

Appendices:

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NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Joint Revenues and Benefits – Delegated Joint Committee Agreement
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	13 th September 2017
Key Decision:	No
Within Policy:	Yes
Policy Document:	No
Directorate:	Customer & Communities
Accountable Cabinet Member:	Cllr Jonathan Nunn
Ward(s)	All

1. Purpose

- 1.1 To update Cabinet on the actual terms agreed in relation to the formation of the Revenues and Benefits Joint committee and;
- 1.2 To endorse the recommendation to full Council on September 18th 2017 that Cllr Brandon Eldred, Cabinet Member for Finance is the Council representative on the Revenues and Benefits Joint Committee.

2. Recommendations

- 2.1.1 To note the contents of the Agreement and terms agreed and;
- 2.1.2. To note the recommended appointment of Cllr Brandon Eldred (Cabinet Member for Finance) as the Council representative on the Revenues and Benefits Joint Committee to full Council on September 18th 2017.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The current Agreement with LGSS for the delivery of Revenues and Benefits under the Partnership and Delegation Agreement (PDA) comes to an end on 31st May 2018 and the Council has taken the opportunity to consider a number of high level options to examine their viability for future delivery of the service.
- 3.1.2 The recommended option approved by Cabinet on 7th December 2016 was to enter into a new and separate Joint Committee arrangement to deliver Revenues and Benefits on behalf of Northampton Borough Council (NBC). The Joint Committee comprising the following partners; Northampton Borough Council, Milton Keynes Council (MKC) and LGSS (Northamptonshire County Council (NCC) and Cambridgeshire County Council (CCC)). NBC being an equal partner to this Joint Committee.
- 3.1.3 The recommendation included a 5 year financial case for the service, with the NBC share of savings and investment provided in 4.1.1, Table 1.
- 3.1.4 LGSS will provide some business support services to the new shared service via an agreed Service Level Agreement.
- 3.1.5 A key part of the LGSS business support services will be to support the growth of the partnership, in order to maximise the performance of the service and to continue to provide additional cost savings/increased income to the partners of the new Revenues and Benefits Joint Committee.

3.2 The Delegated Joint Committee Agreement

- 3.2.1. The service will be governed through a Joint Committee structure, which will have three key roles; to set the direction and vision for the shared service; agree the budget (within contributions for individual councils) and agree the annual Service and Business plans.
- 3.2.2 The Council will be a key partner and decision maker in this process, where service improvements will be agreed by individual business cases submitted to the Revenues and Benefits Joint Committee.
- 3.2.3 The Revenues and Benefits Joint Committee structure will have three Councillors one each from NBC, MKC and the LGSS joint committee (either a CCC or NCC representative).

- 3.2.4 Councillor Brandon Eldred (Cabinet Member for Finance) will be recommended to Full Council on 18th September 2017 as the Councillor representative for NBC.
- 3.2.5 The Revenues and Benefits Joint Committee would be chaired by the LGSS representative and to be quorate, the meetings will need attendance from one Councillor from each organisation.
- 3.2.6 There will be a minimum of 3 meetings per year and voting at meetings will be by simple majority. Administrative support will be delivered by LGSS.

3.3 Issues Identified

- 3.3.1 The existing LGSS agreement terminates on 31 May 2018 and as part of the formation of the Joint Committee the existing agreement for the Revenue and Benefit Services will terminate as soon as is practicable following completion of the Revenues and Benefits Joint Committee agreement.
- 3.3.2 In order to formalise the termination of the Revenue and Benefit Services in the current agreement, a change control will be raised and formally signed off by all parties.

4. Implications (including financial implications)

4.1 Financial

- 4.1.1 The LGSS business case for NBC over the next five years projects the following financial benefits:

Table 1

NBC Revenues and Benefits - Base cost reductions benefits and NBC (share of capital investments required over 5 years)					
Year	NBC Annual Base	Annual NBC Base	Cumulative NBC Base cost reduction £k	NBC annual Capital Investment required £k	Annual Net cost/benefit to NBC £k
	Cost £k	Cost Reduction £k			
1	3,214	-43	-43	147	104
2	3,090	-124	-167	121	-47
3	2,851	-239	-406	20	-386
4	2,746	-105	-511	20	-491
5	2,620	-126	-637	20	-617
	Totals	-637		328	-1,436

4.1.2 In addition assumptions have been made regarding the growth of the partnership. Whilst nothing can be certain in terms of attracting new partners (although during the development of the Agreement, LGSS have recently become the preferred supplier for the provision of services to Horsham District Council) the assumptions that have been made in terms of growth are prudent and with the now mature relationship between NBC continuing to deliver award winning services and Milton Keynes joining the partnership, other authorities are likely to perceive less risk in using the partnership as a vehicle for delivery of their services.

Table 2

NBC - Potential (shared) benefits of New Customers growth i.e. in addition to the NBC Base cost reductions		
Conservative assumption of one Small and one Large new customer within the next 5 years	Small new customer income	Large new customer income
	shared benefits £k pa	shared benefits £k pa
NBC	-58	-137
(Total potential share £k benefits per annum assuming 1 new small customer and 1 new large customer -195k)		

4.2 Policy

4.2.1 There are no policy implications arising. The Revenues and Benefits services are both statutory services and will continue to be delivered in compliance with legislative requirements.

4.2.2 It is a statutory responsibility of NBC to deliver the collection of Council Tax and Business Rates as a billing Authority.

4.2.3 In addition NBC has a statutory responsibility for the administration of Housing Benefit.

4.2.4 The delegation of these responsibilities had previously been made to the LGSS Joint Committee and this will now be re-delegated to the new Revenues and Benefits Joint Committee. A proposal for the re-delegation is due to be presented to Full Council on 18th September 2017.

4.3 Resources and Risk

4.3.1 An independent financial review was undertaken in relation to the formation of the Revenues and Benefits Joint Committee.

4.3.2 Known risks are set out below:

- That the Council may not achieve value for money
- Savings in Revenues & Benefits may not be delivered in full due to changes in government legislation.
- Failure to deliver growth of the partnership through new partners.

4.4 Legal

4.4.1 The current PDA which includes the provision of Revenues and Benefits services will be amended by a change control to formally terminate service delivery and a new PDA entered into by the partners of the Revenues and Benefit Joint Committee.

4.4.2 The proposed Delegation and Joint Committee Agreement has been independently reviewed and the recommendations provided, as part of this review, included within the final agreement.

4.4.3 Responsibility for the signing of the agreement was delegated to the Chief Executive in consultation with the Deputy Leader and Cabinet Member for Finance.

4.5 Equality and Health

4.5.1 The Council has an equality strategy which sits under its constitution and is committed to ensure any change process encompasses the Strategy, ensuring that the Council embeds good quality and practice. The impacts on equalities have been reviewed in a separate CIA (Appendix A)

4.6 Consultees (Internal and External)

4.6.1 As part of the initial options analysis a number of meetings have been held with senior managers within the authority who have direct knowledge of the Revenues and Benefits service including the Section 151 Officer.

4.6.2 External meetings have taken place with providers and an independent external financial and legal review has been undertaken together with support and advice provided by an independent revenues and benefits service specialist.

4.7 How the Proposals deliver Priority Outcomes

4.7.1 The proposal contributes to Priority Outcome 4, Making every £ Go Further, by providing a value for money service to for the citizens of the Borough.

4.8 Other Implications

4.8.1 There are no other implications arising from this report.

5. Background Papers

5.1 Revenues and Benefits Joint Committee Partnership and Delegation Agreement – available from Borough Secretary.

Appendices

Appendix A CIA

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Staffing Impact - please specify nature and numbers of staff at risk from proposal:					
None. Staff are already employed by LGSS and will continue to be.					
Key Risks and Mitigation					
Risks			Mitigation		
Inefficient service resulting in a poor service to the public and possible reputational damage.			Joint Committee will determine and monitor service standards.		
Loss of income from Council Tax and Business Rates affecting the Council's ability to meet its financial targets.			Joint Committee will determine and monitor financial targets. LGSS Revs & Bens have a good reputation and track record in delivering services.		

Community Impact Assessment

(Incorporating equality analysis and health considerations)

Name of Matter Assessed:**Revenues and Benefits Future Delivery
Options****What is it:**

A Community Impact Assessment (CIA) is a document that summarises how the council has had due regard to the public sector equality duty (Equality Act 2010) in decision-making. This document can also be used to consider health and narrowing health inequalities (Health and Care Act 2012)

When to assess:

A CIA should be carried out when you are changing, removing or introducing a new service, policy or function. The assessment should be proportionate; a major financial decision will need to be assessed more closely than a minor policy change.

Due Regard:

To 'have due regard' means that in making decisions and in its other day-to-day activities the council must consciously consider the need to do the things set out in the general equality duty: eliminate discrimination, advance equality of opportunity and foster good relations.

In relation to health, we need to consider the potential short term and long term implication of for decisions that we take to support the Health and Wellbeing agendas.

How much regard is 'due' will depend on the circumstances and in particular on the relevance of the aims in the general equality duty to the decision or function in question. The greater the relevance and potential impact, the higher the regard required by the duty. We need to make sure that we understand the potential impact of decisions on people with different protected characteristics and also need to consider this information before and as decisions are being made. This will help us to reduce or remove unhelpful impacts and inequalities.

For help and guidance on the Public Sector Equality Duty, please refer to :

[Making Fair Financial Decisions \(External Link\)](#)

The public sector equality duty (the equality duty) does not prevent you from making difficult decisions such as reorganisations and relocations, redundancies, and service reductions, nor does it stop you from making decisions which may affect one group more than another group. The equality duty enables you to demonstrate that you are making financial decisions in a fair, transparent and accountable way, considering the needs and the rights of different members of your community. This is achieved through assessing the impact that changes to policies, procedures and practices could have on different protected groups (or protected characteristics under the Equality Act 2010).

Proposal Name:

Revenues and Benefits Future Delivery Options

1. Aims/objectives and purpose of the policy/service

Aims and Objectives:

The Council is considering the options for the future delivery of the Revenues and Benefits services when the current partnership agreement with LGSS comes to an end in June 2018. Both are statutory services and the Council's objectives are for a service that is delivered efficiently, continues to deliver improved performance, is flexible to changes and maximises the benefits of cost effective IT systems. A Joint Committee Agreement has been made with LGSS for the future delivery of services.

2. Scope/focus of the Assessment:

Who are the key stakeholders:

Officers i.e. Revenues and Benefits managers and processing/administrative staff.
Members of the public, council tax and business rate payers and benefit claimants.
Advice agencies, CAB, etc.

3. Relevant data and/or research

Outline the information and research that has informed the decision:

Discussions with Senior managers.
KPIs and CIPFA Benchmarking Statistics for 2014/5 and 2015/16; LGSS Performance Reports.
Other Benchmarking data: Public Sector Audit Appointments (PSAA); V4 Benchmarking Report.
Local Government Association (LGA) Papers on Shared Services Options. i three analytics report data. Options Appraisal report on future Revenues and Benefits Service Delivery. Soft Market Testing questionnaire and workshops with potential suppliers

4. Current Service Provision & Impact of Change

What are you doing now; and how will it change:

The revenues and benefits service is currently delivered by LGSS staff under a Partnership agreement entered into in June 2013 and which runs through to June 2018. The various service areas are performing well against the KPIs. The services are statutory and therefore subject to extensive government legislation in terms of how they are administered, in that respect ongoing delivery will not change. However, the councils objectives for the ongoing delivery of the service are that it continues to deliver savings, performance improvements, is flexible and able to respond to future changes in legislation and continues to utilise and streamline processes through investment in new IT software developments. Following an extensive review of options a Joint Committee Agreement with LGSS for the next 5 years has been agreed.

5. Identification of affected groups

List the groups that may be affected by the proposal along with any expected impacts; Please estimate the number of people affected if known:

None.

6. Assess and/or undertake Consultation

Has any additional consultation been performed outside of the budget process? If so please give details:

Discussions and workshops as part of a soft market testing exercise with a number of current suppliers in the marketplace.

7. Assessment of impact on staff

Please give details of impact on staff, including staffing profile if/as appropriate:

None.

8. Assessment of impact on wider community

Please give details of any impacts to the community as a whole:

Members of the public should not see any adverse effect from what would be a continuation of the delivery of the revenues and benefits service by LGSS.

9. Assessment of impact by protected characteristics

Please summarise the results of the analysis:

All impacts are positive.

10. Assess the relevance and impact of the decision to people with different protected characteristics

Please select from the drop-down box

	Relevance	Impact
Age	Low	Neutral
Disability	Low	Neutral
Gender reassignment	Low	Neutral
Marriage and civil partnership	Low	Neutral
Pregnancy and maternity	Low	Neutral
Race	Low	Neutral
Religion or belief	Low	Neutral
Sex	Low	Neutral
Sexual orientation	Low	Neutral
Other socially excluded groups (include health inequalities)	Low	Neutral

*When assessing relevance and impact, make it clear who the assessment applies to within the protected characteristic category. For example, a decision may have high relevance for young people but low relevance for older people; it may have a positive impact on women but a neutral impact on men.

11. Mitigation of Adverse Impact on staff/service/people

Where any negative impact has been identified, please outline the measures taken to mitigate against it, or why none is possible:

N/A

12. Publication of results

This CIA will be posted on Council's website

13. CONCLUSION

Please state how due regard has been taken to the equality duty, and public health considerations and advise on the overall equality implications that should be taken into account in the final decision, considering relevance and impact:

This matter has been screened for relevance in relation to the equality duty and no evidence to suggest an impact on equality risk has been identified so far. Consultation and implementation reviews will be undertaken as appropriate to ensure that unintended impacts are addressed as appropriate

Signed: Julie Seddon

Date: 14/11/2016