

# CAPITA

LOCAL GOVERNMENT SERVICES

## contact

autumn 2009 | issue seven



## Ringing in the changes

**Mendip District Council undergoes transformation**

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# Making contact



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Capita LGS' Model Office project looks for ways to enhance technologies and streamline processes



Welcome to the autumn issue of *contact* – our newly re-launched client newsletter. I hope you enjoy reading through this issue which is packed full of business updates and developments from across the Capita LGS business.

We've had a busy few years and our sales pipeline for 2009 /2010 looks set to follow suit. The year started out on a high note for us when our seven year strategic partnership with Sheffield City Council went live on 5 January (see page three). And on 1 September Hart District Council commenced its eight year managed services contract with us, expanding on the existing revenues and benefits service we've been delivering since May 2008. We're looking forward to working together with Hart to improve the public services delivered to its community.

In this issue we look at how transformation plays an integral role in achieving maximum efficiencies when we read how Mendip District Council was able to accomplish large scale cost and energy savings, and dramatically increase its processing times and customer service levels at the same time (see pages four and five).

As always, we also share our recent business news with you. See page eight to find out more about IIP and our very own employee quality standard framework, Engage, and to read about our CCA accreditation success at Swindon Borough Council. On page eight you'll also find an update on our charity involvement as a business – I'm delighted that Capita LGS staff have raised over £33,000 for Macmillan Cancer Support since January 2008.

I hope you find this latest issue of *contact* interesting and informative, and if you would like to let us know your views on the newsletter and any of its content, please email [loggovservices@capita.co.uk](mailto:loggovservices@capita.co.uk).

Kind regards,

Mark Chapman, Capita Local Government Services Director

## Capita's Local Government Club

In February 2009, Capita LGS held its inaugural Local Government Club hosted by Mark Chapman, LGS Director, and chaired by David Thomson, Chief Executive at Mendip District Council. The club has been created at the request of our clients and is a forum for bringing together Chief Executive Officers and Corporate Officers from district and borough councils, to discuss experiences and share ideas.

Guest speakers John Tizard, Director of the Centre for Public Sector Partnerships, and Janet Horton, Capita Group Development Director, both gave key note addresses on topical local government issues and the event was voted an overwhelming success by those who attended. The Local Government Club is planned to take place twice per annum and the next meeting will be held on 15 October 2009.

# News in brief

## Capita's new contract goes live



*LGS staff working on the Sheffield contract are based at Derwent House, located in the heart of Sheffield's city centre*

The last two years have been a busy time for Capita LGS – Swindon Borough Council, Southampton City Council and Hart District Council are among our recent contract wins and in the beginning of 2009 Sheffield City Council became the latest addition.

After an exceptionally short lead in time of six-and-a-half weeks, the Sheffield contract went live on 5 January 2009 when Capita welcomed more than 500 new staff who transferred across from the Council and previous service providers Liberata and Northgate.

In the seven year strategic partnership Capita is delivering a wide range of services including ICT, revenues and benefits, cashing, HR and payroll, and financial business transactions. With the primary focus on achieving greater efficiencies and improvements for the citizens of Sheffield, the strategic partnership is also supporting the Council in business transformation.

Terry Boynes, Partnership Director, said: "We are looking forward to working with the team of transferred staff to really help make a positive difference to the citizens of Sheffield in terms of the service they receive from the Council."

## Other recent contact wins:

### Swindon Borough Council

Commenced: 1 February 2007  
Contract type: 15-year strategic partnership  
Contract value: £243 million  
Staff transferred across: 400  
Services: Revenues and Benefits Administration, Customer Services, Business Administration, Financial Administration, Human Resources and Payroll, Property and Facilities Management, and ICT.

### Southampton City Council

Commenced: 1 October 2007  
Contract type: 10-year strategic partnership  
Contract value: £290 million  
Staff transferred across: 650  
Services: Customer Services, Revenues and Benefits Administration, Human Resources and Payroll, IT, Procurement and Property Management.

### Hart District Council

Commenced: May 2008  
Contract type: nine-year  
Contract value: £20.7 million  
Staff transferred across: 23  
Services: Revenues and Benefits Administration.  
On 1 September 2009 this contract was expanded on to include IT, Customer Services, Human Resources and Payroll, Financial Services, and Print Services.

## Benchmarking success for LGS contracts

In March this year it was formally confirmed that the Benefits Service delivered by Capita for the London Borough of Bexley received the highest possible Comprehensive Performance Assessment (CPA) score for the inspection carried out by the Audit Commission covering the 2007-2008 financial year. This new CPA score of four is an improvement from the Service's previous score of three.

The improved score is a result of the continuous service delivery enhancements that Capita has carried out since the inception of its renewed contract with the Borough in 2006. Working in close partnership with the Council, Capita has put measures in place to ensure the standards of the service remain high including further improvements to quality standards and the employment of

additional resources to the Service. This is proving to be particularly beneficial in enabling the Service to cope with the influx in claims during the recession.

"We're very pleased that the strong partnership working between Capita and the Council has resulted in the continued service improvements which have enabled us to achieve the highest possible CPA rating," said Director of Finance at the London Borough of Bexley, Mike Ellsmore.

Earlier this year the Benefits Service delivered by Capita for Blackburn with Darwen Borough Council was also formally awarded a CPA score of four following the independent inspection. This score confirmed that Blackburn was one of the country's 25 top performing councils and one of

only 13 councils out of 149 across the country to have maintained the highest achievable CPA score for the duration of the Audit Commission's CPA existence.

An internal benchmarking exercise on the Benefits Service Capita delivers for Westminster City Council, set by the client, was carried out earlier this year in which the Service was measured against the same criteria included in the Audit Commission's CPA inspection. After looking at aspects such as the efficiency and quality of the Service, and whether it is delivering value for money for the taxpayer, the client found that the Service has improved from a score of three to four – the highest achievable score in the internal assessment.

# Ringling in the changes

*Five years on from the Gershon review and the topic of efficiency savings is still paramount in local government. In the current economic climate local authorities are being forced to focus on efficiencies more so than ever before – the pressure is steadily mounting with the expectation for councils to tighten their belts whilst providing better value for money and improving service delivery at the same time.*

*Contact caught up with the executive management of Mendip District Council to get their views on how, in partnership with Capita LGS, the Council has managed to successfully transform its operations and deliver major efficiency, cost and energy savings.*



Harvey Siggs –  
Leader of the Council,  
Mendip District Council



David Thomson –  
Chief Executive,  
Mendip District Council



Stuart Brown –  
Deputy Chief Executive,  
Mendip District Council

## **The Mendip Capita Strategic Partnership: working together to transform operations and increase efficiencies**

Since the new Mendip Capita Strategic Partnership was formed in 2005, the Council's requirements have centred on creating mass efficiency savings. The objectives from the outset were to achieve greater flexibility and innovation, in order to ultimately reach excellent levels of customer service and increased capacity whilst demonstrating good value for money for Mendip residents. Capita realised that in order to achieve these objectives business processes across the Council, along with the IT systems, would need to undergo significant transformation.


## **Making the changes**

Over 75 transformational initiatives have been carried out across the Council's operational spectrum to date, with the focus on modernising and integrating the Council's IT projects, creating a more resilient and efficient Revenues and Benefits Service and enabling enhanced service delivery within the Financial Services Team. "Like many district councils, Mendip is facing the

perpetual challenge of meeting increasing customer expectations with reducing resources," says David Thomson. "As a Council we recognised that change in local government can no longer be developed along the lines of least resistance, and we know that our relationship with a top private sector organisation such as Capita has enabled us to access skills, knowledge and innovation that would not normally have been available to us for development of our services, and without which successful transformation would not have been possible."

"Our aim for the Revenues and Benefits Service was to be able to offer a quicker, streamlined and more easily accessible service to our customers whilst also reducing our reliance on paper-based forms," says Stuart Brown. To this end Capita has carried out a number of projects, including the implementation of pre-booked, personalised reception appointments resulting in the majority of queries now receiving first-point-of-contact resolution. Greater convenience and efficiency for clients has been facilitated with proactive home visits by Visiting Officers collecting information for claims as well as the introduction of a fast-track service for homeless benefits claimants, helping alleviate the strain on vulnerable customers.

The Service has also deployed two software systems which have dramatically shortened the processing turnaround times of claims. Assert enables the speedy calculation of benefits and Anite, the electronic data management system which provides information to multiple users on demand, has eradicated the need for physically filing and storing paperwork. With the need for storage space removed, more workstation space has been created in the office enabling Capita to deliver its promise of recruiting 50 new jobs for local people.



This recruitment of additional staff has assisted the Council in delivering one of its key Corporate Priorities – that of supporting the local economy.

“These initiatives have equipped us with the resilience and necessary means to cope with the steep increase in demand on the Service, without compromising on quality. This has been especially important during the economic recession we are currently experiencing,” comments Harvey Siggs.

**“Like many district councils, Mendip is facing the perpetual challenge of meeting increasing customer expectations with reducing resources.”**

Mendip’s Financial Services Team was looking for ways to improve its systems and enhance service delivery. With this in mind Capita implemented a web-enabled financial management system Agresso; eliminating the need for tedious paperwork, speeding up the payment of suppliers, assuring high quality via its integrated workflow and providing easily-accessible information in real time. The receiving and making of payments has been transformed with the introduction of electronic purchase orders for suppliers – reducing the need for resource, paperwork and postage – and new secure methods of payment for customers, including online payments. “The payment of council tax bills online has increased rapidly from £21,000 received online in 2007/08 to £547,000 received in 2008/09. This, together with the discontinued receipt of cash on the Council premises and the subsequent risk reduction of staff handling cash, has delivered great cost and service efficiencies for our business,” remarks Stuart Brown.

Various steps were taken by Capita’s IT Team in laying the groundwork for enabling Mendip to meet its tough IT efficiency objectives. These included the introduction of the Information Technology Infrastructure Library (ITIL), the deployment of programme management standards and the creation of a clear IT strategy throughout all lines of service delivery.

“With these new foundations in place, the team was able to begin the transformation of all our major IT systems within the Council, which has led to the implementation of a highly reliable, flexible, fault-tolerant and standardised IT infrastructure that now supports, and evolves with, Mendip’s business needs,” says David Thomson.

**“...we recognised that change in local government can no longer be developed along the lines of least resistance ...”**

Some of the key contributory developments in achieving these IT improvements involved the implementation of a virtualised server infrastructure, the standardisation and upgrading of Mendip’s hardware and software, and the print rationalisation project through which 70 outdated printer devices were replaced with a multi-functional print, scan, copy and fax solution allowing uniform access and increased fault tolerance. “The most successful transformational project for the Council has probably been the print rationalisation programme. Not only has this delivered significant cashable savings and reduced the Council’s carbon footprint, but it has also been a catalyst for a cultural change within the organisation in terms of the way staff use the print service,” comments Stuart Brown.

## Reaping the benefits

The new partnership has contributed towards Mendip achieving successful transformation of its infrastructure, working methods, service delivery and IT strategy and has enabled the Council to accomplish its objectives of delivering excellent customer services with increased capacity and flexibility, whilst simultaneously achieving cost efficiencies.

The Council has not only experienced annual cost savings – of £200,000 in year one, rising to £450,000 in year five – but, recognising the importance of being an environmentally friendly business, has also managed to accomplish mass energy savings. “Capita has helped us shrink our carbon footprint substantially and has reduced our carbon emissions by hundreds of tonnes through introducing paperless solutions across our business, encouraging electronic communication and document storage, and replacing outdated IT equipment with modern, energy efficient models,” remarks David Thomson.

“The transformational projects have been, and will continue to be, a catalyst for continuous improvement and long-term sustainability across the Council,” says Harvey Siggs. “And with both partners determined to deliver the most innovative and effective solution, we know our customers are guaranteed to always receive the highest quality services.”

**“The transformational projects have been, and will continue to be, a catalyst for continuous improvement and long-term sustainability across the Council.”**

# Modelling future office efficiencies

Forever on the look out for ways to improve efficiencies and cut operating costs, Capita LGS launched the Model Office project in January 2008 as a means by which to accurately evaluate new and existing technologies with a view to streamlining business processes and enhancing the technical support and management of systems.

By identifying these key efficiencies, the project aims to establish a best practice template for use across all Capita LGS sites to create maximum efficiencies and improve deployment and support processes. While the Model Office solution does not aim to enforce procedures across varying client requirements, it does intend to provide clients with savings that can be gained by working within the Capita model.

The project is steered by the Model Office Board comprising senior operations and IT staff with strong local government backgrounds who meet once a month to discuss, plan and review different technologies and solutions being piloted as part of the initiative. There is currently a broad range of items – both hardware and software – that have already been identified and evaluated and are now in the pilot phase, a few examples of which include:

## Management Information Modules (MIM)

The MIM solution allows the status of all work items to be shown in real time on operational dashboards, providing management with a constant flow of current performance reporting via a secure intranet site.

By removing the need to email reports, the risk of failed delivery and jeopardised security is eradicated and storage issues are solved. The full, instant visibility of the status of work items by authenticated users enables areas of concern to be immediately identified and addressed.

This element of Model Office has been successfully deployed at the London Borough of Bexley and City of Westminster sites where it is proving hugely beneficial and it is also in the process of being rolled out to our Sheffield City Council and Swindon Borough Council sites, with more contracts set to follow suit later in the year.

## Anite workflow

A new module has been developed which allows Anite to achieve advanced process automation, reduced dependency on staff to perform manual workflow routing, improved identification of better process performance and increased potential for accurate resource management. Other benefits include integration with business applications such as Academy and the scope to include third party components in the business process. The pilot of this Model Office initiative began in the first quarter of 2009 at the London Borough of Bexley.

## Centralised and remote counter scanning

Capita has invested in a centralised scanning solution based in Erith which now manages the scanning requirements of seven local authorities. This has proved very successful and as

well as having no effect on the network performance, it has also allowed us to eliminate courier costs and subsequent carbon emissions involved in previous methods of document management.

Using similar technology we have also been able to introduce remote counter scanning for council visitors. This means that documents presented at these front-of-house counters are scanned, indexed, verified and available to back office staff immediately, speeding up the processing time of all documents submitted.

## Mobile solutions

Many Benefit Visiting Officers use laptops for assessment purposes while conducting home appointments at claimant households and, previously, using laptops in this environment relied on Citrix wireless connectivity

and former software (Academy and Anite) versions had been unable to work offline. However after being updated, both Academy and Anite are now capable of disconnected working. This means that a Benefit Assessor or Council Tax Inspector can now process work from a mobile device such as a laptop, tablet PC or handheld device, and a wireless signal is no longer required as the software will automatically synchronise when a signal is next found.

While these are only a few examples of how the Model Office project has been put into action since its inception, the solutions are constantly evolving with the Board persistently trying to identify good savings and efficiency practices, and to this end new initiatives are being rolled out across different contracts on a monthly basis.



LCD screens displaying real-time updates on work progression have been added to many Capita LGS sites

# Setting the benchmark

Following the introduction of the Audit Commission's new measuring methodology for the performance of Council Tax and Housing Benefit Services, councils are recognising the challenge posed by the new Key Lines of Enquiry (KLOE) approach.

Differing significantly to the previous performance standards used, KLOEs represent sets of questions and statements around services or judgement-specific issues which provide consistent criteria for assessing and measuring the effectiveness and efficiency of services, and are designed to provide a framework through which to assess how successfully the council is working.

In response to the new system of corporate evaluation, Capita's Assessment, Policy and Training (APT) Team have come up with a KLOE benchmarking solution which focuses on quantifying how a council's current Benefits Service compares to the Audit Commission standards and identifies initiatives that aim to improve the council's KLOE score.

In addition to measuring the Service against KLOE requirements and highlighting what subsequently needs to be achieved, the benchmarking exercise also ensures that management and staff are fully aware of, and understand, all KLOE



requirements in order to thoroughly prepare the Service for future Audit Commission inspections and allow for successful future development.

Capita's benchmarking solution has already been used by a number of local authorities where it has proven to be a successful tool in improving CPA and KLOE performance ratings.

## Capita's e-learning tool builds staff confidence

Since its launch in February 2006, HBLearning – the e-learning tool from Capita's Assessment, Policy and Training (APT) Team – has gone from strength to strength. So much so that today 89% of local authorities subscribe to the free HBAalert circular summary service available through the HBLearning website.

*Some courseware examples from HBLearning*

The learning solution, comprising modular courseware covering all areas of housing and council tax benefits, is regularly updated to include changes to legislation. So, whether a new starter or an experienced benefits practitioner, the e-learning tool offers comprehensive teaching to its users with over 600 elements of learning

and reference material available at the click of a button.

Commenting on the learning solution, Jenny Franklin, Training and Policy Officer at the London Borough of Brent, said: "We have rolled HBLearning out to our assessment staff and the feedback

we are getting is excellent. Staff find it user-friendly, informative and fun. We recently compiled a training needs analysis of all our staff asking what areas of their work they were lacking confidence in and we have found HBLearning to be an invaluable tool in developing staff learning skills."

A collage of three screenshots from the HBLearning e-learning tool. The first screenshot shows an assessment example for a non-dependant deduction. The second screenshot shows a letter addressed to Mr. Lewis regarding a non-dependant deduction. The third screenshot shows a DWP award notice for a support component of ESA.

If you'd like to find out more about the KLOE package or HBLearning, email the Capita Assessment, Policy and Training Team at [apt@capita.co.uk](mailto:apt@capita.co.uk) or call 0208 315 2013. To subscribe to the free HBAalert service, visit [www.hblearning.co.uk](http://www.hblearning.co.uk)

# News in brief

## Putting our people first

The development of our people at Capita has always been of the highest importance and in demonstrating this commitment Capita LGS has set about ensuring that every site across our business has measures in place to guarantee best practice in relation to the management and development of our staff.

- Training opportunities
- A strong focus on the development of people's talent
- Clearly defined management competencies
- Regular and strong business communication channels.

### Investors in People (IiP)

We now have the internationally recognised IiP accreditation at three of our shared service centres; Bromley, Blackburn and Mendip.

Following the rigorous assessment reviews of each site, the IiP assessors commented that they found the sites to have:

- Very open cultures where people's ideas are valued
- Particularly strong performance appraisals
- Effective induction processes

### Engage

As well as working with IiP Capita LGS has developed its very own quality standards framework, Engage. By incorporating each element that contributes to a successful business, Engage provides practical methods for effectively managing and developing Capita LGS staff and will also help our people to improve their performance and achieve personal objectives. Engage is being rolled out to all LGS sites that do not hold the IiP accreditation.

## Accreditation success for Swindon

After two days of rigorous assessment by the British Standards Institute at the end of February, Capita LGS has successfully achieved the Customer Contact Association's (CCA) Global Standard certification for its Swindon Borough Council Contact Centre.

Recognised as the industry leader and authority on Customer Services, the CCA Global Standard places greater focus on the customer experience and a strong emphasis on continuing improvement. The principles of the Standard cover primary business areas and accreditation assessment looks at the following elements of a Contact Centre: customer and employee focus, performance and operational effectiveness, employee development and performance management, legislation and operational policies, security and fraud prevention, third party relationships, and technology implementation and management.

"We are delighted that the hard work and commitment of the staff at Swindon has been recognised by the CCA with this award," said Regional Director for Capita, Andy Paull.

## Cheering on charity

At the end of 2007 when it came time to choose a new charity to support, Capita employees voted overwhelmingly in favour of Macmillan Cancer Support and since becoming our official Group charity in January 2008 staff from across Capita have raised over £620,000. The aim is to raise over £1 million by the end of 2009.

Capita LGS has contributed over £33,000 to the total donation made so far, which has been raised as a result of enthusiastic staff across all LGS business sites holding special fundraising events including slave auctions, raffles, dress-down days, bingo and many more clever initiatives.

In 2009 Capita LGS is supporting The Alzheimer's Society which is the UK's leading dementia care and research charity and works to improve the quality of life of people affected by dementia. To date we have raised over £4,000 in aid of this charity.



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