**Elevate Summit – PAASC**

**Barking Town Hall – Tuesday, 26 March 2013**

**Start time: 18:00**

**End time: 21:00**

**Apologies**

Cllr Alasia, Cllr Letchford

**Present**

*Elevate/Agilisys:* Graham Everit, Sue Lees, David Graaf*,* Kay Andrews, Bill Roots, Ron Reynolds, Nick Cobley

*LBBD:* Jonathan Bunt, Sheyne Lucock, Martin Henwood, Nick Lane, Anne Bristow, Karen Wheeler, Eldred Camara-Taylor, John Dawe, Daniel Ward

*Members:* Cllr AS Jamu (chair), Cllr Saeed (vice chair), Cllr Channer, Cllr Poulton, Cllr IS Jamu, Cllr Rai, Cllr Kangethe, Cllr Carpenter, Cllr Collins, Cllr Ashraf, Cllr P Waker, Cllr Mullane, Cllr White, Cllr Vincent, Cllr L Waker

**Opening remarks**

Cllr Jamu opened the meeting with the following statement:

Colleagues,

Welcome to the Elevate Summit, our PAASC examination of the Council’s contract with Elevate East London.

Our joint venture is probably the single largest piece of work that the Council has undertaken.

Rightly, our relationship with Elevate is of the upmost importance to the authority, and we should explore any ways we can to make the deal as fruitful and successful for us both.

Yesterday, we as councillors met to have a general discussion about the joint venture, and get answers to our many questions. This is a complex business, so it’s right that we all take the time to get to grips with it fully.

Tonight, the focus is slightly different. Tonight, we are here to scrutinise the joint venture in the terms of a formal PAASC review – albeit here in this informal setting.

I ask Members, therefore, to remind themselves of the terms of reference for our review. To listen to the evidence provided by the parties involved. And then to ask questions relevant to those terms.

The comments that you make tonight, coupled with the supporting evidence from the Council, Elevate and Agilisys, will form the backbone of our review. I ask that you keep that in mind when you beginning your questioning.

I also ask that you remember this. The goal of all three organisations represented tonight is the same: to provide the best services we can to the people of Barking and Dagenham.

**Cabinet referral**

Daniel Ward, the Statutory Scrutiny Officer, gave a brief background to the review to date. He explained how concerns about the front line customer services elements of the joint venture had been brought to their attention, and that Cabinet had decided informally that a scrutiny of the services would be beneficial. The Statutory Scrutiny Officer then explained how he had allocated that Cabinet referral to the relevant select committee, the Public Accounts and Audit Select Committee.

**Council presentation**

Jonathan Bunt, the Divisional Director of Finance, set out how the Council entered into the joint venture, and reiterated the original business case. His colleague Shayne Lucock then gave some brief details about how the Council manages the contract through its client team.

Cllr Channer asked at this point whether savings in the cost of Elevate could be delivered by reducing the management overhead, rather than reducing the target for creating new jobs – an element that was renegotiated by both parties in light of the Comprehensive Spending Review of 2010.

Jonathan explained that delivering service standards was the priority for Elevate, and that their management structure – although streamlined already – was key to this.

Cllr Carpenter asked whether the KPIs in the contract had been set artificially low, and that it was therefore easy for Elevate to hit those targets. She also enquired whether KPIs would be further reduced in light of the current economic climate.

Cllr Mullane subsequently asked why queues and long waiting times (that she had observed at the Dagenham OSS) were not picked up in the KPIs reported to the Elevate board.

Nick Lane answered with some detailed analysis of waiting times under Elevate compared with those under B&D Direct, the Council’s own customer services arm. It showed that the Council’s average times had been shorter than those delivered by Elevate in the last financial year. However, he made the critical observation that the number of customers was up by 17% since the Council last operated the OSS, and that the Council’s own service was over £2m more expensive that that provided by Elevate.

Cllr Channer raised the concern that the weight of evidence being submitted to the Elevate Board was too heavy to enable proper oversight. She suggested that an executive summary approach would be more beneficial, both for this committee and the Elevate Board.

**Agilisys presentation**

Kay Andrews presented the Agilisys perspective on the joint venture, with an emphasis on the commitment that the company has made to the borough.

Her colleague David Graaf then provided evidence to support the assertion that residents have seen real improvements on the ground since Elevate took over the services in the joint venture. He drew Members attention particularly to significant improvements in council tax collection rates, and the efficiency with which – often-complex OSS enquiries – were resolved quickly, and (more importantly) to the satisfaction of the customer. David gave further practical examples about how Elevate expertise had changed customer handling processes, shortening them dramatically when compared with Council processes, and significantly improving the experiences for residents.

**Elevate East London presentation**

Sue Lees progressed the meeting with a presentation about the strategic objectives of the joint venture. She attested that Elevate was doing what the Council had originally asked it to, taking into account the benchmarks and performance standards that were built into the original contract. Sue’s statistics showed that KPIs were, in the main, being met, and that the service standards (which were originally set at a mid market level) were been met. Sue also reiterated Elevate’s profound commitment to creating jobs in Barking and Dagenham, providing job statistics to support her claims. She showed that over 100 new jobs had been created, and that LBBD residents had successfully claimed the majority.

*Private and confidential paragraph, see Appendix 9 [1.1]*

*Private and confidential paragraph, see Appendix 9 [1.2]*

**Open discussion**

Before the open discussion, the Statutory Scrutiny Officer offered Members some independent guidance on possible lines of questioning. Daniel suggested that Members focus on three areas and ask themselves the following questions:

*Final negotiations*

* Do Members believe that the changes to the contract post 2010 were reflective of the changed economic climate?

*Customer Services*

* Are Members satisfied that the figures put forward by Elevate are an accurate and up to date reflection of customer services on the ground?
* Do Members accept that customer services operate on a price/performance scale, and do they believe that the Council has the balance right between cost and service?

*Client management*

* Do Members believe that the Council’s client management functions are adequately resourced to properly supervise the Council’s contract?

Cllr Saeed opened the discussion and asked whether a few complex cases were holding up the OSS ability to deal with a large number of customers.

David Graaf answered that there are business processes in place that separate cases into simple and complex, with only those requiring detailed benefits knowledge referred to the enhanced benefits service.

Cllr Salam asked whether customers were advised of their potential waiting times when they joined the queue. Cllr Salam also revealed that he had personally waited for 2.5hrs to have a council tax enquiry dealt with at the OSS.

David Graaf explained that some people will inevitably wait a long time and that those cases will not experience the average time. He explained that customers are kept informed about their potential waiting times as much as possible.

Cllr Channer shared experience of Transport for London, where self-service is only used for common transactions that customers had carried out many times before. For complex transactions, she asserted that customers preferred a face-to-face experience – questioning in turn whether this was also the case for the Council’s OSSs. In conclusion, Cllr Channer asked whether a switch to self-service in the OSS was over-optimistic.

David Graaf explained that it was important to offer customers several transaction portals, with the aim of shifting around 10k transactions into self-service streams in the next year. Nick Lane added that respondents to the customer satisfaction survey were keen to use self-service facilities, with around three quarters indicating that they would make the switch. He added that the website will also soon have mobile technology facilities to allow customers to interact on the smartphones.

Cllr Channer asked whether it was likely that Elevate services could still be sold to other parties.

*Private and confidential paragraph, see Appendix 9 [1.3]*

Cllr Channer then asked whether Elevate was driven by profit-making rather than good quality services?

*Private and confidential paragraph, see Appendix 9 [1.4]*

Cllr L Waker sought clarity on the numbers of new jobs that had been created. He asked whether it was realistic to expect residents to interact with the Council online in a borough where home PC use is low. And he shared circumstantial reports from constituents about the inability of the OSS to answer simple enquiries.

Sue Lees answered that jobs (to be included in the “new job” statistics) had to be for at least 16 hrs per week, had to meet a minimum salary level, had to last for four months, and had to be accessible to the population of east London.

Cllr Mullane asked for clarity about how and why queues at the OSS are closed. She asked why Elevate had not planned better for the upcoming benefits changes and assessed the impact on the OSS. And she asked whether it was reasonable to expect pensioners to turn to mobile and IT technology.

David Graaf explained that there were only a limited number of benefits specialists available in the OSS, and that they had to strike a balance between customer service and back-office benefits processing – with the result that queues did sometimes build up, David asserted that it was better to close the queue than keep residents waiting for an unreasonable amount of time.

David also answered that he was in the process of preparing for benefits changes, and was working closely with the Council to accommodate the expected increase in transactions. He drew Members attention to a communications that the Council had sent to benefit recipients to prepare them for the changes.

David went on to explain that self-service was about choice, rather than forcing customers down a particular contact route. He anticipated that there would be enough customers keen to make the switch to take the pressure off face-to-face services and allow them to perform better.

Cllr Mullane retorted that the closing of queues was not reflected in the KPIs, and were not, therefore, a true reflection of the experience of residents, some of whom could not access the enhanced benefits service for several days.

Anne Bristow answered that the Council would reconsider how the KPIs could be changed to more accurately reflect residents’ experiences on the ground, including queue closures. However, she reminded Members that a shortfall in this specific KPI area did not invalidate the other statistics provided by Elevate.

Cllr P Waker acknowledged that Elevate had delivered improvements in processing transactions, particularly in rents, but questioned whether the OSS was equipped to answer diverse, general Council enquiries.

David Graaf answered that staff received extensive training, but acknowledged that some enquiries may fall between gaps in their knowledge. David offered to discuss those individual cases with Cllr Waker and use those examples to further broaden the knowledge of OSS staff.

Cllr White praised the improved performance that Elevate had delivered, but raised the concern that TUPE staff from LBBD were more likely to be made redundant, given the additional costs associated with their enhanced terms and conditions.

Sue Lees acknowledged a difference in T&Cs between TUPE staff and externally appointed staff, but strongly refuted the suggestion that there was discrimination on these grounds when selecting employees for redundancy.

Cllr Channer commented that she was concerned residents would be put under pressure to use self-service transactions, when they would really benefit from a face-to-face meeting. She also asked whether Elevate management had carried out satisfaction surveys among their own staff.

David Graaf told Members that customers were not under pressure to use self-service terminals at all. He added that a dedicated member of staff also supported the terminals, meaning that customers could get personal help whichever transaction method they chose.

In terms of staff satisfaction, Sue Lees explained that Elevate carries out an annual staff opinion survey, and indicated that the management team is currently formulating its response to its findings. She reminded Members that staff satisfaction is very important to the joint venture, but varied dramatically according to the nature of work carried out.

Ron Reynolds concluded the point by saying that Agilisys was very committed to the borough, and wanted to take Elevate staff with them on the journey to improve services to residents.

Cllr Saeed asked whether, given the current economic climate, the £18m gap could now be bridged, and whether the seven-year time frame was sufficient.

Ron Reynolds answered that the current position – 2.5 years into the contract – showed that the joint venture was on track to close much of the gap within seven years – on the condition that the Council continued to work closely with Elevate in delivering that goal. Ron concluded by reiterating his personal committee to delivering these shared objectives, saving the Council money, and delivering good quality services to the residents of the borough.