

Appendices: 1



COUNCIL

28th September 2020

Agenda Status: Public

Directorate: Chief Executive

Report Title	Realignment of the Revenues and Benefits Service
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1. Purpose

- 1.1. Full Council is invited to consider recommendations made by Cabinet at its meeting on 23rd September 2020, in relation to the proposed realignment and delivery of the Revenues and Benefits Service; and to approve the Lead Authority model and the process for the approval of the associated agreements to implement the model.

2. Recommendations

Full Council is recommended to:

- 2.1. Note the recommendations considered and approved by Cabinet on 23rd September 2020 (Appendix 1), reproduced in 3.1.1, 3.1.2 and 3.1.3 below and to agree to the following recommendations.
 - 2.1.1 Specifically consider and approve Cabinet's recommendation outlined in 3.1.3 and thereby agree:
to change the service delivery model for the Revenues and Benefits Service to a Lead Authority Model, as outlined in this Full Council report and
 - 2.1.2 delegate to the Chief Executive the power to negotiate and finalise the necessary collaboration, governance and legal agreements between the partners, in Consultation with the Leader of the Council and the Cabinet member for Finance.

3. Issues and Choices

2.2. Report Background

- 3.1.1 Cabinet at its meeting on 23rd September 2020, considered and approved the following recommendations (see appendix 1 of this report):
- 2.2.1.1. Cabinet notes the demise of the Local Government Shared Services Partnership and transition to a Lead Authority Model by Northamptonshire County Council, Cambridgeshire County Council and Milton Keynes Council.
- 2.2.1.2. Cabinet approves the change from existing arrangements to a Lead Authority Model in respect of the Revenue and Benefits Service, to enable the completion of the wider transition by LGSS partners to a lead authority model.
- 3.1.2 Cabinet makes a recommendation to Full Council to approve the change in service delivery model, and that Full Council delegates to the Chief Executive the power to finalise the necessary collaboration, governance and agreements between the partners, in Consultation with the Leader of the Council and the Cabinet member for Finance.
- 2.3. The background leading up to this council report is covered in the attached Cabinet report (Appendix 1).
- 2.4. The Borough Council has the statutory responsibility to administer and deliver the Revenues and Benefits function which essentially administers the collection of Council Tax, Business rates and the administration of various benefits.
- 2.5. The service was outsourced to the Local Government Shared Services partnership (“LGSS”) in 2013, the details of which are covered in the attached report (appendix 1). It is relevant to note that LGSS has never been a legal entity in its own right, so the legal agreements were between the Borough Council and the constituent Councils which were Northampton County Council (NCC) and Cambridge County Council (CCC). Milton Keynes Council (MKC) joined that partnership later.
- 2.6. The Revenues and Benefits services were provided to the Borough by LGSS through contractual arrangements and the Borough were, in the terminology of the LGSS partnership, “customers” as opposed to the higher level membership, a shareholder.
- 2.7. A further iteration of the shared service was considered in 2018, in the form of a Joint Committee model of which it was proposed that the Borough Council would be a constituent member. This model allows two or more Local Authorities to collaborate, through the mechanism of Joint Committee arrangements, using specific powers under section 101 of the Local

Government Act 1972. The Joint Committee (“JC”) arrangement would have had relevant councillor representation and allowed councillor participation in key decisions for the partnership. The details of the JC are covered in the attached cabinet report (appendix 1). In reality, the Joint Committee agreement was never signed by the Borough Council and the Joint Committee met very infrequently, so did not operate as an effective governance structure.

- 2.8. Following the demise of the LGSS partnership, transitional arrangements have been agreed between the main partner authorities, MKC; NCC and CCC through the development of a Lead Authority Model. In relation to the Revenue and Benefits Service, it is proposed that the Lead Authority for the service will be Milton Keynes Council.
- 2.9. Under this model, the Revenue and Benefits functions will not transfer to MKC, these functions will remain with the Borough Council until 31st March 2021, following which the functions will transfer to the new West Northants unitary authority. Therefore, the Borough Council, until vesting day for West Northants Council, will be legally responsible and accountable for the function and will set the broad strategic direction and approve relevant policies for the service. However, the delivery of the service will be by MKC. It is neither assumed nor expected that under this model staff who deliver the Revenues and Benefits services for the Borough will transfer to MKC. Those Borough staff who transferred to NCC as part of the LGSS changes in 2013 are expected to remain NCC staff and then become West Northants staff. It will then be for West Northants Council to consider the model going forwards (see though comments on TUPE below).
- 2.10. Therefore, there will need to be robust contractual arrangements between NBC, NCC and MKC outlining the roles and responsibilities; liabilities and financial implications of any agreed arrangements. These arrangements will also need to structure, define and implement the governance arrangements enabling the Borough Council to monitor and direct the level and quality of service performance leading up to vesting day of West Northants unitary council.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 None specifically.

4.2 Resources and Risk

- 4.2.1 Full Council is referred to the Resources and Risk section in the attached Cabinet report.

4.3 Legal

- 4.3.1 These are mainly outlined in the attachment to this report (appendix 1). The partners constituting LGSS (NCC; CCC and MKC) in their discussions and deliberations do not anticipate the TUPE regulations applying in this new lead authority model. This would mean, if legally true, that the staff

delivering NBC Revenues and Benefits functions and currently employed by NCC would remain with NCC.

- 4.4 The plan and expectation is that whilst the Revenues and Benefits function will transfer to West Northants Council from 1st April 2021, the contractual arrangements regarding the delivery of the service will transfer sometime in the future, as determined and agreed by West Northants Council. The TUPE implications of such a transfer will need to be considered at that relevant time.
- 4.5 From a broad governance perspective, as West Northants Council will inherit the final contractual arrangements agreed between the Borough, NCC and MKC, including the financial liabilities and obligations any agreements will be put past the relevant interim/statutory/designate officers of the new authority for their consideration and comment.

4.6 Equality

- 4.6.1 The delivery of the service through the Lead Authority Model will be delivered in accordance with current standards related to equality so there will be no adverse impacts on protected groups arising from this report.

4.7 Environmental Implications (including climate change issues)

- 4.7.1 None specifically

4.8 Other Implications

- 4.8.1 None specifically

5. Background Papers

- 5.1 Background reports are those referred to in the attached appendix.

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