

## Item 10                      **Balanced Scorecard & Customer Satisfaction**

**Report to:**                      **STaR Joint Committee**  
**Date:**                              **22<sup>nd</sup> July 2015**  
**Report from:**                      **STaR Board**

**Recommendation: To note the contents of the report and presentation**

### **1.        BACKGROUND**

1.1    The Joint Committee Meeting of 22<sup>nd</sup> April 2015 agreed that the performance of STaR should be monitored by a balanced scorecard approach which recognised the breadth of activity and expectations of the partner Councils. The parameters are listed below:

- Finance                              40%
- Compliance                            30%
- Social Value                            15%
- Customer Satisfaction               15%

1.2    All measures collected are on basis of the data from across the three Councils.

1.3    The balanced scorecard is the first attempt to articulate key performance indicators for the STaR team and in many instances there is no base line data. The financial year 2015/2016 will be used to baseline the data sets and establish what are achievable and what are stretch targets.

1.4    All of the measures are monitored regularly but final assessment of performance will be on a yearend position. The rationale for this is twofold:

- Many of the parameters are cumulative e.g. savings figures;
- The performance reporting mechanism will require behaviour change from STaR employees and our clients within the partner Councils. We recognise that changing behaviours and doing things differently does take time to embed. We would therefore expect increased levels of performance as the year progresses.

1.5    Performance meetings between Senior Management and Category Managers are now held on a rolling fortnightly basis to cover each of the four parameters. This has proved to be particularly successful in seeing performance improvement in all areas but most specifically for compliance and customer satisfaction.

### **2.        CURRENT POSITION**

#### **2.1    Finance**

Savings as a whole are running slightly behind forecast however the pipeline looks strong and new savings opportunities are still becoming evident. The process for monitoring and reporting savings has been reviewed and improved to ensure that STaR, Budget Holders and Finance Managers are aligned on the figures reported and agree with the way in which the savings are classified e.g. Cashable, cashable recurring etc.

## 2.2 Compliance

The compliance position has improved significantly for the contracts which we are aware of. This is impacting positively on the performance of the team allowing them to plan their work programme more effectively and work with clients on a more proactive basis.

## 2.3 Social Value

There has been a significant increase in the number of procurement activities which incorporate consideration of Social Value. Public procurers are mandated to consider Social Value for procurement of services which are above the OJEU thresholds. STaR's expectations exceed this baseline and we are looking to ensure that consideration includes all types of third party spend, including that below OJEU levels. It is important that we continue to equip our team with the skills and knowledge to engage in persuasive and productive dialogue with clients and budget holders.

## 2.4 Customer Satisfaction

In order to establish a base line for customer satisfaction we sent a questionnaire to users of the service in February 2015. This coincided with the one year anniversary of STaR's establishment. The response rate was very low but from the responses, only 44% of clients either agreed or strongly agreed that service from STaR good. Since that point all members of STaR have attended mandatory customer satisfaction training, delivered by Stockport and a draft customer satisfaction charter has been produced.

Subsequently, a more timely method of canvassing customer opinion has been introduced and a satisfaction questionnaire is sent at the end of every procurement activity or after there has been some other type of significant engagement with STaR. We have been canvassing views in this manner since 1<sup>st</sup> April 2015 and have collated the survey results which will be delivered via presentation at the Joint Committee. The number of respondents to date is small but the percentage of clients who agree or strongly agree that the service provided by STaR is good has jumped to over 80% demonstrating movement in the right direction.

## **3. FURTHER ACTION**

3.1 The fortnightly meetings will continue to focus effort and drive improvement in the key indicators. Further, the Senior Management Team and STaR Board will continue to review how we work with partner Councils to improve performance further and maximise outcomes. To this end we are looking to provide a report to Corporate Management Teams regarding Social Value, our obligations and our ambitions.

3.2 Sustained attention to savings will continue to be focussed on a Council specific basis.

End.