

Cabinet



Forest Heath
District Council

Title of Report:	Report of the Anglia Revenues and Benefits Partnership Joint Committee: 21 June 2016	
Report No:	CAB/FH/16/034	
Report to and date:	Cabinet	13 September 2016
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Purpose of report:	On 21 June 2016 the Anglia Revenues and Benefits Partnership (ARP) Joint Committee considered the following substantive items of business: (1) Performance Report; (2) Risk Register; (3) Medium Term Financial Plan; and (4) Opportunities for ARP. This report is for information only. No decisions are required by the Cabinet.	
Recommendation:	The Cabinet is requested to <u>NOTE</u> the content of Report No: CAB/FH/16/034 being the report of the Anglia Revenues and Benefits Partnership Joint Committee.	
Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:	<ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers' 	
Alternative option(s):	<ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers' 	

Implications:	
Are there any financial implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
Are there any staffing implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
Are there any ICT implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
Are there any legal and/or policy implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
Are there any equality implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> See reports of ARP Joint Committee at link provided under 'Background papers'
Risk/opportunity assessment: See reports of ARP Joint Committee at link provided under 'Background papers'	<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>
Ward(s) affected:	All Ward/s
Background papers: <i>(all background papers are to be published on the website and a link included)</i>	Breckland DC Website: http://democracy.breckland.gov.uk/ie/ListDocuments.aspx?Cid=109&Mid=3819&Ver=4
Documents attached:	None

1. Key Issues

1.1 Performance Report (Agenda Item 7)

(a) Operational Performance

1.1.1 The Joint Committee had received and noted the Annual Report for Operational Performance which covered the period 1 April 2015 to 31 March 2016. The report details ARP's key achievements, activities and performance in 2015/2016 respect of:

- Understanding and reacting to welfare reform changes.
- The transfer of Housing Benefit Fraud to the Department of Work and Pensions (DWP) and the determination of what fraud services should be retained.
- The introduction of an in-house Enforcement Agency.
- Phase 2 of the integration of all seven partners to bring about equalisation of service provision.
- Development of a commercial strategy and trading arm for future growth and efficiencies.

1.1.2 The report concludes that 2015/2016 has been a very challenging and successful year. ARP is considered to be in a very good position moving into 2016/2017 to implement the strategies being formulated in the Transformation Programme.

1.1.3 This detailed report can be viewed as part of the reports pack on Breckland District Council's website at:

<http://democracy.breckland.gov.uk/documents/g3818/Public%20reports%20pack%2022nd-Mar-2016%2010.00%20Anglia%20Revenues%20and%20Benefits%20Partnership%20Joint%20Committee.pdf?T=10>

1.1.4 Members were updated at the meeting on various topics, including that:

- the retention of an ARP Fraud Team (following the transfer of Housing Benefit Fraud Services to the DWP) had been extremely successful with targets for 2016/2017 having already been met, and therefore the targets would be reviewed soon.
- The in-house Enforcement Agency had by year end, generated a surplus of £277,000 which had far exceeded expectations.
- The project to implement a Document Imaging System with single access across all seven partners was moving to stage two. The migration of documents was reaching completion and with all sites aligned to the current working practices on the Imaging System, stage two would be undertaken to enhance the functionality of the system and the expansion of available of automation.
- Work was in progress to encourage more customers to use the services of the ARP Enforcement Agency.

(b) Financial Performance

1.1.5 Members had noted that with the exception of one, targets had been met by all partner authorities with the majority of indicators annotated green as at 31 March 2016, as shown on the Balanced Scorecard at:

<http://democracy.breckland.gov.uk/documents/s39174/Appendix%20A%20Annual%20report%20-%20ARP%20Balanced%20scorecard.pdf>

1.1.6 The above report provides further information on indicators relevant to each partner authority, which are grouped under the following headings:

- (a) Financial: Collection, Budget Management
- (b) Customer: Customer Satisfaction, Channel Shift
- (c) Internal Process: Collection, Fraud
- (d) Learning and Growth: Performance Management

1.1.7 In respect of the financial report for the full financial year, the Joint Committee had noted the final out-turn position for 2015/2016 was a surplus of £370,821.

1.1.8 The Joint Committee had previously approved the contribution of the 2015/2016 surplus to the ARP Investment Fund. As at 31 January 2016, the surplus was expected to be in the region of £330,000, comprising £178,000 below budget spend and £155,000 of unspent grants. The new Enforcement Agency had however, performed exceptionally well, delivering a surplus of £277,000 in its first part year, and in addition to this, the partnership costs had come in under budget at the end of the year by £272,000. Further details of the out-turn and variances are shown in Appendix A attached to the Joint Committee report. After making the agreed contributions to the Investment Fund of previous underspends and unspent grants, a surplus of £371,000 had been achieved by the partnership.

1.1.9 The Joint Committee had noted that the partner authorities had been fully supportive of the ARP and were prepared to take risks in order to generate returns, therefore it had been recommended that this surplus of £371,000 achieved in 2015/16 be distributed back to the partners on the agreed gain share percentages. Specifically, Forest Heath would receive £40,236 from the share of the surplus.

1.1.10 The Joint Committee **RESOLVED: That**

(1) the report and appendix be noted; and

(2) the remaining surplus of £370,821 be distributed to partners based on the 2015/2016 gain share percentages.

1.2 **ARP Risk Register (Agenda Item 8)**

1.2.1 The Joint Committee had received and noted the Anglia Revenues Partnership Risk Register, which was attached as Appendix A. Appendix B provided the criteria used to apply a risk score to the ARP.

- 1.2.2 Discussion was held on a number of issues which might affect the risks identified by the Partnership including:
- (a) the risks relating to Fraud and Error and the Local Council Tax Reduction Scheme remained on the risk matrix; however target scores had been met due to mitigating actions being put in place; and
 - (b) all risks were being well managed; however some were out the partnership's control, for example, the implications of the introduction of Universal Credit.

1.2.3 The Joint Committee **RESOLVED: That the contents of the report be noted and the Risk Register be agreed.**

1.3 **Medium Term Financial Plan (Agenda Item 9)**

1.3.1 The Joint Committee had received and noted a presentation on the Medium Term Financial Plan for ARP.

1.3.2 The presentation included:

- (a) statistical data of the ARP which included its annual turnover, number of account holders, number of transactions, benchmarking data and the geographical area the partnership covered;
- (b) the quality of ARP and it's CIPFA score;
- (c) details of the three themes of the Transformation Programme, which were Organisational Design, Digitalisation and Commercialisation; and
- (d) seeking a steer from the Joint Committee regarding the future direction of ARP.

1.4 **Opportunities for ARP (Agenda Item 10)**

1.4.1 The Joint Committee had received and noted a presentation, which highlighted a number of opportunities if the partnership decided to trade new services to new customers.

1.4.2 Members had noted that should it come to fruition, devolution would provide many opportunities, but in the interim a steer was sought on developing a strategic approach for encouraging potential new customers to take up trading services of ARP and to promote wider engagement.

1.4.3 A report would be prepared by the Head of ARP in discussions with the Operational Improvement Board for consideration at a future meeting of the Joint Committee.

1.5 **Forthcoming Issues (Agenda Item 11)**

1.5.1 The Joint Committee had been informed that Julie Kennealy, Executive Director at Breckland Council would be leaving the organisation. Members had thanked her for her support and wished her well for the future.

1.6 **Minutes**

- 1.6.1 For further information on the discussions held at the Anglia Revenues and Benefits Partnership Joint Committee meeting on 21 June 2016, the draft minutes of the meeting may be viewed on Breckland District Council's website at the following link:

<http://democracy.breckland.gov.uk/documents/g3819/Printed%20minutes%2021st-Jun-2016%2010.00%20Anglia%20Revenues%20and%20Benefits%20Partnership%20Joint%20Committee.pdf?T=1>