

STOUR VALLEY AND POOLE PARTNERSHIP SCRUTINY PANEL

2021/22
Performance and
Budget Review

Date of Meeting: 18 May 2022
Lead Member: Not Applicable – SVPP Scrutiny Panel
Lead Officer: Paul Hudson. Partnership Manager SVPP

Executive Summary:

To review the budget and performance of the Stour Valley and Poole Partnership (SVPP) for the 2021/2022 financial year.

Equalities Impact Assessment:

Not Applicable to this report

Budget:

Operating Budget for SVPP for 2021/22 £4,951,000

Risk Assessment:

Not Applicable to this report

Other Implications:

Not Applicable to this report

Recommendation:

That members:

- (a) note and comment on the performance and budget of the SVPP
- (b) support the proposal by SVPP Board that the underspend for 2021/22 year be returned to the Partner Councils in line with cost share agreement
- (c) receive a report at the next meeting which reviews telephony services and request that the BCP Director of Customer Services and Business Delivery or their representative attend the next meeting to support this process

Reason for Recommendation:

To review, and note for SVPP Joint Committee, performance of the Partnership to its budget and performance targets.

Appendices:

A: Budget Report 2021/22

Background Papers:**Officer Contact:**

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1. BACKGROUND

- 1.1. Performance and Budget monitoring is a role of the Scrutiny Panel on behalf of Joint Committee.
- 1.2. This report provides a summary of the position for the 2021/22 year for review by members.
- 1.3. The Partnership's delivery of services has been and continues to be impacted in the year by Covid 19 measures and additional responsibilities placed upon the service by Government to provide support to residents and businesses.
- 1.4. The Partnership and the BCP Customer Services (SVPP CAT) have through the year been impacted by staffing shortages and the need to prioritise Business Grants and Test & Trace support as required by Government.

2. PERFORMANCE MONITORING

- 2.1. Data on the processing of new claims and changes in circumstances for Housing Benefit and Council Tax Support are extracted monthly.
- 2.2. Data on percentage of collected Council Tax and Business Rates is a local indicator which has been retained by the Partnership and is used by each Council & Precepting Authority for budget setting purposes. The indicator is in respect of "in-year collection".
- 2.3. SVPP deliver services for the Christchurch and Poole areas of BCP Council and the East and North areas of Dorset Council. Performance of the SVPP, where available, is reported alongside the targets set by BCP Council and Dorset Council.
- 2.4. The way in which the Partnership delivers services has changed as each council now has their own methods of delivering services and SVPP no longer has aligned procedures or processes.
This change to process means staff in the Customer Access Teams and across SVPP must log into to two different versions of each system, one at BCP and the other at Dorset and process forms and accounts in the format required by each council.
- 2.5. The staff have demonstrated what a strong and resilient workforce they are and have supported the Partnership and both BCP and Dorset Council in every task requested of them.
- 2.6. As advised to members at the meeting of 9 March 2022, for the Dorset Council area the partnership can no longer review its performance for East & North areas individually as they form part of the combined Dorset Council database.
- 2.7. The 2021/22 year will be the last year for formal monitoring of SVPP performance as services will in 2022/23 transfer from SVPP to either BCP Council or Dorset Council and performance be monitored directly by each Council.

3. BENEFIT PERFORMANCE INDICATORS

- 3.1. The Benefits service has continued with the trend of working closely to target.
 3.2. Benefit processing performance for 2021/22 year was:

Average time taken (calendar days) to process a new claim

New Claims	2020/21 Year	2021/22 Year	Target
SVPP BCP	16 days	17 days	19 days
SVPP DC	17 days	Not Available	
BCP Council	*18 days	*15 days (Q3)	16 days
Dorset Council	*17 days	*22 days (Q3)	19 days

*DWP Data on speed of processing for each Council on housing benefit processing

Average time taken to process a change in circumstances

Changes	2020/21 Year	2021/22 Year	Target
SVPP BCP	4 days	6 days	10 days
SVPP DC	4 days	Not Available	
BCP Council	*5 days	*9 days (Q3)	6 days
Dorset Council	*3 days	*8 days (Q3)	7 days

*DWP Data on speed of processing for each Council on housing benefit processing

- 3.3. As Dorset Council now have one combined database, the Partnership no longer have data available from Dorset Council for East & North areas of SVPP.
 3.4. The Benefit Service has through 2021 processed claims and supported both Business Grants and Test and Trace payments for BCP Council.
 3.5. Whilst new burdens funding has been made available by Government to support these processes the Benefit Service have relied on external support from Capita to process changes as it has also seen a reduction in staff.
 3.6. The Service is not able to recruit experienced staff currently or devote resources to training new staff. External support has been exhausted and cannot be increased further.

4. COUNCIL TAX AND BUSINESS RATES COLLECTION

- 4.1. The 'in-year' collection rate target for SVPP is 98% of all Council Tax and Business Rates to be collected within the financial year. Prior to 2020 'overall collection' is estimated to be between 99% and 99.5%, but the service monitors in-year collection closely to ensure funds are collected in a timely manner for each Council.
 4.2. In March 2020 recovery and court action was suspended in line with the National Lockdown. In June 2021 the process of collecting outstanding accounts through the Courts was fully re-established. Many accounts have arrears for 2020/21 carried forward to 2021/22 and the service wherever possible continues to put in measures to support customers in making payments to bring accounts up to date over agreed periods of time. It is expected that it will take up to three years for collection rates to return to pre-pandemic levels.
 4.3. The extensive levels of Grants, Test & Trace payments and rebates have involved all areas of service delivery within Revenues and Collections.

Council Tax collected in Year

CTAX Collection	2019/20	2020/21	2021/22	Change 19/20 to 21/22
BCP Council	97.2%	95.1%	95.3%	-1.9%
SVPP BCP	97.6%	96.1%	96.8%	-0.8%
Dorset Council	97.9%	95.2%	96.0%	-1.9%
SVPP DC	98.3%	96.2%	Not Available	Not Available

- 4.4. Since the formation of the new Councils, it is now recognised that each Council should be reviewed in line with other Councils of the same size and demographic. For example, for BCP Council it is recognised as being one of the ten largest 'urban councils' in the Country.

In that context the average collection rate of the top 10 Urban Councils in 2020/21, following the impact of Covid19 was 93.0%, with BCP achieving 95.1%

Business Rates

- 4.5. For Business Rates the database was significantly changed by the awarding of Retail, Hospitality and Leisure relief for the 2020/21 and 2021/22 financial years. The reliefs awarded has significantly reduced the collectable debit for each Council.
- 4.6. The percentage of business rates to collect is therefore based upon the 'collectable debit' after reliefs. Although reduced balance to collect, due to the ongoing impact of COVID to businesses and the reduced ability to undertake recovery action due to ongoing relief and grant adjustments to accounts, there is still a significant impact on in year collection. The year has seen the teams constantly administering grants and reliefs alongside account processing requirements.

Percentage of Business Rates collected in year

Rate Collection	2019/20	2020/21	2021/22	Change 19/20 to 21/22
BCP Council	98.0%	90.7%	95.9%	-2.1%
SVPP BCP	98.3%	91.7%	96.9%	-1.4%
Dorset Council	98.0%	88.3%	93.2%	-4.8%
SVPP Dorset	98.2%	89.3%	Not Available	Not Available

- 4.7. Rate collection, similarly, to CTAX collection is expected to take three years to return to expected income levels.

5. ENFORCEMENT SERVICE

- 5.5. The Stour Valley Enforcement Agency (SVEA) provides the internal enforcement service for Council Tax and Business Rates for SVPP and from April 2018 for Bournemouth.
- 5.6. The service has been impacted since the beginning of the pandemic with Courts being closed, recovery action being suspended and the inability to carry out face-to-face visits. Throughout this year as in 2020/21 members of the team were allocated to support delivery of Covid-19 support and other service areas in the Partnership, for which staffing costs were met by the main SVPP budget.

- 5.7. The initial recommencement of face-to-face visits and enforcement work, saw some positive months with June and July 2021 seeing a 'catch up' of old prior to new ones being processed through the courts.
- 5.8. Suspension of recovery processes significantly impacts on the SVEA work and fee income. Various factors have meant that suspension of recovery processes has taken place during 2021/22, and at the time of writing this report remains in place for Dorset Council.
- 5.9. The objective of the service for 2021/22 was to achieve a 'break-even' position to cover operational costs and to continue to support delivery of Covid-19 support measures.
- 5.10. The SVEA for the 2021/22 have exceeded expectations and for the financial year have delivered a net surplus of £119,768.

Detail	Value (£)
Enforcement Service Costs 2021/22	324,527
Enforcement Fees Collected 2021/22	444,295
Outturn	119,768

- 5.11 These funds will be returned to both Councils based on service activity inclusive of the Bournemouth area for BCP Council.

This will see £105,414 passed to BCP Council and £14,355 passed to Dorset Council.

6. CUSTOMER ACCESS

- 6.1. The SVPP Customer Access Team in 2020 were, as part of BCP Customer Services department, brought together as one service in BCP Council. The SVPP Customer Access Manager was appointed as Head of Customer Service and all staff restructured in teams within the department.
- 6.2. This change means SVPP no longer have dedicated team of Customer Access staff but are now supported by all BCP Customer Services.
- 6.3. Currently we are aware from customer feedback that delays are being experienced.
- 6.4. As for all SVPP the Customer Access Team are operating with a reduced workforce.
- 6.5. At the last meeting of Scrutiny Panel the following details on call handling was presented:

Telephony Services

SVPP Telephone Demand	2017/18	2018/19	Nov 2021	Jan 2022	Target
Call Demand – Customer Access Team	140,023	128,660	8,964	9,138	To reduce calls
Call Demand – SVPP	68,396	65,040	2,555	2,767	
Total Call Demand	208,419	193,700	11,519	11,905	
Percentage Answered	96%	95%	85%	87%	85%

- 6.6. In April 2022 a review of call handling for BCP Council Corporate Management Board detailed performance outcomes for the Revenues and Benefit Services,

being SVPP CAT and BCP (Bmth) which detailed for the period from October 2021 to March 2022 that 41,243 calls entered the telephony system of which 29,364 were answered. This represents an answer rate of 71%.

The details also identified a large number of 'overflow' calls which were unable to enter the telephony queue system.

- 6.7. Based upon this difference in information, and that the new data does not meet performance standards it is recommended that telephony services are in accordance with the role of Scrutiny Panel fully reviewed at the next meeting and the Service Director for CAT or their representative attend to help support the review.
- 6.8. The SVPP CAT do have their own budget area within the overall SVPP Budget. For 2021/22 the budget allocated was £860,695. The spend for the year was £621,218 resulting in an underspend of £239,477.
- 6.9. In context to performance of telephony services it should be noted that the SVPP CAT spend was only 72% of the budget.

7. BUDGET POSITION

- 7.1. The 2021/22 operational budget actually represents the final 'full service operational' year of SVPP. For 2022/23 the SVPP will be dissolved and throughout the year functions transferred to the Council partners.
- 7.2. The SVPP 2021/22 'Year 7' Budget set for the Partnership by Joint Committee was £4,951,000. This represented a year-on-year reduction in the cost of the service since its creation in 2014.
- 7.3. The outturn position of budget is:

Service Area	Total SVPP £	BCP Council	Dorset Council
SVPP Budget 2021/22	4,951,354	3,234,224	1,717,130
SVPP Outturn 2021/22	4,714,197	3,079,314	1,634,884
SVPP Underspend 2021/22	237,157	154,911	82,246
New Burdens Income to budget costs 2021/22	428,796	280,089	148,707
Total Underspend 2021/22	665,953	435,000	230,953

- 7.4. The SVPP Board (Section 151 officers) met on 10 May 2022 and approved the above year-end position of the budget. As the two Councils in the Partnership have agreed formally through the dissolution process that any underspends or overspends in 2022/23 will be met in line with cost share agreement it was considered the return of the 2021/22 underspends to each Council would be appropriate to support existing Council budgets in 2022/23.
- 7.5. The SVPP Reserves as of 31 March 2022 stands at £672,747 and Board have agreed that this reserve will, as detailed in the letter of agreement for the

dissolution of SVPP be duly held by BCP Council subject to the costs of any referenced redundancies within SVPP.

- 7.6. The SVPP on its formation in 2013/14 had an operational budget of £5,931,000. Since that date the Partnership has for every year delivered an underspend and for this 'final full year' of 2021/22 the operational budget spend (net of New Burdens) was £4,285,401. This represents a 27% reduction in service costs, being £1,645,599 from the 2013/14 position to the 2021/22 outturn.

8. **CONCLUSION**

- 8.1. The SVPP has carried out extensive support for Covid-19 for both Councils.
8.2. Telephony services will be reviewed at the next meeting.
8.3. The Partnership has delivered a considerable budget underspend which is proposed to be returned to the Partner Councils to support their 2022/23 budget positions.
8.4. The Partner Councils have agreed the dissolution of SVPP and a process to support the service in 2022/23.

Appendices

A: Year 7 2021/22 Budget Report

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