

Service Summary Sheet

Directorate	Finance and Legal		
Year	2022-23	Quarter	Quarter 3 (1 st October – 31 st December 2022)

Performance reporting for 4 key Directorate PI's

Service Improvement Priorities for 2022/23

- Develop the Budget and Medium-Term Financial Strategy, advising Members and Senior Management on addressing financial sustainability
- Implement the Government's Council Tax Energy Bills Rebate
- Implement Business Rates reliefs.
- Implement new Health and Safety management software
- Identify and implement efficiencies in the Procure to Pay cycle
- Prepare for the requirements of the Elections Act
- Improve the quality of asset valuations in the Statement of Accounts (working with Corporate Landlord).
- To further embed the council's Risk Management Framework and to identify sources of assurance on the management of risk, so that gaps in assurance can be identified.
- To launch Spectrum Risk and Spectrum Audit system modules and dashboards for risk management and for the monitoring of Audit Actions.

Benchmarking *with local authorities/nearest neighbours*

Please consider if a [*Delivering Better Outcomes proforma*](#) should be completed also.

PI.867 % Council Tax income collected

PI.868 % Business Rates income collected

Directorate Performance Measure (KPIs)			
PI	Actual	Target	SCORE
PI.867 % Council Tax income collected	83.2%	82%	★
PI.868 % Business Rates income collected	84.6%	80%	★

Council Tax collected:

Dudley	83.2
Walsall	75.1
Sandwell	78.6
Warwick	83.5
Wolverhampton	77.0
Solihull	84.4
Birmingham	73.8
Telford	80.8
Coventry	81.3

Business Rates collected:

Dudley	84.6
Walsall	83.6
Sandwell	81.7
Warwick	77.8
Wolverhampton	81.1
Solihull	82.4
Birmingham	76.0
Telford	82.6
Coventry	84.2

Q3 was a poor Quarter but the trend from Q1 to Q3 is one of improvement.

The length of a public law care case remains 80% longer than 26 weeks, which ties up both legal and social work resources, and effectively, doubles case loads. This is both a contributory factor to difficult R&R and has now become part of cycle. The positive news is that the number of new issues cases has decreased which has eased the pressure on the legal team (combined with 16 cases being outsourced).

The pre proceedings protocol is being relaunched this 16th January with an emphasis to all that the court cannot micro manage cases. The LFJB had has a focus and performance day in November 2022, including judiciary, on how to work more effectively and achieve 26 weeks.

PI 1403 Unqualified External Audit Opinion on Financial Statement of Accounts (Annual PI)

Statement of Accounts sign off 2020/21 was delayed due to re-evaluation of Property, Plant and Equipment. An updated 2020/21 Audit Findings Report is being taken to A&S 23rd January 2023 which refers to the Statutory Override in relation to valuing Infrastructure assets and recent changes to Pensions and Appeals against Business Rates. None of these changes have an impact on the Councils usable reserves as at 31.3.22 and therefore we anticipate an Unqualified Audit Opinion. The 2021/22 accounts are currently being audited and an update will be taken to Audit & Standards Committee in February 2023.

PI.12 % of audit plan completed at key stages of the year

Corporate Performance Measure (KPIs)			
PI	Actual	Target	SCORE
PI.12 % of audit plan completed at key stages of the year	75%	72%	★

There is currently no benchmarking data available to measure against other local authorities.

Overview of service delivery

Include any issues / risks

- **Financial Services** support the Council and its directorates in setting the Budget and Medium-Term Financial Strategy, monitoring financial performance, preparing and liaising with External Audit on the Statement of Accounts and providing other financial advice and support. They coordinate the Council's cash-flows, loans and investments. They also arrange all insurances on behalf of the Council and maintain the Council's self-insurance fund.
- **Law and Governance** are headed by the Lead for Law and Governance who is the Council's Monitoring Officer. They provide legal advice and undertakes legal proceedings on behalf of all parts of the Council. Democratic Services support the formal decision-making processes of the Council, its Committees and Cabinet Members. The Health and Safety team provide corporate support to all directorates. The Elections team organise council, parliamentary and all other elections in which residents of the borough are eligible to vote.
- **Revenues and Benefits** are responsible for billing and recovery of Business Rates, Council Tax and Sundry Debts. They support low-income households by administering the Council Tax Reduction Scheme, Housing Benefits and Discretionary Housing Payments. During the Covid-19 pandemic they have had the additional responsibility of administering business grants and isolation payments. For 2022/23 they will also be responsible for implementing the Council Tax Energy Bills Rebate and now the application element of Household Support Fund.
- **Audit Services** provide an assurance function to the whole Council, lead against fraud and coordinate the management of risk.

- **Information Governance** advise all directorates on GDPR and Freedom of Information and coordinate the response to Subject Access and Freedom of Information requests.

Workforce metrics

Headcount & FTE as at 31/12/2022	Non Casual Headcount (FT and PT)	Non Casual FTE	Casual Headcount	Agency Headcount	Total Headcount
Finance and Legal	306	264.46	3	18	327

Ethnicity	%
Ethnic Minority Group	13.7%
Undisclosed/Prefer not to say	5.9%
White	80.4%

Staff turnover rate	%
2022-23 Q3	4.6%

Sickness days lost per FTE	Days
2022-23 Q3	5.1

Service achievements

Report of any external accreditation, awards, positive publicity, during the past quarter

- Council tax collection regularly achieves upper quartile performance compared to other metropolitan authorities.
- By the end of Q3 over 111k £150 Energy Support payments had been made, over 14k £150 payments had been credited to council tax accounts and over 24k £30 top-up payments made totalling nearly £20m.
- The Household Support Fund 3 (HSF3) application scheme started 22/11/22 and ended 13/1/23. Nearly 2,650 applications were received, resulting in over 2,500 awards (of either £150 or £250) being made. £397k of the £400k award budget was spent. The scheme assisted borough residents who demonstrated financial hardship due to the Cost of Living crisis. Applications were encouraged from residents who had not yet received any direct government assistance through other schemes, with such applicants receiving the higher level of financial assistance. We assessed applicants on their level of income and savings and asked them to tell us why they were struggling to meet their essential household bills. Quite a few sincere thank-yous were received following the awards. A stand-out case: A resident applied for an award. We realised our award wasn't sufficient to help her, so we contacted colleagues in Adult Social Care (in the week before Christmas) and hand delivered £60 food vouchers and organised a voucher to purchase a cooker. Demand was extremely high from the outset and we worked quickly to successfully award the majority of applications prior to Christmas, to provide that additional help when most needed. Worked closely with DMBC colleagues and 3rd party organisations to publicise this scheme widely across the borough. More funds (HSF4) may become available from April and it's possible another scheme will be launched then.
- A successful prosecution was brought against a former Head Teacher of a Dudley school who was accused of diverting school funds to his own bank account and receiving inappropriate uplifts in his salary. The total loss to the school was approximately £70,000. Sentencing took place on 21st December 2022 and he was handed a 2 ½ year custodial sentence, the outcome of the sentencing attracted a significant amount of media attention. The Council is now progressing a Proceeds of Crime Act investigation to recover all the losses sustained by the School along with the recovery of all investigation and legal costs.

Opportunities for improvement

Information relating to service complaints / compliments and learning from these

- As part of a benchmarking exercise the Council's Corporate Information Governance Team are having a virtual session with the respective Teams at Solihull MBC and Walsall MBC to discuss standard practice and procedures and share good practice and ideas. This will be held on Thursday 2nd March
- Engage with colleagues in Corporate Landlords to improve the quality of property valuations.
- The service relies on feedback from Councillors, Directorates and other key contacts to ensure that we can continue to provide responsive services and comply with legal obligations on the Council. Any complaints, comments or compliments are recorded on the council's corporate system and forwarded to relevant service managers. We are committed to continuous improvement within the constraints placed on the service and maintain regular contact with service Directorates to ensure that we can implement learning from experience and plan for future workload demands wherever possible
- Most improvements that can be made in Revenues and Benefits rely on new IT applications. We have not been able to assess and possibly take advantage of these in recent years due to continued lack of resources.
- An unfortunate reality however is that debt collection may prove to be a very challenging area post Covid and now with the Cost of Living crisis.
- Improve use of council facilities such as Digital Mail services.

Any additional information relating to performance

The Finance and Legal Directorate has a key role in ensuring that we are a dynamic and sustainable organisation capable of achieving the aims of the Council Plan and ultimately on realising its Future Council vision by 2030. In doing this, we face the particular challenges of our financial position.

Dudley MBC is a low-spending, low-taxing council. Dudley residents benefit from having the lowest rate of Council Tax in the West Midlands and one of the lowest in the country. However, the consequence of this is that we have around £15m per year less to spend on services than we would have if we charged an average level of Council Tax. We have a low level of reserves (enough at the beginning of 2020/21 to cover 17% of a year's expenditure – compared with 45% for the average council).

The financial position has been worsened by inflationary pressures and the Local Government pay award for 2022/23 has been settled at an average cost of 6.5% (compared to a budgeted 2%). The Local Government Finance Settlement 2023/24 and indications for funding in 2024/25 are better than expected. However, there is still significant economic uncertainty, a challenging pay and recruitment environment and risk on the delivery of savings proposals.

During the pandemic we had to divert significant resources to business grants and Covid isolation payments. We also saw an increase in numbers of Council Tax Reduction claimants although this is now starting to recover. Going forward, the increase in cost of living will be a significant challenge. Resources have been diverted to administer the Energy Support scheme and the applications element of the Housing Support Fund Round 3.