

BRECKLAND COUNCIL
FOREST HEATH DISTRICT COUNCIL
EAST CAMBRIDGESHIRE DISTRICT COUNCIL
ST EDMUNDSBURY BOROUGH COUNCIL
FENLAND DISTRICT COUNCIL
WAVENEY DISTRICT COUNCIL
SUFFOLK COASTAL DISTRICT COUNCIL

At a Meeting of the

ANGLIA REVENUES AND BENEFITS PARTNERSHIP JOINT COMMITTEE

Held on Tuesday, 4 December 2018 at 10.30 am in the
Level 5 Meeting Room, Breckland House, St Nicholas Street, Thetford IP24 1BT

PRESENT

Mr D Ambrose Smith	Mr I Houlder (Vice-Chairman)
Mr P.D. Claussen	Mr R Kerry
Mr D Bowman (Substitute Member)	Mr B. Provan (Chairman)
Mrs A. Hay	

In Attendance

Jo Andrews	- Strategic Manager (Revenues)
Alison Chubbock	- Chief Accountant (Deputy Section 151 Officer) (BDC)
Emma Grima	- Director of Commercial Services (East Cambs District Council)
Nick Khan	- Strategic Director (Suffolk Coastal & Waveney)
Jill Korwin	- Director (Forest Heath & St Edmundsbury)
Adrian Mills	- Strategic Manager (Benefits) ARP
Stuart Philpot	- Strategic Manager (Support Services) ARP
Mark Saunders	- Chief Accountant (FDC)
Julie Britton	- Democratic Services Officer

37/18 MINUTES (AGENDA ITEM 1)

The Minutes of the meeting held on 25 September were confirmed as a correct record subject to:

- 1) all references to Councillor Buckton throughout the Minutes being removed and replaced with Councillor Punt;
- 2) the spelling of Nick Kahn's surname being amended to Nick Khan; and
- 3) Nick Khan's title throughout the Minutes being amended from Strategic Manager to Strategic Director.

38/18 APOLOGIES (AGENDA ITEM 2)

Apologies for absence were received from Councillor Stephen Edwards and Paul Corney, Head of ARP.

Action By

Action By

39/18 URGENT BUSINESS (AGENDA ITEM 3)

None.

40/18 DECLARATIONS (AGENDA ITEM 4)

None.

41/18 PERFORMANCE REPORT (STANDING ITEM) (AGENDA ITEM 5)

(a) Highlight Report and Balance Scorecard

Stuart Philpot, the Strategic Manager (Support Services) ARP presented the report and provided Members with a brief overview on the following matters:

Benefits and Performance

Profiled targets for benefits performance were being met and was on course for achieve year end targets. This continued to place the partnership in a strong position as the DWP completed the implementation of the full Universal Credit service throughout December 2018.

Fraud and Compliance Performance

The team were on track to exceed targets for the year (see table on page 8 of the agenda pack).

From April 2018, ARP funding from Cambridgeshire County Council to support Single Person Discounts had stopped. However, at the request of the Joint Committee at its meeting in June 2018, East Cambridge and Fenland had been provided with a briefing note to continue discussions with Cambridgeshire County Council. In the interim, ARP had met with Norfolk and Suffolk County Councils and Norfolk County Council had committed to provide further funding until March 2021 and Suffolk County Council until March 2020. A further review would follow.

Additionally, through the ARP Management arrangement with Norwich City Council, an additional resource had been employed from 1 April 2018, fully funded by Norwich City Council and Norfolk County Council, to undertake similar work for Norwich City Council.

Revenues – Collection

Performance targets continued to be met in all areas with the exception of Non Domestic Rates collection for Fenland and Waveney District Councils, shown amber on the balance scorecards.

Enforcement

The Enforcement Team had collected in the region of £2.8m in this financial year and continued to perform well. Norwich City Council had now formally agreed to pass their enforcement cases to the Team from July 2019. Two further staff members would be recruited to take on this extra work.

Action By

Council Tax

Local authorities received a payment each year based on the number of domestic properties brought back into use. During the summer, on an annual basis, a review of all empty properties takes place in order to maximise the New Homes Bonus. The findings from this review had been highlighted in the table on page 9 of the agenda pack.

Website

The website had been enhanced and designed for Housing Benefit on-line; this enhancement has made it a great deal easier and straight forward for the customer. This approach had also been used for Council Tax and Business Rates and had been a great success with a quarter of a million hits already.

GDPR

Since the new regulations came into effect in May 2018, a bi-monthly meeting takes place with the Data Controllers. It is a requirement for each partner Council to have a named Data Controller and all names are published on the ARP website. The next meeting was being held at Forest Heath DC. To date, there had not been any serious breaches between the seven authorities.

Councillor Hay asked what would be the course of action if there was a breach. Members were informed that this would depend on the circumstances. The consequences of a breach in relation to customers were limited; however, if such a breach occurred a full report would be requested from the external mailer following which both parties would be contacted if a Council Tax letter, for example, happened to be posted to the incorrect person.

The serious consequences to the provider if data protection was breached were noted.

Balance Scorecard

All partners were showing green against their targets except for two as mentioned above under Revenues Collection.

Councillor Ann Hay felt that it would be easier to include an explanatory note at the bottom of the page so Members are aware of why any particular Council was behind target. Members were directed to page 26 of the agenda pack where an explanatory note had been included. In response, Councillor Hay felt that there more detail should be included.

In response to another question about Universal Credit, Members were informed that ARP had no influence in relation to Universal Credit as this was purely the responsibility of DWP. ARP's responsibility was to provide housing benefit and council tax support and as such Universal Credit had been removed from all forms.

Councillor Hay understood that from 2019, Universal Credit was going to become the responsibility of the Citizen's Advice Bureau and if this was the case, would ARP have to relinquish any staff. The Strategic Manager

Action By

(Benefits) ARP said that this was correct, Citizen's Advice would be responsible for Universal Credit and as far as staff were concerned, this would be at the discretion of each partner authority.

(b) ARP Financial Performance

The Chief Accountant (BDC) presented the report. The report had been based on information as at 31 October 2018 and all costs had been included and shared based on the Partnership Agreement.

The latest forecast showed an under-spend of £27k for the full year. Details had been highlighted in Appendix A of the report along with details of the variances.

The ARP held £221K in reserve to cover any shortfall in efficiencies in any one year; however, this funding was no longer required as the efficiency had been achieved. Consequently, at the Operational Improvement Board (OIB) meeting held in October 2018, it was agreed to re-allocate this reserve by topping up the transformation funding to £100k for future initiatives (yet to be identified) with the remaining funds being set aside to start an ICT reserve. This reserve had been agreed due to previously having to ask each partner authority for a contribution for such matters.

Councillor Ambrose-Smith said that he would have preferred to have been asked what this money could be used for. The Chief Accountant explained that these changes had been included in the budget report as discussed and recommended by the OIB subject to Joint Committee approvals. The budget report had been included on the agenda for discussion and agreement at agenda item 8.

The report and appendices were otherwise noted.

42/18 DISCUSSION ON FUTURE PERFORMANCE PRESENTATION (AGENDA ITEM 6)

Stuart Philpot, Strategic Manager (Support Services) ARP circulated a report that included a draft re-design of the current Balance Scorecard. This re-design aimed to present clear, relevant and understandable performance data from the ARP to Members, reporting figures on a quarterly basis and the latest month to date. The report highlighted three separate sections. Each section was explained in great detail, including:

- All partner Councils' combined: totals of financial collections of Council Tax and Business Rates, the number of electronic forms received and the total fraud identified by the ARP quarterly and to date;
- Performance information: for each individual Council, reporting quarterly collection of Council Tax, Business Rates and days to process new Council Tax Reduction claims and Housing benefit Claims. Along with the values of collection and performance, each page had a narrative pertinent to each indicator.
- Service updates: this included information currently being reported in the Joint Committee Highlight report; however, a second option could be to replace section 3 with a separate "Matters Arising" report.

Councillor Hay said that she would prefer to see two figures, one showing the

Action By

amount collected and another for payments made. Members were informed that this could be added.

It was noted that the finished article, which would include information from the **five** partner Councils (including the two merged districts – West Suffolk and East Suffolk) from April 2019, would be brought to the next ARP meeting in March 2019.

Councillor Ambrose-Smith asked that the ‘pence’ be removed from the figures and an action log be included so that Members were aware that any actions had been completed. Members were informed that the latter would form part of the narrative.

43/18 ANGLIA REVENUES PARTNERSHIP SERVICE DELIVERY PLAN
(AGENDA ITEM 7)

In the absence of Paul Corney, the Head of ARP, Jo Andrews, the Strategic Manager (Revenues) ARP presented the report.

The Service Delivery Plan sought to deliver efficiencies to the Partner Councils of £531K in 2017/18. The Strategic Manager was pleased to announce that this amount had been achieved.

The Service Delivery Plan (at Appendix A of the report) detailed the high level actions that the service must implement to ensure that the varied demands on the service were being met. The Plan had three areas:

- Service Plan – business as usual and innovative activities
- Projects
- Risk Matrix.

The strategic priorities were:

- To continue to promote specialist services
- To develop its existing offer; and
- Not to lose focus on its core business.

Members were then provided with the notable significant successes that ARP had achieved (see paragraph 1.2.1 of the report). Further to this, it was also noted that ARP would continue to monitor Universal Credit.

Councillor Claussen asked if Enforcement Agency staff would be expanded. Members were informed that ARP employs further resource as and when required particularly when taking on any new partners; the same would apply in the Fraud Team.

Councillor Hay queried the ‘ambers’ on the risk report as both had reached target score. Adrian Mills, Strategic Manager (Benefits) ARP explained that the Housing Benefit subsidy shortfall and the Universal Credit implementation risks had always been left as ‘amber’ as the risks were unknown; however, this could be changed. Councillor Hay felt that the scores should be changed to green but with a residual risk included. Members were informed that this would be changed accordingly.

RESOLVED that:

Action By

1. the progress in respect of the December 2017 Service Delivery Plan be noted; and
2. the revised Service Delivery Plan and Risk Register at Appendix A be approved; subject to the addition of the aforementioned changes.

44/18 ARP JOINT COMMITTEE PARTNERSHIP BUDGET (AGENDA ITEM 8)

Alison Chubbock, the Chief Accountant (BDC) presented the Partnership's annual budget report.

The budget had been reviewed by the S151 Officer for each partner authority followed by a further review by the Operational Improvement Board (OIB). The budget report was then brought to the Joint Committee for formal approval before being incorporated into the 7 partners' individual budgets.

Whilst the majority of budgets had been set in the same way as previous years, there had been a number of key changes to highlight for the 2019-20 budget. These changes had been discussed at the October OIB meeting and had been recommended for inclusion in the budget subject to the Joint Committee's approval.

An additional budget of £60k per year had been added for an ICT replacement fund to the existing £12.5K already budgeted. This £72.5K would be set aside each year in a reserve to be used to cover the cost of any IT replacement equipment for all ARP staff in future. If this amount was not agreed to be set aside, each partner authority would need to find one-off funding at the time of equipment replacement.

One of the major changes, highlighted at section 1.6 of the report, was in relation to the 16 temporary fixed term contract roles employed by the Partnership funded by either long term grants or income. These temporary roles had been in the budget for many years and were extended on an annual basis. Also staff employed on a temporary basis were always looking for permanent roles and thus having a high level of staff turnover. To overcome this situation and in order to ease these pressures of basic training and support, and to retain well trained staff, this budget proposed that these roles become permanent. There would not be an overall cost to the ARP as these would still be funded by either long term grants or income and would be made permanent as soon as possible subject to approval by each employing authority. There was a risk; however, that this grant funding or income would cease in the future but there was sufficient staff turnover within the ARP to manage this risk and the roles could be re-assigned.

In setting the budget the following key assumptions had been made:

- A pay award of 2% each year
- A vacancy factor of 2.5% in all years
- No inflation on general non contracted supplies and services; and
- No efficiency target as this had already been achieved during 2018/19.

The recommendations were highlighted and the early decision for the third recommendation was explained.

Action By

Councillor Ambrose-Smith asked if the 16 temporary staff were on a similar pay scale to the permanent staff. Members were informed that they were.

Councillor Claussen asked how much it cost the Partnership in recruitment. Members were informed that the cost of recruitment, training, staff time to date had all been taken into account; the hidden costs being in the region of £117K for 2018.

Councillor Houlder felt that the vacancy factor at 2.5% was quite low and therefore ARP was retaining staff rather than losing them. Members were informed that the difficulty was attracting suitable applicants for temporary work as most were always looking for permanent roles.

In response to a question about the additional budget for an ICT replacement fund, the Chief Accountant explained that there had never been any monies available for IT in the past and this additional funding would assist from the start.

RESOLVED that:

1. the Partnership budget at Appendix A of the report for 2019-20 be approved;
2. appropriate approvals be sought from each employing authority prior to increasing the establishment; and
3. any final full year balance for the Partners be shared between the partner Authorities in the approved shares.

45/18 ANGLIA REVENUE PARTNERSHIP CONSTITUTION (AGENDA ITEM 9)

Jill Korwin, a Director for West Suffolk Councils and Chair of the Operational Board presented the review of the Constitution report.

The purpose of the report was to agree to a review of the Constitution of the Partnership following the change in ARP membership as a result of the abolishment of four member authorities and the creation of two new member authorities in their place on 1 April 2019. Members were also asked to consider and address other issues in the Partnership Agreement.

Section 4 of the report set out the process of the agreement that the Partnership had to follow. In accordance with this process, Ian Gallin, the Chief Executive of Forest Heath District Council and St Edmundsbury Borough Council, served a review notice to the other Partner Authorities on 18 October 2018. All Chief Executives agreed to the review, tasking their members of the Operational Improvement Board to make recommendations as to the Terms of Reference. The Terms of Reference had been included at Appendix 1.

The recommendations were highlighted. Members were informed that this report would be presented to the individual authorities for agreement then it would be brought back to a future Joint ARP Committee meeting.

Councillor Ambrose-Smith conveyed his thanks for the work that had been done.

Action By

The Joint Committee **RESOLVED** that:

1. a full review of the Partnership Agreement be completed within six months of the abolishment of the four Councils;
2. the Terms of Reference for the review as set out in Appendix 1 of the report be agreed; and
3. during this period the successor Councils shall have the same number of representatives as the other member Councils.

46/18 WELFARE REFORM UPDATE (STANDING ITEM) (AGENDA ITEM 10)

Adrian Mills, the ARP Strategic Manager (Benefits) presented an update on welfare reform.

Apart from Universal Credit there were no new matters arising. Members were informed that of the announcement in October 2018 by DWP that Universal Support funding to assist new Universal Credit customer to make claims and help to budget monthly payments (see section 2.1.2 of the report) would be granted to the Citizen's Advice Bureau (CAB) and not to local authorities from April 2019. This unexpected announcement had been poorly received by Councils and the Local Government Association (LGA) had already written to the DWP and further response was expected from the Waveney MP who had lobbied Government against this migration.

ARP was in regular contact with the CAB at a local level and the position was being monitored. It was noted that the CAB had a one year contract in relation to delivering Universal Credit support.

Councillor Kerry had grave concerns about this migration and asked what would happen if the CAB found itself in a position where it could not help. Members were informed that this question had already been raised and had been directed to Government.

Councillor Houlder asked if the CAB had been provided with additional funding. The Strategic Manager (Benefits) advised that DWP are providing direct funding to CAB to deliver the change and that most Council's already passed this year's funding to CAB. Additionally, some Council's provided separate, general grant funding to CAB; however, it would be for local authorities to determine if this funding continued.

Councillor Ambrose-Smith wanted assurance that everyone had or was being told that ARP was not at all happy about this migration. Members were assured that ARP was lobbying government nationally but this would be the ideal opportunity, as Elected Members, to replicate what the Waveney MP had already done; the Strategic Manager (Benefits) said he would be happy to share this information.

Councillor Claussen also had concerns as it seemed to him that this was already a given decision but asked if there was anything that could be done corporately. Members were informed that ARP would keep a watching brief as this could have an impact on local authorities.

Jill Korwin, as the Chair of the OIB assured Members that an OIB meeting would directly follow this meeting to discuss the way forward and come up with a structured plan.

Action By

Members were encouraged to take a look at the Parliamentary debate which could be found by clicking on the following link:

<https://hansard.parliament.uk/commons/2018-10-17/debates/CD3131AC-C7F0-4DB6-A4EF-05191F92642F/UniversalCredit>

The report was otherwise noted.

47/18 FORTHCOMING ISSUES (STANDING ITEM) (AGENDA ITEM 11)

Nothing to report.

48/18 NEXT MEETING (AGENDA ITEM 12)

Members agreed that the date of the next meeting scheduled for Tuesday, 26 March 2019 at 10.30am should remain and not be changed due to the BDC purdah period.

The meeting closed at 11.35 am

CHAIRMAN