



Cabinet 11 February 2014

Report from the Anglia Revenues and Benefits Partnership Joint Committee: 12 December 2013

1. Summary and reasons for recommendation

1.1 On 12 December 2013 the Anglia Revenues and Benefits Partnership (ARP) Joint Committee considered the following substantive items of business:

- (1) Fraud;
- (2) Performance Report;
- (3) Pension Update;
- (4) Partnership Budget 2014/2015;
- (5) Balanced Scorecard;
- (6) Welfare Reform;
- (7) Forthcoming Issues;
- (8) New Partner Business Case; and
- (9) Waveney and Coastal Partnership.

1.2 This report is for information only and provides the decisions of the Joint Committee.

2. Recommendation

2.1 The Cabinet is requested to **NOTE** the content of Report E274 being the report of the Anglia Revenues and Benefits Partnership Joint Committee.

Contact details

	Portfolio holder	Lead officer
Name	Councillor David Ray	Rachael Mann
Title	Portfolio Holder for Resources and Performance	Head of Resources and Performance
Telephone	01359 250912	01638 719245
E-mail	david.ray@stedsbc.gov.uk	rachael.mann@westsuffolk.gov.uk

3. Corporate priorities

3.1 The recommendations meet the following, as contained within the Corporate Plan:

(a) Corporate priority 3: *'Working together for an efficient Council'*.

4. Key issues

Fraud (Agenda Item 5)

4.1 The Joint Committee had received and noted a report which detailed the work undertaken by the ARP Fraud and Visits Team during Quarters 1 and 2 in countering fraud against the public purse, compared to Quarters 1 and 2 in 2012/2013. The report also updated on the Single Fraud Investigation Service and on joint work with other parties in Countering Fraud.

4.2 The following appendices were attached to the report:

Appendix A: details of the performance for each of the authorities within the partnership for Quarters 1 and 2 in 2013/2014 compared to Quarters 1 and 2 in 2012/2013;

Appendix B: provided definitions of some of the terms used within the report; and

Appendix C: examples of recent and current cases.

4.3 The Joint Committee had discussed a number of cases provided in Appendix C, which included a case where an employer had failed to provide details of an employee as part of an investigation. The employer was charged in Court with failing to comply with the request of an Authorised Officer and was subsequently fined £500 and ordered to pay £150 towards prosecution costs and provide the requested information. In another case, it was discovered that £68,000 savings were held where it was claimed there were no savings or capital. Upon subsequent prosecution, the person was sentenced to six weeks imprisonment, which was suspended for 12 months.

4.4 With regard to the Single Fraud Investigation Service, it had been reported that funding in excess of £16 million would be provided to local authorities for counter-fraud work.

4.5 Efforts were being made to engage with Havebury Housing Partnership and Flagship Housing Association to counter fraud.

4.6 As reported at the Cabinet meeting on 6 November 2013 (Report E159 refers) and subsequently reported to the ARP Joint Committee on 12 December 2013, the ARP Anti-Fraud and Visiting Team had won the top Gold award by the Institute of Revenues, Rating and Valuation (IRRV) in the 'Excellence in Anti-Fraud' category.

Performance Report (Agenda Item 6)

4.5 The Joint Committee had received and noted a Performance Report as at 31 October 2013. The report detailed ARP's key achievements in respect of Benefit

News; Revenue Collection, Business Rates, Fraud and Visits Team and Projects. This detailed report, together with the other reports considered at this meeting which are available in the public domain, can be viewed on Breckland District Council's website at:

<http://democracy.breckland.gov.uk/documents/g3066/Public%20reports%20pack%2012th-Dec-2013%2014.00%20Anglia%20Revenues%20and%20Benefits%20Partnership%20Joint%20Committee.pdf?T=10>

- 4.6 In the list of key achievements, all indicators had been annotated green, with the exception of one which related to Forest Heath District Council's Council Tax Collection. The figure was showing that it was down on the percentage required which was largely as a result of new properties, changes to discounts and exemptions; however, this will have a positive effect on the collection fund. Currently there was a 0.6 to 0.8 percent reduction in collection rates, which was likely to be due to the effects of the Local Council Tax Reduction Scheme. This may level out towards the end of the financial year.
- 4.7 In respect of financial performance, the Joint Committee noted that the saving of 3% in the first half of the financial year against the Partnership's budget related to a variance on employee related costs due to a number of vacancies. There had been an overspend on legal fees and software maintenance costs, but that had been off-set by the extra income from the sharing of services with Waveney and Suffolk Coastal District Councils.

Pension Update (Agenda Item 7)

- 4.8 The Joint Committee had received and noted a verbal update on the risks involved in moving towards a Teckal Company (a vehicle used by public bodies to pre-privatise or outsource services). It had been identified that there could be a destabilisation of the Breckland Pension Scheme by the large number of staff potentially transferring out. Some modelling is expected to be undertaken which will be presented to a future meeting of the Joint Committee.

Partnership Budget 2014/2015 (Agenda Item 8)

- 4.9 The Joint Committee had considered a report which sought approval for the annual revenue budgets relevant to the Joint Committee for 2014/2015.
- 4.10 Appendix A attached to the report contained the Partnership Budget for 2014/2015 and indicative budgets for 2015/2016 and 2016/2017. The budgets cover the costs and revenues for providing Council Tax, Council Tax, Housing Benefit payments and Non-Domestic Rates collection services for the partner authorities. The figures presented were based on the 2013/2014 budget updated for known changes to costs and future efficiencies. The total Partnership Budget for 2014/2015 is £5,517,443 which compared to £5,459,961 in 2013/2014.
- 4.11 Members had noted that the cost of the management restructure had been taken into account, but not the cost of the proposed expansion. If the expansion was approved (see paragraphs 4.19 to 4.22 below) those costs would need to be factored in at a future stage.
- 4.12 It was explained at the meeting that the Partnership had previously benefitted from a number of administrative grants however none were anticipated for 2014/2015, which had affected the supplies and services budget figures. The

drop in transport costs related to reduced travel costs associated with St Edmundsbury staff.

- 4.13 The Joint Committee **RESOLVED that the Partnership Budget for 2014/2015 be approved.**

Balanced Scorecard (Agenda Item 9)

- 4.14 The Joint Committee had been informed that due to the amount of work involved in preparing the business case for the proposed expansion of the Partnership, the Balanced Scorecard had not yet been populated; however this would be presented to the next meeting of the Joint Committee.

Welfare Reform (Agenda Item 10)

- 4.15 The Joint Committee had received and noted a verbal update which advised that it is unlikely that Universal Credit will be implemented before 2016/2017. In respect of Pensioner Credit, the migration of Housing Benefit cases has been deferred. Pension Plus is unlikely to start before 2018.
- 4.16 ARP has fully implemented the majority of the changes as part of the reforms and are still assessing the impact.
- 4.17 Discussions will take place with Housing Associations offering to progress the change to Direct Payments before Universal Credit is implemented.

Forthcoming Issues (Agenda Item 11)

- 4.18 The Joint Committee was informed that the extension of the Welfare Benefits cap, which will impact on Housing Benefit, had been announced in the Autumn Statement. The implications of this is still not known.

New Partner Business Case (Agenda Item 14)

- 4.19 The Joint Committee had considered an exempt report which sought approval for a business case, which supported Fenland District Council's proposal to become full members of the Partnership.
- 4.20 This item had previously been considered by this Cabinet on 10 December 2013 (Exempt Report E204 refers) where it had been resolved to authorise the ARP Joint Committee to enter into a new partnership arrangement with the existing four authorities and Fenland District Council, provided that the Joint Committee concludes that this was the best course of action for the partnership. No decision is therefore required of the Cabinet at this meeting.
- 4.21 Benefits and concerns of the Fenland District Council joining the Partnership were considered in detail at the Joint Committee meeting, which culminated in support being given for the expansion.
- 4.22 The Joint Committee **RESOLVED to RECOMMEND TO EACH PARTNER AUTHORITY that subject to due diligence, Fenland District Council be admitted as a full member of the Anglia Revenues and Benefits Partnership with effect from 1 April 2014.**

Waveney and Coastal Partnership (Agenda Item 15)

4.23 This matter had been discussed as part of Agenda Item 14 above.

5. Other options considered

5.1 See links to documents published on Breckland District Council's website as shown in Section 4.5 above.

6. Community impact

6.1 See links to documents published on Breckland District Council's website as shown in Section 4.5 above.

7. Consultation

7.1 See links to documents published on Breckland District Council's website as shown in Section 4.5 above.

8. Financial and resource implications (*including asset management implications*)

8.1 See links to documents published on Breckland District Council's website as shown in Section 4.5 above.

9. Risk/opportunity assessment (*potential hazards or opportunities affecting corporate, service or project objectives*)

9.1 See links to documents published on Breckland District Council's website as shown in Section 4.5 above.

10. Legal and policy implications

10.1 See links to documents published on Breckland District Council's website as shown in Section 4.5 above.

11. Wards affected

11.1 All Wards.

12. Background papers

12.1 See links to documents published on Breckland District Council's website as shown in Sections 4.5 above.

Exempt Report E204 to Cabinet: 10 December 2013: *Anglia Revenues and Benefits Partnership Expansion*

13. Documents attached

None