

## ANGLIA REVENUES PARTNERSHIP

**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.

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