A G E N D A

ANGLIA REVENUES & BENEFITS PARTNERSHIP
JOINT COMMITTEE

DATE & TIME Tuesday, 21st June, 2016 at 10.00 am
VENUE: Level 5 Meeting Room, Breckland House, St Nicholas Street, Thetford
IP24 1BT

For the attention of:

Mr P M M Dimoglou, Breckland Council
Mr D Ambrose Smith, East Cambridgeshire District Council (Chairman)
Mr C Seaton, Fenland District Council (Vice-Chairman)
Cllr M Barnard, Waveney District Council
Mr S. Edwards, Forest Heath District Council
Mr I Houlder, St Edmundsbury Borough Council
Mr R Kerry, Suffolk Coastal District Council

PART A
ITEMS OPEN TO THE PUBLIC

1. APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN
To appoint a Chairman and Vice-Chairman for the ensuing year.

The terms of reference of the Joint Committee stipulate that:

1. The persons eligible to be elected as Chairman shall not be the
   appointees of a Council whose appointee held that position in any of the
   three previous years.

2. The persons eligible to be elected as Vice-Chairman shall not be the
   appointees of a Council whose appointee held that position in the
   previous year.

3. The Chairman and Vice-Chairman shall not be appointees of the same
   Council.

2. APPOINTMENT OF TREASURER

Democratic Services
Elizabeth House, Walpole Loke,
Dereham Norfolk, NR19 1EE

Date: Tuesday, 14 June 2016

Contact: Helen McAleer. Senior Committee Officer (01362) 656381
Email: helen.mcaleer@breckland.gov.uk
To appoint Treasurer.

3. **MINUTES**
   To confirm the minutes of the additional meeting held on 12 January 2016, and the meeting held on 22 March 2016.

4. **APOLOGIES**
   To receive apologies for absence.

5. **URGENT BUSINESS**
   To note whether the Chairman proposes to accept any items of urgent business pursuant to Section 100(B)(4)(b) of the Local Government Act 1972.

6. **DECLARATIONS**

7. **PERFORMANCE REPORT (STANDING ITEM)**
   Reports of the Operational Board:
   a) Operational Performance
      To receive the Annual Report
   b) ARP Joint Committee Financial Report 2015-16
      Report of ARP Treasurer.

8. **ARP RISK REGISTER**
   Report of Head of ARP.

9. **MEDIUM TERM FINANCIAL PLAN**
   Presentation by Executive Director Commercialisation (BDC)

10. **OPPORTUNITIES FOR ARP**
    Presentation by Jo Russell.

11. **FORTHCOMING ISSUES (STANDING ITEM)**
    To note any items.

12. **NEXT MEETING**
    To note the arrangements for the next meeting to be held on 20 September 2016 in the Level 5 Meeting Room, Breckland House, St Nicholas Street, Thetford, IP24 1BT.
At a Meeting of the

ANGLIA REVENUES AND BENEFITS PARTNERSHIP JOINT COMMITTEE

Held on Tuesday, 12 January 2016 at 10.00 am in the
Level 5 Meeting Room, Breckland House, St Nicholas Street, Thetford IP24 1BT

PRESENT
Mr D Ambrose Smith (Chairman) Mr S. Edwards
Mr C Seaton (Vice-Chairman) Mr I Houlder
Cllr M Barnard Mr R Kerry
Mr P M M Dimoglou

In Attendance
Rob Bridge - Corporate Director (Fenland)
Arthur Charvonia - Strategic Director (Waveney & Suffolk Council)
Alison Chubbock - Chief Accountant (BDC)
Paul Corney - Head of ARP
Julie Kennealy - Executive Director (Commercialisation)(BDC)
Jill Korwin - Director (FH & StEds)
Andy Radford - Finance (East Cambs)
Teresa Smith - Democratic Services Officer

1/16 APOLOGIES

None.

2/16 URGENT BUSINESS

None.

3/16 DECLARATIONS

None.

4/16 ARP JOINT COMMITTEE PARTNERSHIP BUDGET

The Executive Director Commercialisation (BDC) reminded Members that the Operational Improvement Board (OIB) felt strongly that ARP finances required a strategic approach. The current yearly budget setting, did not account for a number of issues; including expected changes to the financial climate and a detailed business plan which would outline how financial changes would be dealt with.

Members were informed there was a balanced budget for 16-17, which would allow time to put together a detailed business plan for future years.

The Executive Director Commercialisation (BDC) provided Members with a presentation on the approach of the financial plan.
The base budget had not removed the ability to redirect resources into the trading company. An Investment fund had been accumulated by retaining surplus from previous years. It had been previously agreed that £10,000 per authority would be transferred to ARP Trading as a working capital.

There was a balanced budget for 2016-2017, however there was a shortfall of £500k which needed to be found for 2017-2018.

The Corporate Director (Fenland) noted that changes in Universal Credit nationally this could result in a reduction of staff. This needed to be managed carefully otherwise there could be a costly redundancy bill which had not been accounted for. This would be included in the business plan to focus on the impact of staffing and funding levels.

The Executive Director Commercialisation (BDC) said that the Investment Fund would be used to look at how technology could create more efficient ways of working.

Members were informed of success in commissioning work currently being done for other councils that will generate income and that there are other negotiations taking place with these councils and others for future consultancy work. ARP had generated new business through existing networks, however new ways to generate new business would need to be explored.

Councillor Seaton said networking had worked well, but to move forward there needed to be a robust marketing campaign.

The Chairman said whilst he would agree to the OIB spending the budget, Members might not always agree with what it had been spent on. The Executive Director Commercialisation (BDC) said that ARP would move towards a business approach, and Members could hold the OIB to account.

Councillor Holder said the Finance Officers for each Authority reported to individual Councils and Cabinets on a regular basis, therefore Members would be kept informed.

The Corporate Director (Fenland) said that the Marketing and PR of ARP for 2017-2018 should be considered now. ARP needed to advertise at various conferences coming up such as the LGA, CIPFA and IRV. If OIB agreed what the plan would look like and waited for Members agreement at the next planned meeting, opportunities could be missed. Directors would liaise with Members individually to gain agreement.

The Executive Director Commercialisation (BDC) said that a timetable would be agreed and presented back to Members.

The Corporate Director (Fenland) asked if the Business Development Post and the £60k for ARPT were still included in the budget. It was agreed this was the case.

The Chairman thanked the Executive Director Commercialisation (BDC) for the clear and concise presentation.

The Finance Director asked if the budget would be in further decline beyond 2020. The Executive Director Commercialisation (BDC) said it was difficult to
predict the budgets so far ahead due to the constant change in the financial climate.

Members agreed for the OIB to work towards an opportunistic business plan.

It was **RESOLVED** that:

1) The partnership budget for 2016-17 be approved;

2) The full 2015-16 underspend be contributed into the ARP investment fund;

3) Authority for future release of budgets from the investment fund for specific projects be delegated to OIB and all spend to be reported to Joint Committee at the next available meeting.

**5/16 NEXT MEETING**

The arrangements for the next meeting to be held on Tuesday 22 March at 10:00am in Level 5 Meeting Room, Breckland House, St Nicholas Street, Thetford, IP24 1BT were noted.

The meeting closed at 10.40 am

CHAIRMAN
At a Meeting of the

ANGLIA REVENUES AND BENEFITS PARTNERSHIP JOINT COMMITTEE

Held on Tuesday, 22 March 2016 at 10.00 am in the
Level 5 Meeting Room, Breckland House, St Nicholas Street, Thetford IP24 1BT

PRESENT
Mr D Ambrose Smith (Chairman)
Mr C Seaton (Vice-Chairman)
Mr P M M Dimoglou
Mr I Houlder
Mr R Kerry
Cllr S Allen (Substitute Member)
Mr S. Edwards

In Attendance
Jo Andrews - Strategic Manager (Revenues)
Rob Bridge - Corporate Director (Fenland)
Arthur Charvonia - Strategic Director
Paul Corney - Head of ARP
Jill Korwin - Director
Julie Kennealy - Executive Director (Commercialisation)(S151 Officer)
Adrian Mills - Strategic Manager (Benefits)
Stuart Philpot - Strategic Manager (Support Services) ARP
Andy Radford - Director
Teresa Smith - Democratic Services Officer

6/16 MINUTES
The minutes of the meeting held on 7 December 2015 were confirmed as a correct record.

The minutes of the Additional meeting held on 12 January 2016 had been omitted from the agenda, and would therefore be added to the next meeting.

7/16 APOLOGIES
An apology had been received from Councillor Barnard. Cllr Sue Allen was present as his substitute.

8/16 URGENT BUSINESS
None.

9/16 DECLARATIONS
None.
**10/16 PERFORMANCE REPORT (STANDING ITEM)**

(a) **Operational Performance**

The Strategic Manager (Support Services) ARP presented the report.

Benefits performance continued to meet profiled targets and was on course to achieve year end targets. The new system had embedded better than anticipated with minimal impact on performance.

The performance outturn for processing Housing Benefits and Council Tax Support for new claims and changes was between 11 and 7 days for 2015/16. The proposed target for 2016/17 had been set for 8 days for all Councils.

Members agreed to the proposed target of 8 days.

It was confirmed that ARP had received the maximum funding available for the Fraud and Error Reduction Incentive Scheme (FERIS) for 2016/17.

Councillor Dimoglou asked if it would be practicable for the system to automatically ask customers to review their records every six weeks. The Head of ARP said this formed part of the FERIS project and would feed the request into the process.

Councillor Houlder asked for data on the number of claims submitted via the online forms. The Head of ARP said there had been an increase in the number of customers using the online self-service. The survey form was also being re-vamped to evaluate and develop the online forms. Further information would be available for Members at the next meeting.

Members agreed to the proposed 2016/17 annual targets for Fraud.

(b) **Financial Performance**

The Executive Director Commercialisation (BDC) said that £332k had been forecasted as underspend for the end of the financial year which had been allocated to an Investment fund. Members were informed that due to the enforcement team surpassing expectations, there could be an additional £200k to add to the income by the end of the financial year.

(c) **Balanced Scorecard**

The Strategic Manager (Support Services) ARP presented the report.

Councillor Edwards raised that the Forest Heath Collection rates showed a positive picture, however he felt information presented to his Cabinet showed the collection rate was behind. The Executive Director for West Suffolk agreed to look into the reporting of collection rates further.

**11/16 WELFARE REFORM UPDATE (STANDING ITEM)**

The Strategic Manager (Benefits) ARP presented the report.

The Chairman noted the significant reduction in the Benefit Cap from £26,000 to £20,000.
Members noted the report.

12/16 ENFORCEMENT AGENCY UPDATE

The Strategic Manager (Revenues) ARP presented the report to Members.

The Enforcement Agency had been operational since July 2015, and had collected in excess of £1.1m and a further £400k will be collected on payment arrangements.

The ARP Enforcement Agency would like to offer the service to other Local Authorities. However in order for the team to move forward, additional resource would be required. The Operational Improvement Board had made it clear that robust data would need to be provided to see why extra resource would be needed.

The Chairman asked when the Joint Committee could expect a report on the success of the service moving forward. The Head of ARP confirmed that information could be provided at the next meeting of the Joint Committee.

The Head of ARP went on to say that a design model was being prepared in order to provide the services of the Enforcement Agency to other Councils.

Councillor Edwards said he was pleased to see that only two complaints had been received and felt this was a testament to the team. The Head of ARP said that early indications showed that the Enforcement Agency was collecting a higher percentage of debt than their competitors.

Mr Radford asked that recommendation 2 be amended to reflect that robust data had been requested by the Operational Improvement Board and Members agreed to this.

It was RESOLVED that:

1) The progress of the Enforcement Agency be noted;

2) That the Operational Improvement Board be given delegated authority to appoint up to eight additional members of staff where they are satisfied that the increase is justified by robust data;

3) That the Operational Improvement Board be given delegated authority to negotiate the terms of the ARP Enforcement Agency entering into arrangements to collect debt for councils who are not members of the ARP 2015 Joint Committee.

13/16 FORTHCOMING ISSUES (STANDING ITEM)

Nothing to report.

14/16 NEXT MEETING

The arrangements for the next meeting scheduled for Tuesday 21 June at 10:00am in the Level 5 Meeting Room, Breckland House, St Nicholas Street, Thetford, IP24 1BT were noted.
15/16 EXCLUSION OF PRESS AND 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 4 of Part 1 of Schedule 12A to the Act.

16/16 RISK BASED VERIFICATION

The Strategic Manager (Benefits) ARP asked the Joint Committee to approve the Risk Based Verification Policy. It would be reviewed annually.

RESOLVED that:

1) the report be noted and the policy remained unchanged for 2015/16; and
2) the revised Housing Benefit Risk Based Verification Policy for 2016/17 for Breckland Council, East Cambridgeshire District Council, Fenland District Council, Forest Heath District Council, St Edmundsbury Borough Council, Suffolk Coastal District Council and Waveney District Council be approved.

17/16 COMMERCIAL UPDATE

The Executive Director Commercialisation (BDC) provided Members with an update.

Members agreed that the Operational Improvement Board should negotiate on a basis of delivering services for other Councils in the first instance but that where appropriate they should consider alternative approaches, sharing risk and benefits with other Councils, where this would benefit the seven ARP partners.

18/16 SHAREHOLDERS AGREEMENT AND PRESENTATION

The Executive Director Commercialisation (BDC) informed Members that the Shareholders Agreement had been agreed between the seven Authorities.

A final copy would be circulated to the seven authorities to incorporate the changes agreed, and each Authority should progress this through their individual committee process.

The meeting closed at 11.45 am

CHAIRMAN
The Anglia Revenues Partnership

Annual Report

1st April 2015 to 31st March 2016
1.0 Introduction

1.1 This document presents the annual report for the Anglia Revenues Partnership (ARP) for the year commencing 1st April 2015. This report will update members on the activities and performance of the ARP.

1.2 Since the creation of the ARP service efficiencies and customer service levels have all increased dramatically. The ARP was the first ‘True Revenues and Benefits Partnership’ and is the largest partnership of its kind. The ARP still continues to be the benchmark of all other Revenues & Benefits Partnerships.

1.3 Much of the success of the ARP is due to the team members, other officers and external organisations who deliver the services to each Partner’s citizens, whether through assessing a benefit claim or setting up a payment agreement each team member has a direct impact on the ARP’s customer base.

1.4 This year has seen a year of consolidation and a year of change; consolidation in respect of equalisation of service delivery, change in respect of the introduction of new services and the cultural shift required for partnership working.

1.5 The Partnership has grown to its current size over a number of years and it is estimated that annual savings of more than £1.8 million are being achieved. The continuing performance in Council Tax and Business rates collection and in the maximisation of benefit subsidies adds to the efficiencies gained by the partner councils.

1.6 Over the next 3 to 4 years we will see the DWP implement Universal Credit which will replace Housing Benefit for working age claimants. We will continue to receive claims for Council Tax Support and we will continue to process Housing Benefit for pensioners We will not see a significant reduction in workload however, we will see a significant reduction in the Administration Grant we receive from the DWP. It is estimated that the ARP partners will see a reduction in grant funding of £1.8 million by 2020

1.7 With seven partners Members have agreed that the emphasis of growth for the ARP has moved from looking for more full partners and will move instead to offering services to other councils and this has led to the decision to make all partners shareholders in the Anglia Revenues Partnership Trading Company (ARPT).

1.8 For the ARP our partners require excellence in the delivery of their own services. For ARPT helping to deliver improvements in service delivery will provide a long term sustainable business that provides a regular income. The ARP and ARPT will offer two sides of the same coin with the key difference being that one looks to deliver to the internal market of its partners and the
other looks to deliver similar service improvements to the external market for the advantage of its shareholders.

1.9 In 2015/16 the major initiatives and issues related to the following:

- Understanding and reacting to Welfare reform changes,
- The transfer of Housing Benefit Fraud to the Department of Work and Pensions (DWP) and determination of what fraud services should be retained,
- The introduction of an in-house Enforcement Agency (Bailiff service)
- Phase 2 of the integration of all 7 partners to bring about equalisation of service provision
- Development of a commercial strategy and trading arm for future growth and efficiencies

2.0 Welfare reform changes

2.1 In 2015/16 we saw the roll out of Universal Credit in respect of new claims for single claimants who have no children. This roll out occurred over 4 tranches Tranche 1 starting in March 2015 and Tranche 4 ending in March 2016.

2.2 The Strategic Manager (Benefits) worked with the DWP to negotiate each councils “Universal Credit Local Delivery Partnership Agreement” securing £241,000 of funding for the ARP partners. The principles established in the negotiations with the ARP became part of the draft national agreement used by the DWP in negotiations across the country.

2.3 The partnership agreement sets out the assistance that Councils will give to the DWP in helping customers to successfully apply for Universal Credit. The DWP recognised that some claimants will find the process involved in claiming difficult and that Local Government is best placed, in some circumstances, to assist people to make their claims.

2.4 The DWP estimated the likely number of claimants that Councils would be asked to provide assistance to and the type of assistance that would be required these include;

- Personal Budgeting Support (assistance with debt and financial management)
- Assisting customers to make their Universal Credit claim (this area will grow once the DWP have fully implemented their digital/online solution)
- Support for the Universal Credit Delivery Centres, including advice to understand different housing tenancy types to enable assessment
- Local Council Tax Support data exchange and administration
3.0 Transfer of Fraud services to DWP

3.1 The DWP introduced the “Single Fraud Investigation Service” (SFIS) to bring the investigation of housing benefit fraud into the DWP so that one unified team would then investigate all benefits paid by the DWP. Although the DWP took responsibility for Housing Benefit fraud they did not take responsibility for Council Tax Support fraud, this remains with Councils.

3.2 A programme was run from September 2014 to March 2016 to transfer the function to the DWP in a managed way, this involved the transfer of fraud staff from Councils to the DWP. Waveney and Suffolk Coastal transferred to SFIS in May 2015 and the remaining partners transferred at the beginning of September 2015.

3.3 Members will remember that a number of reports were brought to them concerning the potential to retain some of the Fraud team to investigate Council Tax Support but, also recommending that the teams focus should also move to Council Tax discounts and exemptions as well as housing fraud.

3.4 After a long period of negotiation Suffolk, Norfolk and Cambridgeshire County Councils all agreed to provide funding, for the work carried out on council tax fraud, of £105,000. The funding is provided in acceptance of the fact that the County Councils are the main beneficiary of increased council tax income.

3.5 The targets set for the team have been significantly exceeded as shown by the table below

<table>
<thead>
<tr>
<th>Description of financial saving</th>
<th>Estimated financial saving (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Annual 2015/16 target</td>
</tr>
<tr>
<td>Single Person Discount fraud</td>
<td>120,000</td>
</tr>
<tr>
<td>Local Council Tax Support Scheme fraud</td>
<td>100,000</td>
</tr>
<tr>
<td>Tenancy fraud</td>
<td>50,000</td>
</tr>
<tr>
<td>Other (Council Tax and NDR)</td>
<td>50,000</td>
</tr>
<tr>
<td>Total financial savings</td>
<td>320,000</td>
</tr>
</tbody>
</table>
3.6 The Fraud team’s seamless transition from benefit fraud to council tax fraud has been exemplary and there is no doubt that they will achieve their target to achieve efficiencies greater than the cost of their service next year.

3.7 The fraud team have carried out work for Registered Providers (Housing Associations) to identify and prosecute in cases of tenancy fraud which is proving the case for future commercial opportunities in this area.

3.8 The partnership successfully secured a maximum DWP grant of £88,000 to fund resource to identify and rectify fraud and error in the Benefits system.

4.0 In house Enforcement Agency

4.1 The compliance officers and the Team Manager were recruited by the end of May 2015 and the new “Enforcer” system was implemented by the end of June 2015. This meant that we were able to pass the liability orders from the first courts of the year for 2 of the 7 partners to the Agency.

4.2 Two Enforcement Agents obtained their Enforcement certificate which allows them to visit properties to enforce payment and a third Agent who is already certificated was appointed.

4.3 The new team was set up so that we can offer debtors a responsive service that seeks to be fair but robust in recovering unpaid Council Tax and Business Rates. The business case that came to Joint Committee estimated that the new service would break even in 2015/16 and would provide a net surplus of fees in relation to the cost of the service from 2016/17 that would benefit Council Tax payers.

4.4 In March 2016 Members heard that the service has resulted in improved collection of council tax with a reduction in complaints received (only 2 complaints received as at the 31 March 2016). Notably one of the Enforcement Agents has received the following compliment “Gemma was smart, so professional, charming and nice. Said it was very unusual to see a combination of kindness, sweetness and efficiency. Found the whole experience very pleasant…..”

4.5 Collection rates at 31 March 2016 compare favourably with one of our previous external suppliers for the first eight months of operation under the new legislation.

<table>
<thead>
<tr>
<th></th>
<th>ARPE collection rate to 31 March 2016</th>
<th>External Agency</th>
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</thead>
<tbody>
<tr>
<td>Council Tax</td>
<td>20.8%</td>
<td>18.8%</td>
</tr>
<tr>
<td>LCTRS cases</td>
<td>13.8%</td>
<td>16.1%</td>
</tr>
<tr>
<td>NNDR</td>
<td>32.7%</td>
<td>28.0%</td>
</tr>
</tbody>
</table>
The actual amount collected by all Enforcement Agents has increased in the last year. In 2014/15 the amount collected was £2,970,629 and in the 2015/16 year was £3,359,147, an increase of £388,518. Our Enforcement team has on several occasions been able to collect debts previously referred to another Enforcement Agency but returned unsuccessful.

4.6 As reported in the financial performance report, the service has also generated a surplus of £277 thousand which has far exceeded expectations. It has also been recommended that this surplus should be distributed to the councils which will benefit council tax payers as intended in the business case for bringing the service in house.

4.7 A number of councils have approached the ARP who are interested in having their service delivered by the ARP Enforcement Agency which will benefit all parties in generating further economies of scale and efficiencies.

5.0 Equalisation of Service Provision

5.1 The business case to create a single officer core bringing Fenland, Waveney, and Suffolk Coastal into the ARP and to bring processes and procedures together on one Document Imaging System has almost reached completion. As a result of being able to work on any of the seven databases, staff were able to work at all times during the Annual Billing process.

5.2 From the end of January 2016 all new documents for all partners are viewed on Civica’s system and the migration of historical documents from the Northgate system has nearly been completed.

5.3 Officers from all 7 councils can now view and update all documents and access the Academy databases allowing full sharing of resource in 2016/17. This mean that we can offer a fully shared service and so performance can be equalised across all partners irrespective of sickness and vacancy levels at any one site.

5.4 The Revenues and Benefits teams continue to work to bring together all processes and procedures taking the best practice from each council to form the new harmonised way of working.

5.5 Incoming post is being received centrally at Breckland House for all seven partners streamlining the opening of post to one central location. Documentation from the customer can be scanned on to the imaging system for all sites at the first point of contact with the customer service teams, then being transferred immediately into the back office for completion.

5.6 The Support Services team successfully completed the 2016-17 annual billing process between February 28th and March 15th, producing over 350,000
council tax and business rates bills for the seven partners. Where possible Benefits Notifications were matched to Council Tax Bills to ensure the customer received one letter only. The electronic bills were transferred to the external mailing provider for printing and enclosure. All the mail was handed over to Royal Mail within agreed timescales maximising postage discount available.

5.7 The Support Services team have also ensured that the functionality on systems procured through our shared arrangements are now available to residents of all councils. All customers can view accounts over the internet and can request that they receive their bills and benefit letters through our online services.

5.8 The Support Services team has also successfully carried out a full refresh of the ARP website and of the online forms that are available to customers. The ARP are working with customer services teams to understand how we can further improve the website based upon the enquiries they receive and feedback on the site.

5.9 In 2016/17 a further review of online forms and back office automation will continue so that as customers self-serve or receive assistance forms that are completed will automatically update the back office systems, this functionality is already in place for benefit new claims.

6.0 Commercial Strategy and Trading Vehicles

6.1 Members have given a very clear steer concerning the strategy for growth in the future. Unless a business case offers very significant benefits or, changes such as Universal Credit change the landscape, the ARP will not look for further full partners to join the Joint Committee.

6.2 The future commercial strategy will be for growth through other vehicles including the development of a trading company with all 7 partners as equal shareholders.

6.3 The ARP will seek to generate efficiencies in staffing levels through digital solutions and through process automation. Where these efficiencies are generated business cases will be developed to assess the value of trading the excess capacity to generate income for the partner councils.

6.4 This strategy reduces the risk of losing good experienced staff and offers an opportunity to generate income to meet the losses in Administration grant referred to earlier.

6.5 Breckland Council and Forest Heath created the Anglia Revenues Partnership Trading Company (ARPT) and are currently the only shareholders. Initially
ARPT traded quite successfully but in more recent years the Company has not traded.

6.6 It has been agreed by Joint Committee that ARPT should become a vehicle for the 7 partners to offer services to councils outside of ARP. Subject to Joint Committee approval, the company may offer services such as:

- Management Services (offering strategic and operational management support)
- Revenues and Benefits consultancy services
- Resilience services for Councils falling in to backlog (a likely scenario as councils reduce resource due to administration grant reduction)
- Technical expertise and project management
- Resilience services as a third party (overflow from Private sector companies who offer agency staff)
- Fraud prevention, detection and prosecution services (to other councils, Housing Associations and others)
- Other potential opportunities.

6.7 In 2015/16 work has been carried out to agree the shareholders agreement and to ensure that the framework for the company is ready to trade. Business cases will be prepared in 2016/17 for Joint Committee to determine whether trading in various areas should be developed by the Directors of the company.

6.8 Negotiations have started with 3 councils concerning the ARP enforcement agency carrying out their Enforcement work. This will result in better collection levels for these councils, additional economies of scale and resilience in providing the service and the potential for additional surpluses to benefit the council tax payers of the ARP partners and other councils that we collect for.

7.0 Performance

7.1 Benefits performance has exceeded annual targets to process new claims and changes of circumstances, whilst Housing Benefit new claims processing has exceeded the DWP published national average, achieving top quartile.

7.2 The partnership received £204 million in DWP subsidy for the seven partners and retained the full value of Local Authority error incentive for all Councils, thereby preventing the loss of £1.1 million. Through determined negotiation with External Audit and the DWP, the partnership prevented one Council losing nearly £600,000 in subsidy; External Audit had argued a single claim had a missing claim form, then extrapolated the value across the caseload to nearly £600,000. We robustly produced evidence to refute the argument which lead to External Audit removing the extrapolation. In a separate matter
with another Council, External Audit stated we had insufficient proof of rent liability; despite our representations External Audit qualified the matter. We made a detailed submission to the DWP which led to the DWP accepting our position to secure £119,000.

7.3 The attached balanced scorecard (Appendix A) shows that in almost all areas performance has met or exceeded targets even whilst the teams went through such a period of change.

7.4 The finance report also shows that in 2015/16 significant underspends were seen which has given the ARP Joint Committee to agree in March to carry the estimated surpluses forward as an investment fund to enable the ARP and ARPT to generate the efficiencies required by 2020.

7.5 The budget was underspent by £272k of which, £178k will be retained in the ARP investment fund whilst it is being recommended that the remainder of £94k and the surplus from the Enforcement Agency team of £277k should be distributed back to the partners.

7.6 2015/16 has been a very challenging and successful year. The ARP is in a very good position moving into 2016/17 to implement the strategies being formulated in the Transformation Programme.
Corporate Balanced Scorecard - Dashboard
As at end March 2016

Customer

- Customer Satisfaction
- Channel Shift

Financial

- Collection
- Budget Management

Internal Process

- Collection
- Fraud

Learning and Growth

- Collection
- Performance Management

Customer

- Customer Satisfaction
- Channel Shift

Financial

- Collection
- Budget Management

Internal Process

- Collection
- Fraud

Learning and Growth

- Collection
- Performance Management

Customer

- Customer Satisfaction
- Channel Shift

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- Collection
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- Channel Shift

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- Collection
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- Fraud

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- Fraud

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- Collection
- Performance Management

Customer

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- Channel Shift

Financial

- Collection
- Budget Management

Internal Process

- Collection
- Fraud

Learning and Growth

- Collection
- Performance Management

Customer

- Customer Satisfaction
- Channel Shift

Financial

- Collection
- Budget Management

Internal Process

- Collection
- Fraud

Learning and Growth

- Collection
- Performance Management

Customer

- Customer Satisfaction
- Channel Shift

Financial

- Collection
- Budget Management

Internal Process

- Collection
- Fraud

Learning and Growth

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Financial

- Collection
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Internal Process

- Collection
- Fraud

Learning and Growth

- Collection
- Performance Management
This shows the number of E-Forms (Victoria Forms) received by ARP for both Benefits and Council Tax. Although this area has not previously been targeted, our aim is to continuously increase this form of communication by making the process user friendly and achieve an upward trend.
## Summary Breckland Scorecard as at end March 2016

<table>
<thead>
<tr>
<th>Heading</th>
<th>Example Indicator</th>
<th>2015-16</th>
<th>2014-15</th>
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<tr>
<th>This month</th>
<th>Last month</th>
<th>YTD</th>
<th>Final</th>
</tr>
</thead>
</table>
This shows the amount of money required to be collected within the financial year, payable to the NNDR Collection Fund against the actual collection.

Collection is slightly below target due to two unusually large refunds (due to successful appeals).
This shows the amount of Council Tax required to be collected within the financial year against actual collection.
This shows the average number of days taken to assess all Council Tax Reduction scheme claims and changes against agreed targets. ARP strives to improve customer service by reducing the number of days taken. Please note that we have achieved target for the current year 2015-16.
This shows the average number of days taken to assess all Housing Benefit claims and changes against agreed targets. ARP strives to improve customer service by reducing the number of days taken.
Please note that we have achieved target for the current year 2015-16.
# Summary East Cambs Scorecard as at end March 2016

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<th>2015-16</th>
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This shows the amount of Council Tax required to be collected within the financial year against actual collection.
We are on target for the current year. Previous years receipts included direct debit payments for the 1st of the month.
This shows the average number of days taken to assess all Council Tax Reduction scheme claims and changes against agreed targets. ARP strives to improve customer service by reducing the number of days taken. Please note that we have achieved target for the current year 2015-16.
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Please note that we have achieved target for the current year 2015-16.
### Summary Forest Heath Scorecard as at end March 2016

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Forest Heath Customer Dimension
Benefits- Average Days to process

This shows the average number of days taken to assess all Council Tax Reduction scheme claims and changes against agreed targets. ARP strives to improve customer service by reducing the number of days taken. Please note that we have achieved target for the current year 2015-16.
This shows the average number of days taken to assess all Housing Benefit claims and changes against agreed targets. ARP strives to improve customer service by reducing the number of days taken.

Please note that we have achieved target for the current year 2015-16.
## Summary St. Edmundsbury Scorecard as at end March 2016

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Please note that we have achieved target for the current year 2015-16.
This shows the average number of days taken to assess all Housing Benefit claims and changes against agreed targets. ARP strives to improve customer service by reducing the number of days taken.
Please note that we have achieved target for the current year 2015-16.
### Summary Suffolk Coastal Scorecard as at end March 2016

<table>
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<tr>
<th>Heading</th>
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Please note that we have achieved target for the current year 2015-16.
This shows the average number of days taken to assess all Housing Benefit claims and changes against agreed targets. ARP strives to improve customer service by reducing the number of days taken. Please note that we have achieved target for the current year 2015-16.
# Summary Waveney Scorecard as at end March 2016

## Financial

<table>
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<tr>
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<th>Example Indicator</th>
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<tr>
<td>Budget Management</td>
<td>Expenditure</td>
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## Customer

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<tr>
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## Internal Process

<table>
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## Learning and Growth

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This shows the average number of days taken to assess all Housing Benefit claims and changes against agreed targets. ARP strives to improve customer service by reducing the number of days taken.
Please note that we have achieved target for the current year 2015-16.
BRECKLAND DISTRICT COUNCIL

Report of: ARP Treasurer
To: ARP Joint Committee, 21 June 2016
(Author: Julie Kennealy, Executive Director Commercialisation)
Subject: ARP Joint Committee Financial Report 2015-16

Purpose: To update the Joint Committee on the out-turn position for 2015-16 and to request approval to distribute the remaining 2015-16 surplus

Recommendation(s):

1) That the report and appendix be noted

2) That the remaining surplus of £370,821 be distributed to partners based on the 2015-16 gain share percentages

1.0 BACKGROUND

1.1 Full financial statements are no longer required for Joint Committees following a change in the Audit and Accountability Regulations from 1 April 2015. However, to ensure that appropriate financial governance arrangements remain in place, this report brings you the full year financial out-turn for 2015-16.

1.2 Joint Committee in January 2016 approved the contribution of the 15-16 surplus to an ARP investment fund. At the end of January the surplus was expected to be in the region of £333k, made up of £178k below budget spend and £155k grants received but not spent.

1.3 The enforcement service has exceeded expectations and has delivered a surplus of £277k in its first part year compared to the expected cost neutral position. This puts the partnership in an excellent position moving forward to build on this success and generate surpluses in future years which will go towards meeting the partnership’s efficiency target in future years.

1.4 In addition to the enforcement surplus, the partnership costs have come in under budget at the end of the year by £272k (£94k more than expected at January). Further details of the out-turn and variances are shown in appendix A.

1.5 Following the Joint Committee decision in January we have contributed £178k below budget spend to the ARP investment fund and £323k of unspent grants to the ARP investment fund, giving a balance of £501k available for specific projects to deliver future efficiencies. Part of this balance of unspent grants has previously been allocated to projects (£201k) and therefore the ARP Investment fund currently has un-allocated balance of £300k.

1.6 After these contributions a surplus of £371k has still been achieved by the partnership. The partner authorities have been fully supportive of ARP and have been prepared to take risks in order to generate returns, therefore it is recommended that this surplus be
distributed back to partners on the agreed gain share percentages. If approved this would give each partner the following share of the surplus:

<table>
<thead>
<tr>
<th>Partner</th>
<th>Share of Surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breckland Council</td>
<td>£66,530</td>
</tr>
<tr>
<td>East Cambridgeshire Council</td>
<td>£33,759</td>
</tr>
<tr>
<td>Fenland Council</td>
<td>£51,751</td>
</tr>
<tr>
<td>Forest Heath Council</td>
<td>£40,236</td>
</tr>
<tr>
<td>St Edmundsbury Council</td>
<td>£52,197</td>
</tr>
<tr>
<td>Suffolk Coastal Council</td>
<td>£48,639</td>
</tr>
<tr>
<td>Waveney Council</td>
<td>£77,709</td>
</tr>
</tbody>
</table>

2.0 OPTIONS

2.1 That the report and appendix be noted and that the remaining surplus of £370,821 be distributed to partners based on the 2015-16 gain share percentages

2.2 That the report and appendix be noted and an alternative use is recommended for the remaining surplus of £370,821

3.0 REASONS FOR RECOMMENDATION(S)

3.1 The un-allocated balance of the investment fund and allocated grant funding provides sufficient funding to progress the expected transformation projects required to deliver the target efficiencies.

3.2 The partner authorities have been fully supportive of ARP and have been prepared to take risks in order to generate returns, therefore it is appropriate that they should benefit from the surplus generated.

3.3 Returning the remaining surplus to the partners delivers an additional direct saving to each partner which can be used to benefit the partners individually as they choose

4.0 EXPECTED BENEFITS

4.1 To provide funding for future projects to deliver the targeted efficiencies.

4.2 To provide direct savings to partners to benefit them individually as they choose.

5.0 IMPLICATIONS

5.1 Carbon Footprint / Environmental Issues

5.1.1 N/A

5.2 Constitution & Legal

5.2.1 The surplus distribution is based on the agreed principles contained within the ARP Shareholder agreement

5.3 Contracts

5.3.1 See 5.2.1
5.4 Corporate Priorities

5.4.1 By distributing the surplus to partners they can choose to use the surplus for their own priorities

5.5 Crime and Disorder

5.5.1 N/A

5.6 Equality and Diversity / Human Rights

5.6.1 N/A

5.7 Financial

5.7.1 Financial information is included at appendix A and within the report

5.8 Health & Wellbeing

5.8.1 N/A

5.9 Reputation

5.9.1 N/A

5.10 Risk Management

5.10.1 Risks are held within the ARP risk register

5.11 Safeguarding

5.11.1 N/A

5.12 Staffing

5.12.1 N/A

5.13 Stakeholders / Consultation / Timescales

5.13.1 In preparing the out-turn report and recommendations, the Head of ARP and the S151 Officers have been consulted

5.14 Transformation Programme

5.14.1 The ARP investment fund will support the required transformation to provide ongoing efficiencies or financial return

5.14 Other

5.15.1 None

6.0 WARDS/COMMUNITIES AFFECTED

6.1 N/A
7.0 ACRONYMS

7.1 N/A

Background papers:- N/A

Lead Contact Officer
Name and Post: Alison Chubbock, Chief Accountant
Telephone Number: 01362 656865
Email: alison.chubbock@breckland.gov.uk

Key Decision: No
Exempt Decision: No

This report refers to a Mandatory Service

Appendices attached to this report:
Appendix A Actual full year financial performance 2015-16
# Anglia Revenues Partnership Joint Committee

## Actual Full Year Financial Performance as at 31st March 2016

<table>
<thead>
<tr>
<th>Description</th>
<th>Approved Budget</th>
<th>Actuals</th>
<th>Actual Variance</th>
<th>Variance</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015/16 £</td>
<td>2015/16 £</td>
<td>Over/(Under) £</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td><strong>Employee Related Costs</strong></td>
<td>7,342,488</td>
<td>7,296,294</td>
<td>(46,194)</td>
<td>(0.63)</td>
<td>1</td>
</tr>
<tr>
<td><strong>Premises Related Costs</strong></td>
<td>275,130</td>
<td>249,566</td>
<td>(25,564)</td>
<td>(9.29)</td>
<td>2</td>
</tr>
<tr>
<td><strong>Transport Related Costs</strong></td>
<td>97,451</td>
<td>111,890</td>
<td>14,438</td>
<td>14.82</td>
<td>3</td>
</tr>
<tr>
<td><strong>Supplies &amp; Services</strong></td>
<td>2,675,034</td>
<td>2,748,360</td>
<td>73,326</td>
<td>2.74</td>
<td>4</td>
</tr>
<tr>
<td><strong>Support Services</strong></td>
<td>618,762</td>
<td>551,683</td>
<td>(67,079)</td>
<td>(10.84)</td>
<td>5</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td>(1,462,207)</td>
<td>(1,801,955)</td>
<td>(319,748)</td>
<td>21.57</td>
<td>6</td>
</tr>
<tr>
<td><strong>TOTAL PARTNERSHIP COSTS</strong></td>
<td>9,526,659</td>
<td>9,155,838</td>
<td>(370,821)</td>
<td>(3.89)</td>
<td></td>
</tr>
</tbody>
</table>

**Contribution from Reserve for Grants received in previous years**

<table>
<thead>
<tr>
<th></th>
<th>2015/16 £</th>
<th>2015/16 £</th>
<th>Variance</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL PARTNERSHIP COSTS</strong></td>
<td>(129,828)</td>
<td>(129,828)</td>
<td>0</td>
<td>7</td>
</tr>
</tbody>
</table>

|                                | 9,396,831       | 9,026,010| (370,821) | (3.95) |

## Variance Notes

1. The employee under spend is due to various vacancies throughout the year. £178k budget was moved from salaries into the Investment reserve as per Joint Committee approval as part of the 2016/17 budget report.

2. This variance relates to below budget rental costs, and a backdated refund made during the year for business rates.

3. Car allowance costs are above budget as a result of the Fraud and visiting officers covering a wider area and officers travelling between offices.

4. Supplies & Services costs are above budget as a result of additional direct postage (see note 5 also). Legal fees are above budget due to increased volumes in the year. Also IT costs are above budget by £92k, £52k of this is due to an increase in the number of licenses required and the remaining £40k is offset in full by additional income.

5. This under spend is partially as a result of the agreed changes this year in the HR support service provision, leading to on-going reductions in future years for the 4 partners who share these costs. Internal postage recharges have reduced and there is an under spend here which offsets in part the costs in note 4.

6. Income from the Enforcement service is higher than budget as a result of the success of this service to date, this income is after allowing for a bad debt provision. Funding has also been received towards the cost of running the Fraud Compliance/Recovery function from County Councils and additional income has also been received to cover IT costs, as per note 4 above.

7. This figure relates to reserve spending from earlier years grant funding which was brought forward and offsets spend during the year. The below budget end of year position £323k has been contributed to the Investment fund as agreed as part of the 2016/17 budget.
Report of Paul Corney - Head of ARP

To: ARP Joint Committee, 21st June 2016

Subject: Anglia Revenues Partnership Risk Register

Purpose: To inform members of the major risks facing the Anglia Revenues Partnership

Recommendation(s):

- That the Joint Committee notes the contents of the report and agrees the Risk Register.

1. Introduction / Background.

1.1 At the Joint Committee in June 2014 it was agreed that members will be updated every six months on the risk register so that risk can be reviewed regularly.

1.2 The audit governance report recommended that the Risk Register should be regularly reviewed by the Joint Committee so that each council can consider the risks in relation to their corporate risk registers.

2 Current position.

2.1 The risk register has been developed by the Strategic Management Team and is attached at Appendix A. Appendix B shows the criteria used to apply a risk score by looking at the likelihood of a risk occurring and the potential impact of the risk to the ARP.

2.2 A risk relating to subsidy shortfall was added to the register in December 2014. Every year, as part of the process of claiming housing benefit subsidy, external audit teams test a sample of cases. If high value errors are found then it can result in significant changes to the amount of subsidy paid.

2.3 The extrapolation methodology used by the auditors means that a fairly small error in a high value expenditure area can result in significant reduction in income received. The risk is therefore deemed to be amber even though all reasonable mitigation is in place.

2.4 The subsidy claims for all 7 partners have been audited in respect of 2014/15 expenditure and no Authority has suffered a significant loss of subsidy and no Authority has lost income from local authority error overpayments (one of the highest risk areas)

2.5 The risks relating to Fraud and Error, and LCTRS schemes remain on the matrix however, they have reached their target scores because at this time all mitigating actions have been put in place.

2.6 The roll out of Universal Credit was accelerated from February 2015. New claims for single claimants who have no children will no longer be for Housing Benefits they will be for Universal Credit, no other new claims are affected in phase 1 of the roll out.

2.7 From May 2016 Lowestoft has been included in the digital rollout of Universal Credit and so all new claims for help with rent will be dealt with by the DWP. The digital roll out will...
continue until 2018 for new claims and then the managed migration of existing caseloads will commence.

2.8 The Government have not yet determined the timescale for the ARP partners and for the managed migration of existing claims. The implications for Councils are detailed in the risk register however, until the Government provide more information we cannot predict, with any certainty, future funding levels.

3 Options

- To note the contents of the report
- To comment on risks that should be added or removed from the register
- To review the risk scores

3.1 Reasons for recommendations

To ensure that the Joint Committee and Partner Authorities are aware of the risks facing the delivery of Housing Benefit and Revenues Services.

4 IMPLICATIONS

4.1 Risk

Please refer to the Appendices.

4.2 Financial

If risk is not managed and regularly reviewed then there can be significant financial risk where problems are not identified and dealt with.

4.3 Legal

None

4.4 Equality and Diversity

Not applicable.

Lead Contact Officer
Name/Post: Paul Corney (Head of the ARP)
Email: paul.corney@angliarevenues.gov.uk
<table>
<thead>
<tr>
<th>Ref.</th>
<th>Risk Title</th>
<th>Consequences</th>
<th>Opportunities</th>
<th>Risk Owner</th>
<th>Risk Manager</th>
<th>Current Controls</th>
<th>Mitigating Actions</th>
<th>Date added</th>
<th>Date Updated</th>
<th>Curr. Score</th>
<th>Tgt Score</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Business continuity</td>
<td>Loss of key staff due to welfare reform and potential reduction in required resources</td>
<td>Inability to meet statutory requirements and to deliver services according to performance targets</td>
<td>Head of ARP and Strategic managers</td>
<td>Head of ARP</td>
<td>Staff are encouraged to take IRREV exams and NVQs and internal structures allow for career progression</td>
<td>Transformation programme will identify opportunities for retaining and trading</td>
<td>01/04/14</td>
<td>20/05/2016</td>
<td>C3</td>
<td>C4</td>
<td>no change</td>
</tr>
<tr>
<td></td>
<td>Business continuity</td>
<td>Loss of premises including loss of power/telecomms leading to loss of systems</td>
<td>Difficulty in finding some members of staff access to systems</td>
<td>Strategic Manager (Support)</td>
<td>Strategic Manager (Support)</td>
<td>Systems mirrored at 2 sites enabling work to continue. A number of staff are home enabled and more could be on a short term basis. Workers can be asked to travel to alternative sites.</td>
<td>Review of business continuity plan including test of accessibility of systems from all sites to be carried out</td>
<td>01/04/14</td>
<td>20/05/2016</td>
<td>E2</td>
<td>E2</td>
<td>no change</td>
</tr>
<tr>
<td></td>
<td>In House Bailiff service</td>
<td>Income from Bailiff does not cover cost</td>
<td>The income budgeted for is not achieved</td>
<td>Strategic Manager (Revenues)</td>
<td>Strategic Manager (Revenues)</td>
<td>Monitoring of performance of Enforcement Agency will determine income levels against expenditure</td>
<td>Income from fees exceeded cost of service last year</td>
<td>01/04/14</td>
<td>20/05/2016</td>
<td>D3</td>
<td>E3</td>
<td>no change</td>
</tr>
<tr>
<td></td>
<td>Income from retained Business rates and Council Tax (Service Delivery Plan item 6)</td>
<td>Income from NDR and Council Tax do not meet budgeted amount</td>
<td>The income available to the Councils is insufficient to meet needs</td>
<td>Strategic Manager (Revenues)</td>
<td>Strategic Manager (Revenues)</td>
<td>All Partners have achieved projected income levels for 2015/16 monitoring will continue for 2016/17</td>
<td>The NNDR1 and Taxbase calculations include provision for bad debt and appeals - on target to meet spending requirements</td>
<td>01/04/14</td>
<td>20/05/2016</td>
<td>C2</td>
<td>C2</td>
<td>no change</td>
</tr>
<tr>
<td></td>
<td>Localised Council Tax Reduction Scheme (LCTRS) (Service Delivery Plan item 6)</td>
<td>Upon LCTRS review the reduction in help received by LCTRS customers is reduced to the point where they can not afford to pay</td>
<td>Customers are asked to pay more than they can afford and arrears accrue</td>
<td>Strategic Manager (Benefits)</td>
<td>Strategic Manager (Benefits)</td>
<td>Increased income from Council Tax could be achieved</td>
<td>If scheme reduces awards of LCTRS then funding from County Councils should be sought to fund additional recovery officers</td>
<td>01/04/14</td>
<td>20/05/2016</td>
<td>D3</td>
<td>D3</td>
<td>Reached target score</td>
</tr>
<tr>
<td></td>
<td>A partner or partners leave the partnership</td>
<td>A reduction in partners could occur for a number of reasons in the future such as Local Govt reorganisation</td>
<td>Possible loss of key staff and TUPE implications - loss of resilience - also trading to increased cost of service and reduction in VFM</td>
<td>Head of ARP</td>
<td>Head of ARP</td>
<td>Develop trading opportunities to carry out some functions for other Councils</td>
<td>Partnering agreement includes notice period for cessation of partnership: ARPT being developed as trading vehicle</td>
<td>01/04/14</td>
<td>20/05/2016</td>
<td>D3</td>
<td>E3</td>
<td>no change</td>
</tr>
<tr>
<td></td>
<td>Billing and Benefit letter production</td>
<td>Bills may have first instalment date later than 01/04/2017 which could result in loss or delay in collection of Council Tax and Business Rates</td>
<td>The contract will offer significant savings to the Councils</td>
<td>Strategic manager (support)</td>
<td>Strategic manager (support)</td>
<td>The process was carried out successfully last year and testing will ensure that all documents are sent with correct information and on time</td>
<td>The process was carried out successfully last year and testing will ensure that all documents are sent with correct information and on time</td>
<td>01/04/14</td>
<td>20/05/2016</td>
<td>E2</td>
<td>E2</td>
<td>Reached target score</td>
</tr>
<tr>
<td>Category</td>
<td>Description</td>
<td>Responsible Party</td>
<td>Action Plan</td>
<td>Date</td>
<td>Code</td>
<td>Status</td>
<td>Notes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff Leaving</td>
<td>With SFIS and UC coming and the move to automated processes some staff are feeling vulnerable. Increase in work outstanding leading to customer complaints and loss in subsidy.</td>
<td>Head of ARP</td>
<td>Contact maintained with Agencies who can provide experienced agency staff resilience to go to Joint Committee linked to ARP.</td>
<td>01/04/14</td>
<td>E2</td>
<td>E2</td>
<td>no change</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing Benefit Subsidy Shortfall</td>
<td>Overpayments that are a local authority's fault can be claimed back as income if the value is less than 0.48% of the overall HB expenditure. If LA error is not kept below this level it can have a significant financial impact on councils.</td>
<td>Strategic Manager (Benefits)</td>
<td>To ensure that processes and procedures are correct and are followed and to ensure that backlogs do not affect LA error.</td>
<td>11/12/14</td>
<td>C3</td>
<td>C3</td>
<td>no change</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Universal Credit Implementation</td>
<td>Uncertainty over future funding from DWP and CLG from 2016/17. Affect upon customers currently receiving HB and resultant impact on customer teams. From April 16 UC will be rolled out to new claimants but later a managed migration of HB caseload will occur.</td>
<td>Strategic Manager (Benefits)</td>
<td>We have entered into an agreement with DWP to jointly help customers to make the transition and agreed a Universal Support Partnership with them. The initial roll out of digital services has been announced and Lowestoft will be an early transferee for new claims.</td>
<td>11/12/14</td>
<td>C3</td>
<td>C3</td>
<td>no change</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Fraud and Error

Risk of Fraud entering the system upon transfer of staff to the DWP - LCTRS fraud and Council Tax fraud will not be investigated by the DWP - retained service has to be self-funding. If no service is retained by the partnership then Fraud will not be identified in cases. To submit claims for FERIS funding to resource interventions in cases currently receiving benefit and to present a business case for a retained team of investigators seeking joint funding from County and Police. Strategic Manager (Benefits) Team retained to investigate LCTRS, Tenancy, Class discount/exemptions and NNDR from 1/9/15. County Councils have agreed funding for Fraud team - quarterly reporting to County Councils to demonstrate the impact of the Fraud team. 11/12/14 20/05/2016 C2 C2 Reached target score

Welfare reform

The government have announced that they intend to make further cuts from the welfare budget - this could mean reductions in grant funding for the administration of HB and LCTRS. If funding is reduced the Councils need to consider options for delivering services for other Councils which would see resource retained and income generated. Head of ARP Strategic Manager (Benefits) Awaiting Government announcement concerning where cuts may fall. After cuts announced an impact analysis and options appraisal will be carried out so that recommendations can be made to the Joint Committee. 07/05/15 20/05/2016 B1 C3 no change

Risk management process and toolkit

Steps 4 and 5 – Mitigation and monitoring

Mitigation

- Assess current actions and controls – Adequate or more needed.
- Within your Service Plans develop specific SMART actions that will either reduce the likelihood of the risk or minimise the impact.
- What should the score be after you have taken action?

Monitoring

- Review the Risk Register with colleagues (for example, as part of your Service Plan) at least quarterly.
- Risks changed?
- New risks?
- Need to report of escalate risk?
- Risks ranking changed?

Definitions

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Impact</th>
<th>Example Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very High</td>
<td>Negligible</td>
<td>Financial impact below £10k, no effect on partnership / service provision or reputation, minor delay to a project, limited physical consequences</td>
</tr>
<tr>
<td>High</td>
<td>Marginal</td>
<td>£10k - £50k, service slightly reduced, broken promise, objectives of one team not met, minor adverse local media, impact on an external inspection (A)</td>
</tr>
<tr>
<td>Significant</td>
<td>Critical</td>
<td>£50k - £500k, service suspended short-term, reduced, loss of headline, corporate objectives not met, major adverse media, service taken over temporarily</td>
</tr>
<tr>
<td>Low</td>
<td>Low</td>
<td>£500k - £5000k, service suspended long-term, statutory duties not delivered, major loss of headline, scale major illness, corporate objectives not met, major adverse media, service taken permanently</td>
</tr>
<tr>
<td>Very Low</td>
<td>Catastrophic</td>
<td>£500k +, partnership / service suspended long-term, statutory duties not delivered, major loss of headline, scale major illness, corporate objectives not met, major adverse media, service taken permanently</td>
</tr>
<tr>
<td>Almost Impos</td>
<td>0% - 1%</td>
<td>No significant impact on the service, minor delay to a project, limited physical consequences</td>
</tr>
<tr>
<td>Imposible</td>
<td>4</td>
<td>No significant impact on the service, minor delay to a project, limited physical consequences</td>
</tr>
<tr>
<td>Marginal</td>
<td>5</td>
<td>No significant impact on the service, minor delay to a project, limited physical consequences</td>
</tr>
<tr>
<td>Critical</td>
<td>6</td>
<td>No significant impact on the service, minor delay to a project, limited physical consequences</td>
</tr>
<tr>
<td>Catastrophic</td>
<td>7</td>
<td>No significant impact on the service, minor delay to a project, limited physical consequences</td>
</tr>
<tr>
<td>Almost Impos</td>
<td>8</td>
<td>No significant impact on the service, minor delay to a project, limited physical consequences</td>
</tr>
<tr>
<td>Imposible</td>
<td>9</td>
<td>No significant impact on the service, minor delay to a project, limited physical consequences</td>
</tr>
<tr>
<td>Marginal</td>
<td>10</td>
<td>No significant impact on the service, minor delay to a project, limited physical consequences</td>
</tr>
<tr>
<td>Critical</td>
<td>11</td>
<td>No significant impact on the service, minor delay to a project, limited physical consequences</td>
</tr>
<tr>
<td>Catastrophic</td>
<td>12</td>
<td>No significant impact on the service, minor delay to a project, limited physical consequences</td>
</tr>
</tbody>
</table>
### Risk management process and toolkit

#### Step 3 – Prioritisation using the matrix below
- How likely is this risk?
- How big an impact will this risk have?

#### Step 4 and 5 – Mitigation and monitoring

<table>
<thead>
<tr>
<th>Mitigation</th>
<th>Monitoring</th>
</tr>
</thead>
</table>
| - Assess current actions and controls.... Adequate or more needed.  
- Within your Service Plans - develop specific SMART actions that will either reduce the likelihood of the risks or minimise the impact.  
- What should the score be after you have taken action? | - Review the Risk Register with colleagues (for example, as part of your Service Plan) at least quarterly  
- Risks changed?  
- New risks?  
- Need to report or escalate risks?  
- Risks ranking changed? |

#### Definitions

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Impact</th>
<th>Example Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Very High</strong></td>
<td>&gt; 90%</td>
<td>Financial impact below £10k, no effect on partnership / service provision or reputation, minor delays to a project, limited physical consequences</td>
</tr>
<tr>
<td><strong>High</strong></td>
<td>55% - 90%</td>
<td>£10k - £200K, service slightly reduced, broken bones/illness, objectives of one team not met, minor adverse local media, impact on an external inspection(s)</td>
</tr>
<tr>
<td><strong>Significant</strong></td>
<td>15% - 55%</td>
<td>£200K - £500K, service suspended short term / reduced, loss of life/major illness, service objectives not met, industrial action, adverse national publicity, service taken over temporarily</td>
</tr>
<tr>
<td><strong>Low</strong></td>
<td>5% - 15%</td>
<td>£500K+, partnership / service suspended long term, statutory duties not delivered, major loss of life/large scale major illness, corporate objectives not met, mass staff leaving/unable to attract staff, Remembered for years!! Service taken over permanently</td>
</tr>
<tr>
<td><strong>Very Low</strong></td>
<td>1% - 5%</td>
<td></td>
</tr>
<tr>
<td><strong>Almost Impossible</strong></td>
<td>0% - 1%</td>
<td></td>
</tr>
</tbody>
</table>

#### Likelihood and Impact Matrix

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>A - Very High</td>
<td>4 - Negligible</td>
</tr>
<tr>
<td>B - High</td>
<td>3 - Marginal</td>
</tr>
<tr>
<td>C - Significant</td>
<td>2 - Critical</td>
</tr>
<tr>
<td>D - Low</td>
<td>1 - Catastrophic</td>
</tr>
<tr>
<td>E - Almost Impossible</td>
<td>Negligible</td>
</tr>
<tr>
<td>F - Impossible</td>
<td>Marginal</td>
</tr>
</tbody>
</table>