necessary legal documentation.
- e) Approves the introduction of an IT Development Reserve to smooth the cost of future capital expenditure needed to maintain the desktop estate and associated hardware on an ongoing basis, thereby enabling effective planning to be undertaken over the medium term.
- f) Approves the introduction of a Pension Reserve to manage expenditure associated with employers pension contributions payable to the Hampshire Pension Fund for TUPE staff over the term of the

contract and smooth the impact on the General Fund revenue budget in any one year.

- g) Notes and endorses the governance arrangements set out in Appendix 3 (in so far as they are matters for Full Council).
- h) Authorises the Director of Corporate Services, the Chief Financial Officer and the Head of Legal, HR and Democratic Services to take any further action necessary to give effect to the decisions of Full Council and the Executive in relation to this matter.
- i) Notes that these decisions will form an addendum to the Council's Policy Framework.

Cabinet

- a) Notes that on 20 November 2013 Full Council approved the extension of the SSP contract with Capita Business Services Limited by five years with a new expiry date of 30 September 2022 (extended from 30 September 2017), subject to the changes to the contract described in this report being made simultaneously.
- b) To implement as a consequence of the Full Council's Policy Framework decision, the extension of the SSP contract by 5 years
- c) Notes that authority has been delegated to the Director of Corporate Services and the Head of Legal, HR and Democratic Services to agree the detailed terms and conditions.
- d) Notes that the Head of Legal, HR and Democratic Services has been authorised to enter into the necessary legal documentation.
- e) Notes and endorses the governance arrangements set out in Appendix 3 (in so far as they are matters for the Executive).
- f) Authorises the Director of Corporate Services and the Head of Legal, HR and Democratic Services be authorised to take any further action necessary to give effect to the decisions of Full Council and the Executive in relation to this matter.

REASONS FOR REPORT RECOMMENDATIONS

1. To ensure that Overview and Scrutiny Management Committee (OSMC) are aware of the progress made to date on the Relaunch negotiations which are aiming to:
 - Make a contribution towards the financial savings the Council has to find.
 - Improve flexibility in the charging mechanisms under the SSP contract, so that the charges under the SSP contract can more closely and more quickly reflect the changing size of the Council's operation in the future.
 - Modernise service delivery under the SSP contract, particularly in relation to Customer Services and IT Services.
 - Postpone the cost of re-procuring, or bringing back in house, the services.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None.

DETAIL (Including consultation carried out)

INTRODUCTION

3. The prevailing pressures on the Council's budget mean that it cannot afford the SSP contract in its current form. Also, the contract does not contain sufficient flexibility to enable the Council to deal with changing demand for many of the services delivered under the SSP in the future in a way which is more appropriate to the less predictable environment we now find ourselves in.
4. There are a number of alternative options which could have been pursued:
 - Do nothing and allow the contract to expire naturally at the end of September 2017. This option was not pursued, as it would do nothing to help meet the Councils current financial challenges, improve flexibility or modernise service delivery
 - Terminate the contract and bring the services back in house. This option was not pursued, as it was deemed unaffordable (as set out in Appendix 1). In addition, this option would increase the Council's exposure to equal pay issues and require the Council to rebuild a management structure and recruit staff, depending on the mix of human resources transferring back to the Council under TUPE.
 - Terminate the contract and re-procure the relevant services. This would involve many of the costs associated with bringing the services back in house and would also require budgetary provision to be made for the cost of the procurement process. It would also probably be a more difficult process to manage than bringing the services back in house, there would be a substantial lead time and there is no guarantee that the services could be re-procured at lower cost. As a consequence, this option has not been pursued.
5. Therefore, negotiations commenced with Capita in 2012 with a view to reducing the cost of the SSP contract and reshaping the contract to improve the long term flexibility and governance of the SSP. There were two submissions from Capita of its "SSP Relaunch" proposal, one in September 2012 and the other in November 2012 following discussions on the initial submission. The absence of competitive tension during the negotiations has resulted in a longer elapsed time to reach acceptable terms to the Council.
6. The negotiations have focused on:
 - Realising immediate savings in the fixed charges by extending the contract by five years and by agreeing changes to service delivery
 - Enabling future savings by introducing flexible charging mechanisms, which would allow the charges to flex with changes in demand for the outsourced services.
 - Ensuring limited termination costs after the expiry of the current contract period in September 2017 should the Council choose to terminate the

contract after that point in time.

7. As an interim measure during the course of the negotiations, savings initiatives from the SSP Relaunch proposal, which could be developed and delivered relatively easily, have already been implemented under the SSP contract change control procedure to take effect in accordance with the budget set for the current financial year, 2013/14. These “early implementation” savings are set out in Appendix 1 to this report and they will continue to accrue regardless of the decision that is made in respect of a five year contract extension.
8. An additional interim measure adopted from the SSP Relaunch proposal has been the cessation of service level agreements between the Council and schools for the provision of IT Services and HR and Payroll Services with effect from 1 April 2013. This has removed from the SSP contract the work required to support these service level agreements and Capita now seeks to contract directly with schools for the provision of the relevant services. This has reduced the fixed charges under the SSP contract which balances the related loss to the Council of income from schools. More importantly, the change has transferred to Capita the risk of schools choosing not to take up the services.

CURRENT SHAPE OF THE PROPOSAL

9. The result of the subsequent negotiations on the remaining savings initiatives within the SSP Relaunch proposal, relating to services currently in scope, is that an extended contract, in conjunction with the changes to service delivery proposed in this report, would deliver the following benefits to the Council in addition to those already secured through the “early implementation” savings:
 - Forecast net savings for the Council of £24M over the period from 1 December 2013 (the intended date of implementation of the contract extension) to 30 September 2022, as set out in Appendix 1 to this report.
 - Flexible charging mechanisms to enable the Council to deal with changing demand for many of the services delivered under the SSP in the future in a way which is more appropriate than the originally structured contract to the less predictable environment we now find ourselves in and offer the potential for future savings.
 - Revised measure of indexation to be applied to the charges, which will better balance risk through the more accurate reflection of the inflationary pressures that affect the cost of providing the services.
 - Manageable termination compensation from September 2017, which would not inhibit the City Council from considering terminating the contract at or after that point.
 - Revised governance as set out in Appendix 3 to this report, which would reinforce co-operation on the part of both parties to work together to leverage benefits in support of the Council’s change programme and key strategic priorities.
 - Developing One Guildhall Square (OGS) as a regional business centre,

creating opportunities for local people.

- Corporate social responsibility (CSR) commitments from Capita, including a commitment that the changes in the SSP Relaunch proposal will be “jobs neutral”, that is any job losses arising from the savings initiatives will be off set with work for other clients delivered in OGS. In the past 12 months Capita has brought 95 FTE jobs into the City.
 - Settlement of several long outstanding commercial issues within IT Services, including responsibility for upgrading software infrastructure, charging for the impact of projects on support requirements, the impact of third parties on Key Performance Indicators (KPIs) and late delivery of the disaster recovery (DR) service and of Lagan (CRM) integrations.
 - Innovation and transformation in Customer Services and IT services.
 - Profit Sharing / Gain Sharing arrangements are under review but at this stage are still the subject of negotiation.
10. The above benefits are not dependent on the outsourcing of additional services to Capita and more detail is set out in Appendix 1 to this report, which contains the key commercial and financial considerations for the SSP.
11. The following paragraphs provide additional information on some of the benefits which will be delivered

Flexible Charging

12. The SSP contract is currently based largely on fixed service charges, which are subject to a review procedure when there is a departure from the stated assumptions and/or volumes for a particular service area. However, the review procedure does not produce an automatic result and any outcome is often dependent on the result of protracted negotiation. One of the objectives for the Council in negotiations on the SSP Relaunch has been to achieve greater control and influence over the charges. The aim has been that a greater proportion of the fixed service charge should be subject to flexible charging mechanisms resulting in a more automatic adjustment to the fixed charge as service drivers or volumes vary through agreed bands. This is not the same as variable charging, which constantly varies according to volumes and unit prices. Flexible charging mechanisms would exist in the following service areas:
- IT Services – Based on volumes of end user devices, data lines to supported sites, home-working and software or applications supported.
 - HR and Payroll Services – Based on volumes within discrete parts of the service, such as payroll and learning & development.
 - Customer Services – Based on contact time on telephone calls, in Gateway and on mail handling.
 - Local Taxation and Benefit Services – Based on volumes of properties for council tax, business premises for NNDR and applications for benefits.
13. Property Services (to the greater extent) and Print Services (entirely) are already charged for on a variable basis and so flexible charging has not been further pursued in these service areas. In addition, it is considered that the Health & Safety Service does not lend itself to flexible charging, and

presently there is also no flexible mechanism for Procurement Services

14. The adoption of more flexible charging mechanisms will increase the Council's ability to plan for the consequences of change in the Council's operations in the future. Further information about the potential financial impact of these mechanisms is set out in Appendix 1.

Termination Compensation

15. Capita is not seeking to extend the time span of the existing obligation of the Council to pay compensation for loss of profit on termination for convenience (that is termination at the election of the Council).
16. Capita will however require a separate provision for clawback of profit which it is proposed will be smoothed. The draft payment obligations that would arise on early termination under this new provision are set out in Appendix 1.
17. Consideration should be given to putting aside a portion of the savings equal to the profit clawback payable in 2017, to fund termination of the contract at that point. This would enable the Council to retain ultimate flexibility at that point in the event that the anticipated benefits of the SSP Relaunch do not materialise. Any decision to set aside a portion of the savings can be addressed as part of the development of the budget for 2014/15 or future years.

Regional Business Centre

18. Capita aims to create a shared service centre within OGS for the delivery of services to other customers and has already secured business from the London Borough of Lambeth, Hart District Council, Havant Borough Council and the Houses of Parliament, thereby creating jobs in Southampton.
19. However, the certainty of service delivery in OGS required by further prospective clients of Capita is undermined by the current SSP contract having less than five years to run, making OGS less attractive than other Capita business centres such as Swindon or West Sussex. New service contracts are rarely let for less than five years and typically are let for between five and ten years.
20. An extension of the SSP contract period to 30 September 2022 would make OGS much more attractive to prospective Capita customers as a shared service centre, offering greater opportunities for new jobs and investment in Southampton. Capita has committed to remain in OGS, if the contract extension proceeds and the Council will benefit from this.

Corporate Social Responsibility (CSR)

21. Capita is already an active participant in Business Solent and is represented on the board of Business South. The CSR obligations which it is prepared to take on within the SSP Relaunch price are set out in Appendix 9 to this report.
22. These activities will provide real opportunities for local people to gain experience of working for a FTSE100 company and support local business. Local jobs in Capita would be publicised as alternative employment opportunities for displaced Council employees.

CHANGES TO SERVICES

23. The main changes to each of the services, (with the exception of Property Services which is unchanged as a result of the Relaunch), are summarised below.

HR and Payroll Services

24. Payroll Automation - Capita would, through online forms and/or bulk upload spreadsheets, provide automated processing by Council managers of overtime, timesheets, expenses, casual claims, sickness and restructures (redundancy and post changes). These automated processes would be mandated to the exclusion of manual systems in order to eliminate double keying (the second time by Capita).
25. Payroll Simplification - The existing five payrolls (600 weekly payees; 450 fortnightly payees; 25 claims payees; 100 foster carers, etc payees; 5,000 monthly payees) could be simplified to a single monthly payroll. This would reduce the administrative burden on the Capita payroll service and be in line with the practice of most local authorities. Full consultation will be undertaken with the unions before implementation is progressed and transitional arrangements would assist staff to transfer to monthly salary payments. This consultation will be undertaken as part of the 2014/15 budget process.
26. Job Evaluation - The current NJC job evaluation process would be reviewed and the administration required from Capita and the Council would be reduced by adopting a core suite of job descriptions within job categories and job families. Job evaluations would only have to be carried out by exception. A full review of the Council's roles and existing job descriptions would be undertaken in consultation with the unions. Progression of this change will be undertaken as part of the 2014/15 budget process.
27. Learning and Development - The service would be re-designed to be more flexible in response to the needs of the Council and be provided with 20% less FTE resource by Capita.

Customer Services

28. Channel Shift Through Web Self-Service - This would be based on internet technology, to enable customers to use a quicker and more efficient channel, available 24/7, to access those of the Council's services which are suited to this type of transaction. Capita would use this technology to put online its existing automated processes for service lines within the Contact Centre, thereby driving down the call handling time in the call centre, enabling Capita to offer a saving in fixed charges in the SSP Relaunch pricing. This technology is also key to transformation to the new target operating model in the People Directorate, and will allow other areas of the Council to exploit channel shift to drive savings in back office processes.
29. Gateway Refurbishment - In order to facilitate the movement of customers to the web-based channel, Gateway would be refurbished and self serve terminals installed. This work is planned for 2014.

30. E-Forms - All relevant paper forms would be replaced with an electronic version and the paper version would only be available on request. Gateway would no longer offer to check paper forms as they are handed in by customers. These measures would encourage the use of online forms or other automated processes.
31. Automated Switchboard - All telephone customers would go through a full interactive voice response (IVR) solution with messages to encourage use of the web self-serve channel or other automated processes, before an option was presented to talk to a customer service agent (CSA). It would therefore take longer to speak to a CSA, if that is what the customer wanted or needed to do. Many organisations, including the London Borough of Lambeth for whom Capita provide customer services in OGS, now use automated telephony for their switchboard function. This is a proven technology, developed over many years.
32. Face to Face Appointments - Except for vulnerable persons, face to face appointments with a CSA would only be able available to customers after triage in Gateway or on calling the Customer Service Centre (CSC). After triage, appointments would only be booked for a later date. The objective of the triage process would be to ensure that face to face appointments were offered only when the relevant process had to be done in Gateway. For example, because there was not a relevant online process or other automated process, signatures were genuinely required or verification by a CSA was required of proofs in documentation provided by the customer. Internet booking would not be available for face to face appointments, because it would undermine channel shift to web-based services. Contacts involving vulnerable persons would attract a same day face to face appointment and any customer (or other person involved in their enquiry) would be included in this category who:
- was unable (as opposed to unwilling) to use the online processes or other automated processes for self-service;
 - was facing an imminent threat to their safety (including domestic violence or homelessness); or
 - would face an increased risk of loss of or damage to personal property or personal injury from delayed action.

IT Services

33. Flexible Staffing - Capita would have the flexibility to deploy staff on the provision of IT Services from within and outside the administrative boundary of the Council. Exceptions to this would be Capita's Head of IT Operations, the local Engagement Office (account and project management) and the most complex infrastructure and network support work, all of which would continue to be provided from OGS. Also, projects would be charged on an agreed set of rates, wherever the work was carried out.
34. Investment - Capita would invest in technology and business process re-engineering, including online benefits forms and greater integration of Lagan CRM with the Council's website, to promote the web-self-serve as a channel for Council services.

35. Cloud/Shared Support Services - Capita would virtualise 80% of the Wintel servers by 1 May 2016, consolidating applications on fewer servers, to enable migration of software applications supported under the SSP to the "Cloud" or to a shared service centre off-site and outside Southampton. The migration would be subject to Capita obtaining the Council's approval, on a case by case basis, of KPIs relating to the relevant application after migration and of subsequent exit arrangements (including the cost of continued support on a scalable subscription basis following expiry of the SSP contract, if the Council so elected). The process would provide the Council with a robust and scalable IT infrastructure and its realisation would be at Capita's risk.
36. New Software or Applications (or major upgrades) - The Council will have the right to procure the software as a service ("SaaS") otherwise than from Capita, subject to an evaluation exercise to determine whether in the Council's view that offers best value in comparison with the software being supported by Capita on infrastructure provided as a service ("IaaS") or (as at present) on hardware dedicated to the SSP. This enables the Council to make savings from moving to Cloud services for upgrades of the major applications for which it retains licensing responsibility and for new applications.
37. End User Computing Devices (EUDs) - The volumes would be rebased and compared quarterly with an assumed glidepath for reduction of their numbers. There would be adjustment of the IT service fixed charge depending on whether the volumes were below or above the glidepath at a quarterly review. This enables the Council to make further savings from careful management of volumes within the desktop estate.
38. Refresh Budget - The budget for refresh of EUDs would be returned to the Council. The Council would be able to maintain technological currency through a service catalogue offering the latest technological options, to align with the Council's future mobile workforce strategy and enable lowering of IT device costs. This is a process that the Council will need to carefully manage and plan in order to maintain the cost of the desktop estate and associated hardware within affordable bounds and ensure it is fit for purpose.
39. Refresh Cycles - These would be extended for EUDs, servers and network equipment as follows:
- With retrospective effect from 1 April 2013, EUDs would be refreshed every 5 years (currently 4 years).
 - With retrospective effect from 1 April 2013, servers would be refreshed every 6 years (currently every 5 years).
 - With effect from 1 December 2013, network equipment would be refreshed every 6 years (currently every 5 years).
40. Software Upgrades - The service would be provided on an agreed set of supported applications with an agreed division of responsibility for meeting the cost of their upgrade. Capita would also complete a programme to upgrade the infrastructure software as follows:
- Server operating systems to Server 2012 from Server 2003.

- Email to Microsoft Exchange 2013 from Microsoft Exchange 2003.
 - Homeworking solution to XenApp 6.5 V2 from Citrix 4.5.
 - EUD operating system to Windows 7 from Windows XP.
 - Microsoft Office to 2013 from 2003 for all EUDs.
41. The KPI performance mechanism would remain substantially the same although measurement of performance against monthly IT Performance Indicators and KPIs would be the average monthly performance over a rolling period of three months rather than month by month.

Local Taxation and Benefits Services

42. **New Technology** – New technology would be implemented by Capita to enable benefit and council tax reduction (CTR) claims, together with notification of change of circumstances, to be made online. Assumptions have been made about the percentage of all claims and notifications made using online forms and adjustment to the Relaunch Proposal pricing will be made if they are not realised
43. **E-Forms** - Online forms for claims and notifications have been implemented in a number of other Capita sites, most notably in Sheffield, where 98.8% of new claims are now made online. There are significant benefits to the claimant, as the form cannot be submitted until all the correct information has been included, which prevents claims being delayed. Currently, if all the relevant information is not provided on a paper form, there can be delays, as assessors have to write to claimants for the information. Additionally, as the information would be collected electronically, it would be more efficiently processed by the Capita’s administration team, saving time and errors.

Procurement Services

44. A proposal to address how the Council manages spend below £100,000 has been developed which would see Capita providing a fully managed “Order and Quotation” service. However, at this point this has not been progressed within the negotiations sufficiently to provide further detail.

FUTURE SAVINGS

45. Capita recognises there will be regular reviews in the future to find further savings from the SSP contract.

ADDITIONAL PROPOSALS

46. The Relaunch Proposal contained a number of suggested changes which were not progressed and these are set out in Appendix 1.

CONSULTATION

47. The Council has received legal advice from Sharpe Pritchard solicitors on the form of consultation which should be undertaken in connection with this decision. They advised how the consultation should be conducted in such a way as to satisfy the requirements of both best value and equalities legislation, which has meant focusing on the proposed contract extension and on the proposed changes in customer services and in local taxation and benefits services. The best value and equalities consultations are set out in Appendices 4 and 5 to this report respectively and they have been posted on

the Council's website since 10 July 2013. In connection with the equalities consultation, a draft equality and safety impact assessment ("EISA") has been prepared, the latest version of which is in Appendix 5 to this report.

48. The responses to both the best value and equalities consultations are analysed in Appendix 7 of this report and an updated version of the EISA will be prepared taking into account these responses.

RESOURCE IMPLICATIONS

Capital/Revenue

49. The key financial and commercial considerations of the SSP Relaunch are set out in detail in the confidential Appendix 1 to this report.
50. The budget for refresh of EUDs would be returned to the Council under the SSP Relaunch proposals and responsibility would pass to the Council to maintain technological currency as set out in paragraph 38. In addition, investment required for infrastructure software and some telephony hardware will be the responsibility of the Council to fund. This is a process that the Council will need to carefully manage and plan in order to maintain the cost of the desktop estate, associated infrastructure software and some telephony hardware within affordable bounds and ensure it is fit for purpose. This will require additions to be made to the General Fund Capital Programme on an ongoing basis. The scale and timing of capital expenditure in the medium term has not yet been fully scoped, but the funding for this which has been factored into the financial assessment of the Relaunch, will need to be set aside to enable effective planning to be undertaken over the medium term and it is proposed that an IT Development Reserve is created for this purpose. More detail is set out in Appendix 1.
51. As part of the SSP Relaunch the mechanism for the payment of employers pension contributions to the Hampshire Pension Fund for TUPE staff will change. Under the current contract these payments are made by Capita and included in the charges to the Council. However, a specific amount was included within the current contract charges to cover these costs which will then be reconciled to the actual payments at the end of the contract. Ultimate responsibility for these costs and hence any risk remained with the Council. Under the SSP Relaunch these payments will be removed from the charges and instead dealt with as a "pass through" cost so the need for any reconciliation will end. The Council will need to budget for these costs directly and due to a level of uncertainty around the timing and scale of these costs will need to make use of a reserve to manage expenditure over the term of the contract and smooth the impact on the General Fund revenue budget in any one year. It is therefore proposed that a Pension Reserve is created for this purpose. More detail is set out in Appendix 1.
52. Should the decision be made on 20 November to proceed with the extension of the SSP contract with Capita Business Services Limited by five years with a new expiry date of 30 September 2022 (extended from 30 September 2017), subject to the changes to the contract described in this report being made simultaneously, further work will be required to reconfigure budgets. This work will need to ensure that budgets reflect the new contractual arrangements and that provision is made for any transfer of financial

responsibility from Capita to the Council.

Property/Other

53. The proposed contract extension would secure continued occupation by Capita of accommodation in OGS until 30 September 2022.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

54. The legal powers to pursue the course of action recommended in this report are contained in the Local Government Acts 1972, 1999 and 2000. Both Full Council and the Executive will need to make their decisions in accordance with the Council's normal statutory duties, for example the duty to achieve best value in the manner in which it discharges its functions under the Local Government Act 1999, section 3 of which requires the Council as a best value authority to:-

"...make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". [Local Government Act 1999 – Section 3].

Other Legal Implications:

55. All decisions of the Council will be made in accordance with the following principles:
- proportionality (i.e. the action must be proportionate to the desired outcome);
 - due consultation and the taking of professional advice from officers;
 - respect for human rights;
 - a presumption in favour of openness, accountability and transparency;
 - setting out what options have been considered;
 - setting out reasons for the decision; and
 - clarity of aims and desired outcomes.
56. In exercising discretion, the decision maker (in this case, the Executive) must:
- understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
 - take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
 - leave out of account irrelevant considerations;
 - act for a proper purpose, exercising its powers for the public good;
 - not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
 - comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now,

- pay later' and forward funding are unlawful; and
- act with procedural propriety in accordance with the rules of fairness.

57. To be lawful, a decision:-

- if taken in full Council, Committee or sub-committee must comply with the principle of being reached by a majority of Councillors present and voting at a properly constituted meeting;
- be one which the decision-maker is empowered or obliged to take, otherwise it is ultra vires;
- not offend against Wednesbury reasonableness;
- if intended to secure action (as opposed, for example, to a resolution merely expressing the Council's collective view on an issue), be capable of execution or will be of no effect; and
- not purport to undo what has already been done irrevocably (but it can rescind an earlier decision where this is feasible).

POLICY FRAMEWORK IMPLICATIONS

58. It has always been advised that a Policy Framework decision of Full Council would be required prior to extending the SSP contract. That remains the position. All previous decisions relating to the SSP have been Policy Framework decisions and amendments to the Policy Framework. This report recommends that Full Council approves the extension of the contract with Capita Business Services Ltd to 30 September 2022, detailed terms and conditions to be delegated to the Director of Corporate Resources, the Chief Financial Officer and the Head of Legal, HR and Democratic Services. The Executive would then implement that decision.

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	Financial Summary Report (Confidential)
2.	Governance Arrangements
3.	Best Value Consultation
4.	Equalities Consultation
5.	Draft Equality and Safety Impact Assessment
6.	Report on Consultations
7.	Delivery to Date under the SSP
8.	Corporate Social Responsibility

Documents In Members' Rooms

1.	N/A
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2.	N/A
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	Yes
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	N/A	
2.	N/A	

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GOVERNANCE ARRANGEMENTS

The governance arrangements define how the City Council and Capita work together in partnership. They are designed to ensure the Council retains control of the strategic direction and priorities for the partnership and that the partnership delivers the agreed outcomes.

As part of the Relaunch revised governance arrangements have been developed which will reinforce co-operation on the part of both parties to work together to leverage benefits in support of the Council's change programme and key strategic priorities;

The revised arrangements are set out below:

1. GOVERNANCE STRUCTURE

1.1 The City Council and the Provider shall establish and maintain throughout the Contract Period the following boards and reviews, through which the governance of the partnering relationship between the City Council and the Provider shall be managed:-

1.1.1 the Strategic Partnership Board ("the SPB")

1.1.2 the Partnership Management Board ("the PMB")

1.1.3 the Service Area Reviews ("the SARs")

1.1.4 the Cross Partnership Review ("the CPR")

1.2 The Provider shall also attend the City Council's Scrutiny Board upon request by the City Council.

2. STRATEGIC PARTNERSHIP BOARD

2.1 Role

2.1.1 The role of the SPB is to set the overall vision and strategic direction for the SSP.

2.2 Membership

2.2.1 The membership of the SPB shall comprise:-

2.2.1.1. City Council representatives:-

- City Council Leader or his nominee
- Portfolio Member for Resources
- Chief Executive
- Director of Corporate Services
- Head of Finance and IT (Chief Financial Officer)
- Head of Contract Management

2.2.1.2. Provider representatives:-

- Managing Director of Capita Local Government Services
- Regions South Director (Local Government Services)
- Regions South Finance Director
- Southampton SSP Partnership Director

2.2.2 The SPB members listed above may be amended by agreement, to reflect organisational changes and to deliver the functions of the SPB.

2.2.3 A member of the SPB may appoint an alternate (who may be another representative of that party).

2.3 **Functions**

2.3.1 The SPB's functions are to:-

2.3.1.1. set, and be the custodian of, the strategic objectives, values and culture of the SSP (including the partnership success criteria) and to review these on an annual basis;

2.3.1.2. set and review targets associated with SSP savings and growth and development of the SSP;

2.3.1.3. discuss areas for potential expansion of the Services, including the introduction of new service elements in accordance with the Change Control Procedure or Further Services Approval Procedure set out in Schedule 14 and 15 to this Agreement;

2.3.1.4. identify and consider new business and trading opportunities for the SSP, including how parties can collaborate to realise benefits;

2.3.1.5. agree and trigger communication of key messages about the SSP;

2.3.1.6. consider and resolve issues escalated by the Partnership Management Board;

2.3.1.7. promote continuous improvement by challenging strategic performance of each Service Area;

2.3.1.8. promote the SSP and the Services with key external stakeholders;

2.3.1.9. receive and approve the Annual Service Report (as set out in Schedule 13) on SSP performance, service improvement targets and any other initiatives agreed by the parties.

2.4 **Chair**

2.4.1 The role of Chair of the SPB shall alternate between the City Council's Chief Executive and the Provider's Managing Director of Local Government Services (or their deputy where appropriate).

2.5 **Frequency of meetings**

2.5.1 The SPB shall meet Biannually or as agreed by the parties.

2.6 **Minutes**

2.6.1 Minutes of all at meetings of the SPB shall be kept by the City Council and copies circulated to the Provider, normally within 10 Business Days of the meeting. A full set of minutes shall be kept by the City Council and shall be

open to inspection by the Provider at any time upon request.

3. PARTNERSHIP MANAGEMENT BOARD

3.1 Role

3.1.1 The PMB shall report to the SPB.

3.2 Membership

3.2.1 The membership of the PMB shall comprise:-

3.2.1.1. City Council representatives:-

- Head of Finance and IT
- Head of Contract Management
- Contract and Governance Manager
- Commercial Manager

3.2.1.2. Provider representatives:-

- Regions South Finance Director
- Southampton SSP Partnership Director
- Commercial Manager

3.2.2 The PMB members listed above may be amended by agreement, to reflect organisational changes and to deliver the functions of the PMB.

3.2.3 A representative on the PMB may appoint and remove an alternate (who may be another representative of that party).

3.3 Functions

3.3.1 The PMB is responsible to the SPB and its functions are to:-

3.3.1.1. oversee the day to day management of the SSP;

3.3.1.2. ensure the SSP strategic objectives are being implemented through the Service Delivery Plans and such other documentation as may be required from time to time, including the encouragement of continuous improvement and innovation across the SSP;

3.3.1.3. manage the performance of the SSP and the relationship between the parties;

3.3.1.4. manage operational elements of the SSP including priorities, delivery, people and culture, financial and strategic alignment;

3.3.1.5. on an exception basis, monitor Monthly performance of the Services against KPIs, volumes and delivery of programmes and projects;

3.3.1.6. ensure resources are aligned to deliver SSP priorities agreed by the SPB;

3.3.1.7. maintain a positive commercially sustainable position for both parties;

3.3.1.8. develop and maintain SSP risk register and ensure appropriate risk mitigations are in place;

- 3.3.1.9. ensure that the cultures and behaviours set out by the SPB are adopted by the SSP at all levels within the organisations of the parties;
- 3.3.1.10. resolve outstanding issues identified from the Service Area Reviews;
- 3.3.1.11. escalate issues to SPB where resolution cannot be agreed;
- 3.3.1.12. prepare and submit the Annual Service Report (as set out in Schedule 13) to the SPB;
- 3.3.1.13. discuss contractual commitments and change requests; agree and submit proposals for Further Services to the SPB.

3.4 Chair

- 3.4.1 The role of Chair for the PMB shall alternate between the City Council Head of Contract Management and Capita's Southampton SSP Partnership Director (or their deputy where appropriate).

3.5 Frequency of meetings

- 3.5.1 The PMB shall meet Monthly or as agreed by the parties.

3.6 Minutes

- 3.6.1 Minutes of all meetings of the PRB shall be kept by the City Council and copies circulated to the Provider, normally within 10 Business Days the meeting. A full set of minutes shall be kept by the City Council and shall be open to inspection by the Provider at any time upon request.

4. THE SERVICE AREA REVIEWS (SARs)

4.1 Role

- 4.1.1 The SARs are the forum for the City Council and Provider to discuss service specific performance and issues.

4.2 Membership

- 4.2.1 A SAR shall be constituted for each of the Services Areas and its membership shall comprise:-

- 4.2.1.1. City Council representatives:-

- client representative
- representative of Head of Contract Management

- 4.2.1.2. Provider members:

- Head of Service

- 4.2.2 Additional representatives from the City Council and/or Provider may also attend regularly or when required to contribute to specific discussions.

4.3 Functions

- 4.3.1 The SARs report to the PMB and their functions are to:-

- 4.3.1.1. agree the business plan for the Service Area for each Contract

Year;

- 4.3.1.2. review service management and operation against the business plan for the current Contract Year;
- 4.3.1.3. share information regarding changes for either party which may have an impact on the Services, including availability of resources and their deployment
- 4.3.1.4. monitor performance of the Services including identifying any areas of the Services which are underperforming or where the Provider is failing to achieve KPIs or PIs;
- 4.3.1.5. agree actions to improve service performance and mitigate risk when required;
- 4.3.1.6. review the Services against the Output Specification;
- 4.3.1.7. discuss and consider options for cross-service working;
- 4.3.1.8. discuss and implement continuous improvement, innovation, best practice and learning opportunities associated with the Services and across the SSP, including identifying areas where new applications of technology or innovation may be of benefit to the City Council or the Provider;
- 4.3.1.9. manage delivery of service specific projects, including receiving and reviewing highlight reports and service improvement programmes within the Services, ensuring that interdependencies between the Services and other City Council services are identified and managed and dealing with escalated project issues;
- 4.3.1.10. act in accordance with the objectives, values and culture set by the SPB;
- 4.3.1.11. escalate issues to the PMB when resolution cannot be reached by a SAR;
- 4.3.1.12. continually review the Services to ensure that value for money is consistently achieved, options for savings are identified and implemented and the Services are customer-focused;
- 4.3.1.13. review and discuss the current relevant Change Controls.

4.4 **Chair**

- 4.4.1 The role of Chair for each SAR shall alternate between the City Council client representative and the Provider's Head of Service (or their deputy where appropriate).

4.5 **Frequency of meetings**

- 4.5.1 The SARs shall meet Monthly or as agreed by the parties, with more frequent meetings at points of major transition or change.

4.6 **Minutes**

- 4.6.1 Minutes of all meetings of each SAR shall be kept by the City Council and copies circulated to the Provider, normally within 10 Business Days of the meeting. A full set of minutes shall be kept by the City Council and shall be open to inspection by the Provider at any time upon request.

5. **CROSS PARTNERSHIP REVIEW BOARD**

5.1 **Role**

- 5.1.1 The CPRB is the forum for the contract management representatives from the parties to discuss cross-SSP performance and delivery issues and themes.
- 5.1.2 The CPRB will initially focus on commercial/risk and communication.

5.2 **Membership**

- 5.2.1 The membership of the CPRB shall consist of contract management representatives from both parties.
- 5.2.2 Additional representatives from the City Council and/or Provider may also attend when required to contribute to specific discussions.

5.3 **Functions**

- 5.3.1 The CPRB reports to the PRB and its functions are to:-
 - 5.3.1.1. share information regarding changes for either party which may have an impact on cross-SSP delivery, including availability of resources and their deployment;
 - 5.3.1.2. monitor the effectiveness of the commercial and communication processes and agree improvements in accordance with SSP requirements;
 - 5.3.1.3. support and promote cross-service working, programmes and projects;
 - 5.3.1.4. review service provision to ensure best value and identify opportunities and monitor progress of savings;
 - 5.3.1.5. escalate issues to the PMB when resolution cannot be found;
 - 5.3.1.6. discuss and implement continuous improvement, innovation, best practice and learning opportunities, including identifying areas where new applications of technology or innovation may be of benefit to the City Council or the Provider;
 - 5.3.1.7. help to improve the perception of the SSP through stakeholder engagement, communications and cross-service planning;
 - 5.3.1.8. act in accordance with the objectives, values and culture set by the SPB;
 - 5.3.1.9. work towards additional objectives agreed by the parties.

5.4 **Chair**

- 5.4.1 The role of Chair for the CPRB shall alternate between the parties.

5.5 **Frequency of meetings**

- 5.5.1 The CPRB shall meet Quarterly or as agreed by the parties, with more frequent meetings when the requirements of the SSP dictate.

5.6 **Minutes**

- 5.6.1 Minutes of all meetings of the CPRB shall be kept by the City Council and

copies circulated to the Provider, normally within 10 Business Days of the meeting. A full set of minutes shall be kept by the City Council and shall be open to inspection by the Provider at any time upon request.

6. AMENDMENT OF THE PARTNERING GOVERNANCE

- 6.1 The parties recognise that the partnering governance arrangements and structures set out in this Schedule will need to be reviewed regularly throughout the Contract Period, to ensure that they remain appropriate and workable.
- 6.2 This Schedule shall be reviewed on an annual basis by the PMB and, if appropriate, shall be amended through the Change Control Procedure.

7. STATUS OF GOVERNANCE MEETINGS

- 7.1 This Schedule is not intended to supplant or undermine the Change Control Procedure in Schedule 14 or the Further Services Approval Procedure in Schedule 15.
- 7.2 The governance boards and reviews established and maintained under this Schedule (including the individual members acting in their capacity as such) shall not have any authority to vary the provisions of the Agreement or to make any decision binding on the parties.
- 7.3 Neither shall either party rely on any act or omission in the governance boards or reviews (including those of the individual members acting in their capacity as such), so as to give rise to any waiver or personal bar in respect of any right, benefit or obligation of either party under this Agreement. No discussion, review or recommendation by the boards or reviews shall relieve the parties of any liability or vary any such liability or any right or benefit.
- 7.4 Where the boards suggest any Changes to the Services or to the Agreement, these will be referred to the Change Control Procedure. Where the boards suggest that any services be considered for implementation and delivery by the Provider as Further Services under the SSP, these will be referred to the Further Services Approval Procedure.

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BEST VALUE CONSULTATION

The consultation described below is currently taking place and will conclude on the 1 November 2013. The findings from this, and the consultation on equalities, will be included in Appendix 7 of this report to Cabinet and Council, when available.

Strategic Services Partnership – Possible contract extension

Since October 2007 Southampton City Council has been in contract with Capita to provide a number of services. This arrangement is known as the Strategic Services Partnership (SSP). The services covered are:

- **Customer Services** - The front line contact with the council's customers through Gateway and the customer service centre, and internal post and document management.
- **Human Resources & Payroll Services** - Including recruitment, payroll, employee relations, health and safety, occupational health, learning and development, and strategy and reward.
- **Property Services** - Including professional consultancy, project management, valuations, managing investments, accommodation strategy, repair and maintenance, highways and bridges, regulatory services and property records.
- **Procurement Services** - Undertaking procurement projects to source appropriate suppliers able to meet the Council's needs on high value projects.
- **Local Taxation & Benefits Services** - Administering the collection of council tax, national non-domestic rates and the calculation and payment of housing and council tax benefits.
- **IT Services** - Grouped into four main areas; service delivery, technical infrastructure, applications development and support, and programme management.
- **Print Services** - Providing a one stop shop for all printing and printed related services, including a central photocopying service, finishing and any print related projects.

The council's contract with Capita currently runs until 30 September 2017, but the council is considering whether to extend it by five years to 30 September 2022 (this extension was allowed for in the original contract).

We would like your views about the possible extension of the contract with Capita. The main alternatives at the end of the contract term would be to bring the services back "in-house", so that they are provided directly by the council; to enter a partnership arrangement with another council; or to retender the contract in full or in part.

Why extend the Strategic Services Partnership?

The council and Capita have recently been discussing changes to the SSP that would benefit the council and reduce the cost as part of an extended contract.

There is no intention to extend the services outsourced or to transfer council staff to Capita as part of this proposal.

The main benefits are:

- Guaranteed financial savings totalling almost £24 million over the next nine years (compared with costs projected over that period on the basis of the current cost of the contract due to expire on 30th September 2013);
- Flexibility in pricing for future volume changes. The flexibility in pricing for volume changes will give opportunities for further savings if the council's staff shrinks and provides a sound framework for as yet unknown changes;
- Capita will develop One Guildhall Square as a Southampton business centre, providing job opportunities for local people, guaranteeing that any job losses from the changes to the SSP will be offset by additional jobs from business with other Capita clients. In the past 12 months, Capita has brought 95 FTE worth of new jobs into the City.
- Capita will support the greater community by providing volunteering opportunities for Capita staff through their Corporate Social Responsibility (CSR) programme.
- Capita will promote apprenticeships, internships and work experience opportunities in local Southampton schools, colleges, and universities and will itself commit until September 2022 to offer a minimum of:
 - 40 apprenticeships.
 - 100 summer internships and/or work experience placements.
- Capita will support the SME local business community with expertise and practical services, for example with free of charge local workshops for business on public sector procurement to enable them to bid effectively for local public sector opportunities.
- In Customer Services, Capita will invest in technology and process re-engineering to allow changes necessary for channel shift (moving more services online). These changes are subject to a separate consultation which can be found on the Council's website
- In the IT Services, there will be transformation activity including deployment of the latest technology strategies:-
 - cloud based hosting and server virtualisation, which will provide a robust yet flexible infrastructure;
 - a major project in 2013/14 to upgrade the council's Microsoft Windows, Office and Exchange desktop environment and the server software infrastructure;
 - a shared service model in which resources and service elements are provided from one or more of Capita's sites around the country.
- Both parties will work together to support the Council's change programme.
- The proposal will bring long-term clarity and assurance for Capita staff, improving morale and providing opportunities during this period of major change.
- Delaying from 2015/16 to 2020/21 the need to undertake a procurement exercise costing at least £2 million.

The consultation process

Consultation on these proposals runs until 1 November 2013. You may give your opinion on any aspect of the proposals by writing to the address below. Comments will be consolidated into a report which will be available to Members of the Council when they make a decision on the proposals. This is expected to be later in October 2013.

Please send your views to:

Paul Medland

Lower Ground Floor

Civic Centre

Southampton

SO14 7LY

Email: paul.medland@southampton.gov.uk

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EQUALITIES CONSULTATION

The consultation described below is currently taking place and will conclude on the 1 November 2013. The findings from this, and the consultation on best value, will be included in 7 of this report to Cabinet and Council, when available.

Have your say on how you access our services

We're making changes to the way you can contact us and access our services, but before we make any final decisions, we'd like your views on our proposals. In order to modernise our services and reduce the running costs, we need to enable and encourage online and automated phone access to services wherever possible.

We recognise that these changes may not suit everyone; therefore we're keen to find out how these changes may affect you and others you know, in order to keep any negative impacts to a minimum. Please help us make the right decisions by completing a short questionnaire (link below) about access to our services. The deadline for entries is 1 November 2013.

Our proposals

Wherever possible we want to ensure that any contact with you is via our online and self-service facilities that do not require you to speak to a member of staff face-to-face or over the phone.

Changes to our website

We will need to make some improvements to our website and plan to introduce more online forms so you can request a range of services including applications for housing benefit and council tax reduction over the internet. We will also develop mobile-friendly web pages so you can access our website easily using a smartphone.

Many of our services can already be accessed online and more are becoming available all the time. Our proposed changes will improve the current online arrangements and expand the services on offer with the aim of making the internet the preferred method of access to services for most people. To help reduce costs and improve efficiency, paper forms will be significantly reduced and will only be provided in exceptional circumstances.

It is now commonplace within many organisations to expect customers to use the internet to purchase and manage products and services. We also know that the number of people who are able to access the internet has increased substantially over the last few years and this trend seems set to continue. We're therefore bringing ourselves up-to-date with this trend and are confident our online services will be more convenient for many customers. This approach has been adopted successfully for a number of central government services (for example car road tax and HM Revenue & Customs self-assessments) and in future other major services such as Universal Credit will be dealt with online.

Changes to our call centre

In addition to our online improvements, we will be making changes to our call centre to enable you to self-serve over the phone. Our switchboard will be automated and simple transactions will be carried out without the need to talk to a member of staff. However, please be assured that if our extended self-service menu options do not meet your needs; you will be able to speak to someone at the call centre.

Changes to Gateway, One Guildhall Square

Changes will also be made to our 'one-stop-shop' for services at Gateway. You will be encouraged to use the self-service terminals which are going to be installed, and a member of staff will be on hand to help if you're having difficulty with the system. If you require a service which you cannot access using our automated or online facilities, you will be able to meet a member of Gateway staff on an appointment basis only.

The consultation process and questionnaire

You may give your opinion on any aspect of the proposals, but we have set out some questions which may help guide you in an online questionnaire available here:

Changes to our customer contact arrangements online survey

Alternatively, you can submit your response in writing to:

Paul Medland
Project Manager
Lower Ground Floor
Civic Centre
Southampton
SO14 7LY

Please note the deadline for feedback to this consultation is 1 November 2013.

Our customer services

These customer services are provided on behalf of the council by Capita as part of a Strategic Services Partnership. The council's contract with Capita runs until 30 September 2017 but, to bring in these changes, reduce costs and secure flexible pricing in the future, the council is considering extending it by five years to 30 September 2022 (this extension was allowed for in the original contract). This is subject to a separate 'best value' consultation which can be found on the council's website [here](#).

Other services provided by Capita under the same partnership arrangement are:

- Local Taxes and Benefits
- Procurement Services
- Human Resources
- IT Services
- Property Services
- Print Services

We would like your views on proposals to extend the contract with Capita. The main alternatives would be to bring the services back "in-house" so that they are provided directly by the council; to enter a partnership arrangement with another council; or to retender the contract in full or in part.

Equality and Safety Impact Assessment

The **public sector Equality Duty** (Section 149 of the Equality Act) requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people carrying out their activities.

The Equality Duty supports good decision making – it encourages public bodies to be more efficient and effective by understanding how different people will be affected by their activities, so that their policies and services are appropriate and accessible to all and meet different people’s needs. The Council’s Equality and Safety Impact Assessment (ESIA) includes an assessment of the community safety impact assessment to comply with section 17 of the Crime and Disorder Act and will enable the council to better understand the potential impact of the budget proposals and consider mitigating action.

Name or Brief Description of Proposal	Strategic Services Partnership (SSP) – Possible Extension of Contract with Capita on Revised Terms.
Brief Service Profile (including number of customers)	<p>The SSP commenced in October 2007. It covers the following service areas:</p> <ul style="list-style-type: none"> • Customer Services: the front line contact with the council's customers through Gateway and the customer service centre, internal post and document management. • Human Resources & Payroll: recruitment, payroll, employee relations, health and safety, occupational health, learning & development, and strategy & reward. • Property Services: professional consultancy, project management, valuations, managing investments, accommodation strategy, repair and maintenance, highways and bridges, regulatory services and property records. • Procurement Services: undertaking procurement projects to source appropriate suppliers able to meet the Council's needs on high value projects. • Local Taxation & Benefits: administering the collection of council tax, national non-domestic rates and the calculation and payment of housing and council tax benefits. • IT Services: grouped into the four main areas of strategy and planning, service delivery, technical infrastructure and applications development and support. • Print Services: providing a one stop shop for all printing and printed related services, including a central photocopying service, finishing and any print related projects. <p>The contract was awarded to Capita for a period of ten years (until September 2017), with the option of a five year extension (until</p>

September 2022). The proposal under consideration includes awarding the five year extension, changes to the services provided and more flexible contract terms (including an overall reduction in cost).

Other than Customer Services and Local Taxes and Benefits, the services provided by the SSP are internal support services.

Customer Services Statistics

Over the twelve months from June 2012 to May 2013 Gateway received 114,000 visits from customers. The biggest proportion were regarding benefits (32%), Council Tax (11%) and Parking (10%).

Over the same period the call centre received 770,000 calls of which 177,000 (23%) were taken by the switchboard and so are directly affected by the automation proposals. Other areas with large call volumes are: Actionline (14%) Children and Families (11%), Council Tax (10%), Benefits (9%), Adult Services (6%).

The council achieved four stars from the Socitm Better Connected Survey which evaluates council web sites on usability. Web site statistics have been somewhat distorted by the impact of the EU Directive on cookies. However Google Analytics shows the number of visitors over the six months to June 2013 as nearly 600,000. On average each visitor made 2.2 visits.

Survey results show that 30% of visitors to the web site visit it at least monthly. 59% of visits are just to find information, but 18% of visits are to undertake a transaction. Satisfaction results are:

Very satisfied	30.2%
Quite satisfied	22.8%
OK	22.4%
Quite dissatisfied	10.9%
Very dissatisfied	13.7%

Summary of Impact and Issues

The main concern is that some people may be prevented or hindered in accessing services because of the changes proposed in Customer Services (i.e. online self-service and the automated switchboard).

The people most likely to be affected are those that are “digitally excluded” through lack of access to the internet or through lack of skills and confidence. Digital exclusion is most likely in the elderly, disabled people and people in poverty. In Southampton the Housing Services tenant feedback questionnaire 2012 showed that 49% of respondents

never use the internet outside of work.

The problem is of course not unique to Southampton and the move to “digital by default” is taking place across national and local government. In particular Universal Credit must be claimed online and initiatives are underway to support people who may have difficulty with this approach.

In one of these the government is investing £50 million in an “assisted digital” project to address digital exclusion. It is aimed both at people without internet access at home and people lacking the skills and/or confidence to use computers. It is likely that a series of partnerships or consortia will form to run the project, involving organisations such as UK Online Centres; Citizens Advice; major high street retailers and digital access charities. A supplier workshop was recently held for potential suppliers.

Southampton City Council has a good record in providing public access to the internet in libraries and is currently providing 169,000 hours of IT access in libraries per year across 11 sites and 159 computers. Over 92% of people in the City live within 1 mile of a library and 100% live within 2 miles. Free public WiFi will also be operational by end July in five main district libraries and Thornhill library.

It is reported by the Libraries Service that the average job search application, form filling activity or subscription takes over 30 minutes of support for a user who is computer able but not skilled and using the system for the first time. For those who have not used a computer it can take 2-3 sessions. Libraries are well placed to provide such support and are contracted to provide support to 200 job seekers on computer skills this year. Additionally UKonline/Tinder Foundation have contracted them to introduce 200 people to computers and support 150 with greater IT skills within the learning centre.

The Libraries Service points out that it is imperative that libraries are involved in early planning stages of initiatives to provide meaningful information on patterns of usage, the non-computer user’s experience, support required based on existing initiatives (Universal Job Match, HomeBid, Schools Admissions) and how it can be delivered economically and what training is required. For any initiative to be successful, it needs to take into account the following:

- Library opening hours decreased by 11 % last year and are among the lowest for unitaries in the whole country
- Library staffing has reduced by 36% in the last 5 years.
- The additional time/cost to support further users.

<p>Potential Positive Impacts</p>	<p>For the majority of residents, who already have internet access, this will mean quicker service and better interactions with the council. For those who could use digital public services, but lack skills and confidence, support will be provided thus boosting their knowledge and confidence when using such services again in future. This has the potential to help towards reducing digital exclusion, for example by giving access to other benefits from being online, such as job adverts.</p> <p>A recent study by O2's Local Government Practice found that 48% of citizens like to use the internet, mobile apps or social media for essentials like paying for council tax or getting information on local services, however just 7% have used these technologies to communicate with their local authority in the last year – either because they are unavailable or don't provide the information and services they need. The study also noted that smartphone penetration is expected to reach 90% in the next three years.</p>
<p>Responsible Service Manager</p>	<p>Rob Harwood Head of Contract Management</p>
<p>Date</p>	

<p>Approved by Senior Manager</p>	<p>Andy Lowe Head of Finance and IT</p>
<p>Signature</p>	
<p>Date</p>	

Version control

Version	Date	
0.1	5 June 2013	Initial draft provided by Carol Harwood
0.2	16 July 2013	Updated by Paul Medland with statistical information and further detail.

0.3	30 July 2013	Incorporate comments from Carol Harwood. Include information from O2's Digital Community Study.
0.4	6 August 2013	Incorporate comments from Raymond Clowes. Tidy up for publishing on consultation website. Updates following meeting with Spectrum Centre for Independent Living.

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Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions																																												
<p>Age</p>	<p>The proposed changes may make it harder for some older people, who are statistically less likely to go online, to access services.</p> <p>The ONS statistical bulletin shows a high correlation between age and internet use. Almost all people aged 16 to 44 are internet users, but this reduces to just over 30% for those aged 75 and over.</p> <p>The survey of council tenants shows that for this population this trend is even more pronounced. 49% of respondents to the survey were aged 66+ which perhaps indicates that the impact on council tenants may well be pronounced than in the general population of Southampton.</p> <p>A survey of visitors to the council's web site gave the following age profile:</p> <table border="1" data-bbox="424 1070 716 1355"> <tr><td>80 and over</td><td>1.2%</td></tr> <tr><td>65-79</td><td>19.3%</td></tr> <tr><td>60-64</td><td>13.5%</td></tr> <tr><td>50-59</td><td>25.9%</td></tr> <tr><td>40-49</td><td>17.1%</td></tr> <tr><td>30-39</td><td>10.6%</td></tr> <tr><td>18-29</td><td>10.1%</td></tr> <tr><td>17 and under</td><td>2.1%</td></tr> </table> <p>Total for 65+ is 20.5%</p> <p>For Gateway the profile is:</p> <table border="1" data-bbox="424 1458 716 1704"> <tr><td>75 and over</td><td>2.4%</td></tr> <tr><td>65-74</td><td>7.0%</td></tr> <tr><td>55-64</td><td>11.8%</td></tr> <tr><td>45-54</td><td>15.0%</td></tr> <tr><td>35-44</td><td>20.8%</td></tr> <tr><td>25-34</td><td>27.6%</td></tr> <tr><td>18-24</td><td>15.1%</td></tr> </table> <p>Total for 65+ is 9.4%</p> <p>For the call centre the profile is:</p> <table border="1" data-bbox="424 1807 716 2054"> <tr><td>75 and over</td><td>8.3%</td></tr> <tr><td>65-74</td><td>11.6%</td></tr> <tr><td>55-64</td><td>16.5%</td></tr> <tr><td>45-54</td><td>19.3%</td></tr> <tr><td>35-44</td><td>19.8%</td></tr> <tr><td>25-34</td><td>18.5%</td></tr> <tr><td>18-24</td><td>5.8%</td></tr> </table>	80 and over	1.2%	65-79	19.3%	60-64	13.5%	50-59	25.9%	40-49	17.1%	30-39	10.6%	18-29	10.1%	17 and under	2.1%	75 and over	2.4%	65-74	7.0%	55-64	11.8%	45-54	15.0%	35-44	20.8%	25-34	27.6%	18-24	15.1%	75 and over	8.3%	65-74	11.6%	55-64	16.5%	45-54	19.3%	35-44	19.8%	25-34	18.5%	18-24	5.8%	<p>Where the problem is one of access to equipment, information about sites with free access to the internet is already being promoted to all residents (for example in the last City View). The Council's libraries offer 2 hours free use per day.</p> <p>Support will be given in Gateway to people who need assistance with the self-service terminals.</p> <p>The option of telephoning will be available. Also, face-to-face interviews will still be available by appointment on a same day basis to "vulnerable persons", i.e.</p> <ul style="list-style-type: none"> - to any customer who is unable (as opposed to unwilling) to use the online processes or other automated processes for self-service; - where any customer or other person related to their enquiry is facing an imminent threat to their safety (including domestic violence or homelessness); or - where delaying action may otherwise give rise to the customer or other person related to their enquiry facing an increased risk of loss of or damage to personal property or personal injury. <p>The consultation process, including the distribution to public contact points of leaflets, will increase awareness of alternatives to online access.</p>
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Disability	<p>The proposed changes may make it harder for some people with visual, audio or learning impairments to access services.</p> <p>The ONS statistical bulletin shows that individuals with no disability are over three times more likely to have used the internet than individuals with a disability</p> <p>In Southampton a sample of visitors to the council's web site were asked: "If your use of the internet is impeded please indicate how". The responses indicate that 2.6% of visitors had a vision impairment; 4.0% had mobility difficulties; 1.1% had a cognitive or learning difficulty and 2.6% had a hearing impairment.</p> <p>Similar questions were asked of users of Gateway and the Call Centre. A similar breakdown by impairment is not available, but 15.7% of visitors to Gateway and 20.4% of callers to the call centre responded that they considered themselves to have an impairment.</p> <p>Self-service terminals must be at heights that are accessible for all users. The layout and interior design of Gateway must meet the needs of people who have impaired vision, mobility difficulties, a hearing impairment or who have cognitive or learning difficulties.</p> <p>The automated switchboard may be a barrier for people who do not understand (because of language or learning difficulties) or who cannot make themselves understood by the system.</p> <p>Some individuals will have difficulty understanding the environment and will not know what to do.</p>	<p>The information on the website and phone services will be accessible and the language used to access services will be simple and easy to understand. Where a customer is unable to use the internet or phone options, appointments can be made.</p> <p>The design of Gateway will include self-service terminals which are at wheelchair height. Capita will also engage with representatives of service users who have disabilities when the final Gateway design is being developed.</p> <p>Where a caller to the automated switchboard cannot understand, or fails to make himself/herself understood, the system will transfer the call to an operator.</p> <p>Floorwalkers will be available to assist customers. They will be trained to identify and approach customers who seem lost or uncertain.</p> <p>The council uses the Readspeaker speech system on its website so that visitors with visual problems can hear the content of the pages. At the bottom of every page there is a link titled "Listen" which will open up Readspeaker. The web content can then be listened to in whole or part by using the different controls to activate the speech system.</p> <p>All web content produced by Southampton City Council will conform to W3C/WAI's Web Content Accessibility Guidelines 1.0, Conformance Level AA</p>

wherever possible. New, updated, and existing web content provided for the council's site by third-parties will conform to Conformance Level A.

Web pages can be made easier to read by magnifying the page (zooming in). Everything on the Web page will be magnified (including text, images, and controls). Zooming will change the magnification of the web site, regardless of the web site's formatting.

The consultation process, including the distribution to public contact points of leaflets, will increase awareness of alternatives to online access.

The option of telephoning will be available. Also, face-to-face interviews will still be available by appointment on a same day basis to "vulnerable persons", i.e.

- to any customer who is unable (as opposed to unwilling) to use the online processes or other automated processes for self-service;
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Gender Reassignment	The proposed changes should not disproportionately impact in this category.	Not applicable																																														
Marriage and Civil Partnership	The proposed changes should not disproportionately impact in this category.	Not applicable																																														
Pregnancy and Maternity	The proposed changes should not disproportionately impact in this category.	Not applicable																																														
Race	<p>The proposed changes may make it harder for people, for whom English is not their first language, to access services.</p> <p>A sample of the visitors to the council's web site were asked to provide their ethnic origin. The results are:</p> <table border="1"> <tr><td>White English</td><td>81.1%</td></tr> <tr><td>White Irish</td><td>1.3%</td></tr> <tr><td>White Northern Irish</td><td>0.7%</td></tr> <tr><td>White Scottish</td><td>2.4%</td></tr> <tr><td>White Welsh</td><td>1.3%</td></tr> <tr><td>White Any Other White Background</td><td>8.1%</td></tr> <tr><td><i>White Total</i></td><td><i>94.9%</i></td></tr> <tr><td>Mixed White and Black Caribbean</td><td>0.1%</td></tr> <tr><td>Mixed White and Black African</td><td>0.2%</td></tr> <tr><td>Mixed White and Asian</td><td>0.5%</td></tr> <tr><td>Mixed Any other mixed background</td><td>0.6%</td></tr> <tr><td><i>Mixed Total</i></td><td><i>1.3%</i></td></tr> <tr><td>Asian or Asian British Indian</td><td>0.8%</td></tr> <tr><td>Asian or Asian British Pakistani</td><td>0.2%</td></tr> <tr><td>Asian or Asian British Bangladeshi</td><td>0.1%</td></tr> <tr><td>Asian or Asian British Any other Asian background</td><td>0.6%</td></tr> <tr><td><i>Asian or Asian British Total</i></td><td><i>1.7%</i></td></tr> <tr><td>Black or Black British Caribbean</td><td>0.4%</td></tr> <tr><td>Black or Black British African</td><td>0.4%</td></tr> <tr><td>Black or Black British Any other black background</td><td>0.0%</td></tr> <tr><td><i>Black or Black British Total</i></td><td><i>0.8%</i></td></tr> <tr><td>Chinese</td><td>0.4%</td></tr> <tr><td>Any other ethnic group</td><td>0.9%</td></tr> </table>	White English	81.1%	White Irish	1.3%	White Northern Irish	0.7%	White Scottish	2.4%	White Welsh	1.3%	White Any Other White Background	8.1%	<i>White Total</i>	<i>94.9%</i>	Mixed White and Black Caribbean	0.1%	Mixed White and Black African	0.2%	Mixed White and Asian	0.5%	Mixed Any other mixed background	0.6%	<i>Mixed Total</i>	<i>1.3%</i>	Asian or Asian British Indian	0.8%	Asian or Asian British Pakistani	0.2%	Asian or Asian British Bangladeshi	0.1%	Asian or Asian British Any other Asian background	0.6%	<i>Asian or Asian British Total</i>	<i>1.7%</i>	Black or Black British Caribbean	0.4%	Black or Black British African	0.4%	Black or Black British Any other black background	0.0%	<i>Black or Black British Total</i>	<i>0.8%</i>	Chinese	0.4%	Any other ethnic group	0.9%	<p>Where the problem is one of access to equipment, information about sites with free access to the internet is already being promoted to all residents (for example in the last City View). The Council's libraries offer 2 hours free use per day.</p> <p>Support will be given in Gateway to people who need assistance with the self-service terminals.</p> <p>The information on the website and phone services will be simple and easy to understand. Where a customer is unable to use the internet or phone options, appointments can be made and an interpreter can be booked.</p> <p>The consultation process, including the distribution to public contact points of leaflets, will increase awareness of alternatives to online access.</p> <p>The option of telephoning will be available. Also, face-to-face interviews will still be available by appointment on a same day</p>
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	<p>For Gateway and the call centre the results are not as detailed:</p> <table border="1" data-bbox="424 264 1002 456"> <tr><td>White UK</td><td>81.7%</td></tr> <tr><td>White Other</td><td>8.1%</td></tr> <tr><td>Mixed</td><td>1.3%</td></tr> <tr><td>Asian</td><td>5.7%</td></tr> <tr><td>Black</td><td>2.1%</td></tr> <tr><td>Other</td><td>1.1%</td></tr> </table> <p>Black and minority ethnic individuals (BMEs) made up 12.0% of callers to the call centre and 33.7% of visitors to Gateway.</p> <p>Clearly BMEs proportionately use Gateway far more than non-BME's.</p>	White UK	81.7%	White Other	8.1%	Mixed	1.3%	Asian	5.7%	Black	2.1%	Other	1.1%	<p>basis to “vulnerable persons”, i.e.</p> <ul style="list-style-type: none"> - to any customer who is unable (as opposed to unwilling) to use the online processes or other automated processes for self-service; - where any customer or other person related to their enquiry is facing an imminent threat to their safety (including domestic violence or homelessness); or - where delaying action may otherwise give rise to the customer or other person related to their enquiry facing an increased risk of loss of or damage to personal property or personal injury. <p>The consultation process, including the distribution to public contact points of leaflets, will increase awareness of alternatives to online access.</p>
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<p>Religion or Belief</p>	<p>The proposed changes should not disproportionately impact in this category.</p>	<p>Not applicable</p>												
<p>Sex</p>	<p>The proposed changes should not disproportionately impact in this category for the majority of customers.</p> <p>The gender profile for use of the web site is:</p> <table border="1" data-bbox="424 1659 647 1731"> <tr><td>Female</td><td>55.6%</td></tr> <tr><td>Male</td><td>44.4%</td></tr> </table> <p>However the ONS statistical bulletin shows the older females (65+) are less likely to use the internet than older males. This is confirmed by deeper analysis of the council's web survey:</p> <table border="1" data-bbox="424 1989 1002 2060"> <tr><td></td><td>Female</td><td>Male</td></tr> <tr><td>80 and over</td><td>23%</td><td>77%</td></tr> </table>	Female	55.6%	Male	44.4%		Female	Male	80 and over	23%	77%	<p>Where the problem is one of access to equipment, information about sites with free access to the internet is already being promoted to all residents (for example in the last City View). The Council's libraries offer 2 hours free use per day.</p> <p>Support will be given in Gateway to people who need assistance with the self-service terminals.</p> <p>The option of telephoning will be available. Also, face-to-face interviews will still be available</p>		
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Sexual Orientation	The proposed changes should not disproportionately impact in this category.	Not applicable																					
Community Safety	The proposed changes should not disproportionately impact in this category.	Not applicable																					
Poverty	The proposed changes mean residents may spend longer on the telephone, may have to visit Gateway twice (to book an appointment and for the actual	Where the problem is one of access to equipment, information about sites with free access to the internet is already																					

appointment) and are designed to push them to use the internet. These factors could have a negative impact on people with lower incomes who may not have access to the internet at home and who could struggle to find additional telephone or transport monies.

being promoted to all residents (for example in the last City View). The Council's libraries offer 2 hours free use per day.

Support will be given in Gateway to people who need assistance with the self-service terminals.

Where the customer is unable to use the internet then the existing phone and face-to-face options are available, although face-to-face will require an appointment.

The consultation process, including the distribution to public contact points of leaflets, will increase awareness of alternatives to online access.

The option of telephoning will be available. Also, face-to-face interviews will still be available by appointment on a same day basis to "vulnerable persons", i.e.

- to any customer who is unable (as opposed to unwilling) to use the online processes or other automated processes for self-service;
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The consultation process,

		including the distribution to public contact points of leaflets, will increase awareness of alternatives to online access.
<p>Other Significant Impacts</p>	<p>Other impacts may be identified by the consultation process – this impact assessment will be updated to reflect these.</p> <p>Impact on advice agencies and libraries as providers of free internet access.</p>	<p>As part of the rollout of the online benefits claim form (which is likely to be the most complex service to be provided online) briefings/training will be offered to advice agencies and library staff so they can assist their clients or customers.</p>

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Agenda Item 7

Appendix 7
APPENDIX 7

REPORT ON CONSULTATIONS

Interim findings, consultation ends on 1 November 2013

Consultation Methods and Timescales

Interest Groups	Methods	Timescales	Lead
All Stakeholders	Questionnaire available through the council's website.	10 July 2013	Paul Medland
Meetings with specific interest groups	Meeting with Spectrum Centre for Independent Living.	16 July 2013	Paul Medland
Southampton Connect, partners and external organisations	Email with link to consultation	8 August 2013	Carol Harwood
Specific groups such as community and voluntary sector organisations	Email to Anti-Poverty Network with link to consultation	7 August 2013	Sarah Crawford
	Meeting with Anti-Poverty Network	16 September 2013	Sara Crawford
	Southampton Inter-Generational Network	20 August 1013	Paul Medland
	Learning Disability Partnership Board	10 September 2013	Paul Medland
	Leaflets sent to welfare rights groups for customers	2 October 2013	Paul Medland
	Meeting with Block representatives (followed by leaflets sent to reps).	3September 2013 24 September 2013	Paul Medland
Service users	Exit survey of Gateway users.	w/c 14 October 2013	Paul Medland
	Leaflet available in Gateway, Libraries and Local Housing Offices.	24 September 2013	Emma Howard
	E-alert	28 August 2013	Lucy Calvert
Businesses	Letters to Business South, Chamber of Commerce, Business in the Community	30 July 2013	Paul Medland

Interest Groups	Methods	Timescales	Lead
Staff	Article in Weekly Bulletin	31 July 2013	Lucy Calvert

Summary of On-line Responses as at 2 October 2013

Questions			
<p>1. Not everyone will have access to their own PC or smartphone. Public access PCs will be available in Gateway and libraries. A phone service through an automated switchboard will also be available.</p> <p>Do you feel providing these facilities meets the needs of people without access to the internet?</p> <p>Any comments?</p>	Replies	178	
	Yes	30	17%
	No	126	71%
	Not Sure	22	12%
<p><i>Comments highlight the difficulties that some people have using online and phone services, particularly some people with disabilities, including learning disabilities, people with language difficulties and the elderly. The fact that library hours have been reduced has been raised by a number of people and there is concern about capacity both in libraries and in Gateway. A preference to talk to a person rather than deal with a machine is expressed by a number of respondents.</i></p>			
<p>2. There will be people who will have difficulty using or are unable to use an online service including:</p> <ul style="list-style-type: none"> ➤ People with visual impairments ➤ People with learning difficulties ➤ Some elderly people <p>These people will still be able to use the phone service or can make an appointment to see someone face-to-face in Gateway.</p> <p>Do you feel this approach would meet their needs?</p> <p>3. Are there other groups of people who may have difficulty with online access?</p> <p>Any comments?</p>	Replies	180	
	Yes	63	35%
	No	72	40%
	Not Sure	45	25%
<p><i>Responses included:</i></p> <ul style="list-style-type: none"> • People with physical disabilities who have difficulty using computer or phone keyboards. • People who are emotionally vulnerable. • People with poor literacy skills. • People with language difficulties. • Homeless people. <p><i>Comments tend to echo those to the first question. The cost to the caller of long calls to the council is also mentioned.</i></p>			
<p>4. There will be people who will have difficulty using or are unable to use the automated phone switchboard including:</p> <ul style="list-style-type: none"> ➤ People with hearing impairments ➤ People with learning difficulties 	Replies	174	
	Yes	51	29%
	No	86	49%
	Not Sure	37	21%

<ul style="list-style-type: none"> ➤ People who have difficulty understanding spoken English ➤ Some elderly people <p>These people will still be able to use the online service if they are able to do so, or can make an appointment at Gateway to see someone face-to-face (with an interpreter if necessary).</p> <p>Do you feel this approach would meet their needs?</p> <p>5. Are there other groups of people who may have difficulty with an automated phone service?</p> <p>Any comments?</p>			
<p><i>Responses included:</i></p> <ul style="list-style-type: none"> • People with physical disabilities who have difficulty using computer or phone keyboards. • People who are emotionally vulnerable. • People with poor literacy skills. <p><i>There are many negative comments about automated phone services which are perceived as difficult to use, unfriendly and time consuming. Many respondents emphasised the desirability of interaction with a person. There is also concern that there would be additional pressure on Gateway from people visiting rather than using the phone service.</i></p>			
<p>6. Moving to an appointments system in Gateway will encourage drop-in callers to use the self-service terminals (with assistance from Gateway staff as needed). However some people will have to be seen immediately and it will not be appropriate that they wait for an appointment. Gateway staff will be trained to recognise where this is the case and an immediate interview will be available in these exceptional cases.</p> <p>Can you see any difficulties with this approach?</p> <p>Any comments?</p>	Replies	179	
	Yes	109	61%
	No	42	23%
	Not Sure	28	16%
<p><i>There are many negative comments about this approach. These include:</i></p> <ul style="list-style-type: none"> • Scepticism that vulnerable people will be recognised, particularly at busy times. • Training is unlikely to help. • That the service will be seen as “unfriendly and uncaring”. • There will be long waiting times, even for self-service. • Customers will be aggressive so that they are seen immediately. • It is unreasonable to expect people to call twice, once to make an appointment and once to attend. <p><i>Again the desirability of interaction with a person is emphasised.</i></p>			
<p>7. Other than online via the web and automated phone services, are there other approaches that the council should be considering when looking at customer contact?</p> <p>Please give your reasons for your answer.</p>	Replies	123	
<p><i>There is an emphasis on face-to-face contact, either maintaining the status-quo or expanding face-to-face to include more visits or training library/housing staff to be able to help with more queries. Other suggestions include mobile phone apps and greater use of email with more timely responses.</i></p>			
8. Over time the council will move as many services as	Replies	111	

<p>possible to online and/or phone self-service.</p> <p>Are there any services that you feel should not be considered for this approach and why do you think they are not suitable?</p>			
<p><i>Responses include:</i></p> <ul style="list-style-type: none"> • <i>Adult and children's social services.</i> • <i>Safeguarding.</i> • <i>Any dealings with people with learning difficulties.</i> • <i>Homeless support</i> • <i>Financial problems</i> • <i>Cash office</i> 			
<p>9. To encourage people to use online forms the number of paper forms will be substantially reduced and they will not be widely distributed. There will always be a paper version if it is needed, but one will have to be requested.</p> <p>Can you see this causing any difficulties?</p> <p>10. Are there any council services where this approach is not appropriate?</p>	Replies	178	
	Yes	92	52%
	No	55	31%
	Not Sure	31	17%
<p><i>Knowing that a paper form can be requested is seen as an issue, as is queuing to get a form where one can just be picked up currently. The difficulty this would create for people being visited in their homes was raised – visiting officers take paper forms with them.</i></p>			
<p>11. The council is considering whether to extend its contract with Capita by five years beyond the current end date of 30 September 2017.</p> <p>Do you have any views on such a contract extension, or the alternatives that you would like the council to take into account?</p>	Replies	132	
<p><i>Mixed views, but with the majority being against an extension to the contract. Views expressed include:</i></p> <ul style="list-style-type: none"> • <i>Services should be provided by council staff.</i> • <i>There should be competition to ensure best value.</i> • <i>The contact is providing good value.</i> • <i>There are issues with the current service provision by Capita</i> • <i>The current arrangements are too restricting</i> • <i>The contract has moved work to council managers</i> 			
15. Any further comments?	Replies	66	
<p><i>There is some support here for modernising services and providing more on-line access, but the concerns over automated phones and reduced face-to-face access are repeated.</i></p> <p><i>There is some criticism that the consultation has not been publicised wider and that the paper forms have been delayed. Others thanked the council for the opportunity to comment.</i></p>			

NB. Questions 12 to 14 ask for sex, age range and postcode.

Responses Received Through Other Means

Emails have also been received in response to the consultation and these are reproduced below. At the time of writing few responses have been received from the

leaflet that has been distributed, these will be included in the final report to Cabinet and Council together with any other responses received on paper.

I have a general concern regarding your proposals in that the less human contact there is with the council the wider the gap becomes between the council and the public. Individuals feel less understood, less listened too. That they are just an account number, not a person. A result of this loss of connection would be that some will report changes of circumstances more slowly or not at all. There is no doubt in my mind that many will find the ability to do more over the internet very convenient, especially those in work who have little time to visit or phone the Gateway.

But I am concerned that waiting times on the phone may increase. One of the most common moans we get from clients is from those that have run out of credit on their mobile phones trying to call a benefit centre. Hence we have many clients coming in to use our phone. Of course we will allow them to use our internet if that is the way things are going, but if the query is at all complicated queries are not easily answered online. Plus I have been finding that when I email council tax or benefit services queries are responded to within 2 to 3 weeks, the same as letters, hence with more urgent matters we have to phone. With the new online services will there be a similar delay in responding? If so people/agencies will have to phone in or drop in at gateway with the more urgent queries. Below are a few suggestions:

1. Can there be a dedicated line for advice/support agencies, like tax credits have. As advice agencies have more understanding than the average person of how the system works we will only call you if we really need to. I have found it very useful being able to talk directly to the council tax enforcement section (please let them know that)
2. If phoning up to check progress of a new claim could there be an automated response that says how long it is currently taking to process new claims and therefore give a date that we should phone no earlier than if not heard anything. (but claims should be processed within 2 weeks anyway)
3. I can't emphasise enough the value of customers being able to go through a HB claim form with someone at the Gateway. I believe a lot of claims are delayed or not made at all because people struggle with the forms. Having the forms online won't help much with this problem. People need someone to go through it with them.

We are really missing not having a housing office in Swaythling. Just recently had a client who I helped make a claim for housing benefit but because there is no longer a local housing office in which claim forms can be handed in, she sent it in the post, and consequently the form got lost in the post.

This last point is not directly relevant to your proposals but I think it is important: Non council tenants need free ways of paying council tax locally. Council tenants have a payment card, but everyone else has to use payment slips that charge. There is no local branch of the Coop in Swaythling so can't pay directly into your bank account. For those who only have a post office account or are overdrawn on their bank account, direct debits, standing orders and card payments over the phone are out of the question. In these days where everyone under pension age has to pay some council tax you need to make it as easy as possible for people to pay. Some debt collectors send out payment cards or payslips that are free to use, so why can't the council?



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September 30 2013

Dear Sir

Consultation on extending the Council's Strategic Services Partnership with Capita

Having read through the consultation document and reading through the information online, Business South would like to contribute the following input.

We are in full support of the extension of the contract and we believe Capita is doing a good job for Southampton in partnership with Southampton City Council.

Yours Faithfully

A handwritten signature in blue ink that reads "Sally Lynskey".

Sally Lynskey
CEO Business South

We had the following responses from the Ladies Self advocacy group when I told them about the proposed changes to Council and Gateway services:

Proposed changes to services at Southampton Gateway (to online services and telephone based)

The Chatterboxes responses:

"Some people might not be able to use the computer or understand it, like blind people"

"I can't use computers. I find them really difficult to understand them. But I rely on services at gateway such as getting a bus pass"

"What about people who can't speak, how are they supposed to use a telephone?"

"I can't talk. It would be so difficult for me to use that service."

"Its better to talk face to face to someone."

I wasn't sure if you were collating responses to send in together, but I hope this is of use. All the ladies thought the proposed changes were a terrible idea!

I am keen to have my voice heard in the current consultation on communication with the council. I have real concerns about the buying in of services from other organisations such as Capita and the running down of human relationships with the public in preference for virtual ones. I would like to give a few examples:

1. the civic buildings as we know them are a shadow of their former selves. once we could walk through them, feel we were able to talk to a human being about a particular issue and feel we were part of something - this city. Now, the building has been carved up, as a council tenant I have to queue in that building with the stinky carpet (where Gateway is situated) and there is no sense that the civic building is ours. The reception looks sad and unloved and the poor staff spend ages trying to put us through to people who don't seem to want to talk to us much. I was there on Friday afternoon with a couple of other residents, waiting to hang on the phone to someone who was clearly arguing with reception staff about taking calls at all and didnt know how to deal with us.

2. you are far more incompetent - I have been trying to raise the issue of a potentially dangerous road crossing between Houndwell and Hoglands Parks, where I have seen a few near misses in the last weeks, as numbers swell in the new playground and drivers keep forgetting to stop at the zebra crossing. In the past I would have walked to the civic centre and spoken to someone or phoned. This time I phoned action line and was told roads would ring back. The roads man (now Balfour Beatty) said he would do his best to research the road problem but now his work is farmed out to BB they don't liaise with parks and gardens any more, so to call parks and gardens. I then phoned actionline again and the woman really didn't want to deal with my query. Eventually I managed to persuade her to leave a message for the parks people, but she told me that I would have to call the police separately to deal with the speeding cars issue. I cannot believe that you seriously expect people to call 3 or 4 different people about a safety issue like this. If a child dies on that crossing because one hand no longer talks to the other it will not be worth the saving you have made, will it? I worry that you are also preventing us from taking civic responsibility by making it so hard to contact you.

3. Capita don't seem that great to me. As an employee on a casual basis I have been paid late on countless occasions. I miss pay at Christmas - they just shut down and don't bother - and it seems they offer pretty dodgy advice on employment rights. I have just discovered that I have some after 4 years of working for the council.

I understand the council needs to save a few bob, but I fear you are participating in your own demise by letting these jokers in. After all, the government doesn't really care whether local government sinks

or swims. In fact I think they would be happy if you quietly imploded. At this rate you look as if you are doing their work for them.

I would like to give my views as a local citizen and as a member of the Labour Party.

I do not agree with outsourcing, I cant beleive there are any savings to be had.

It must cost more to provide the services through Capita than to provide them through the council or through reularly retendered contracts or through government sources.

Capita after all have to make a profit on their services which must be around 20% therefore that money could be saved straight away.

You mention savings of £24 million over the next nine years but that is meaningless; how much extra is the contract costing overall? Its like when shops discount things by 80% in a sale but they atificially raised the price just before hand.

Capita may have brought 95 new FTE's into the city but how many people have lost jobs? I dont expect that 95 is in addition to the total jobs transferred to Capita in the first place. What is the real increase from staff that transferred in 2007?

Capita would never have flexibility on pricing; these sorts of companies make their money on the "extras". Look at the NHS and the private financing.

Corporate Social responsibility? They pay their staff less and pile on the pressure, anyone I have spoken to that works for Capita say they are unhappy. Capita are keen to support apprenticeships because they want to pay peanuts for their staff. They swap skilled people out for monkeys, there is no development or training.

As for developments in IT? I have relations who work at the council and they say the IT Service is the worst its ever been. All the systems are out of date and not fit for purpose. Capita were brought in because they were going to invest and keep IT systems current but in reality there has been no change or investment in IT since 2007.

Its impossible for both parties to work together, Capita are out to make money not do the Council any favours. Anyone who thinks these things are partnerships are deluded.

Morale, opporunities and clarity for Capita staff are words and actions they dont experience staff turnover is very high.

It may cost £2m to re-tender or bring back in house but how much would you save in the long run in real money, improved staff morale and accountability for the services delivered.

In my view I would terminate the contract with Capita in 2017 and re-tender parts of the contract for shorter terms and bring parts back in house.

Anyone who understands business knows that is the way forward. Even the Tory government recommends not signing long term contracts. You lose flexibility and the ability to drive down costs and get rid of them is the service is less that extected.

Listen to Council staff, Capia staff and the citizens of Southampton and get rid of them. No-one wins.

Email was forward onto our team as we have had so many different problems with Capita especially with the switchboard & transferring calls which have left customers on hold for too long & put through to the wrong departments again & again. This is not just external calls but extends to internal calls too where we are on hold and when we finally get through after being annoyed to the point of wanting to hang up with the automated messages, the customer have hung up themselves.

Then all the problems with HR which gets to the point of being ridiculous, I personally feel my team and I could do our job & work on Capita's switchboard & HR department and do a better job.

Part of the proposals is to have customers contacting via on line, what about all the people who do not have the internet at home & do not want to travel to gain access to the internet especially the elderly?

What about people who do not speak or read English?

The council's website is not user friendly or updated as frequently as it should be, especially contact telephone numbers.

The contract till 2017 is not good and extending it another 5 years to 2022 is just a really bad idea.

Regards, H

My comment on the extension of the contract arrangement is as follows.

It is difficult to understand that an extension of the contract arrangement with Capita can achieve best value for the Council. Providing the City Council engages a sound management system focussed on efficiencies and effectiveness than it must be able to achieve better value for two reasons.

- Capita is a 'for profit' company – those profits should be set against overall council savings requirements.
- With the service provider (Capita) and the client (SCC) requiring their own management arrangements for their aspects of IT, Procurement and HR service functions, to enable the two parties to talk each other, if these services were reintegrated there must be an opportunity for further management savings.

From Cllr McEwing and copied to all Members

Dear all,

Working in a call centre environment, I fully understand the difficulties our elderly and vulnerable will experience when we go automated. Many of our vulnerable and elderly residents are not computer literate or have limited comprehension of technologies and we need our staff to be cognisant of this. Having extended waiting times due to not enough agents available will increase levels of frustrations for both parties, possible abandonment of calls and residents getting into financial difficulties through not having technological capacity and getting frustrated on long phone calls. This needs to be as smooth a transition as possible for the elderly and vulnerable of our city.

Not happy we are moving to more technological systems as I'm concerned we are abandoning those who are not technologically aware amongst our elderly and vulnerable.

Regards

Cllr Catherine McEwing

From Cllr Brian Parnell and copied to all Members

I agree wholeheartedly with Cllr McEwing.

Cllr Brian E Parnell.

From Cllr Les Harris and copied to all Members

Regarding the use of telephone call centres, whilst this is going to be the way forward for many matters, I have some serious concerns over security and fraud.

Where applicants use the internet, firstly there is the problem of ensuring proper identification. There needs to be a security system in place for this

We need to ensure the applicant is real, and actually resides at the given address. With the internet it is quite possible for someone who lives abroad, to access the system and make out they live in this

city, especially where such things such as welfare payments of various types are made.. For example if a person has lived here (having perhaps come from a European country) and claimed a payment of some sort, they could continue to say they here even though they have moved back to their home country, accessing our system using the internet.

Some government schemes work well such as Road tax, but of course they have access to your insurance details and MOT records etc, and they are receiving money not paying it out.

I also think, as mentioned by Cath McEwing, that a lot of people will have difficulty accessing a computer or being able to use it for these purposes.

Consideration should be given to having various centres where the public can go for a training session in how to use the system, and where necessary help to fill out the forms etc for the first few times.

Regards

Les Harris

Cllr Bassett Ward

From Cllr Peter Baillie and copied to all Members

Cllrs McEwing and Harris make good points & this is a consultation. A substantial body of people are still not happy at using the internet to solve problems and they should not be penalised. A body of people are not able to use the internet. A robust, personal service should still exist for those who wish to use it - and that should include 'drop in' rather than having to make an appointment. What should be improved is the simple internet transactions such as topping up the Itchen Bridge Card - it takes a ridiculous amount of time.

Kind regards,

Peter Baillie

From Cllr Ivan White and copied to all Members

I think most points have been covered but on a practical point many people, particularly the old, are very hard of hearing and complex and long discussions on the telephone will be very difficult could prove problematic leading to errors/mistakes.

Regards Ivan White

My comment on the extension of the contract arrangement is as follows.

It is difficult to understand that an extension of the contract arrangement with Capita can achieve best value for the Council. Providing the City Council engages a sound management system focussed on efficiencies and effectiveness than it must be able to achieve better value for two reasons.

Capita is a 'for profit' company – those profits should be set against overall council savings requirements.

With the service provider (Capita) and the client (SCC) requiring their own management arrangements for their aspects of IT, Procurement and HR service functions, to enable the two parties to talk each other, if these services were reintegrated their must be an opportunity for further management savings.

I work at the Daycentre in Southampton and I do understand the need to streamline and make cuts . My experience is that most of our clients which represent this cities most vulnerable and chaotic within society cannot cope with this impersonal and automated approach to service. It leads to feelings of frustration, anger and hopelessness. The D.W.P have to some extent tried to adopt this approach and we pick up the devastation thats left in its wake. I think long term its a false economy that causes long term even more problems.

Analysis of On-line Responses by Ward

Ward	Question 1			Question 2			Question 4			Question 6			Question 9		
	Yes	No	Not Sure	Yes	No	Not Sure	Yes	No	Not Sure	Yes	No	Not Sure	Yes	No	Not Sure
Bargate	2	7	1	3	5	3	4	5	2	6	4	1	5	4	2
Bassett	3	3	0	3	3	0	3	3	0	4	1	1	3	3	0
Bevois	1	7	0	1	5	2	1	4	3	7	0	1	7	0	1
Bitterne	0	4	0	0	2	2	0	2	1	3	0	1	2	0	2
Bitterne Park	1	7	1	3	4	2	1	6	2	3	1	5	4	2	3
Coxford	0	3	0	1	1	1	2	1	0	1	1	0	0	2	1
Freemantle	2	8	3	4	5	3	2	6	3	7	3	3	6	3	4
Harefield	1	5	1	3	2	2	2	3	1	4	3	0	3	3	0
Millbrook	3	3	1	5	0	2	4	2	1	3	3	1	1	4	2
Peartree	4	5	1	5	4	1	6	3	1	6	4	0	7	3	0
Portswood	2	9	2	4	4	5	4	5	4	8	3	2	5	5	3
Redbridge	0	5	0	2	1	2	1	3	1	3	0	2	3	1	1
Shirley	1	3	3	3	2	2	3	3	1	4	1	2	4	1	2
Sholing	1	2	0	1	1	1	1	1	1	3	0	0	3	0	0
Swaythling	0	1	1	0	1	1	0	1	1	1	0	1	0	1	1
Woolston	4	4	1	5	4	1	4	4	1	6	2	1	5	5	0
Not known	5	50	7	20	28	15	13	34	14	40	16	7	34	18	9
Totals	30	126	22	63	72	45	51	86	37	109	42	28	92	55	31

NB – Where the ward is shown as not known this is because:

- The question wasn't answered, or
- The postcode given is not in the city, or
- The full postcode was not given.

DELIVERY TO DATE UNDER THE SSP

PARTNERSHIP OBJECTIVES

The original partnership objectives set out to:

- Deliver excellent services
- Drive efficiency within the Partnership services and across the Council
- Focus on our Customers at all times
- Drive transformation across the Council
- Keep jobs in Southampton
- Grow a local business to deliver to provide a shared service centre for the delivery of services to other clients

KEY PARTNERSHIP FACTS

- 10 year strategic partnership signed October 2007
- 650 staff transferred
- Planned investment of c. £25m– including major ICT programme
- Cultural shift supported through new HR Pay delivery
- New Regional Business Centre
- Enhanced customer services
- Increased performance across services

Performance:

- 80 Key Performance Indicators
- 158 Performance Indicators
- 2011/12 – 87% KPI's achieved
- 2012/13 – 91% KPI's achieved
- 2011/12 – 95% PI's achieved
- 2012/13 – 96% PI's achieved
- External growth has brought 90.5 FTE into Southampton

Key service achievements:

Customer Services Achievements

- Developed the Gateway one stop shop serving 114,000 customers each year
- Implemented a corporate contact centre currently taking 900,000 customer contacts each year covering 28 services
- Good relationships with all service areas, working together to resolve issues and develop the service
- Implemented quality assurance procedures

- Recent customer satisfaction levels recorded at 96%
- Developing the OGS call centre as the call centre of choice for new Capita Business – bring new employment possibilities to Southampton

Local Taxation & Benefits Achievements

- Performance improvements over the 6 years

Description	2006/07	2012/13
Processing New Claims (days)	33	15
New claims decided within 14 days	81%	98.5%
Claims paid on time or within 7 days	79%	96%
Processing Change in circs (days)	15	12
CTAX in year collection	94.5%	96.2%

- Regular single person discount reviews which have brought income to the council year on year
- Issuing text reminders so saving on postage – this is steadily growing - 39% of those sent paid as a result
- Documentation sent out is encouraging Council Tax self service and pin number requests are regular each month at around 200. This is due to be automated soon and customers will be able to log in straight away
- Maintained Local Authority Error rate below government lower threshold, no financial loss
- Administer subsidy of £130 million per year without any financial loss
- Benefit caseload 22,681 on transfer, risen by 23% whilst service has demonstrated improved performance

I.T Services Achievements

- Improved IT infrastructure including a new VoIP telephony system, successful desktop refresh programme, server consolidation and virtualisation
- IT Disaster Recovery in place and tested for critical systems
- Major Upgrades to Key systems e.g. Agresso, Leisure Management and implementation of ResourceLink HR self service
- Call Volumes have reduced from an average in of 5,246 in 2008 to 3,772 in 2013
- Incident Volumes have reduced from an average in of 4,265 in 2008 to 2,892 in 2013
- Priority 1 fault volumes have reduced by 45% since the start of the contract

- The introduction of Service Desk On-Line has enabled customers to self serve and log incidents and requests “out of hours”
- Provided robust 24/7 home working and remote access solution
- Key projects delivered
 - Introduced both Customer Relationship Management (CRM) and Electronic Document Records Management Systems (EDRMS) to enable a streamlined customer focused service to the general public
 - Implementation of The Council’s Blackberry Mobile solution
 - Implemented encryption across all laptop/tablet devices and added security features to protect critical data
 - Deployment of a Desktop, Network and Server refresh programme across the Council
 - A programme of IT delivery services to support The Council’s ASAP accommodation programme
 - Supported the transition of Council services to 3rd parties
 - Deployment of a new RSA (remote secure authentication) infrastructure
 - Supported the highly successful introduction of Public Health staff to Civic Centre accommodation including critical NHS communications links

HR & Payroll Services Achievements

- Implementation of the HR Shared Service Centre, HR helpdesk and online access to resources and HR support, Online HR pay & FAQ’s
- Use of CRM and document management technology to improve work flow between front and back office
- Recruitment portal (Hampshire wide)
- HR Portal – easy access to all HR procedures and information
- Self Service – individuals with access to the HR Portal ‘my view’ can access their pay slip electronically, book annual leave and change their personal details on line.
- Introduction of:-
 - Risk Model against Employee Relation cases
 - Management Academy to Level 1,2,3 managers in SCC
 - Course Booker to record all training available and completed
 - Introduction of E-bulk to reduce processing time for CRB
 - 2011 T&C’s Project was delivered below the forecasted project budget
 - 2011 T&C’s 613 Queries & Changes were successfully processed, 413 Contracts were reprinted and delivered to employees. The helpdesk responded to 2,922 e-mails & 1,591 calls

Procurement Services Achievements

- £33.6M procurement “savings” declared to date
- Increased the Council’s contract coverage from 28% to 70%
- Sourcing decisions are now being focussed on reducing total cost of ownership and minimising risk.

- Worked with the Procurement client to develop the Council's 3 year Procurement Strategy
- Introduced e-tendering - reduced the procurement times by 30%

SSP LOWLIGHTS

- Relationship in the early years very client contractor and not a Partnership – lack of mutual trust, openness and honesty
- Lack of communication with stakeholders across the organisation
- Blame culture in parts of the organisation – Capita often an excuse for internal SCC issues (no one ever got fired for blaming Capita syndrome)
- Perceptions that the IT Service was too expensive
- Inflexible commercial model
- Persistent service issues within parts of the Property Service – Improvement plan now in place
- Complaints regarding the Occupational Health Service – which is now in much better shape
- Lack of recognition that the HR service was delivering what the Council asked it to IE self serve, central help desk

CORPORATE SOCIAL RESPONSIBILITY

Capita has included a number of Corporate Social Responsibility (CSR) activities in its SSP Relaunch price. This Appendix describes how Capita will deliver its CSR obligations under the new contract and the commitments it is making in this area.

1. Purpose of the Schedule

- 1.1. This Schedule sets out the corporate social responsibility (CSR) obligations which the Provider will observe and perform without charge to the City Council from 1 December 2013 until the end of the Service Period (unless otherwise stated).

2. Local Business, Employees and Customers

The Provider shall:

- 2.1. Introduce new business to the Regional Business Centre (One Guildhall Square, "OGS"), which will ensure that from and including Contract Year 2015/16 to the end of the Service Period there will be overall no reduction in the number of Full Time Equivalents (FTE) employed by the Provider to work in OGS in comparison with the number so employed before the implementation of savings initiatives within the SSP following the approval of CCN155 (SSP Relaunch: Overriding Commercial Provisions). New roles will be publicised to at risk Provider employees as part of the redeployment process and also to displaced City Council employees.
- 2.2. Undertake a targeted promotion of apprenticeship, summer internship, and work placement opportunities with the Provider within Schools, colleges, universities and organisations supporting adults back into employment, within the administrative district of the City Council and provide a minimum of:-
 - (a) 40 apprenticeships; and
 - (b) 100 summer internships or work placements of no less than 4 weeks in duration.
- 2.3. Allow each of its employees working on the SSP one volunteering day per Contract Year to work in the Southampton community via the Provider's employee volunteering programme.
- 2.4. Run two free of charge workshops per Contract Year for local businesses to assist them in developing their businesses.
- 2.5. Run an IT innovation fair for local businesses during Contract Year 7 (planned for 2014).
- 2.6. Support the City Council's CSR commitments (including the 'Dragon's Den' initiative in place for local Small Medium Enterprises (SMEs) by providing two days IT Consultancy per Contract Year from the start of Contract Year 2014/15 to the end of the Service Period to support the set-up of up to 15 new SME-scale businesses.

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