



Report subject	Future of the Stour Valley and Poole Revenues and Benefits Partnership
Meeting date	12 January 2022
Status	Public Report
Executive summary	<p>BCP Council currently works in partnership with Dorset Council to deliver Revenues and Benefit Services for four of the legacy Councils through the Stour Valley and Poole Partnership (SVPP).</p> <p>The Joint Committee for the SVPP has considered the future options for Revenues and Benefits service delivery and have recommended to each Council that they consider expanding the SVPP to provide a Pan-Dorset Partnership.</p> <p>For BCP Council, as the host partner Council, for SVPP expanding the Partnership would formally bring together the Revenues and Benefits services and deliver significant efficiencies whilst supporting the Council's transformation objectives</p> <p>Dorset Council's preferred direction is to end the SVPP and return its services to an in-house provision which would place a financial burden on BCP Council of stranded costs that cannot be mitigated.</p> <p>As there is not a consensus between partners an approach needs to be established for the future of BCP Council's Revenue and Benefits services.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <ul style="list-style-type: none"> a) Endorse, as BCP Council's preferred option, the recommendation of the SVPP Joint Committee to create a pan-Dorset partnership between BCP Council and Dorset Council for the delivery of Revenues and Benefits services. b) Accepting it is not BCP Councils desired direction of travel, acknowledge that Dorset Council agreed at their 7 December 2021 Cabinet to withdraw their services in respect of East Dorset and North Dorset residents from the SVPP. c) Only agree to an amicable dissolution of SVPP if agreement can be reached with Dorset Council around costs associated with the process. d) Delegate authority to the Chief Finance Officer in

	<p>consultation with the Leader, Finance & Transformation Portfolio Holder to negotiate the settlement associated with an amicable dissolution of the SVPP.</p> <p>e) Acknowledge that if an amicable dissolution cannot be agreed that Dorset Council will be required to formally give notice and be responsible for costs in line with the collaboration agreement.</p>
Reason for recommendations	To reach a decision on the future delivery of Revenues and Benefit Services for the Council.
Portfolio Holder(s):	Councillor Drew Mellor, Leader, Finance & Transformation
Corporate Director	Adam Richens, Chief Finance Officer and S.151 Officer
Report Authors	Adam Richens, Chief Finance Officer and S.151 Officer Paul Hudson, Partnership Manager. SVPP
Wards	Council-wide
Classification	For Decision

Background

1. The Stour Valley and Poole Partnership (SVPP) currently delivers the revenues and benefits functions for the legacy Christchurch and Poole areas of the Council and the legacy East and North areas of Dorset Council. The SVPP & BCP Revenues and Benefit Services have worked under one management structure since 2018.
2. The SVPP governance is through a Joint Committee supported by Partnership Scrutiny Panel both equally represented by Councillors from BCP Council and Dorset Council.
3. It is recognised that for BCP Council and Dorset Council the current delivery methods for Revenues and Benefit services are fragmented. In January 2021 officers of both Councils and the SVPP were requested to produce documentation to support the proposal discussed by Chief Executives that 'Work to be undertaken on the option of an amicable separation'.
4. The SVPP Joint Committee at their meeting of 8 February 2021, agreed that the Partnership would produce an options report for consideration by Section 151 officers on the costs of ending the Partnership and a proposal for a Pan-Dorset Partnership being delivered through SVPP.
5. On the 25 October 2021 the SVPP Joint Committee considered an options report on the future delivery of Revenues and Benefits Services in Dorset and recommended that a Pan-Dorset Partnership, detailed as Option 3A be put forward to the Council's Executive Committees for consideration, when making their decisions.

6. Dorset Council Cabinet on the 7 December 2021 agreed to make the necessary arrangements to leave the SVPP and bring services in-house to be delivered by an expanded Dorset Council Revenues and Benefits Team.

Options for the delivery of Revenues and Benefit Services

7. There are three options for the future delivery of Revenues and Benefit Services for the Council.

Option 1: No change from existing service provision

8. This option represents the current service delivery model. All BCP Revenues and Benefit Services and the East and North (legacy council) areas of Dorset Council continue to be delivered by SVPP in partnership with BCP Revs & Bens Services (legacy Bournemouth area). All areas detailed as being under the management of the SVPP Partnership Manager.
9. The Partnership objectives it is felt can no longer be met and service provision has now reached the stage where the efficiencies of partnership working as SVPP alongside Dorset Council, in the current format, have been exhausted.
10. For BCP Council the 'transformation process' and 'smarter structures' has been placed on hold for Revenues and Benefit Services awaiting a decision on SVPP. This has meant BCP (Bournemouth) and SVPP structures have not been aligned. The Corporate Director for Transformation has advised that the option of 'no-change' cannot form part of future service delivery.
11. In summary, it is considered that this option is not deliverable in the long term, and the Partnership can no longer work to its objectives.

Option 2: Ending the SVPP amicably by BCP & Dorset Council

12. In accordance with the Collaboration Agreement of April 2014 (and Deed of Variation in 2019) any participating Council in the Partnership may give notice 'of a duration of not less than 12 months to expire on 31 March in any year. The proposed date for ending the Partnership is 31 March 2023.
13. Human Resources have advised that for this option, staff employed by SVPP (through BCP Council) would not be subject to TUPE as their roles are assessed as being primarily carrying out work for BCP Council.
14. It has been established that if the council as host is prepared to retain all SVPP staff to create a single BCP Revenues and Benefit Service, through vacancy control and the use of temporary contracts the impact upon staff can be fully mitigated other than at management level.
15. Dorset Council consider this option would enable them to deliver £0.7 million of annual savings by creating their own single and in-house Revenues and Benefit Service
16. It has been identified, as detailed in Appendix A, that ending the SVPP amicably will leave BCP Council with on-going stranded costs of £0.465 million.
17. This option is not considered appropriate for BCP council as it increases the cost base of the service which will need to be recovered from other services.

Option 3: SVPP to expand to provide the 'Pan-Dorset' Partnership

18. Currently SVPP though the Partnership Manager is responsible for the BCP Council databases for Revenues and Benefits and the legacy 'East and North' area databases of Dorset Council. Through this 'partnership arrangement' almost 70% of all council tax properties in Dorset are administered.
19. This proposal is for the two existing 'Participating Councils' of SVPP to formally place their 'remaining services' within the Partnership. This being the legacy 'Bournemouth area' for BCP Council and the legacy 'Purbeck, West & Weymouth' areas for Dorset Council.
20. Option 3A in Appendix A proposes that SVPP would work directly with both Councils customer access teams to deliver transformation. The Partnership to act as the enabling service (back-office) dealing with complex enquiries and processing accounts where not automated through BCP Council or Dorset Council customer transformation. The customers would consider they were dealing directly with each Council through their customer access teams.
21. This option would facilitate each council's digital transformation programme and provide savings and service improvements for residents.
22. It is estimated that annual savings of £0.441 million in the first year of the new partnership could be achieved rising to £0.772 million annually by the third year.
23. The SVPP Joint Committee considered this option was the most effective future delivery model for both Councils based upon the potential savings as detailed in the business case.

Summary of financial implications

24. Extending the Partnership as detailed as option 3A of the SVPP business case acknowledges investment in the customer services functions to support transformation and deliver the following savings from partnership working for the council to support the MTFP:

2023/24	£441,000
2024/25	£106,000
2025/26	£225,000
Total	£772,000

25. The Business Case identifies savings of approximately £0.772 million for BCP Council and £0.690 million as identified by Dorset Council. Overall, this would deliver efficiencies of approximately £1.4 million for taxpayers across Dorset.
26. Dorset Council have been advised that should they wish to exit the SVPP by an amicable process that BCP Council, as the host authority of the partnership would require Dorset Council to mitigate the stranded costs of £0.465 million each year for three years and to fund the potential redundancy costs of £0.270 million. Together this would require Dorset Council on the ending of the Partnership to make a one-off payment to the Council of £1.665 million.

Summary of legal implications

27. The SVPP governance is via the Collaboration Agreement signed in 2014 and adopted by the Partner Councils through a Deed of Variation in 2019.

28. The Collaboration Agreement details that formal notice must be of one financial year and the processes that should be followed.

Summary of human resources implications

29. If the SVPP were to expand as detailed in the Business Case, then through agreement the potential TUPE of staff from Dorset Council to BCP Council to join SVPP in a new structure would be required.
30. Ending the SVPP by an amicable process would allow BCP Council to retain all staff, other than where redundancy required to form the Councils Revenues and Benefits Service.
31. Should Dorset Council give formal notice in accordance with the Collaboration Agreement then this would create the need for clarification of the TUPE process for SVPP staff only as by way of the agreement approximately 34% of staff are funded by Dorset Council contributions. Should TUPE not apply then the process would need to be considered on how the SVPP workforce would be reduced accordingly to the BCP Council contribution. This process would be complex and time consuming with working parties needing to be established including union representation.

Summary of sustainability impact

32. There are no sustainability impacts from the recommendations in this report.

Summary of public health implications

33. There are no public health implications from the recommendations in this report.

Summary of equality implications

34. The EIA panel considered the screening document on 21 October. They recommended that further details on staffing be included and impact based upon gender and working patterns.
35. The EIA screening document acknowledges that for 'BCP Council ending the partnership will see no changes than currently operated for customers / users.

Summary of risk assessment

36. The risk assessment process for the SVPP is reviewed by the Partnership Scrutiny Panel and Joint Committee.
37. Members of Scrutiny Panel have requested a full risk assessment be presented to their next meeting to assess all risks based upon the decision of each council.

Background papers

Report to SVPP Joint Committee 25 October 2021 – The future delivery of Revenues and Benefits Services in Dorset

Please contact paul.hudson@bcpcouncil.gov.uk for details.

Appendices

Appendix A: Budget Data 2021/22 BCP Impact