

SLOUGH BOROUGH COUNCIL

REPORT TO: Overview and Scrutiny Committee

DATE: 14th July 2016

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PART I

FOR COMMENT AND CONSIDERATION

PROGRESS ON THE THAMES VALLEY TRANSACTIONAL SERVICE CENTRE (Report covering the period of April 2015 to March 2016)

1 Purpose of Report

The purpose of this report is to provide Overview and Scrutiny Committee members with a strategic overview of contractual performance for the Thames Valley Transactional Services Public Private Sector Partnership. The period of reporting covers contract year 4 (April 2015 – March 2016)

2 Recommendation(s)/Proposed Action

The committee are asked to note arvato's performance in delivering the Thames Valley Transactional Services contract for the period of April 2015 – March 2016 and advise of any specific reporting requirements for future scrutiny board meetings.

3 The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

3a. Slough Joint Wellbeing Strategy Priorities

The services in scope of the partnership link to the overall effectiveness and efficient running of the council. For all services in scope, arvato have sought to streamline processes implement contractually agreed service improvements whilst securing a step change in performance year on year with Contract Year 4 being no exception. The Partnership directly supports the Council's medium term financial strategy through optimising and prioritising the collection of revenues whilst ensuring that benefits continue to reach our most vulnerable members of the community in an efficient and timely manner. The overarching aim of the partnership continues to support all of the Council's priorities

Civic responsibility

The partnership remains committed to delivering against its Civic responsibilities and this contract year has seen arvato continue their commitments to Aspire as an active member of their board.

More recently arvato have joined the Slough Business Community Partnership and for the second consecutive year have sponsored the Slough award for Innovation to successful local businesses.

arvato continue to be actively involved in various local initiatives to help support the borough and its residents. These have included involvement in Slough Smart Commute and raising money for their chosen charity through a multitude of activities

Under the umbrella of the partnership, arvato continue to explore new opportunities to engage and support slough based initiatives, previous examples of this have included investing resources in facilitating workshops in schools relating to poverty awareness, with a primary focus on how to avoid key problems, where to seek help and how the Council supports those in need.

Five Year Plan

As part of the annual contract review, KPI's are regularly reviewed and service priorities are realigned to ensure that outcomes identified in the 5 year plan relating to council tax and business rates income collection are considered in line with the contractually agreed targets. Directorate specific projects relating to service specific requirements are subject to ongoing scoping and discussions with arvato.

4 Other Implications

(a) Financial

Annual increases to Council Tax and Business Rates collection performance measures compared to previous years will undoubtedly boost the Council's overall collection rates and increase income for the Council to assist in bridging the funding gaps

(b) Risk Management (Compulsory section)

Risk	Mitigating action	Opportunities
Legal	The contract has built in flexibility which enables changes to be appropriately considered using the change control mechanism Furthermore the Contract governance structure includes for regular review of any change controls to ensure that the contract administration remains compliant	Allows for flexibility as the council's corporate and service priorities change.
Property	With the relocation of arvato's head office to Slough all risks associated with property have now been mitigated and the risk has transferred to arvato	The re-location has enabled Slough Borough Council to make use of the training and meeting room facilities at Phoenix 1 – Farnham Road.

		The site is also much closer located than previously when Airways House was lease. So allows for easily commute from SMP to Phoenix one for meetings / service issues
Human Rights	Not applicable	
Health and Safety	arvato have access to their own corporate Health and Safety services	The Council has opportunities to draw on arvato corporate resources to assist the council as required.
Employment Issues	All staff delivering Transactional services were successfully TUPE'd over to arvato.	There is a requirement within the contract deliverables for arvato to offer employment opportunities to the people of Slough and actively encourage this through their recruitment processes. This is performance managed as part of the reporting process to Scrutiny
Equalities Issues	Not applicable - Council policies apply as part of the Staff transfer	
Community Support	arvato UK headquarters based in Slough	arvato continue to support community projects, working with Slough mobility, board member of ASPIRE, development of the arvato apprenticeship academy - strengthening employment opportunities for local residents.
Communications	There is a joint partnership arrangement in place to share information and manage communication	Access to a wider communications network allows the authority to benefit from more positive exposure, marketing and promotion
Community Safety	The employment of Neighbourhood benefit officers provide a more locally accessible and tailored service to local residents	Improved access to services and opportunities to work with our most vulnerable residents to maximise benefits take up.
Financial	Agreed pricing model , KPI framework and Payment mechanism which can be	Allows the partnership the flexibility to focus on emerging priorities faced

	reviewed annually as the councils priorities change	by the council and the services it delivers to ensure the most appropriate direction of travel as determined by the Council
Timetable for delivery	The contract is in place for a period of 10 years from April 1 st 2012 – March 2022. This means that both Phase 1 & Phase 2 services run concurrently	Timescales allow for services to be embedded and focus on service improvements
Project Capacity	Not applicable - this is not a project	

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act Implications.

(d) Equalities Impact Assessment

Equalities Impact Assessments are undertaken by the Client team as new legislation and policies emerge

(d) Workforce

Approximately 100 staff were TUPE'd successfully as part of the procurement process on existing terms for Phase 1 services. A further 98 staff were successfully TUPE'd as part of Phase 2. Staff continue to be fully engaged in service improvements and training opportunities to further improve their skills, which will ultimately deliver more efficient and effective services to the residents of Slough.

5 **Supporting Information**

See Appendix 1 for full Annual review report covering contract year 4
Appendix 2 for performance outturn 15/16

6 **Comments of Other Committees**

None relevant.

7 **Conclusion**

From a strategic perspective the contract continues to go from strength to strength year on year, with successful achievements in the development of their Apprenticeship Academy, growth and expansion of arvato's private sector business operations in Slough which are increasing employment opportunities for Slough residents. In this Contract year alone, committee are asked to note that arvato's commitment to the borough has seen an additional 200 jobs created for Slough residents. Further details are provided in Appendix 1 Annual review report

The added value of the Strategic Partnership allows the Council to leverage the wider skill and expertise for Council projects that sit outside of the contract delivery,

i.e. The Curve, set up of Slough Children Services Trust, The council's strategic ambition to become a digital council by 2017, Five Year Plan, Council's strategic re-provision programme, and the implementation of the Council's new ERP Solution as well as the wider contribution to fulfil their Corporate Social Responsibilities.

Operationally, during the period of April 2015 – March 2016, performance for all services in scope for contract year 4 have seen a demonstrable step change in improvement compared to the previous contract year.

Performance against the Contract year KPI has seen the majority of targets met, in many cases exceeded with a small number falling just short of the annual target despite a clear illustration of improvement against previous year's outturn. An analysis of contract year 4 performance is currently being undertaken by the Contract Management function and mitigation has been discussed and actions agreed to ensure resilience and improvement in readiness for contract year 5.

8 **Appendices Attached (if any)**

Appendix 1 – Annual Review Report

Appendix 2 – Performance Outturn for Contract year 4

9 **Background Papers**

None.