

Agenda Item No:	11	
Committee:	Council	
Date:	6 November 2014	
Report Title:	Anglia Revenues Partnership (ARP) - Internal Enforcement Agency Proposals	

## 1 Purpose / Summary

To agree Cabinet's recommendation that Council agrees, following agreement of the ARP Joint Committee at its meeting on 11 September 2014; that it gives the Corporate Director and Chief Financial Officer delegated authority to introduce a shared Enforcement Agency for ARP.

## 2 Key issues

- At Council on 19 December 2013, Members endorsed the Council's approach to Service Transformation including the way forward in respect of Shared Services. This meeting approved that the Council's Revenues and Benefits service join ARP as of 1 April 2014.
- At Council on 27 February 2014, Members approved governance arrangements allowing Fenland to be part of ARP. This allowed Officers to be shared between ARP member authorities.
- The Business Case for Fenland joining ARP, as previously advised to Council at its 19 December 2013 meeting generates savings to ARP of £272,000 per full year, of which Fenland receives £136,000 per full year over five years.
- ARP, Waveney District Council (WDC) and Suffolk Coastal District Council (SCDC) have successfully set up a single officer core for the 7 Councils which took effect from September 2014.
- Part 3 of the Tribunals, Courts and Enforcement Act 2007 was introduced in April 2014 which has changed the basis of enforcement fees (previously known as Bailiff Fees) to mean that debtors incur far greater fees if their debts are passed to enforcement agencies; rising from £42.50 after two visits under previous legislation to £310.00 if a first visit is needed under this new legislation.
- It has been agreed in principle that the seven partners would like to create an enforcement Agency with the potential to make sure that residents are treated fairly where enforcement is necessary, keeping fees as low as possible, whilst retaining the income generated by Enforcement actions for the Council tax payers of the partner authorities.

## 3 Recommendations

That Council, as recommended by Cabinet:

- Note the attached report,
- Agree that following the decision of the ARP Joint Committee, that Council gives the Corporate Director and Chief Finance Officer, in consultation with the Leader and Portfolio for Finance, delegated authority to introduce a shared Enforcement Agency

for the Anglia Revenues Partnership (St. Edmundsbury Borough Council, Forest Heath District Council, Fenland District Council, Breckland Council and East Cambridgeshire District Council) Waveney District Council and Suffolk Coastal District Council'.

<b>Wards Affected</b>	All
<b>Forward Plan Reference</b>	N/A
<b>Portfolio Holder(s)</b>	Councillor John Clark, Leader of the Council (and member of ARP Joint Committee)  Councillor Chris Seaton, Portfolio Holder for Finance (and member of ARP Joint Committee)
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<b>Background Paper(s)</b>	Meeting the challenge - service transformation and efficiencies Report to Council 19 December 2013  Anglia Revenue Partnership Governance and Delegations Report to Council 27 February 2014

## 4 Background

- 4.1 ARP is a shared Revenues and Benefits service that from April 2014 comprises five partner authorities (Breckland, East Cambs, Fenland, Forest Heath and St Edmundsbury). It also has a partnership working arrangement with Suffolk Coastal and Waveney Councils, which effectively enables all seven authorities to pool their Revenues and Benefits resources to generate shared savings.
- 4.2 ARP operates a Joint Committee and the delivery of the Revenues and Benefits service at each of the five full member authorities of ARP, which is delegated through Section 101 (5) of the Local Government Act 1972 (Section 113 applies to East Suffolk and Waveney as they are not full members of ARP for governance purposes) and regulations made under section 20 of the Local Government Act 2000. At its meeting on 27 February 2014, Council resolved to agree to the arrangement above.
- 4.3 The arrangements outlined in section 4.2 above mean that the Joint Committee is enabled by legislation to make decisions on behalf of all the Councils that are part of ARP from April 2014. The Council is represented at this Committee by two Members: the Leader and Finance Portfolio Holder.

## **5 Reasons for the proposed way forward**

- 5.1 On 11 September 2014 the ARP Joint Committee considered the full business case for creating a shared Enforcement Agency which offers the potential of a shared income in excess of £150,000 per annum.
- 5.2 A detailed analysis has assessed the potential benefits of a shared in house Enforcement Agency. The business case, presented to the Joint Committee, is deliberately cautious and so the potential income could be significantly greater than forecast.
- 5.3 The management model to be used can allow for future potential partners to come on-board to give further savings.
- 5.4 The Enforcement Agency could fail to generate the income estimated however, based on the analysis of external bailiff services, the financial risk of making a loss is very low. The assumptions in the business case assume a lower than anticipated income and so there is little risk anticipated.
- 5.5 The Enforcement Agency will generate an income for the partner authorities whilst treating debtors equitably.
- 5.6 It will be self-financing so that all running costs are covered by fee income and the surplus fees collected are distributed amongst ARP partner authorities.
- 5.7 The Enforcement Agency is required to be created in accordance with Part 3 of the Tribunals, Courts and Enforcement Act 2007.