D281

Cabinet
13 February 2013

Recommendations of the Anglia Revenues and Benefits Partnership (ARP) Joint Committee: 13 December 2012 and 30 January 2013

Cabinet Member:	*Chairman of the Joint Committee:*
Cllr David Ray	*Cllr Robert Everitt*

(a) **Meeting: 13 December 2012**

1. **Partnership Budget 2013/2014 (Agenda Item 9)**

RECOMMENDED:

> *That, subject to the Borough Council's budget setting process, the 2013/2014 budget for the Anglia Revenues and Benefits Partnership (ARP) be shared as follows:*

Breckland Council	*34.76%*	*£1,912,716*
East Cambridge	*20.68%*	*£1,115,393*
Forest Heath	*16.80%*	*£ 952,184*
St Edmundsbury	*27.76%*	*£1,398,973*

For ease of reference, a summary of the 2013/2014 budget and future indicative budgets are attached as Appendix A to this report.

2. **Microsoft Licensing (Agenda Item 10)**

RECOMMENDED:

> *That, subject to the Borough Council's budget setting process for 2013/2014*
>
> *(1) a new methodology for future licensing refreshes be approved;*
>
> *(2) the amounts needed for the licence refresh be funded via contributions from the Partner Authorities; and*
>
> *(3) the option to purchase by annual subscription over three years, be approved.*

For ease of reference, the amounts requested from the Partner Authorities for the licence refresh is attached as Appendix B to this report.

3.   Business Rates Resourcing (Agenda Item 11)

RECOMMENDED:

That subject to the Borough Council's budget setting process for 2013/2014

(1)   the changes to the current legislation be noted; and

(2)   the proposed changes to the Business Rates Service be approved.

For ease of reference, the amounts requested from the Partner Authorities for increasing the establishment and associated costs of the business rates function, in order to help secure income levels under the new retained business rates scheme is attached as Appendix C to this report.

4.   Homeworking/Home Enabled Report (Agenda Item 12)

RECOMMENDED: That

(1)   changes to the Home Working Scheme be approved; and

(2)   the new Homeworking Policy be approved.

For ease of reference, the new Homeworking Policy/Home Enabled Scheme is attached as Appendix D to this report.

To inform of the background to each of the recommendations detailed in (1) to (4) above and of other matters considered by the Anglia Revenues and Benefits Joint Committee, the minutes of the meeting held on 13 December 2012 are attached as Appendix E.

A link to the full reports of the 13 December 2012 meeting are shown on Breckland Council's website, as follows:

http://democracy.breckland.gov.uk/documents/g2934/Public%20reports%20pack,%2013th-Dec-2012%2014.00,%20Anglia%20Revenues%20and%20Benefits%20Partnership%20Joint%20Committee.pdf?T=10

(b) Meeting: 30 January 2013

5. ARP ICT Support Service (Agenda Item 6)

> *RECOMMENDED:*
>
> ***That the legal agreement between the four Anglia Revenues and Benefits Partnership (ARP) partners be amended accordingly to reflect the change in ICT provision.***

For ease of reference and to provide background to the above recommendation, a copy of the full report that was considered by the Anglia Revenues and Benefits Joint Committee on 30 January 2013 is attached as Appendix F to this report. Each Partner Authority has been recommended to approve Recommendation (4).

To inform of the background of other matters considered by the Anglia Revenues and Benefits Joint Committee, such as the Strategic Review of the ARP, the draft minutes of the meeting held on 30 January 2013 **will follow** as Appendix G if prepared in time for this Cabinet meeting.

A link to the full reports of the 30 January 2013 meeting are shown on Breckland Council's website, as follows:

http://democracy.breckland.gov.uk/documents/g3181/Public%20reports%20pack,%2030th-Jan-2013%2014.00,%20Anglia%20Revenues%20and%20Benefits%20Partnership%20Joint%20Committee.pdf?T=10

W:\Democratic WP Services\Committee\Reports\Cabinet\2013\13.02.13\D281 Recommendations of the Anglia Revenues and Benefits Partnership - ARP Joint Committee 13 December 2012 and 30 January 2013.doc

- 3 -

		2012-13 Budget £	2013-14 Budget £	2014-15 Indicative Budget £	2015-16 Indicative Budget £
Employees		3,764,085	3,809,480	3,877,860	4,013,330
Premises		261,010	261,580	266,430	268,240
Transport		129,410	112,215	113,044	58,803
Supplies & Services		932,465	938,706	972,896	984,488
Support Services		516,307	506,427	496,677	497,097
Income		(270,436)	(248,660)	(236,660)	(236,660)
Total Partnership		**5,332,841**	**5,379,748**	**5,490,247**	**5,585,298**
Breckland Share	34.76%	1,984,777	1,912,761	1,951,171	1,984,210
East Cambridgeshire Share	20.68%	1,054,576	1,115,393	1,138,244	1,157,901
Forest Heath share	16.80%	982,707	952,621	971,184	987,153
St Edmundsbury Share	27.76%	1,310,781	1,398,973	1,429,648	1,456,034
Total Contributions	**100.00%**	**5,332,841**	**5,379,748**	**5,490,247**	**5,585,298**

Cost sharing by year was based on an agreed alternative share for 2012-13, reverting back to the share as per the partnership agreement from 2013-14 onwards

BRECKLAND COUNCIL PROFORMA B
(CAPITAL AND REVENUE BUDGETS)

FROM: Alison Chubbock (Accountancy Manager)

THIS PROFORMA PROVIDES THE FINANCIAL IMPLICATIONS IN RESPECT OF THE ATTACHED REPORT

REPORT: **Microsoft Licensing**
REPORT DATE: **13 December 2012**

	Year 1 2012-13	Year 2 2013-14	Year 3 2014-15	Year 4 2015-16
Annual Subscription				
Revenue	-	20,312	20,313	20,313
Total Revenue	**-**	**20,312**	**20,313**	**20,313**
Outright Purchase				
Capital	-	64,669	-	-
Total Capital	**-**	**64,669**	**-**	**-**

3 Year Total

		Considered by:	**Date:**
Annual Subscription	£60,938		
Outright Purchase	£64,669	ARP Joint Committee	13-12-12

Financial Services Comments

This report gives two options for purchasing Microsoft licences. If it is assumed that the licences will be refreshed on a 3 yearly basis, then the annual subscription option has a lower cost over the 3 years than outright purchase.

The annual subscription option would be revenue expenditure and is an additional cost over and above the proposed budget and will increase the costs of the partnership and the contributions from partner authorities by the amounts shown in the appendix to the report. If approval is given, these figures will need to be incorporated into the proposed budget.

The out-right purchase could be capital expenditure and would be a one off cost to each partner authority as detailed in the appendix to the report.

Financial Risk

The ARP Joint Committee currently benefits from Small Body accounting treatment, which results in lower external audit costs and reduced final accounts requirements. In order to continue benefiting from this treatment, gross expenditure/income must remain below the £6.5 million threshold level. This additional budget does not affect this treatment, with the gross expenditure for 2012-13 shown below.

	£
Proposed 2013-14 Budget	5,628,408
NNDR Resourcing report (if approved)	62,345
This report (annual subscription option)	20,313
Revised Gross Budget	**5,711,066**

This PB is valid for 3 months from PB date	If this PB is not longer required please advise Finance	If there are changes to the original report it may invalidate this document, it must be reviewed by Finance.
06/02/2013	Page 1 of 1	W:\Democratic WP Services\Committee\Reports\Cabinet\2013\13.02.13\D281 Recommendations of the Anglia Revenues and Benefits Partnership - ARP Joint Committee - Appendix B.doc

Enterprise Agreement Comparison

Desktop Software and CALS

Product	Note	SUB	Annual Pricing		
			Qty		Total
Enterprise Desktop CAL (Total Numbers of PCs/Thin Clients)	**Enterprise Desktop**	**£82.23**	150	£	12,334.50
Office Professional	Office Pro plus				
Windows	Win Pro w/ MDOP				
System Centre Configuration Manager Server Client ML	Enterprise CAL				
Windows Server - Device CAL					
Exchange Server Enterprise CAL - Device CAL					
Office SharePoint Server Standard CAL - Device CAL					
Windows Remote Desktop Server CAL (Per device)		**£13.71**	150	£	2,055.86
Server software					
Product					
Windows Server - Data Centre (Number of Hyper-V hosts)	Per Processor	**£390.24**	12	£	4,682.93
Exchange Server - Enterprise (Mail Store)	Per Server	**£657.47**	1	£	657.47
SQL Server Standard - Min 4 Cores per Instance	2 Core Pack	**£581.86**	1	£	581.86
	Annual Total			**£**	**20,312.61**
	3 Year Total			**£**	**60,937.83**

Buy Outright vs EA Sub

3 Year Total Cost of Ownership	£	60,937.83
6 Year Total Cost of Ownership	£	121,875.67
9 Year Total Cost of Ownership	£	182,813.50

BRECKLAND COUNCIL PROFORMA B
 (CAPITAL AND REVENUE BUDGETS)

FROM: Alison Chubbock (Accountancy Manager)

THIS PROFORMA PROVIDES THE FINANCIAL IMPLICATIONS IN RESPECT OF THE ATTACHED REPORT

REPORT: **Business Rates Resourcing 2013-14**
REPORT DATE: **13 December 2012**

	Year 1 2012-13	Year 2 2013-14	Year 3 2014-15	Year 4 2015-16	Year 5 2016-17
Revenue					
One off costs	-	£20,000	-	-	-
Ongoing costs	-	£42,345	£42,693	£43,573	£44,475
Breckland	-	(£21,671)	(£14,840)	(£15,146)	(£15,460)
East Cambs	-	(£12,893)	(£8,829)	(£9,011)	(£9,197)
Forest Heath	-	(£10,474)	(£7,172)	(£7,320)	(£7,472)
St Edmundsbury	-	(£17,307)	(£11,852)	(£12,096)	(£12,346)
Total	**-**	**Nil**	**Nil**	**Nil**	**Nil**

Funding required:		**Considered by:**	**Date:**
Year 1	£62,345	ARP Joint Committee	13-12-12

Financial Services Comments
This report requests approval to permanently increase the establishment and associated costs of the business rates function, in order to help secure income levels under the new retained business rates scheme.

This is an additional cost over and above the proposed budget and will increase the costs of the partnership and the contributions from partner authorities by the amounts shown in the table above. If approval is given, these figures will need to be incorporated into the proposed budget.

Financial Risk
The retained business rates scheme which is effective from 1 April 2013 passes a large amount of risks to local authorities (i.e. reduced collection rates, increased rate relief, valuation appeals) and the proposals in this report aim to mitigate some of these risks as much as possible by providing additional resource to carry out additional work.

The ARP Joint Committee currently benefits from Small Body accounting treatment, which results in lower external audit costs and reduced final accounts requirements. In order to continue benefiting from this treatment, gross expenditure/income must remain below the £6.5 million threshold level.
This additional budget does not affect this treatment, with the gross expenditure for 2012-13 shown below.

	£
Proposed 2013-14 Budget	5,628,408
This report	62,345
Revised Gross Budget	**5,690,753**

This PB is valid for 3 months from PB date	If this PB is not longer required please advise Finance	If there are changes to the original report it may invalidate this document, it must be reviewed by Finance.
06/02/2013	Page 1 of 1	W:\Democratic WP Services\Committee\Reports\Cabinet\2013\13.02.13\D281 Recommendations of the Anglia Revenues and Benefits Partnership - ARP Joint Committee - Appendix C.doc

Additional Business Resourcing 2013-14

One off Costs			Notes
Software Charges		£20,000	Building Module & Forecasting Software

Revenue costs			
Additional Staffing		£10,845	Increase in hours (0.4 Fte) for J Washer
Additional Staffing		£24,000	New Officer (Based on Mid Point Grade 10 + oncosts)
Stationary		£2,500	Additional Documentation eg Reminders, chasing letters etc
Telephones		£1,000	Additional call charges
Postages		£1,500	Increased costs of sending additional documentation
Software Maintenance		£2,500	Additional costs in respect of new modules

Total Cost		£62,345	

Partner Cost share	%	Cost	
Breckland Council	34.76%	£21,671	
East Cambs District Council	20.68%	£12,893	
Forest Heath District Council	16.80%	£10,474	
St Edmundsbury District Council	27.76%	£17,307	

The Anglia Revenues Partnership

Homeworking/Home Enabled Scheme Policy

Council Tax & Benefits Service
Author: Rod Urquhart   **11 October 2012**

Homeworking/Home Enabled Scheme Policy

DOCUMENT SPONSOR

Breckland - Rob Walker

Forest Heath – Liz Watts

East Cambs – Andrew Killington

St Edmundsbury – Liz Watts

DOCUMENT AUTHOR: Rod Urquhart
Anglia Revenues and Benefits Partnership

DATE: 11 October 2012
DOCUMENT APPROVED AT:-

Last Revision Date: New October 2012
Next Revision Date: October 2013

arp | theangliarevenuespartnership

HOMEWORKING/HOME-ENABLED SCHEME POLICY

1.   Introduction

The purpose of any homeworking or home enabled scheme is to improve conditions for employees and productivity to the organisation by providing flexibility in working practices meeting both the needs of the organisation and the individual.

It is recognised that as ARP expands, the business needs are changing and as such the policies that are in place need to be reviewed to help meet these needs.

The master of this document can be accessed in ARP Homeworking Policy Document Draft.doc

2.   Policy statement

Breckland Council, East Cambridgeshire District Council, Forest Heath District Council and St Edmundsbury Borough Council will work together as The Anglia Revenues Partnership (ARP) under authority of Section 101(b) of The Local Government Act and will provide development training to enable the partner Councils to meet their obligations as an employer.

This policy will be available to all internal and external stakeholders and will be on the Councils' websites www.breckland.gov.uk, www.forest-heath.gov.uk, www.eastcambs.gov.uk   www.stedmundsbury.gov.uk

3.   Who can work from home

All staff within the ARP can request to work from home where their service area allows this and provided that agreement has been sought from their line manager.

The exceptions to these will be:

a) Admin staff or Customer Services – As this service requires team members to be in the office to open post & deal with items received or deal with face to face enquiries home working is not allowed.

b) No Business Case – Where the business case cannot be justified i.e. the increase in productivity does not outweigh the costs of set up.

c) Insufficient room – Where the Officer does not have a designated working area at home.

d) Incompatibility – Some Officers may not wish to work on their own, preferring the company of their colleagues.

4. Overview of the scheme Homeworking

a) Time and Place of work

Homeworkers will be able to work the same hours as their office colleagues i.e. from 7:00 am until 7:00 pm and there are no core hours within this time span. There may be exceptions to this, subject to business need, however approval must be sought from the relevant line manager.

Homeworkers may agree hours locally with their line manager but regard must always be had for the constraints of IT availability and provision of the services to the customer.

The place of work will be in line with the Officers contractual arrangements.

b) Keeping in touch (Office days)

It is essential that homeworkers regularly attend the main offices so that they are kept up to date with current processes, legislative changes and ARP news. As such it is recommended that a full time Officer will come into the offices 8 days per month. This is at the discretion of the line manager, taking into account office cover and business requirements. The number of days will be adjusted for part time Officers in line with their pro rata hours worked.

The Partnership reserves the right to suspend homeworking arrangements during busy periods, such as end of year or in the event business continuity operation, in order to ensure continuation of service.

c) Suitability for Homeworking

The Partnership has a duty of care towards its Officers. As such, Officers requesting to be dedicated homeworkers will be required to undertake psychometric tests to assess their suitability to work from home, on their own and with only limited interaction with their colleagues. The tests will be undertaken with Managers from ARP and an Officer from the relevant, employing Authority's HR Team.

d) IT Equipment, Furniture & Broadband

The Partnership will provide the necessary IT Equipment to enable the Officer to work from home. It is the responsibility of the Officer to treat this equipment with care and ensure no damage is done. Any faulty equipment will be replaced, however damaged equipment may be replaced but the cost of replacement charged to the Officer.

It is the responsibility of the Officer to make a working space available in their home that meets the requirements set down in Health and Safety Legislation and that the workspace is free from background noise. It is also the responsibility of

the homeworker to provide a suitable working environment e.g. desk, chair and office sundries.

It is the responsibility of the Officer to ensure a broadband line is in place and fully functional. The cost of installing any broadband line is to be borne by the Officer. However an allowance may be paid to the Officer on a monthly basis, in line with the Inland Revenues Approved Rate (ILAR), this is currently £2 per week, subject to the Partner Authority's approval.

e) Termination of Employment

All equipment is to be returned to the Partnership prior to the Officer leaving the organisation. The cost of any damaged or missing equipment may be charged to the Officer.

f) Systems Downtime

In the event of Systems downtime the following protocols will be invoked.

- Planned System Downtime
  The Officer will be advised in good time and the Officer can either come into the office or request leave / flexi, at the line manager's discretion.

- Unplanned System Downtime
  ICT and the Officer's line manager must be contacted in all cases. Where the downtime is less than 1 hour there will be no deduction from the Officer's time sheet. If the downtime is greater than 1 hour or there is a total system failure then the Officer must contact their line manager to discuss the options available.

g) Termination of Homeworking

An Officer may at any time request that they are office based. The procedure for returning the IT Equipment, as shown in 4(e) is then followed. Alternatively if the Partnership feels that the homeworking solution is not working then it will call the Officer in and discuss the options available.

5. Overview of the scheme Home enabled workers

a) Time and Place of work

Home enabled workers will be able to work the same hours as their colleagues i.e. from 7:00 am until 7:00 pm and there are no core hours within this time span. There may be exceptions to this, subject to business need, however approval must be sought from the relevant line manager.

Home enabled workers must agree home working days with their line manager but regard must always be had for the constraints of IT availability and provision of the services to the customer.

It is essential that a dedicated office space is available that meet health and safety regulations requirements. Additionally this office space should be free from background noise of any kind.

The place of work will be in line with the Officers contractual arrangements.

b) Suitability for Home enabled working

The Partnership has a duty of care to its Officers well being, as such psychometric tests may be undertaken for Officers requesting to be home enabled. This test will assess the suitability of the Officer to work from home, on their own and with only limited interaction with their colleagues. The tests will be undertaken with Managers from ARP and an Officer from the relevant, employing Authority's HR Team.

c) IT Equipment, Furniture & Broadband

The Partnership will provide the necessary IT Equipment to enable the Officer to work from home. It is the responsibility of the Officer to treat this equipment with care and ensure no damage is done. Any faulty equipment will be replaced, however damaged equipment may be replaced but the cost of replacement charged to the Officer.

It is the responsibility of the Officer to make a working space available in their home that meets the requirements set down in Health and Safety Legislation and that the workspace is free from background noise. It is also the responsibility of the homeworker to provide a suitable working environment e.g. desk, chair and office sundries.

It is the responsibility of the Officer to ensure a broadband line is in place and fully functional. The cost of installing any broadband line is to be borne by the Officer.

d) Termination of Employment

All equipment is to be returned to the Partnership prior to the Officer leaving the organisation. The cost of any damaged or missing equipment may be charged to the Officer.

e) Systems Downtime

In the event of Systems downtime the following protocols will be invoked.

- Planned System Downtime
  The Officer will be advised in good time and the Officer can either come into the office or request leave / flexi, at the line manager's discretion.

- Unplanned System Downtime
  ICT and the Officer's line manager must be contacted in all cases. Where the downtime is less than 1 hour there will be no deduction from the Officer's time sheet. If the downtime is greater than 1 hour or there is a

total system failure then the Officer must contact their line manager to discuss the options available.

f) Termination of Home enabled working

An Officer may at any time request that they are no longer home enabled. The procedure for returning the IT Equipment, as shown in 5(d) is then followed. Alternatively if the Partnership feels that the home enabled solution is not working then it will call the Officer in and discuss the options available.

6. Abuse of the Scheme

Should employees be found to be in breach of the principals and operating instructions described within this policy, disciplinary action may be taken. With the exceptions of specific abuses, which constitute gross misconduct, employees who abuse the system can be withdrawn from the scheme and put back to being office based, as advised by HR and in consideration of the circumstances. The following action constitutes gross misconduct:

• Deliberately damaging Homeworking Equipment

This list is not exhaustive and in addition there may be other offences of a similar gravity that would be considered to constitute gross misconduct.

7. Equality

ARP is committed to equality of opportunity and valuing diversity in both the provision of services and in its role as a major employer.

We believe that everyone has the right to be treated with dignity and respect.

We are committed to the elimination of unfair and unlawful discrimination in all our policies, procedures and practises.

We are determined to ensure that no member of the public, employee or job applicant receives less favourable treatment on the grounds of their age, child care or other caring responsibilities, disability, gender, HIV status, language, marital status, race, religion, sexuality, membership or non-membership of a trade union, or by any requirement which cannot be shown to be justifiable.

Author	Rod Urquhart
Review Date	
Next Review	October 2013
Document Version	Draft 1.0
Document Location	G Drive Policy - Policies 2012

REVISION HISTORY

	Description	Date	Author(s)
1.0	Original Policy	11 Oct 2012	Rod Urquhart
1.1	Amendments made from OIB	30 Nov 2012	Rod Urquhart

W:\Democratic WP Services\Committee\Reports\Cabinet\2013\13.02.13\D281 Recommendations of the Anglia Revenues and Benefits Partnership - ARP Joint Committee - Appendix D.doc

BRECKLAND COUNCIL
FOREST HEATH DISTRICT COUNCIL
EAST CAMBRIDGESHIRE DISTRICT COUNCIL
ST EDMUNDSBURY BOROUGH COUNCIL

At a Meeting of the
ANGLIA REVENUES AND BENEFITS PARTNERSHIP JOINT COMMITTEE

Held on Thursday, 13 December 2012 at 2.00 pm in the
Level 5 Meeting Room, Breckland House, St Nicholas Street Thetford IP24 1BT

PRESENT

Mr D Ambrose Smith	Mr R. Everitt (Chairman)
Mr P.D. Claussen	Mr R Millar
Mr S. Edwards (Vice-Chairman)	Mr W.H.C. Smith

In Attendance

Lucy Burt	-	Fraud & Visits Team Manager
Mark Finch	-	Assistant Director of Finance
Ian Gallin	-	Joint Chief Executive - Forest Heath District Council & St Edmundsbury Borough Council
Sharon Jones	-	Head of Shared Service (ARP)
Andrew Killington	-	Deputy Chief Executive, East Cambs District Council
Rod Urquhart	-	Operations Manager (Support and Fraud)
Robert Walker	-	Assistant Director of Commissioning
Liz Watts	-	Chief Finance Officer
Helen McAleer	-	Senior Committee Officer

Action By

58/12 MINUTES (AGENDA ITEM 1)

It was noted that in Minute No 47/12 the name of Jim Paice, Member of Parliament for Cambridge, had been mis-spelt twice.

Subject to those amendments the Minutes of the meeting held on 13 September 2012 were confirmed as a correct record and signed by the Chairman.

59/12 APOLOGIES (AGENDA ITEM 2)

Apologies for absence had been received from Mr Peter Moakes.

60/12 DECLARATIONS (AGENDA ITEM 4)

The Chairman's standing declaration with regard to his association with Havebury Housing Association was noted. No other declarations were made.

61/12 THE FUTURE OF THE ARP (AGENDA ITEM 5)

The Chairman welcomed Eric Bohl to the meeting.

Mr Bohl was grateful for the opportunity to speak to the Committee about the Strategic Review. He gave a presentation of his initial

findings and sought guidance from Members on which areas to focus his future work.

Following frank and useful telephone conversations with some Members he had been able to note some areas of strong agreement. There were also areas of difference, mainly concerning the growth of the scope of services offered by the ARP and the optimum number of Partners.

In the wider context there were financial pressures affecting all Local Authorities and complexity and uncertainty regarding the new Reforms. If the required outcomes for ARP were made clear the correct service model could be evaluated.

The priority outcomes highlighted so far were:

- Resilience, stability and security
- Succession planning
- Providing a quality service to the public
- Reducing the net cost of the ARP

Views were sought on whether the ARP wanted to grow, consolidate or aim somewhere between those two.

The Chairman encouraged all Members and Officers to voice their opinions.

The Shared Services Manager was concerned that the ARP could not necessarily meet Members' ambitions in a shrinking market. Other authorities were looking for ways to reduce costs and might be willing to work with the ARP to create a hub. That might reduce costs but would not create income.

Outside of Revenues and Benefits there might be opportunities for growth but if the ARP provided a different service to each Partner that would increase costs.

The Operations Manager agreed with the need for resilience and reduced costs but urged everyone to be aware of the changes coming, starting in April 2013. There were a number of synergies with other core services, such as Sundry Debts which each authority collected slightly differently and which the ARP might be able to undertake on their behalf. Other areas that could be looked at included those with synergies with the work undertaken by the ARP, an example could be Licensing and Fraud Officers.

It was acknowledged that each Partner Authority had a different level of delegation with regard to some areas such as Write Offs. A change to Standing Orders could result in some 'quick wins' by making some processes more efficient. Standardisation would make the ARP more efficient.

The Chief Executive for FHDC & SEBC asked for a list to be provided by the Shared Services Manager of the small things that could be done to increase efficiencies, so that they could be done straight away. With regard to the Review he suggested that ARP might look at involvement with Upper Tier Authorities to increase income. He questioned the relationship with customers and wondered if that might hinder savings and he asked what capacity and appetite there was for risk.

Following comments from both Members and Officers Mr Bohl thought that the importance of flexibility should be added to the list of outcomes. He also thought that the issue of growth needed to be explored further. With the introduction of Universal Credit there would be an increasingly competitive market place.

The Deputy Chief Executive, (ECDC) thought that a lot of the outcomes were interrelated. He cautioned against trying to deliver too much at once and said that the Review needed to be tied down to workable options.

Mr Bohl moved on to present a summary of the range of delivery vehicles available.

After Members had discussed the options the Chairman noted that he did not want to lose sight of what they had set out to achieve with the Review. He was happy with the way the ARP operated currently and wanted to stick with that and then look at options for the future.

Members agreed that they needed options which gave the flexibility to achieve what they wanted. They suggested that those options should include ways to address the different terms and conditions of staff.

The Assistant Director of Commissioning (BDC) said that the issues of what was not working now needed to be addressed and then a range of models and opportunities should be provided for Members to decide which would deliver most in the best way.

Mr Bohl agreed and said that his evaluation would take account of the priority outcomes and how future developments might affect them. He thanked Members for the information provided which would allow him to move on to Phase 2 of the Review.

The Chairman thanked Mr Bohl for his presentation and looked forward to receiving his report in January.

62/12 FRAUD (STANDING ITEM) (AGENDA ITEM 6)

The Chairman thanked the Fraud & Visits Team Manager for an exceedingly good and well laid out report.

The Fraud & Visits Team Manager advised Members that Breckland

Action By

had had a slight increase in prosecutions which was down to their Policy. The drop in prosecutions for St Edmundsbury was the only significant change and was caused by them having a different way of working which took slightly longer to process. ARP used specialist external solicitors which led to prosecutions reaching court sooner. St Edmundsbury used their own internal solicitors; the time to get a case to court differed because of that.

The Director (SEBC & FH) said that she would speak to the SEBC legal department to review the position.

Appendix B showed the ARPs performance comparative to other Local Authorities. The data was taken from DWP figures and it could only be assumed that each authority was recording the same data. It was noted that South Norfolk seemed to be doing extremely well.

Appendix D was information on on-going significant cases (attached for information). The Communications Teams of all four authorities were informed when a case was going to court and efforts were made to get the press to report those cases.

The report was noted.

63/12 COUNTER FRAUD ACTIVITY REPORT (AGENDA ITEM 7)

The Fraud & Visits Team Manager presented the report which identified an opportunity to share information received through investigations with other departments. Examples were set out at Appendix B to the report. New data sharing arrangements were opening gateways. Approval was sought to allow the sharing of that information with others.

The Chairman asked the Fraud & Visits Team Manager to set up a system to enable information from the ARP to be shared with third parties and for them to share information with the ARP and to see what opportunities there might be and to report back to the Joint Committee.

Lucy Burt

64/12 PERFORMANCE REPORT (STANDING ITEM)(AGENDA ITEM 8)

(a)   Operational Performance

Performance figures for November were tabled.

The Operations Manager presented the report and noted that the NI 181 indicator for the number of days to process claims was consistently red across all authorities, but should be green by the end of December. The only other concern was the amber indicator for the collection of Business Rates in East Cambs and that was due to a number of large organisations opting to defer their payments. There were also a number of new properties that had been added to the list. The balance of payments had therefore

shifted, but he was confident that the target would be met. The figures were being closely monitored.

The Shared Services Manager noted that the October figures did not include bulk uploads.

The November figures were all green except for the NI 181 indicator. However, compared to the previous month the figures were coming down. The footnote highlighted the average time for turn-round. They were pushing hard to meet the target.

The Shared Services Manager drew attention to an article on the front page of the Inside Housing publication which referred to Breckland's issues with the Automated Transfer to Local Authorities Systems (ATLAS). She clarified that the item should have referred to ARP not Breckland and had been taken out of context.

The Shared Services Manager went on to note that Council Tax Benefit ended on 31 March 2013. After that time no subsidy would be paid to Local Authorities and so they were moving resources and working hard to secure as much subsidy as possible before then.

A report would be going to the Operational Improvement Board proposing a change to the way in which the Performance figures were presented to give the information in an easier format to understand.

With regard to the Key Achievements listed on page 11 the Chairman asked if the participation at a landlords' forum had been for Breckland only. He was advised that ARP staff had been involved in several such forums and were taking every opportunity to either organise or attend forums in all authorities to give advice about forthcoming changes to Benefits.

In response to a further question from the Chairman it was confirmed that the ICT for Suffolk Coastal and Waveney was still not in place but that a meeting was to be held on 14 December to work out the practicalities to allow that to happen.

Mr Edwards was delighted that the Forest Heath Council Tax Collection figures had been green for two months running in difficult circumstances and he thanked the Officers.

The Deputy Chief Executive (ECDC) noted that East Cambs collection figures were green for November, but that the money had not yet been paid. The Operations Manager said that they were confident that the money was collectible and they had an action plan in place. However he would be happy to set the indicator at amber for clarity.

Rod
Urquhart

The report was otherwise noted.

(b) Financial Performance

The Assistant Director of Finance (BDC) presented the financial performance figures which were similar to the previous quarter with a £56,000 under-spend expected at year end due to efficiencies achieved.

The work for the Trading Company had not been as good as previously resulting in reduced income but savings had been made on salaries.

The Chairman asked why the 'supplies and services' figure was so large and it was explained that the Capita charge for the Council Tax collection systems was a large element of that amount. It also included externalised printing costs and postage costs.

The Chairman requested a breakdown of each category to be provided to the next meeting to allow Members to look for reduced costs.

The Transport costs included the Appendix E payments (four years of additional travel allowance for new members of the team that had to travel further to work) and all other travel costs for field based officers.

The Shared Services Manager advised that Royal Mail were only used for incidental postage and the bulk of post was handled by a company that charged less. The ARP was also in the process of entering a procurement agreement with nine other authorities which would reduce costs.

The Assistant Director of Finance (BDC) agreed to send a detailed breakdown of all costs to Members.

Mark Finch

The Chairman asked how much it would cost if the ARP broke the 'Small Bodies' threshold of £6.5million and was advised that with the new Partners coming on board it was unlikely to happen, but the cost would be significantly higher if that threshold was breached. (Probably between £50-100,000).

The report was noted.

65/12 PARTNERSHIP BUDGET 2013-14 (AGENDA ITEM 9)

The Assistant Director of Finance (BDC) presented the Budget Summary for each authority and said that he would send detailed breakdown figures out to Members after the meeting.

Mark Finch

The Finance Officers had worked together to consolidate costs and he thanked them and the Shared Services and Operations Managers for their assistance. He was pleased to be able to present the budget

to the Joint Committee before Christmas.

RESOLVED to **RECOMMEND TO THE PARTNER COUNCILS** that the 2013-14 Budget for the ARP be shared as follows:

Breckland Council	34.76%	£1,912,716
East Cambridge	20.68%	£1,115,393
Forest Heath	16.80%	£ 952,184
St Edmundsbury	27.76%	£1,398,973

A Member sought confirmation that the figures could be revisited and were not set for four years. The Assistant Director for Finance (BDC) confirmed that there would be a full review and revised figures would be presented for the following year.

The Director (St Eds & FH) said that there had been an enormous amount of scrutiny of the figures by the S151 Officers.

The Deputy Chief Executive (E Cambs) noted that the LG Settlement was not yet known and could be crucial.

The Chairman congratulated the Officers for organising the budget figures so early.

66/12 **MICROSOFT LICENSING (AGENDA ITEM 10)**

The Operations Manager presented the report which sought approval to upgrade the Business Support software package as the existing system, Microsoft Office 2003, would no longer be supported from 2014.

He thanked the ICT Teams at Breckland and West Suffolk for their assistance with the comparative pricing set out in the Appendix table. A revised version of the table was provided as the one printed on the agenda was incomplete.

The ARP had previously bought and sweated an asset for as long as possible. However, the ICT Teams were suggesting that a Software Assurance scheme was the way forward, which would allow payment on an annual rental basis at a reduced cost (for a minimum of three years). Within that time the system could continue to be upgraded with the latest software versions at no additional cost and any increase or decrease in the number of licenses required would automatically be amended at the annual anniversary date, also reducing costs.

The change would take time to implement and Members were requested to recommend approval to the Partner Authorities for the amounts set out in the Proforma B attached to the report.

It was clarified that the money requested was in addition to the

annual budget.

Mr Millar raised various concerns about the costs of the new proposal in relation to the previous system which had provided nine years of usage from the investment made. He also thought that the new Microsoft system, Windows 8, was totally unsuitable for the ARP.

The Operations Manager clarified that the proposal was to move to Windows 7 and Office 2010 which were more fit for purpose.

In response to a suggestion that other software systems might be available the Chairman said that he did not think it was the time to integrate to a new system at a time when there were so many changes coming. He suggested that for the meantime it would be best to stick with the known system despite the extra cost and perhaps look to change in the future.

Mr Smith noted that the figures on page 98 in the budget and page 23 in the Proforma B did not match and the Assistant Director for Finance (BDC) agreed that they needed amending. The budget figures had been adjusted during the process of preparing the report. The lower figure was correct.

Mark Finch

It was further clarified that the £60,000 would be spread over three years equating to £20,000 per year.

> **RESOLVED** to **RECOMMEND TO THE PARTNER AUTHORITIES** that:
>
> (1)   a new methodology for future licensing refreshes be approved;
> (2)   the amounts needed for the licence refresh be funded via contributions from the Partner Authorities; and
> (3)   the option to purchase by annual subscription over three years be approved.

67/12 BUSINESS RATES RESOURCING (AGENDA ITEM 11)

The Operations Manager presented the report which updated Members on changes to the Local Business Rates Retention scheme which would take effect from 1 April 2013.

Under the current system there was no risk to the Local Authority. However, under the new scheme there would be a risk and reward approach with a 50/50 share between the District (40%), County (10%) and Central Government (50%). The Authority would not receive the same grants and from 2014 the Council Tax Support Scheme would be funded by Business Rates retention, Council Tax collection and charges, and so income had to be maximised where possible. The current service was lean and efficient and provided a 98+% collection rate. The number of staff involved did not have capacity to look for new businesses, encourage payment by those, or

to put those new details to the Valuation Officer Agency. It was therefore proposed to increase the number of Business Rates Officers by 1.6 to secure additional income and to pursue new cases to increase yield.

The Chairman thought the suggestion was very sensible in light of the changes to Business Rates and the Director (St Eds & FH) thought it was critical as, following the localisation of business rates, collection rates would be really material to each Council's budget.

Mr Smith raised the point that all authorities were having to streamline staff, leading to redundancies. He was concerned about approving additional money for the ARP. Mr Ambrose-Smith agreed.

The Shared Service Manager explained that the ARP had reduced total headcount by 13 staff when they expanded to include St Edmundsbury and a further three visiting officers during 2013. Employee related costs had reduced. They would not be asking for more staff unless they were really needed and the last time they had done so, for recovery of overpayments, it had led to cost savings.

With the changes to the Business Rates scheme it would be the first time that a Local Authority could appeal against non-payment and she could not stress how important that would be and the impact it would have on each authority.

The Vice-Chairman thought that it was vital to have the additional posts to protect income and generate more. He moved the recommendation.

Mr Smith asked why the posts had not been moved from previous redundancies and it was explained that the budget had already been adjusted to take that money out.

Mr Ambrose-Smith said that the Members were there to voice their opinions but they listened to the Officers and understood that staff were struggling.

> **RESOLVED** to **RECOMMEND TO THE PARTNER AUTHORITIES** that:
>
> (1)   the changes to the current legislation be noted; and
> (2)   the proposed changes to the Business Rates Service be approved.

68/12 HOME WORKING / HOME ENABLED REPORT (AGENDA ITEM 12)

The Operations Manager presented the report and advised that there were a number of different Policies and staff on different terms and conditions which were causing some concerns.

Action By

Homeworking would be maximised where there was a supporting business case and savings could be made. Further work was needed with the HR Teams to agree any BroadBand allowances. The scheme would be cost-neutral at worst, with possible savings.

RESOLVED to **RECOMMEND TO THE PARTNER AUTHORITIES** that:

(1)   changes to the Home Working Scheme be approved; and
(2)   the new Homeworking Policy be approved.

69/12 EXCLUSION OF PRESS & PUBLIC

RESOLVED that under Section 100(A) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business on the grounds that they involve the disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.

70/12 RISK BASED VERIFICATION POLICY (AGENDA ITEM 13)

The Operations Manager presented the report which sought approval to adopt a standard DWP Policy which would allow the ARP to use software to assess claimants which would streamline the processing of new claims.

Without signing up to the Policy the DWP would not allow use of the software.

RESOLVED that:

(1)   the Risk Based Verification Policy be approved; and
(2)   the nominated Officers be authorised to sign the Policy and return it to the DWP.

71/12 WELFARE REFORM (STANDING ITEM) (AGENDA ITEM 14)

The Shared Services Manager advised that there was not much happening at the moment but she had attended a meeting in Camborne and needed to complete a large document about the burdens of introducing Universal Credit. The deadline had been extended to 22 February 2013 and the ARP would be reimbursed.

72/12 NEXT MEETING (AGENDA ITEM 17)

The arrangements for the next meeting on Wednesday 30 January 2013 at 2pm were noted.

The meeting closed at 5.00 pm

CHAIRMAN

Appendix D

1. **Examples of Current or Recent Significant Cases**

4.1 Mrs G was successfully prosecuted for a benefit fraud offence. A Financial Investigation ran concurrently to the benefit fraud investigation and the case was referred to the Crown Court for the Court to hear an application under the Proceeds of Crime Act. As a result of those proceedings, a confiscation order has been made against Mrs G. As a result, she must repay the overpaid benefit within 6 months of the date of the order or face a period in custody.

4.2 Miss N has recently been prosecuted for a benefit fraud offence. She failed to notify a change in her circumstances in that her partner was resident with her. As a result she was overpaid benefit in excess of £17,000. In mitigation she stated that she was under pressure from her boyfriend to conceal the information from the Local Authority, to protect her benefit claim. She was sentenced to 100hrs unpaid work and also ordered to undertake a Personal Welfare Course.

4.3 Mrs V made a false claim for benefit when she failed to declare income from a private pension. This claim was false from the outset. Mrs V also continued to provide false statements when she completed further claim forms and completed a review form with a Visiting Officer from the Local Authority. An investigation revealed that she had been in receipt of a private pension since 2004 (some 4 years prior to her claim). She was overpaid benefit in excess of £6,500. She was prosecuted for the offence and was sentenced by way of 4 weeks imprisonment, suspended for 12 months. The Magistrates stated the sentence imposed was on the basis of the length of time that the offence continued for and the multiple false statements that she made.

4.4 ARP continues to report all prosecutions to the host authorities Communications Teams, to raise awareness of cases within the Court system. This occurs both before the pending Court date and also on successful conviction. This is in an attempt to raise the profile of Counter Fraud activity and also to use the media to communicate the implications of fraudulent activity to likely fraudsters.

Anglia Revenues Partnership

Report of the Operational Improvement Board to the Joint Committee

30 January 2013

Purpose of Report

This report summarises the proposed changes to the ICT support provided to ARP.

Recommendations

It is recommended that:

(i)   the contents of this report be approved and that responsibility for the support of ICT for the Anglia Revenues Partnership be taken on by the West Suffolk ICT Team, noting that there is a very small saving in cost, but a demonstrable improvement in service through a more streamlined approach;

(ii)   three Breckland ICT staff responsible for delivering ICT to ARP are 'TUPE transferred' to the West Suffolk ICT team, in line with the liabilities set out in section 4 of the report;

(iii)   an ICT Support Service Level Agreement is developed on the basis of the principles set out in the report

(iv)   the legal agreement between the four ARP partners is amended accordingly to reflect the change in ICT provision.

Anglia Revenues Partnership

ICT Support Service

For Breckland, East Cambridgeshire, Forest Heath and St Edmundsbury, and Suffolk Coastal and Waveney centrally based infrastructure.

Contact: Chris Woodhouse

12 January 2013

Breckland House
St Nicholas Street
THETFORD
Norfolk

IP24 1BT

Telephone: 01842 756410

Version Control
#

Issue	Status	Author	Date
V5.1	Draft	Lon Jeal, Chris Woodhouse, Malcolm Wylie	18/11/11
V5.4	Draft	Latest amends form Chris and Malcolm. Updated dates, tidied up fonts.	25/11/11
V5.5	For PB	Costs added	01/12/11
V6	For JC	Chris Woodhouse, Jo Linton. Re-worked for West Suffolk ICT option	23/7/12
V7	Final Draft	Chris Woodhouse	12/10/12

Contents

1. Introduction

1.1. This document was commissioned by the ARP ICT Project Board to provide the basis for a recommendation to be taken to the ARP Operations Improvement Board regarding the future provision of ICT support to ARP.

1.2. The requirement is to provide the most appropriate support service for ARP management and users that fully meets the business needs of ARP and its customers and reflects the new centralised hosting platform at Thetford.

2. Background

2.2 At the end of Phase 1 of the ARP project, the hosting and support model was significantly changed from the historic model, with FHDC providing both application and infrastructure hosting and first line desktop support. This was always intended to be a temporary solution whilst Breckland brought its ICT in-house and the Thetford computer room was prepared ready to receive all ARP services.

2.3 Following the completion of Phases 2 & 3 of the project all the infrastructure is now located centrally at Breckland House and the infrastructure and application software is currently supported by a virtual team made up of resource and expertise from the partners. There is currently no clear mandate for this and governance and reporting lines are unclear.

2.4 Given the high level of importance of the Revenues and Benefits service to all partner organisations it is essential that a stable and high quality ICT support service is provided to the Anglia Revenues Partnership.

2.5 The Academy system was originally covered by an extended support contract with Capita which has now been cancelled.

3. Requirements

In meetings with both ARP management and the current support staff the following has been identified as the scope of services required:

3.1 Helpdesk

3.1.1 ARP has had a number of issues with the past support service and has provided guidance on where they would like improvements to be made. ARP requires a single Helpdesk provision with clear ownership of both requests for changes and for incident management.

3.2 Hosting Services

3.2.1 A dedicated environment at Breckland House providing all ARP services

3.3 Backup and Disaster Recovery (DR)

3.3.1 An effective backup that completes without affecting performance and offers fast recovery of services to file level.

3.3.2 An enhanced capability offering adequate dedicated desks/laptops for access the recovery platform.

3.4 Out of Hours assistance

3.4.1 A flexible support service with the ability to schedule intrusive work out of hours as described in the Support SLA. A budgetary cost for out of hours working is included in the cost section.

3.5 Application Support

3.5.1 Support for business critical applications, as listed in Section 4.3.

3.6 Technical Services

3.6.1 The ability to support the Network, Telephony, Servers, Virtualisation and Storage platform.

3.7 Cost
3.7.1   A clear and transparent cost model.

4   Proposed Service
Expanded support team with a strong in-house presence administered by West Suffolk ICT

a) Following a series of meetings between the partner ICT services and with ARP management the basis of an enhanced service administered by West Suffolk ICT has been formed and costed.

b) The proposed service:
- Utilises in-house expertise
- Offers a flexible and cost effective option to ARP
- Builds on the valued support team already in place
- Provides an on-site presence for user support and confidence
- Dedicated Helpdesk, Local Support and specialised expertise improves on the current disparate support model
- The team would have a permanent presence at Breckland House and provide cover as detailed in the service sections below.

c) The provision of an enhanced team makes best use of the expertise within partner ICT sections whilst offering resilience and reducing costs. The details below describe how the team will be made up, the Governance arrangements and the reporting framework that will be in place.

d) It is proposed that the current Breckland staff resource primarily involved in supporting ARP ICT be transferred to the West Suffolk ICT team. However, they will work for the vast majority of their time only on ARP ICT support, and will be based in Thetford.

e) The transfer of this work would be a transfer of an undertaking to which the Transfer of Undertakings Protection of Employment (TUPE) Regulations would apply. These give rights to transferring staff that protect their employment terms and conditions and making a dismissal on certain grounds related to the transfer unfair. Staff will be offered a broadly comparable pension and enquiries are in hand to secure this in the most effective manner.

f) As a part of the arrangements for the transfer it is proposed that a short agreement would confirm two main issues. Firstly that prior to the staff transfer to their new employer any accrued liability to the pension provider connected with the maintenance of their pension or pension rights would be the agreed liability of the former employer, who would indemnify the new employer against any liability in this respect.

g) Further, any redundancy costs related to the three posts transferring that may subsequently arise as a result of ARP ICT workload decreasing (for example as a result of the impact of Universal Credit) will be dealt with as an expense of the ARP Partnership Joint Committee in the same proportions as other expenses of the committee are accounted for and shared jointly by the partner authorities.

h) Both of these arrangements are the same as those already relating to ARP staff that are contained in the agreement constituting the partnership and the Joint Committee.

4.1   Provision of ICT Support Team
4.1.1   The team has been designed to offer flexible expertise across the full range of ICT support services offered to ARP. At a high level these services are:

- **Application Support** – ensure the core business applications are running effectively, working closely with the ARP to enhance the use of the existing applications in a business improvement capacity
- **Helpdesk Provision** – provide a Helpdesk service for all users
- **1st Line support** – provide desktop and infrastructure support for all services
- **2nd/3rd line expertise** – Specialist support for Telephony, Servers, Storage & Networks
- **Project Management** – PM support, scoping and undertaking feasibility work. This will not include major new initiatives and projects identified within this scoping role. These will require additional resource and ARP approval. EG: Introducing new partners, additional hardware, network projects
- **Technical Architect** – Design and standards services, future technologies
- **Administration** – Coordination, escalation and asset management including procurement services, reporting and approvals, Liaison with partner authorities IT resource in the case of planned works.
- **Management** – ICT senior management escalation and decision making
- **Infrastructure support** – supporting business as usual, backups, capacity management and system availability. New initiatives and infrastructure projects will require additional resource and ARP approval

4.1.2   Support for the Suffolk Coastal and Waveney infrastructure based centrally in Breckland House is included in this provision but application support for these partners and infrastructure elements located remotely are not included.

4.1.3   The breakdown of the resource provision by skill sets is as follows:

Function	Resource FTE	No of Staff Covering
Application Support	2.00	3.00
Helpdesk/1st Line Support	1.50	5.00
Infrastructure 2nd/3rd Line Support	0.50	5.00
Technical Architecture	0.25	2.00
Administration/Project Mgt	1.00	1.50
Management	0.10	2.00
Totals	**5.35**	**18.50**

ARP Governance Model
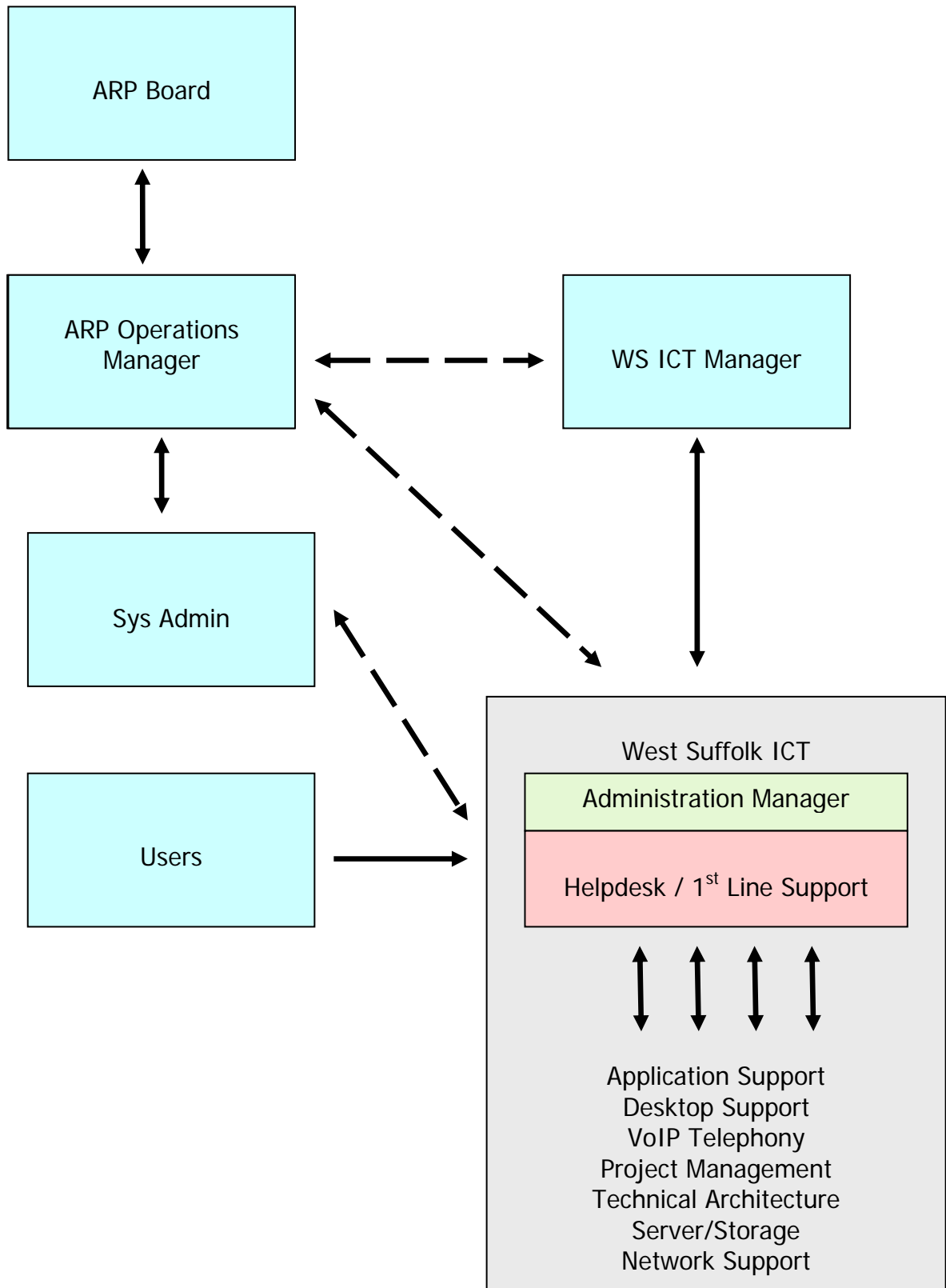
4.3   Scope of Services

4.3.1   All requirements in section 3 will be met by this proposal. This section will detail those services which are in scope and out of scope within these arrangements.

In Scope

Core Application Support
Operating System Installation and Support.
Release and patch management
Interfaces
Housekeeping – Database copies &
checkpoints
Capacity Management
Enhancing use of core products
Capita Council Tax
Capita NDR
Capita Benefits
Capita Overpayments
Capita Payments
Capita Self Service
Capita ABC
Capita Mobile
Civica W2 URB

Additional applications
Microsoft office suite
CIS
Java
Filezilla
Bacs
Putty
Telnet
Hummingbird
RB Performance PMQA
Winzip 7
Adobe Reader
Adobe Flash
Quick Calc
Crystal reports
PDF creator
Network recording player
LOCta
PGP Desktop
DD Admin
Gemplus
Victoria Forms
GCSX
Where 1st line support does not
resolve the issues the team will
perform a liaison role with 3rd parties.

Telephony Support
Server Hardware
Supporting network
Handsets
Programming and voice recording
Mitel applications
Liaison with 3rd party

Server Hosting
Maintain serviced computer room
Server and storage management

Disaster Recovery/Business Continuity
Backup device hardware support
Integrity of data
Recovery following loss of site

Remote Access
User support
Server connectivity
Citrix configuration – Presentation of applications
Connections to remote sites
Links to external applications

Administration Functions
Helpdesk administration
Procurement activities
Asset management
Reporting/Governance compliance
Liaison role with partner ICT teams

Out of Scope

ARP System Administration functions
        User access, setup accounts, reset passwords – Academy and Comino
        Daily scheduler - create and timetable jobs
        Daily check on scheduler task success and failure
        Scheduling upgrade and release dates with Capita
        Freedom of Information requests
        Print/document templates creation and maintenance.
        1st line user enquires Academy/Civica   system usage, training type requests.
        Website content
Costs associated with Hardware/Software replacement on a like for like basis eg:
        New projects and associated costs
Application support for Waveney and Suffolk Coastal systems

4.4   Helpdesk Service & Service Level Agreements

4.4.1   The Helpdesk will be managed and supported by the resource within the West Suffolk ICT team. Workload will be allocated to the team members by the Helpdesk Supervisor. Resource issues and escalation routes will be as described in the Governance model diagram in section 5.2

4.4.2   Support Service SLA will describe the hours of cover, targets and services covered in more detail.

4.5   Disaster Recovery

4.5.1   Existing Disaster recovery is based on applications and data being backed up to disc/tape which would be restored at a partner location in the event of a major incident occurring. This gives a reasonable level of cover but requirements outlined in 3.3 seek to enhance this provision seeking "fast recovery of services to file level" and the ability to relocate ARP staff to an alternative location for access the recovery platform.

4.5.2   To meet this requirement it is proposed that a site to site replication solution be implemented. This would involve installing servers and storage at Mildenhall and using specialist software to replicate data and applications across to the remote site. In the event of an incident in Breckland House systems could be quickly brought up in Mildenhall and staff relocated, if necessary, to College Heath Road and/or West Suffolk House.

ARP Disaster Recovery Model
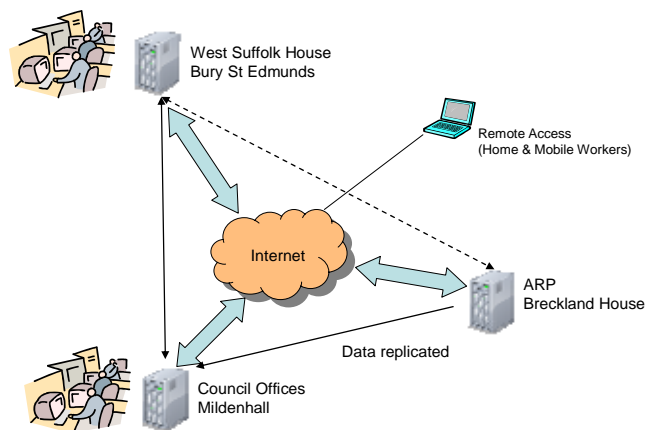
4.6   Technical Considerations

4.6.1   The current server infrastructure in Breckland House was set up as a dual purpose facility to serve both ARP and Breckland DC, for their disaster recovery provision. With the move of Breckland ICT service to Norfolk County Council and the passing of ARP ICT support to West Suffolk this will need to be unbundled.

4.6.2   Following discussions between Breckland and West Suffolk ICT staff the following proposal to separate the two services has been agreed.

1. Four new Dell R720 servers are bought with 5TB fast internal disk running Hyper-V.
2. Four Current Dell R710 servers (two spare and two from Thetford SAN) moved to Mildenhall/Bury for ARP DR with extra internal disk purchased.
3. Remaining four Dell R710s left in Thetford SAN for Breckland DR.
4. Existing SAN in Thetford be taken over by Breckland for their DR storage.
5. ARP VMs, systems and data, migrated from SAN to new Hyper-V servers.

4.6.3   This will give ARP a completely separate self contained ICT facility in Breckland House and provide a separate DR facility for Breckland. The new servers, with Raid disc arrays and dual power supplies, will provide a high level of resilience. Coupled with the proposed replication facility in the DR proposal

5. Annual Costs

5.1 The tables below covers the annual costs associated with the provision of this service by the West Suffolk ICT Team. West Suffolk staff costs and on-costs have been provided by SEBC and FHDC and Breckland staff costs have been provided by BDC. Costs will be recharged on a quarterly basis and form part of the overall costs apportioned to ARP Partners.

	£
Current ARP ICT budget provision	**285,000**
Support Team	219,272
Out of hours - system support	15,000
Disaster Recovery provision	9,250
Office rents and rates at Breckland House	15,000
VM licences	15,000
Travel and training	5,000
Network and citrix support	6,000
Total proposed	**284,522**
Annual savings	478

W:\Democratic WP Services\Committee\Reports\Anglia Revenues Partnership Joint Committee\2013\13.01.30\ARP ICT Support Service 2012-13.docx

- 12 -

BRECKLAND COUNCIL
FOREST HEATH DISTRICT COUNCIL
EAST CAMBRIDGESHIRE DISTRICT COUNCIL
ST EDMUNDSBURY BOROUGH COUNCIL

At a Meeting of the

ANGLIA REVENUES AND BENEFITS PARTNERSHIP JOINT COMMITTEE

Held on Wednesday, 30 January 2013 at 2.00 pm in the
Level 5 Meeting Room, Breckland House, St Nicholas Street, Thetford IP24
1BT

PRESENT

Mr D Ambrose Smith   Mr R Millar
Mr P.D. Claussen   Mr P Moakes
Mr S. Edwards (Vice-Chairman)   Mr D A Ray
Mr R. Everitt (Chairman)   Mr W.H.C. Smith

Also Present
Eric Bohl   Consultant

In Attendance
Ian Gallin   Joint Chief Executive (FHDC&SEBC)
John Hill   Chief Executive (ECDC)
Sharon Jones   Head of Shared Service (ARP)
Andrew Killington   Deputy Chief Executive (ECDC)
Rod Urquhart   Operations Manager (Support and Fraud)(ARP)
Robert Walker   Assistant Director of Commissioning (BDC)
Liz Watts   Director (FHDC&SEBC)
Helen McAleer   Senior Committee Officer (BDC)

	Action By

1/13   MINUTES (AGENDA ITEM 1)

It was confirmed that the actions assigned in the Minutes had been completed.

The Minutes of the meeting held on 13 December 2012 were confirmed as a correct record and signed by the Chairman.

2/13   STRATEGIC REVIEW (AGENDA ITEM 5)

The Chairman introduced the review which he had found interesting and insightful. He thanked the Head of Shared Service and her team for their assistance in providing background information for the report and invited Eric Bohl to talk through the first part of the review.

Mr Bohl said that his aim was to help the Partnership decide on its future direction and delivery model. He hoped that the recommendations would be familiar and that Members would recognise the Policy Statements.

He explained the thought processes which had included looking at the current environment and prospects for growth in light of the forthcoming fundamental legislative changes.

One of the key drivers for change was that workload would remain constant even without Housing Benefit responsibilities, but there was a strong risk that the Partnership would not be fully compensated for the loss of economies of scope. There was a degree of uncertainty but he could see opportunities for growth.

In his strategic assessment he had set out what was needed for the Partnership to flourish and grow. He had identified the strengths and the issues. There was a complexity about the current ways of operating. The Joint Committee was involved in routine operational issues which could be delegated, allowing the Committee to focus on strategic issues. Evidence of how well the Partnership was doing was needed, such as benchmarking data, which would prove the Partnership's competitiveness.

Key Policies would provide the parameters and direction to give a framework for Management. It was important to be clear about what was wanted. Currently there were no Service Level Agreements and no unit pricing. Both were needed to judge value for money and ensure a consistent approach to service delivery.

Mr Bohl suggested that to move forward it was necessary to set time aside for the Joint Committee to concentrate on future development. The complex governance arrangements needed to be scrutinised to find opportunities for delegation, to free the Committee to focus on strategic overview and scrutiny of performance. Competencies and management structure should be reviewed, to look for opportunities to streamline and free up capacity.

The Chairman invited all Members and Officers present to speak freely and comment on the report.

The Head of Shared Service noted that it was possible to provide costs for the provision of services, but those unit costs would be affected by each Authorities recharges. Change might alter costs and external and internal costs affected benchmarking.

Mr Moakes commended the report and said there was nothing to challenge in its findings which exactly reflected what Members had been thinking. The question was 'Where next and how?"

Mr Ray asked whether the first nine recommendations were implementable immediately and Mr Bohl said that they could be undertaken before the future model was chosen, without affecting that choice.

The Chairman suggested that the Operational Improvement Board

(OIB) should be instructed to work out what could be done and provide a timetable for Members' approval.

Mr Ambrose-Smith thought that a decision was needed on recommendation ten to give officers clearer guidance.

Mr Bohl noted that current arrangements could be streamlined before any decision was made on which delivery model to use. There might be a benefit in deciding on the model first, but the other recommendations could be implemented before then.

The Chief Executive (ECDC) thought that recommendation nine was fundamental and might drive the other recommendations. The OIB should provide a timetable and project plan for implementation of the recommendations and report back to the Joint Committee which could then take a view on priorities.

Mr Bohl then moved on to the second section of his review. He explained the evaluation criteria used to assess the three main models set out on page 23. Two variants of model A had been created: A1 and A2, so there were effectively four options for consideration. Other options were always available. Each option would need a full business case.

A1 had problems due to the complexity of its approval processes and was not operationally efficient. Indicative evaluations, on balance, appeared (marginally) to suggest that a Public Sector Joint Venture (PSV) might be the most appropriate model. That assumed that advantage would be taken of putting new starters on new terms, conditions and pensions. Those terms would still need to be competitive in the local market. If it was not the intention to do that then the financial benefits of a PSV would be less.

Mr Ray asked if the introduction of Universal Credit (which he described as the 'great known/unknown') would affect the delivery model and whether there were any other 'known/unknowns' that Mr Bohl knew of.

Mr Bohl explained that the shape of Universal Credit was becoming clearer but that the key uncertainty was whether Councils would be fully compensated for the loss of economy of scale. He did not think they would be and that would mean additional financial pressure.

Another 'known/unknown' was Council Tax Support which had been moved out of Universal Credit. If it was moved back in, that would have a substantial impact on business. As it stood the Council would still have a lot of work, despite losing Housing Benefit, which only equated to about £150,000 of a turnover of around £5million.

The Head of Shared Service advised that they were already looking

for processes which would reduce staff whilst still doing the same work.

The Operations Manager cautioned that they were working on information provided by the DWP and many decisions were yet to be made. The figures were not accurate, but were conservative best estimates.

Mr Smith agreed that benchmarking information was needed to inform performance data, which currently did not give any idea of value for money or comparison with other organisations. Of the four options available he was in favour of Option C (PSV) as he believed it would provide the flexibility needed to adapt quickly. His preferred criteria for looking at two models would be A2 and C.

Mr Moakes agreed and said that the Partnership needed a shared vision. They were already the longest running Partnership and if Suffolk Coastal and Waveney joined they would be the biggest, both of which gave them strength. From discussions held with the CLG it was clear that they had no idea about rural operations. The ARP did know the difference between rural and metropolitan operations and that was another of its strengths. He supported Option C and possibly Option A2.

Mr Edwards was happy with that approach. He suggested that Options A1 and B were discarded and recommendations one to nine were implemented quickly.

Mr Millar thought that the review of management in recommendation nine needed to be linked to recommendation ten as there was a high degree of management ownership in that.

Mr Claussen thought it was clear that C was the right option. It would keep the same equilibrium whatever decisions the Government made. There were large opportunities and the Partnership would be better placed if the Government was talking to the ARP and not to a lead authority.

Mr Ray said that he was used to making decisions knowing all the facts and the review did not give him all he needed. He thought that at least two options should be considered and agreed that they should be A2 and C, but he pointed out that they did not know the costs of tupee, pensions or implementation.

Mr Bohl observed that the review had not explored the intricacies of trading and teckal. He assumed that the intention was that the PSV would be co-owned by the Partners as a Teckal. Under the current threshold at least 80% of the work would have to be done by the four owning Partners, to be exempt from European Procurement rules. That meant that if more than 20% of the company was sold, unless new partners joined as shareholders, the European Procurement rules would apply. Under the latest draft the threshold

4

rose to 90% which meant that only 10% of turnover could be traded to non-shareholders. These were complexities that needed to be explored so he advised Members to keep both options open.

There was some discussion about the technicalities and how to address the Teckal problem. Mr Bohl advised that two tests were applied: activity and control. The details needed to be worked through.

Mr Ambrose-Smith proposed to move forward on Option C only and Mr Claussen seconded that proposal.

Mr Millar was attracted to Option C but thought that options should be kept open as the role of management was vital and they did not know what the future management structure would be. A business case was needed for Options A2 and C.

The Chief Executive (ECDC) recognised the concern of some members of the Joint Committee that there was a danger of 'drift' if two options were looked at. Nevertheless, given the uncertainty about the introduction of Universal Credit and other strategic issues affecting benefits, highlighted by Mr Ray, it was important to continue to look at both options but within a strict timetable. The OIB (with the help of Mr Bohl) should come back to the Joint Committee with their initial ideas on the management structure and then a more informed decision could be made.

The Chairman agreed that if a decision could be made on recommendation nine within a quick timescale there would be no drift and Members would be able to make a more informed decision on recommendation ten.

Mr Ray suggested that the OIB should come to the next meeting on 14 March with an update on how many recommendations had already been implemented and a timescale for implementing the rest.

The Head of Shared Service noted that there was an OIB meeting in February and they could work on the recommendations then. She agreed that there could not afford to be drift as there were two Councils interested in joining and also the staff needed clarity on the way forward.

Mr Bohl explained that he normally gave a clear recommendation at the end of a review and he had not been able to do so in this case for a number of reasons. There were a series of issues to be worked through, including VAT matters, trading appetite, pensions impact, etc. He suggested that it would be premature to select one model. More analysis was needed.

The Assistant Director of Commissioning (BDC) suggested that the OIB report back to the Joint Committee in March with a timetable

for recommendations one to nine.

The Deputy Chief Executive (ECDC) asked if Mr Bohl's work was finished. Mr Bohl was asked to leave the room whilst Members discussed the matter. The Chairman thought that Mr Bohl was very capable and he was happy to suggest that he was involved in moving on to the next stage.

Mr Millar thought that it was up to Members to make the decision about recommendation ten and that they should rely on the competency of their Officers.

The Chief Executive (FHDC & SEBC) commented that the OIB could get on with recommendations one to nine with the Chief Executives supporting and overseeing any changes to the Constitutions for example. The majority of the work could be done by the OIB but he suggested that a link was maintained with Mr Bohl for recommendation ten.

Mr Smith thought that the Partner authorities had the necessary expertise to prepare business cases and if they did not they would need to buy it in.

The Chairman said that Mr Bohl had proved his worth and shown that he was up to date with legislation changes. His advice was imperative. Mr Ambrose-Smith agreed.

The Director (FHDC & SEBC) said that Mr Bohl had been good value for money. She asked Members to give Officers authority to continue to consult him, if necessary, and asked them to put a limit on the amount they could spend.

It was **AGREED** that up to £10,000 could be spent by the OIB on consultancy fees.

Mr Bohl was invited back into the room and the Chairman explained that the OIB had been authorised to contact him as and when required.

Mr Millar then proposed an amendment to Mr Ambrose-Smith's earlier proposal.

It was **RESOLVED** that:

   (1)   the Operational Improvement Board would commence implementation of recommendations one to nine;
   (2)   a report would be presented to the next meeting on 14 March 2013 updating Members on progress so far and setting a timetable for the implementation of any of those recommendations not yet implemented; and
   (3)   the Operational Improvement Board would provide a proposed timetable for developing business cases for

Action By

Options A2 and C.

The Chairman thanked Mr Bohl for his hard work and effort.

3/13 ARP ICT SUPPORT SERVICE (AGENDA ITEM 6)

The Officer presented the report which proposed to bring Breckland staff into the ICT Support Team. From an ARP point of view it would provide a more seamless service. Staff were already working well together and the change would provide a slight cost saving and include some services not previously covered.

Mr Moakes was concerned about future ability to cope with growth and was advised that it would depend on the criteria. It might be necessary to grow the team but there was flexibility currently.

> **RESOLVED** that:
>
> (i) the contents of the report be approved and that responsibility for the support of ICT for the Anglia Revenues Partnership be taken on by the West Suffolk ICT Team, noting that there is a very small saving in cost, but a demonstrable improvement in service through a more streamlined approach;
>
> (ii) three Breckland ICT staff responsible for delivering ICT to ARP are 'TUPE transferred' to the West Suffolk ICT team, in line with the liabilities set out in section 4 of the report; and
>
> (iii) an ICT Support Service Level Agreement is developed on the basis of the principles set out in the report; and
>
> **RECOMMEND TO THE PARTNER AUTHORITIES** that the legal agreement between the four ARP partners is amended accordingly to reflect the change in ICT provision.

4/13 ANY OTHER BUSINESS (AGENDA ITEM 7)

None.

5/13 NEXT MEETING (AGENDA ITEM 8)

The arrangements for the next meeting on 14 March 2013 at 2.00pm in Breckland House, Thetford were noted.

The meeting closed at 3.50pm

CHAIRMAN