

BRANCH LINES

SPECIAL EDITION

UNISON West Sussex Branch newsletter • www.unisonwestsussex.org.uk



**CAPITA
SURVEY
RESULTS »**

**ONLY
2%**

...of you told us that
services had improved
under Capita

See page 8

70%

...of you say there is
poor morale in Capita

See page 16

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INTRODUCTION



Since Capita took over a swathe of 'back office' services at West Sussex County Council in 2012, we have had many serious concerns. Our members at the council often contacted us about the quality of services, which stopped them from doing their day job efficiently. We also had many members who work for Capita ask for help with what seemed like unfair HR practices.

We supported both sets of members, but the problems didn't go away. In fact they seemed to be getting worse. The branch wanted a clearer picture of what was happening, so we commissioned an independent researcher Andrew Holt to find out for us, using established research techniques which were accepted by all parties.

Research was conducted from January to June 2015, and included two surveys. My thanks go to the 832 members and staff who completed the surveys. This special edition of Branch Lines reports back to you the findings of the research. I would encourage you to read the whole report as well as this excellent summary. How public services are commissioned and run in an age of austerity, when many politicians are seemingly wedded to an ideology of outsourcing, no matter what the consequences, is a matter of concern for us all. To do so, visit unisonwestsussex.org.uk/news/capita-research/

It's important for me to stress that the research's conclusions about the quality of Capita's services do not reflect on our members at all. Capita staff do a great job in very difficult services, and often on less favourable terms and conditions than their council colleagues. What the research has done instead is shine a light on 'Capita-corporate' and its ways of working, and these are the issues which must now be addressed.

UNISON West Sussex is working positively as a partner to the council and Capita to improve working conditions for staff. We have drawn up recommendations from the research and are now in discussions with council officers, elected councillors and Capita managers about how they can be incorporated in the 'Capita reset'. Initial signs are encouraging. We'll keep members up-to-date via email and the website as matters progress, so you know the outcomes of what we've been able to achieve, and what we haven't.

Come along to find out more about the research at one of our six presentations during September. I also would encourage any non-members reading this to join us. See back page for details on both. We achieve more the stronger we are, together in UNISON.

Dan Sartin,
Branch Secretary



The surveys

The project used a number of research techniques to gather evidence. One of the most important was the use of two surveys: one aimed at Capita employees and one aimed at staff who use Capita

services ('customers') such as IT, HR, payroll, pensions, admin support. A number of one-to-one interviews with senior managers and staff were also completed. These methods helped give more

detailed perceptions on the performance of the contract both from those using and those delivering the services.

For the glossary of terms, see page 32.



Top ten findings

What did the research discover? Does it confirm or challenge your views? Does it reflect your experience? Here are the top ten issues it found.

- 1 **No staff buy-in.** Capita staff have clearly not 'bought into' Capita's way of working and show little loyalty to its brand: they've not been involved in change activities, resulting in a culture of negativity, mistrust and service disruption (see pages 20–23).
- 2 **Morale.** There are appallingly low levels of staff morale in the Capita West Sussex workforce. Some line managers appear to be doing a good job, but the closed and rigid corporate ethos does not encourage innovation, autonomy or creativity (see pages 14–17, 20–21).
- 3 **Serious service incidents.** The research revealed 532 examples of serious service disruption that stopped you from doing your job. Such incidents have cost implications (see page 5).
- 4 **Scant improvement.** After two years of the contract, only 2% of staff said that services in general had improved under Capita, with 50% telling us they had become worse (see page 8).
- 5 **Better before TUPE.** Both former WSCC and SERCO employees resoundingly told us that they were able to offer a better service working for their previous employers than for Capita, with a large majority telling us that things were better when working for their previous employers (see pages 20–21).
- 6 **Career stagnation.** Two-thirds of Capita employees tell us they have no clear career path, though a majority value the supervision and guidance from their line manager (see pages 12–13).
- 7 **De-skilling.** For many, work is becoming more repetitive, with staff becoming more generalist, deskilled and replaceable. Transferring jobs to Pune, India (a decision now suspended following UNISON's intervention) and Derby (and therefore redundancies in West Sussex) had already begun in IT Services (see page 27).
- 8 **'Them & us'.** Staff relationships are fractured. There is a 'them and us' dynamic between: former WSCC and Capita-appointed staff; commissioners and contractors; and staff doing the same job on different pay and conditions (see page 23).
- 9 **Financial savings.** Indications show that rather than through process efficiencies and improvements, savings come from cuts to pay, terms and conditions, reduced services and punitive sickness and absence management (see page 25, 26, 29).
- 10 **Immaturity.** WSCC was not ready to commission a contract of this size and complexity. Did it buy the wrong thing for the wrong timescale? There are still questions about WSCC's ability to handle large-scale contracts well (see page 25).

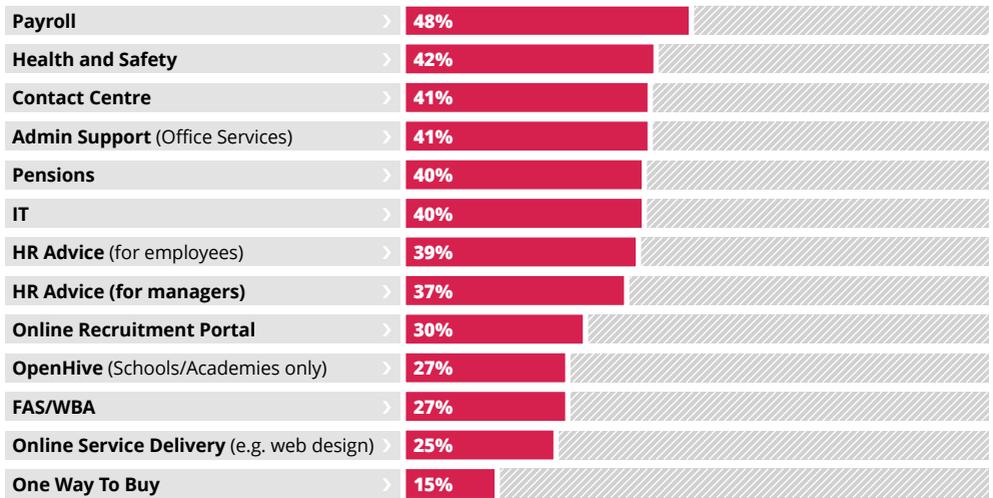
THE CUSTOMER SURVEY

678 of you completed the Customer Survey. ‘Customers’ are people like you, receiving the services now provided by Capita. They are staff of organisations such as West Sussex County Council (including schools), academies, Sussex Police, Horsham District Council, Aspire Sussex and others who have no choice but to use these services.

89% of respondents were UNISON members, but there was no significant difference between their perception and that of non-union members who also completed the survey.

Service ratings

The graph below shows responses in answer to the question: “How satisfied are you with the following services which are operated as part of the Support Services outsourcing contract?”



Headlines

50%

Not one service had a 50% or more satisfaction rating.

48%

48% of respondents who rated the Payroll service were “very satisfied” or “satisfied” with it.

15%

Only 15% of respondents who rated the One Way to Buy service were very satisfied or satisfied with it.

What does it mean?

Not only did no service score more than 50% satisfaction, but five services scored 30% or less, with 'One Way to Buy' (OWTB) coming off worst. Of the other widely-used services, the Online Recruitment Portal scored particularly poorly. Many of these services are fundamental to the smooth running of any organisation. To receive such low satisfaction ratings across the whole range shows there is something awry with the way those services perform. It is unacceptable for none of the Capita-operated services to score above 50% satisfaction from their customers. These results are confirmed by the chart of 'dissatisfied' ratings where

OWTB scores particularly poorly (59% dissatisfied) and the Online Recruitment Portal (44%). You can find these in the full report (page 43) on our website. Though dissatisfaction with Payroll (20%) is less than OWTB, Payroll affects every person in all the organisations using Capita for such services, so has a much greater impact.

Questions must be asked. Why is there such a low level of satisfaction with these services? Has Capita invested in the right technology? Have redundancies of experienced staff seriously impacted on the quality of services provided? Are Capita's processes up to scratch?

Serious service issues

You were asked: "Have you ever experienced any serious service issues with any support service over the past 12 months?"

A serious service issue was defined as 'something which has hindered (you) from carrying out your normal work.' Such issues cause waste (in the form of delays),

affect performance and increase costs. You identified 532 serious service issues. Of these, 186 (35%) were related to IT. However, as almost every person will use IT as opposed to some of the other services, it's perhaps not surprising this service scored highest. Other services experiencing serious service issues are shown in the following table:

Which service suffered serious service issues?

Service	Number of identified issues
IT	186
Admin Support (Office Services)	83
One Way To Buy	50
Payroll	40
Online Recruitment Portal	36
HR Advice (for employees)	29
Pensions	25
HR Advice (for managers)	25
Contact Centre	24
Online Service Delivery (i.e. web management)	16
Health and Safety	10
OpenHive (schools/academies only)	5
FAS/WBA	3

THE CUSTOMER SURVEY



Serious service issues (continued)

There seems to be a large number of serious issues affecting performance across many services. This cannot be acceptable and shows that cost-savings claimed by Support Services Outsourcing (SSO) may simply be shunted across to become additional costs elsewhere in WSCC.

It's perhaps not surprising that IT accounted for 35% (186) of serious service issues. Most people cannot do their work without their computer. Also, more people reported using IT than any other service. However, 38% of people actually using the service had experienced a serious issue, compared to just 3% for those using health and safety (see full report on website, page 46).

244 people took the time to explain how serious service issues had impacted on their ability to do their job.

One case study told us of a highly frustrating situation where permission was requested from a manager for a staff member who required access to a specific finance function. Frequent attempts to solve the situation and repeated explanations to a variety of help desk staff proved fruitless. It took four weeks to resolve the issue but, "by this time the officer had been in post for 4 weeks, unable to do any budgetary work."

The following are other examples you described:

"We have NO admin support of any kind. Post is never collected from our office and we rely on each other to take it over to Centenary House where there is no parking. There is no scanner in our office so that also involves a trip to Centenary House, which takes at least half an hour each time. But we must be a fast paced service that sees customers a.s.a.p.! They get letters and copies of reports up to a week late, which is a poor quality service for them."

“In my role as school governor I received poor advice from HR. It cost the school £25k. There was no come back from the authority.”

“In fostering and adoption the majority of staff have left. This has lost a serious amount of subject matter expert time. Sending requests to an email box does not work, as requests are not acted on. Letters have been delayed for up to a month so we risk losing potential adopters and have to place children outside the county, costing us £27,000 each time.”

“I have an IT call open for a year. The call has been repeatedly dropped in favour of more ‘important’ calls. It’s costing the council money because we’re paying for a piece of software and licences we cannot use.”

Complaints procedure

Any organisation providing a service will have a complaints procedure allowing it to learn from service failures, rectify them and keep customers happy.

As 532 serious service issues were reported, it was important to ask if you had lodged a formal complaint. In answer to the question: “Have you ever felt it necessary to make a complaint about any of the services listed previously?” only 12% (78 people) had done so, 54% had not, but 34% said they were simply not aware of any complaints procedure.

Of the 78 people who reported a complaint, we then asked them about their satisfaction with the outcome. Only 14% (11 people) were satisfied, 44% (34 people) were not, with 42% (33 people) partially satisfied.

These results contradict Capita’s claim on its website, where they say they can:

“...ensure (you) stand out from your competitors by helping (you) deliver great customer service - the key differentiator that distinguishes you from the crowd.”

These results should provide cause for concern as transparent and accessible feedback mechanisms should be a norm for any customer service.

SOME CUSTOMER COMMENTS ON THE COMPLAINTS PROCESS

“Once I’ve brought my concerns or issues to managers there is a knee jerk reaction to find solutions. But, in my experience they do not learn from the complaint or change their behaviour to reduce the risk of any further complaints.”

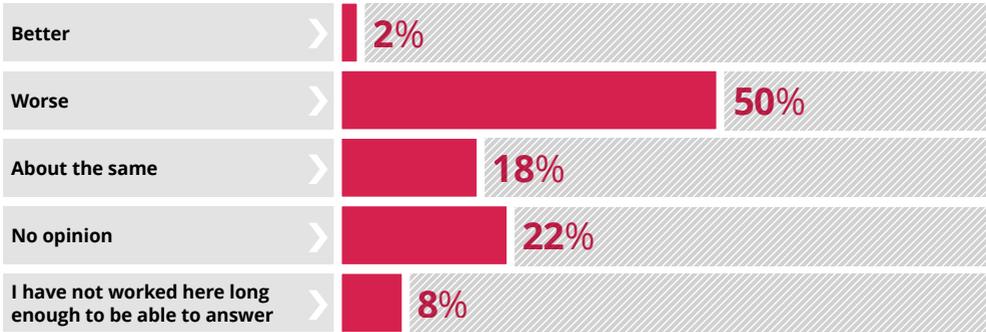
“The team manager answered the complaint by making a reverse complaint against my colleagues to protect his staff. It is pointless to use the service as Capita protects their staff at all costs. It ends up being a tit for tat system that is pointless and unprofessional to engage with.”

“I made a complaint via email to HR Customer Services - no one replied, I escalated it and no-one replied. I sent a summary email with the first and second complaint and no-one replied. I gave up!”

THE CUSTOMER SURVEY

Better or worse services?

Moving away from comments on individual services, we wanted to get a feel for your perception of services as a whole. So we asked the question: "Overall, do you think that Support Services have got better or worse since being outsourced?" This question was answered by 662 people. The table below shows your responses.



What does it mean?

The startling fact is that only 2% of staff felt services had improved since Capita took them over, with 50% telling us they had got worse. This is a very worrying response. Even after 2 years of operation, Capita services are perceived not to have improved. Indeed, for many they have become worse. This should send alarm bells ringing. If services are worse they are not saving money, but causing inefficiency and cost pressures elsewhere in WSCC.

We asked you to send in free text answers to support your responses. The level of detail you sent in was unusual in a survey of this type, suggesting you care deeply about this issue: enough to take considerable time to provide detailed answers. Some representative examples are on the next page.



“Much worse. Because we as a service now have little or no control over who we have sitting on our reception desk. I have heard it said that Capita are under no obligation to let us, the customer, know what they are doing when they take away our best receptionist. This is an appalling attitude and our public suffer as a consequence and so does our rating with our public.”

“Adult Service teams are having to use professional social workers and clinicians to complete admin tasks which were previously completed efficiently by admin time allocated to the team.”

“History has been forgotten - systems that the old IT Services took responsibility for years ago are now back being the responsibility of our business units as Capita has shirked any responsibility. We are no longer able to deal with some of these areas as we don't have the positions or the knowledge due to staff turnover.”



AN ADMIN CASE STUDY

Better or worse administration services?

“Admin support: we find that our admin team are constantly being ‘loaned’ to other services on a rota basis. This is despite us being assured we have a dedicated admin support team.”

“The result of this is that our level of service is currently being run at a less than effective level. Where we have an SLA for delivery of specific tasks, it's managed at the extreme end of the scaling. This means that work is rushed to be completed ‘just in the nick of time,’ resulting in errors and lack of attention to detail. It must be just as frustrating to the admin team as well as our customers and colleagues. Though we should be a proactive, customer-focused service, we end up delivering a reactive, barely good enough service, which is more than disappointing.”

THE CUSTOMER SURVEY



Compliments

It was important to give Capita employees and customers the opportunity to tell us when things were working well. Here is a collection of representative compliments.

Many of them were 'qualified' statements, for example: "x has given us good service in spite of problems with x." Most – but not all – compliments were directed at individuals who had been helpful, rather than at

services or Capita generally. This reinforces the view that Capita staff do their best, but are forced to work within a flawed system. Below are some examples you sent in.

“Reception staff at County Hall provide an excellent service, they do an excellent job. A variety of back-up people are roped in now, who vary, as naturally it takes a long time to get used to the wide variety of things you’ll come across on reception. I hope that the expertise of the regular staff is recognised as being due to continuity.”

“The staff we do have that are trained to support us are extremely efficient and understand the need for tasks to be completed in line with both statutory and non-statutory but published deadlines and are always willing to ‘go the extra mile’. However, they are frequently prevented from doing this as they are not allowed to do anything that isn’t on their ETL [essential task list].”

“There are some very helpful IT staff based at County Hall campus, who are very good at resolving a variety of problems. I also find that putting things on the IT portal tends to get them done in a reasonable period of time.”

THE EMPLOYEE SURVEY

Introduction

This survey was designed to measure the views of Capita employees providing the SSO contract services. We also gave you the opportunity to provide free-text evidence to support your answers.

In total, 154 employees completed the survey. 85 of them were UNISON members, with 67 non-union (2 did not state their status). Surprisingly, this means that 44% of you were not union members. This suggests a willingness and appetite from non-union members to share their views with us in an independent survey.

Employment origin

Employees were asked how they had joined Capita. The results are shown in the table below.

Direct recruitment	15% (23)
TUPE from WSCC	59% (107)
TUPE from SERCO	15% (23)
Agency (Temp) staff	1% (1)

We provide an analysis of some questions reflecting responses from those staff TUPEd from WSCC and those from SERCO on pages 20-21.

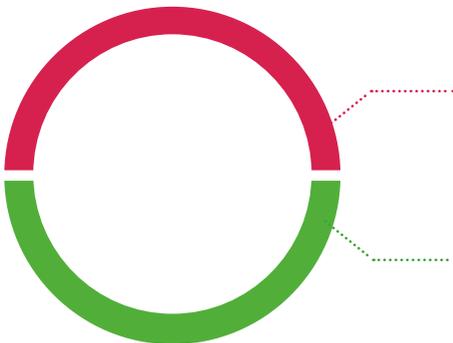
How to read the charts

The circular charts on the next few pages show **red** and **green** colour coding for each question asked, reflecting Capita's percentage performance rating as judged by their West Sussex employees.

We have combined the 'strongly disagree' and 'disagree' options to form an overall negative rating. The same is done for 'strongly agree' and 'agree' to give an overall positive rating. This is a standard research technique.

The charts show the percentages for combined positive and negative ratings only. Neutral percentages are shown in the tables above each set of circular diagrams.

The red and green sections of each chart are proportionate to the percentage score given for the combined options above.



The larger the red section, the more NEGATIVE the response.

The larger the green section, the more POSITIVE the response.

THE EMPLOYEE SURVEY

Working conditions

	I have a clear path for career achievement	I am given appropriate learning, training and development opportunities	I get regular supervision and guidance from my immediate manager	The technology I use in my job has improved over the past two years
Strongly agree	8%	9%	18%	12%
Agree	7%	30%	44%	35%
No opinion / neutral	20%	14%	10%	21%
Disagree	36%	31%	20%	16%
Strongly disagree	30%	17%	9%	17%

Headlines

“I have a clear path for career development.”



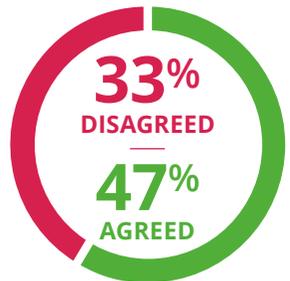
“I get regular supervision and guidance from my immediate manager.”



“I am given appropriate learning, training and development opportunities.”



“The technology I use in my job has improved over the past two years.”



What does it mean?

Two-thirds of employees told us they do not have a clear career path. With almost half saying they are not given appropriate learning opportunities, it suggests Capita has an inconsistent learning culture or patchy availability of learning opportunities.

A good way to develop and maintain staff is to make sure there are quality training and development programmes available. It shows an organisation is serious about fostering a 'learning culture'.

It's encouraging to see that almost two-thirds of employees have regular line management supervision, though still room for improvement. Throughout the survey, employees rated issues concerning their line manager much more positively than for Capita as a business (see page 15).

Less than half of you told us technology had improved in the past two years. One third thought it had not. This reinforces results shown on page 18, where one third of employees disagreed with the statement 'the technology I use in my work enables me

to be as productive as I believe I can be.'

It suggests there is still much room for technological improvements, especially as contracts such as SSO rely heavily on this to make savings.

“The IT issues – difficulties with systems and phone lines, plus the length of time it takes to log in of a morning – are frustrating. Being penalised for being a minute late, but being expected to provide minutes over if calls overrun, feels unfair.”

“I do not feel my immediate manager receives the support of the senior management who constantly use delaying tactics to avoid making decisions.”



THE EMPLOYEE SURVEY

Workplace culture

	I would feel comfortable voicing concerns to my immediate manager	My immediate manager handles employee problems well	I am valued by my immediate manager	I feel that I'm encouraged to be innovative at work
Strongly agree	23%	27%	23%	15%
Agree	46%	39%	40%	19%
No opinion / neutral	9%	14%	23%	29%
Disagree	14%	14%	12%	26%
Strongly disagree	8%	7%	3%	12%

Headlines

“I would feel comfortable voicing concerns to my immediate manager.”



“My immediate manager handles employee problems well.”



“I am valued by my immediate manager.”



“I feel encouraged to be innovative at work.”



What does it mean?

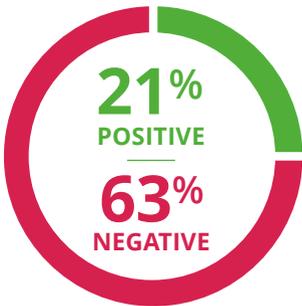
Responses reflecting on local line management are very much more positive than for Capita 'corporate' (see graphics below).

Two-thirds of employees positively responding to statements about line management is good to see. Examples of quotes about Capita 'corporate' are shown below.

Responses to innovation appear to be evenly spread over all choices (38% negative, 34% positive, 29% neutral). This could reflect a variety of practices in different Capita services. However, all staff should be encouraged to innovate if an organisation wants to continuously improve.

Comparing questions in other sections, we can see a huge difference in the way staff feel they are valued by different groups.

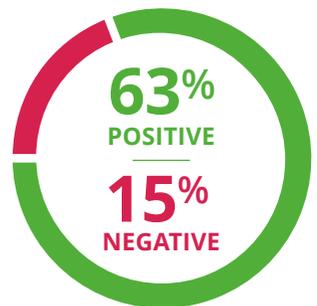
I feel valued by Capita



I feel valued by customers



I feel valued by my immediate manager



Some of your comments about Capita 'corporate'

"The culture is cold, distant and unsupportive. Sticking up stupid posters like 'empowering you to make decisions,' is unreal when they do entirely the opposite. There's even one that says 'Make it fun'. I have never seen a company do more to make my working environment less fun."

"The atmosphere of micro-managing and holding staff to account for every minute in the office has resulted in a workforce where experienced staff are leaving (notably back to WSCC on secondments or short-term contracts) and the remainder no longer have any commitment to work tasks or employer."



THE EMPLOYEE SURVEY

Satisfaction and motivation

	There is good morale in my workplace	I would advise a friend to apply for a job with Capita	I would like to be working for Capita in 5 years' time	I am motivated to make Capita succeed	I feel my work is valued by customers	I feel that my work is valued by Capita
Strongly agree	8%	8%	8%	9%	15%	8%
Agree	7%	11%	11%	15%	51%	13%
No opinion / neutral	16%	23%	24%	22%	14%	16%
Disagree	31%	23%	21%	30%	11%	36%
Strongly disagree	39%	36%	37%	24%	9%	27%

Headlines

“There is good morale in my workplace.”



“I would advise a friend to apply for a job with Capita.”



“I am motivated to make Capita succeed.”



“I feel my work is valued by the customer.”



What does it mean?

These questions produced the most negative results in the survey. Employees are clearly critical of Capita and many feel little loyalty to the company. Indeed, many do not even wish it to succeed. It contrasts with results showing much higher levels of support for their local line managers (see pages 14–15). Employees have clearly not ‘bought into’ what Capita represents or the way it does business.

Acute levels of low morale are a fundamental problem that should be tackled quickly. It seems that not only is morale low, but has worsened under Capita (see pages 20–21).

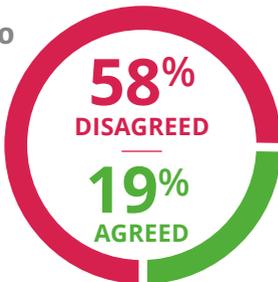
It’s worth noting that SERCO-transferred staff reported an 83% dissatisfaction level with morale. So it’s not just former WSCC staff who notice the difference in morale, as former SERCO employees also tell us the same story.

There are many reasons for staff not wanting to work for an organisation in 5 years’ time, but as almost 60% of staff would not recommend Capita as an employer to a friend, it suggests there is little long-term commitment to the company. This could cause recruitment problems, especially in a growing and increasingly competitive employment market.

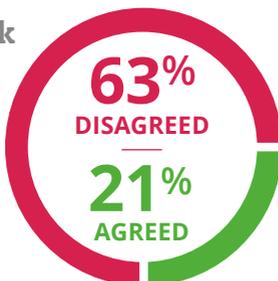
Two-thirds of employees feel customers value their work, yet almost two thirds also think Capita doesn’t. Employees who feel valued by their employer tend to be more loyal, committed, productive, positive and more likely to ‘go the extra mile’.

Any organisation receiving critical feedback such as this would be well advised to take time out to reflect on what’s going wrong and then work quickly to introduce counteractive measures.

“I would like to be working for Capita in five years’ time.”



“I feel my work is valued by Capita.”



“The constant requests to complete task-trackers, have work analysed by junior staff, explain work tasks umpteen times is de-motivating and demoralising. At the present time, immediate managers are under pressure from senior Capita staff to produce viable answers to problems of service delivery in several areas which are failing to meet contractual standards.”

(Survey respondent)

THE EMPLOYEE SURVEY

Working practices

	I feel I am able to deliver a good service to the customer	The technology I use in my work enables me to be as productive as I believe I can be
Strongly agree	16%	9%
Agree	45%	39%
No opinion / neutral	11%	19%
Disagree	21%	20%
Strongly disagree	7%	14%

Headlines

“I feel I am able to deliver a good service to the customer.”



“The technology I use in my work enables me to be as productive as I believe I can be.”



What does this mean?

Most Capita employees believe they provide a good service to customers. This supports the result on pages 16–17, where two-thirds of you tell us you feel valued by customers. It suggests there is a relatively good overall relationship between customers and Capita employees, contrasting markedly with perceptions of Capita 'corporate'.

Almost half of you told us you believed technology helped you to be as productive as you could be, but a third said it didn't, which is worrying. This could reflect more negative comments provided in other parts of the survey focusing on issues such as the level and effectiveness of IT support.



“The only reason I’ve scored slightly negatively here are because of limitations WSCC places on Capita. For example, we are locked down to ageing WSCC networked laptops. The KPIs WSCC set us seem counter-productive to delivering good customer service. They are a barrier in my way of delivering a good customer experience.”

“Due to the lack of motivation to work here anymore, I do not feel that the work I do is appreciated, as it seems at every opportunity the customer will try to pick us up on mistakes (however small or even not a mistake, they will just try to be difficult) and Capita managers do not back us up when we are told (not asked) to change processes, although this increases the amount of resource required to do the job. Scope for opportunities to do other interesting roles is slow due to lack of trained staff that are pulled off at a moment’s notice to other roles/ other offices and this impedes on service delivery.”

“The technology and access to data regarding my job has deteriorated since Capita were given the IT outsource contract. This is purely because they are unwilling to pay the supplier for support. The support is now supplied by a second rate company with less experience than we have ourselves. It’s cheaper though, and that’s all that Capita are concerned about.”

THE EMPLOYEE SURVEY

Staff transferred (TUPEd) from WSCC and SERCO

I feel that overall we are offering a better service to the customer under Capita

As an employee, I prefer working for Capita than WSCC/SERCO

Morale in my service is higher now than before I was TUPEd

I feel under more undue pressure at work than before I was TUPEd

I am trusted less in my job than before I was TUPEd

	WSCC	SERCO								
Strongly agree	8%	0%	9%	4%	8%	0%	22%	13%	22%	9%
Agree	11%	22%	7%	13%	3%	9%	34%	44%	23%	13%
No opinion / neutral	15%	17%	18%	26%	13%	9%	19%	22%	23%	52%
Disagree	24%	30%	17%	30%	30%	35%	12%	17%	20%	26%
Strongly disagree	41%	30%	50%	26%	46%	48%	13%	4%	12%	0%

Headlines

Morale in my service is higher now than before I was TUPEd



As an employee, I prefer working for Capita than WSCC/SERCO



I feel that overall we are offering a better service to the customer under Capita



What does this mean?

Both ex-WSCC and ex-SERCO employees were much more positive about their previous employers than Capita across these questions.

The biggest issue was Capita's negative impact on morale: not only is it worryingly low, but it has worsened considerably under their management. TUPEd staff are least satisfied with levels of morale: their response here is more negative than in any other question in the survey.

Both groups of staff felt there was more pressure working for Capita.

Work pressures and lack of trust may not necessarily be the main reasons for low morale. Feelings of insecurity during change and different styles of management and culture could equally have contributed to this. Free text responses (see opposite) show that for some people, these have been a factor in lowering morale.

Levels of feeling trusted differed between ex-SERCO and ex-WSCC employees. Over 50% of ex-SERCO staff expressed a neutral/no opinion option.

“Staff in Support Services are restricted to a very clear list of jobs they are expected to do. This does not help morale or develop an individual and keeps them very much stuck in the job they are doing with little opportunity of progression or promotion. They are despondent and not feeling valued.”

(Survey respondent)

“I am ashamed to say that I work for Capita - I always say WSCC instead. I feel that Capita has an awful reputation as an employer and everything I have experienced since the takeover has borne this out too.”

(Survey respondent)

... offering a better
... under Capita



30% agreed



30% agreed

I feel under more undue pressure
at work than before I was TUPEd



25% disagreed 56% agreed



21% disagreed 57% agreed

I am trusted less in my job
than before I was TUPEd



32% disagreed 45% agreed

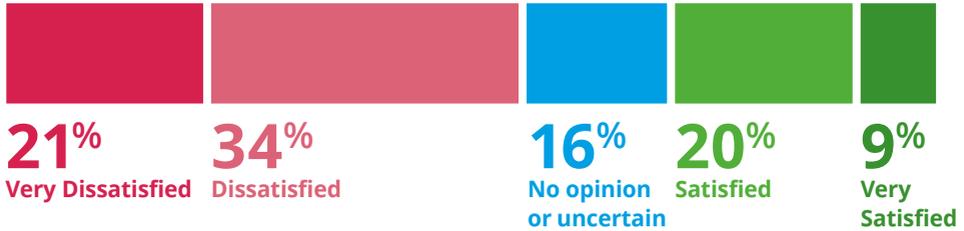


26% disagreed 22% agreed

THE EMPLOYEE SURVEY

Overall satisfaction with working life

Taking everything into account, how satisfied or dissatisfied are you with the quality of your working life?



Headlines

**WSSC
STAFF SURVEY
OCTOBER 2013**

“Overall, I am satisfied working for WSSC”



**CAPITA
STAFF SURVEY
JANUARY 2015**

“Taking everything into account, how satisfied or dissatisfied are you with the quality of your working life?”



This imperfect but useful comparator illustrates the reduction in working life satisfaction scores: a difference of 47% in just two years.

What does this mean?

The result does not present a picture of a healthy organisation – over half the workforce is not satisfied with working life. When comparing satisfaction scores between occupations it is clear that roles with a high level of intrinsic benefits in the workplace, such as a sense of choice, ability to progress and feeling that you can accomplish something of real value usually score higher.

Capita has a lot of work to do to improve the low satisfaction and motivation scores found in this research, and should start with reviewing the overall culture of the organisation.

A two-tier workforce?

The research tried to find out the impact of a ‘two-tier’ workforce by comparing specific examples of jobs and employees, and seeing if there were discrepancies in their pay and employment contracts. This could have an impact on overall satisfaction with working life.

It appears that salaries for administrator-type roles have fallen by around 10%, plus a reduction in other benefits (including

significantly reduced pension benefits), and with a longer working week.

A Capita administrator described how she was one of three in her team doing the same work. Each person was appointed on a different rate of pay and had received a different pay rise that year. This has led to her feeling demotivated and looking for work outside Capita.

Data analysis from the 2011 Workplace Employee Relations Study found that workplaces with less equal pay scales experienced higher levels of discontent and lower levels of employee well-being, with resulting increased levels of sickness and turnover.



“There are two types of employee in Capita; those who Capita has recruited, who are treated with respect and regard for their professional standing, and those who have been TUPeD across as part of an outsourcing contract; these are treated with disrespect and disregard for their professional standing as if they are the baggage that comes with the contract.” (Survey respondent)

THE EMPLOYEE SURVEY

Service improvements

The survey asked you to make suggestions to improve services operated by Capita. 60 people responded. Here are ten examples of your ideas.

- 1 "A more trusting relationship between Capita and WSCC on commercial issues would reduce the bureaucracy and increase productivity. For example, as a project manager, I must produce a statement of work detailing the costs of the smallest project before we start. This often takes longer than the project itself."
- 2 "WSCC should take the time to educate their middle and lower managers on what exact service they purchased from Capita. That would resolve a lot of the concerns and issues being experienced between both parties."
- 3 "[Capita] to become more aware of staff concerns, provide a service such as 'CoreCare' to staff to enable some of the stresses to be addressed."
- 4 "Admin need to be sitting with the teams they support. This saves a lot of time, allows us to better understand the work, improves communication and builds good rapport."
- 5 "Senior management, from both WSCC and Capita, should spend a bit more time listening to their staff. Amazingly, we do sometimes know what we are talking about!"
- 6 "There should be an online training programme available and a clear timetable arranged for new employees to learn the basics of their job, as well as more advanced courses to enable staff to gain greater expertise."
- 7 "Capita should invest, in my opinion, in updating their IT system (which is an in-house bespoke system) in order that it calculates pension entitlements accurately, at least in the majority of circumstances."
- 8 "Writing more process notes that cover all areas of work. Team building exercises to try and build stronger teams."
- 9 "I think there needs to be improvements to the KPIs which WSCC set Capita. They drive the wrong behaviours."
- 10 "A more flexible approach to genuine sickness/illness/ bereavement. In particular, where planned [medical] operations are needed, employees should not be in a position where they know they are going to be issued with a disciplinary. I think that is grossly unfair!"

Examining the SSO contract

The researcher asked 32 direct questions and 12 supplementary (44 in total) to Capita and WSCC senior managers, aiming to find out specific information on issues such as:

- payments and revenue;
- outsourcing assumptions and rationale;
- performance management and contract monitoring;
- the contract reset (see page 26); and
- Capita's own national survey of its staff.

Both organisations had two months to respond, but answers were either not

supplied or wholly inadequate. The researcher noted that, "the level of detail of responses was perhaps less than expected after negotiating access [to WSCC and Capita managers] and this was raised with WSCC."

Such lack of cooperation does little to dispel perceptions of a 'culture of secrecy'. The full report on our website (pages 25–33) provides more detail on the questions asked and responses received.

Did WSCC know what good performance would look like?

One of the main contract objectives at the procurement stage was, "to make savings of 20% against the cost of these services," described by the WSCC Head of Commercial Services as an "aggressive cost saving." The council wanted to get better 'value for money' and there was political will from most councillors to outsource some services. The contract value was £154m over 10 years. Capita was awarded the contract because it was the lowest cost bidder. It worked 'extremely quickly' to get new services running, perhaps at a pace WSCC was not ready for.

It was estimated that only 15% of the current KPI activity was actually measured

before outsourcing. In effect, WSCC had only previously collected information relevant to about 5 of the final number of KPIs (there are around 140 KPIs and PIs in the contract). Capita is penalised by 'service credits' if they do not perform well against these measures. It is therefore, in Capita's financial interests to meet the KPIs. However, when asked directly for a list of KPIs and PIs, no response was received.

Staff interviewed felt that WSCC was not in the right place for outsourcing services at the time because there was no appropriate performance management culture in place to be able to work effectively with an external supplier.

Some WSCC staff who worked on the KPIs, questioned afterwards whether the level of performance could actually be met.

"There is a lack of publicly available information at operational level to permit independent scrutiny of contract performance."

(From full report, page 101)



WIDER IMPLICATIONS

Contract reset

The research period coincided with discussions taking place between WSCC and Capita towards 'resetting' the contract. A paper presented to WSCC's Performance and Finance Select Committee in June 2015 noted that:

"...the Capita partnership is not presently enabled to work as effectively as it could and that further improvements would be sought in the quality of service delivery."

All major partnership activities are being reviewed in the reset, or as the full research report states:

"...it seems that the 'reset' for the partnership is like a form of relationship counselling... [it] will incur an as yet unspecified amount of additional costs, resources and specialist expertise."



Schools' Service Level Agreement (SLA) with Capita

Most school services formerly provided by WSCC (such as IT, HR, Payroll and 'OpenHive') were expected to be provided by Capita, but this has not been entirely successful. A West Sussex headteacher described the Capita IT service as:

"...an incredible mess, and it became obvious that WSCC didn't have a clear handle on its contracts."

WSSC's Chief Operating Officer had to apologise to schools for the disruption caused.

When 23 payroll staff were made redundant by Capita, there simply weren't enough people left to do the job well: there were serious capacity issues.

Though measures are being put in place by WSSC and Capita to try to improve the schools' relationship (which cost WSSC more money), a WSSC senior manager said they thought it unlikely Capita would retain the employment support services contract for schools.

As the CEO of a national consultancy said of the education sector's view of Capita:

“...they [Capita] overpromise on their bids with low unit costs. They don't resource projects they work on, it's the next quarter's results that matter and margin and targets. There are loopholes in the contracts which do not get picked up by procurement.”

Once Capita become established in an organisation, they are difficult to remove irrespective of their performance. This is due partly to systems they operate but also the size and nature of contracts held. These are usually long-term with the potential to grow.

Does the contract add ‘Social Value’?

‘Social Value’ is a term used in the Public Services (Social Value) 2012 Act. It asks public service commissioners to think about how they can make contracts give wider social, economic and environmental benefits to the local area. They must understand how their choice of supplier can provide the maximum benefit to a community beyond the direct purchasing of goods, services and outcomes. It is not just about a supplier making some kind of financial contribution to the local area but about making a ‘social impact’.

So how does the WSSC/Capita contract stand up to scrutiny on social value?

Though the contract pre-dates the Act, there is some consideration of social value within it. There is no detail about the volume and scale of activities, but the contract has examples such as: an employee volunteering programme; supporting young people and residents with learning difficulties; employing 12 apprentices; and supporting 8 work placement business admin students with a local college.

Offshoring

Though Capita has been encouraged to keep jobs in West Sussex, there are no formal contractual requirements to do so.

In June 2015, Capita was trying to relocate 5 of 11 IT jobs to their SAP delivery centre in Pune, India. At the time of writing, these proposals were suspended, in part due to UNISON intervention. Capita had already transferred 8 IT service

desk jobs to Derby in 2013, making WSSC staff redundant in the process.

Social Value will undoubtedly reduce if jobs are relocated elsewhere without some kind of ‘like-for-like’ deal taking place.

What is not known is the attempts that have been made to calculate the real social value beyond simply saying that the activities listed in the contract are complete. Initiatives such as an employee volunteer programme are welcome, but the damage done to social value from offshoring jobs far outweighs this.

WIDER IMPLICATIONS

Tensions in the WSCC/Capita contract

Is it a 'partnership'?

WSCC's commissioning strategy states that the council wants to operate a 'mixed economy' model to supply services. This means providing services in a variety of ways such as in-house provision, voluntary sector provision, outsourcing and other models such as social enterprises and staff mutuals. However, the contract with Capita also gives 'sufficient headroom' for more services to transfer into the contract.



WSCC and Capita call their working arrangement a 'partnership', yet when a supplier is contractually bound by service-level agreements to the commissioner, the relationship is actually that of a supplier/vendor and purchaser, not a partnership. This lack of clarity can lead to relationship tensions and a risk of failure.

Does WSCC allow fair access to bidders for its services?

There are strategic examples where Capita is given an unfair advantage over competitors when bidding to run services. One example is the 'Customer Experience Programme'

(CEP – being developed at the time of this research). The CEP could allow further services to be outsourced. However, during the development of the CEP, Capita provided 'subject matter experts' and other staff to help create a business case.

For Capita to be involved during this 'scoping' phase of the CEP is very confusing. The Capita director leading the work said it was because Capita was WSCC's "transformation partner." But is this not at odds with WSCC's own commissioning strategy? If the council is serious about creating a 'mixed economy' of service provision, how can one bidder have access to and be heavily involved in the development of the CEP before it goes out to the market? Other organisations are at an immediate and considerable disadvantage and the 'partnership' risks becoming a monopoly for one supplier: in this case Capita. Is this not a serious conflict of interest?

Not walking the walk

According to its website, Capita describes itself as, "the UK's leading provider of business process management and integrated professional support service solutions." Does the West Sussex experience tally with this?

There were many criticisms of Capita expressed in the two surveys and in interviews. One of the major concerns was the perception that Capita did not 'walk the walk'. Capita was viewed as highly skilled at writing bids and winning new business, but less good at delivery (see quote on page 27).

Once embedded in WSCC, they can 'upsell' their services and expand their influence.

From their perspective, maybe they need to do this because they are making a relatively small profit. Much of this comes from their heavily criticised absence management process, which is more punitive of staff, and reductions in terms and conditions.

Sickness and absence management

The research revealed a high level of dissatisfaction with Capita's sickness and absence management regime, where the punitive treatment of staff produced several highly critical free-text comments. Some examples are shown below. This policy does not reflect the good practice in place at WSCC.

“I know people have had issues about sick leave. I have not been off sick since being outsourced and this has made me feel worried about being off sick, especially long-term.”

“No understanding of disabilities within the sickness/absence management part of the Capita contract. You are treated poorly

and there is no use of discretion by management. Although they say that they believe any sickness or absence [you take], you are certainly not treated like they believe or understand you, even though I have an automatic qualifying disability under the Equality Act.”

“I feel I cannot be off sick because [Capita's] sickness policy is a constant stress of ‘will I lose my job?’”

“Everyone is terrified of being off sick so come into work when they are quite unwell. The Capita sickness absence policy has seen several colleagues taken down an extremely harsh disciplinary route after having consultant-approved time off to recover from serious operations and stress.”

The role of the union

The role of the union is to represent and support its members in both individual and formal collective negotiations. Early promises from Capita about involving the union quickly evaporated with a series of unannounced and 'poorly organised' redundancy consultations in 2013.

Capita takes a very different approach to union involvement compared to most of the

council's other third party providers. Formal cases brought by UNISON members in Capita have increased by 50% in two years.

The union does not consider the WSCC/Capita relationship to be a true partnership and sees itself, as the recognised representative of staff, as being excluded from that relationship.

CONCLUSIONS

What happens now?

The report made many recommendations. Here are 8 of the most important.



ACTION PLAN

CAPITA

- **Invest in staff**
Quickly find a way to show it genuinely values its greatest resource – the staff who work for it – by:
 - a. retaining experienced staff and using their expertise to help train new recruits effectively;
 - b. creating jobs within West Sussex to support the local economy (not offshoring);
 - c. giving greater autonomy to local managers, encouraging creativity; and
 - d. offering meaningful training and development programmes at all levels.
- **Model behaviours**
Examine itself and introduce management behaviours that positively impact on the current low level of staff morale.

WEST SUSSEX COUNTY COUNCIL

- **Challenge absence management**
Investigate the punitive sickness and absence management regime introduced by Capita and insist on changes based on WSCC HR best practice.
- **Know how savings are being made**
Understand whether the way savings are made is actually the best outcome for employees, customers and WSCC.
- **Redefine its relationship with Capita**
It's not a 'partnership', but a 10-year exclusive deal. It's a client/customer relationship and needs to be managed differently (see page 28). It must then get greater distance from Capita.
- **Not transfer more services**
WSCC should not agree to transfer more services into the contract until Capita can prove:
 - a. it is capable of providing good service;
 - b. it offers the best value for money to local residents; and
 - c. staff will be protected from unacceptable management practices.

BOTH CAPITA AND WSCC

- **Provide open data**
Make their performance data easily accessible and open to independent scrutiny, and improve governance to make the contract more accountable to councillors.
- **Involve the union**
Consider the union as a 'critical friend' and work together to create a workplace where staff feel valued, trusted and empowered. We explore this last recommendation in more detail on page 31 opposite.

So what is UNISON doing to improve things?

The report refers to the need for both Capita and WSCC to involve UNISON more closely in their working relationship as a 'critical friend'. In this way, actions could be taken before issues escalated to a level resulting in some of the negative feedback shown in our research.

Our survey has given us the information we needed to challenge both council and Capita managers in talks focused on the 'reset' of the contract. Capita needs to put its own house in order; but WSCC also has a role to set and enforce standards.

Below are just some of the requests we have recently made. We think these are good examples that illustrate 'involving the union'. These actions and others were put

by the union to councillors at the Staff Joint Committee on 9 July. A number of further meetings with key officers and councillors have been held with UNISON. We will meet monthly with Capita and WSCC from September to November to develop practical actions that can improve the service and staff experience. It is clear our research has had an impact. The signs are that all parties are committed to finding solutions.

Branch Secretary Dan Sartin will also be leading presentations on the research around the county to all members during September (see page 32).

Thanks once again for taking part in the survey. We hope you find this summary of results interesting and useful.

UNISON requests to WSCC

- 1** Measure 'staff morale' within Capita, and use it as an indicator of success.
- 2** Measure Capita's level of staff engagement, cultural buy-in and turnover rates.
- 3** Investigate Capita's approach to sickness and disability absence, and enforce WSCC's good practice standards.
- 4** Insist that Capita adhere to the ACAS codes of employment practice and 'model workplace'.
- 5** Remove or limit Capita's ability to move jobs outside West Sussex.
- 6** Introduce user-friendly and transparent complaints processes for all SSO services, to resolve issues and improve services.
- 7** Monitor reductions in Capita staff pay and terms and conditions of employment.
- 8** Work with Capita to design career pathways and credible training opportunities for employees.
- 9** Monitor and enforce contractual union recognition to prevent Capita from side-lining union members' views.
- 10** Take input from the union at annual or quarterly performance assessment meetings.

Capita research presentations

Branch Secretary Dan Sartin will be leading presentations on the Capita research findings.

- **Tuesday 15 September**, 12 to 1pm
Council Chamber, Chichester
- **Wednesday 16 September**, 12 to 1pm,
Council Chamber, Chichester
- **Wednesday 23 September**, 1 to 2pm
Conference Room 4, Centenary House,
Worthing
- **Thursday 24 September**, 12.30 to 1.30pm
Bodiam Room, County Hall North, Horsham
- **Friday 25 September**, 1 to 2pm
Conference Room 1, Durban House,
Bognor Regis
- **Wednesday 7 October**, 12.30 to 1.30pm
Longley Room, Crawley Library

All members welcome. No need to book.

GLOSSARY OF TERMS

CEO/COO: Chief Executive Officer, Chief Operating Officer.

CEPI: Customer Experience Programme.

FAS/WBA: Financial Adult Safeguarding/ Welfare Benefits Advice.

KPI and PI: 'Key Performance Indicator' and 'Performance Indicator'. Contractual targets agreed by both parties as measures of success.

OpenHive: Schools IT system.

OWTB: 'One Way to Buy' – the council's financial ordering and purchasing system.

SLA: Service-level agreement. Such agreements set expected standards and scope of service between two parties.

SSO: Support Services Outsourcing: the name of the contract between WSCC and Capita.

TUPE: Transfer of Undertakings, Protection of Employment – legislation protecting the rights of employees when their service is taken over by another organisation. 'TUPEd' refers to the actual transfer process.

WSCC: West Sussex County Council.



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Join UNISON! MEMBERSHIP FORM REQUEST

Complete and send to: UNISON West Sussex, County Hall, West Street, Chichester, PO19 1RQ.
You can also join online at: www.unisonwestsussex.org.uk/join

Name (PLEASE PRINT)	Email address
Workplace address	Home address

I would like more information on (please tick all that are relevant):

Joining the union

Becoming a rep