

Minutes of the meeting of the Regulatory and Support Services Committee  
held in the Council Chamber, The Grange, Nutholt Lane, Ely on Monday  
12<sup>th</sup> October 2015 at 4:30pm

**P R E S E N T**

Councillor Anna Bailey (Chairman)  
Councillor Christine Ambrose Smith  
Councillor David Ambrose Smith  
Councillor Sue Austen  
Councillor Mike Bradley  
Councillor Peter Cresswell  
Councillor Julia Huffer  
Councillor Carol Sennitt  
Councillor Jo Webber

**OTHERS PRESENT**

Jo Brooks – Director (Regulatory Services)  
Richard Quayle – Director (Support Services)  
Adrian Scaites-Stokes – Democratic Services Officer  
Member of Public - 1

36. **PUBLIC QUESTION TIME**

There were no questions received from members of the public.

37. **APOLOGIES AND SUBSTITUTIONS**

Apologies for absence were received from Councillors Vince Campbell and Hamish Ross.

38. **DECLARATIONS OF INTEREST**

Councillor David Ambrose Smith declared a personal interest in agenda item number 7, as he was the Council's representative on the Anglia Revenues Partnership and had been involved in bringing the relevant matter to the Council.

39. **MINUTES**

The Director (Support Services) updated the Committee relating to the land charges issue, where the Council had repaid some money back, and reported that, upon investigation, there were no other similar issues.

It was resolved:

That the Minutes of the meeting held on 14<sup>th</sup> September 2015 be confirmed as a correct record and be signed by the Chairman.

40. **CHAIRMAN'S ANNOUNCEMENTS**

There were no Chairman's announcements.

41. **EXCLUSION OF THE PUBLIC INCLUDING REPRESENTATIVES OF THE PRESS**

It was resolved:

That the press and public be excluded during the consideration of the item no. 7 because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the item there would be disclosure to them of exempt information of Categories 1 & 3 Part 1 Schedule 12A to the Local Government Act 1972 (as Amended).

42. **APPOINTMENTS, TRANSFERS AND RESIGNATIONS**

The Committee received a report (Q87, previously circulated) which provided details of staff appointments, transfers and resignations.

*Councillor Sue Austen joined the meeting at this point, 4:35pm.*

The Director (Support Services) advised the Committee that during September 3 appointments had been made, 5 had left and 2 had transferred to different posts. Of the 5 who had left, 1 had resigned, 1 had take voluntary redundancy, 1 had taken early retirement and 2 had been made compulsory redundant.

Councillor Peter Cresswell asked for clarification on whether the information given referred to actual staff numbers or posts and which posts the compulsory redundancies related to. The Director (Support Services) confirmed that the numbers related to posts and reflected changes made from the restructure of a few months ago.

Councillor Anna Bailey did not think that the report was clear, as evidenced by the points raised, and clarity in future reports was needed, particularly relating to redundancies.

It was resolved:

That the Committee note the content of the information report.

*The meeting adjourned at 4:40pm , reconvening at 4:41pm, to allow Mr Corney to join the meeting as it moved back into public session.*

43. **ANGLIA REVENUES PARTNERSHIP (ARP) TRADING COMPANY**

The Committee received a report (Q88, previously circulated) which set out proposals for the Council to become shareholders of the ARP Trading Company.

The Director (Support Services) introduced Mr Paul Corney from the Anglia Revenues Partnership and tabled a diagram showing the proposed set up of the Partnership incorporating the new Trading Company.

The Committee was reminded that ARP delivered services relating to council tax and benefits for the Council. The ARP consisted of seven partners governed by a Joint Committee, made up of two Members from each of the seven partner councils. An Operational Improvement Board, of officers, reported to the Joint Committee on the operation of ARP and potential improvements.

Over the next few years it was anticipated that Government funding would decline across the country, resulting in a funding gap. To generate additional income, opportunities should be taken to sell ARP's services to other councils. Although ARP was in the top quartile for performance, it was looking at innovative ways to deliver its services. The Joint Committee had concluded that there would be a case for setting up a trading company to generate more income.

In 2006 a trading company had been set up, owned by two of the partners only, and it was proposed to expand this to include all seven partners with equal rights and shared profits. Work was ongoing to revise the articles of the trading company to account for this. In December the Joint Committee would be considering the proposals in detail. The intention was to put together a business case for the Trading Company with Members having full control via the Joint Committee. The directors of the Trading Company would all be officers and not Members. It would purchase services from ARP but would require a loan of £10,000 from each council to help start up the Company properly. Members could call a review during this set up process.

Mr Corney explained that the original trading company was successful and had generated a significant amount of money. It had concentrated on the performance of ARP but was considering other ideas. At this stage only putting a framework in place was being considered. The process would be monitored so the resources going into the Trading Company would not affect ARP's operations.

Councillor Mike Bradley was concerned about the shareholding element of the Trading Company, as, although the shareholders appointed directors to run the company, the directors could offer shares. So how would the Joint Committee have control? Shareholder agreements needed to be in place before the company was finalised, so it was important to get the structure right. A contract had to reflect and secure this. Seven partners would be involved in setting up the company, but what would happen if two of the partners merged into one?

Mr Corney acknowledged that these issues had to be solved. There was a need to protect how the share issued worked, build in protection for the shareholders and legal issues would have to be incorporated. If two partners

merged then this would be considered by the Joint Committee and the Company's articles revised to suit. The councils would also be able to change the directors if necessary.

Councillor Anna Bailey wanted assurance that these issues were dealt with prior to establishment of the new Trading Company. The Committee could request that the Director (Support Services), although it was intended to delegate authority to him, bring back an update at a later stage before things were finalised. This would allow the Committee to stop the process if it felt this was necessary.

Councillor David Ambrose Smith concurred and thought that each Council should have the opportunity to ratify any agreements beforehand. There was no hurry with this process, so details should not be missed.

Mr Corney reminded the Committee that a trading company was already available but all issues for the new trading Company should go through the councils' legal teams, as all the partners had the same concerns.

The Director (Support Services) would bring a paper to the December meeting of this Committee, where it could change the details if it thought necessary.

Councillor Anna Bailey noted that the new enforcement agency set up by ARP had generated a surplus, but wondered where this would be generated from and whether this would include additional fees for late payments. Presumably this service would be one of the ones transferred to the new Trading Company.

Councillor Julia Huffer calculated that the surplus amount stated in the report equated to 483 prosecutions a year, which seemed excessive.

Councillor Christine Ambrose Smith was worried about families incurring additional fees when they were having difficulty paying outstanding monies. Would it be possible to reduce the amount of fees in those cases?

Mr Corney explained that statutory fees were charged for enforcement action, adding to the income collected. These fees had previously been collected by external contractors doing this work for ARP, but this work had been brought back in-house. Enforcement action was only taken as a last resort and was primarily aimed at people who did not want to pay, rather than those who had difficulty in paying. So help was offered to families struggling to pay and they were given plenty of opportunity to engage with ARP before enforcement action was considered. Across the seven partners there were around 1400 enforcement orders issued over the year.

Each service would be considered for transferring across to the new Trading Company, to see if it would be more beneficial to do so. One other service that had the potential to transfer over was the Compliance team, which dealt with fraud. A business case for this could be brought forward.

It was resolved:

- (i) That a loan of £10,000 (funded from 2014-15 savings in the partnership budgets) to ARP Trading Company Ltd as suggested by ARP Joint Committee at its 10 June meeting be approved;
- (ii) That shares be purchased in ARP Trading Company Ltd at the price of £1 per share;
- (iii) That the revised constitution of ARP Trading Company Ltd be agreed and shareholder agreement be delegated to the ARP Operational Improvement Board;
- (iv) That the Director (Support Services) be nominated to represent the Council's interests at shareholder meetings;
- (v) That the Director (Support Services) provide the Committee with an update at its December meeting.

44. **SINGLE MEMBER VOTE AT ANGLIA REVENUES PARTNERSHIP (ARP) JOINT COMMITTEE**

The Committee received a report (Q89, previously circulated) which suggested the reduction in number of voting Members representing the Council on the ARP Joint Committee from two Members to one.

The Director (Support Services) reminded the Committee that there were seven council partners on the Joint Committee, each represented by two Members. When the ARP was originally set up there were only two partners and when this Council joined that made three. Since then others had joined, so now there were seven partners and the Joint Committee had fourteen Members on it. The intention was now to reduce that representation to one Member per partner. This would mean a change to the Joint Committee's constitution and consequently this Council's constitution would need to be revised to reflect the changes proposed. This Committee did not have the authority to do that, but could make a recommendation to Council. Therefore, it was recommended that the Council have one voting Member on the Joint Committee backed up by two non-voting Substitute Members. If a recommendation was made it would go to this month's Council meeting.

Councillor Peter Cresswell questioned why the two Substitute Members would not be able to vote. If the main Member was not available to attend a Joint Committee meeting this implied that the Substitute would not be able to vote in their stead. Mr Corney stated that historically most partners only wanted to bring one member to the Joint Committee meetings, though some wanted two to join in the discussions. The desire was now was for only one Member to attend. Councillor Anna Bailey confirmed that the Substitute Member could vote at a meeting if they were attending on behalf of the main Member.

Councillor David Ambrose Smith asked when the proposed changes would take place. Mr Corney replied that this would happen once this had been taken through every Council, as it had to be part of their constitutions.

It was resolved TO RECOMMEND TO COUNCIL:

- (i) That the Council, along with the other partners on the Joint Committee of the ARP, reduce the number of Members able to vote at Joint Committee to one Member per Council;
- (ii) That the Council has two Member substitutes for the Joint Committee, with the option for one of the substitutes to attend and take part in debate (but not vote);
- (iii) That the ARP Joint Committee constitution in the Council's constitution be revised to reflect (i) and (ii) above;
- (iv) That the Council appoints one Member on to the ARP Joint Committee and two substitutes.

45. **FORWARD AGENDA PLAN**

The Committee received the Forward Plan. Councillor Julia Huffer requested an extra item, on additional staff for the Waste Team, be added to the January 2016 meeting. The additional item relating to the ARP Trading Company update for the December meeting was noted.

It was resolved:

That the Forward Agenda Plan, as amended, be noted.

The meeting closed at 5.22pm