

BRECKLAND DISTRICT COUNCIL

Report of: Councillor Paul Claussen, Executive Member Place

To: Cabinet, 16 October 2018

Author: Paul Corney, Head of ARP

Subject: Enforcement Agency – Norwich City Council delegation of function to Breckland Council

Purpose: This report seeks approval for Norwich City Council to have their Enforcement work function discharged by Breckland Council .

Recommendation(s):

- 1) That in accordance with Section 9EA of the Local Government Act 2000 and the Local Authorities (arrangements for the Discharge of Functions) (England) Regulations 2012 including regulations 4, 5 and 7, subject to approval by Norwich City Council, Breckland Council shall discharge the Enforcement and taking control of goods function (section 12 to the Tribunals, Courts and Enforcement Act 2007) in respect of Council Tax (Section 14 of the Local Government Finance Act 1992 (as amended)) and Non Domestic Rates (Section 62A of the Local Government Finance Act 1988) for Norwich City Council

1.0 BACKGROUND

- 1.1 The Anglia Revenues Partnership (ARP) Enforcement Team has been operational since the end of July 2015. And has successfully collected Council Tax and Business Rates for Breckland Council.
- 1.2 The Enforcement Agency has received very few complaints since it was formed (only one complaint was upheld) and the amount of Council Tax recovered by enforcement Agents in the 2015/16 financial year was significantly greater than the previous year.
- 1.3 Norwich City Council have approached Breckland Council to ask whether they could also have their cases that require enforcement action managed through arrangements determined by Breckland Council.
- 1.4 Norwich City wish to see their Council Tax, Business rates and other debtor collection rates improved and have been impressed by the results of Breckland Councils' arrangements with Enforcement Agents in collecting debt whilst minimising customer complaints.
- 1.5 When Breckland's service was with external Agencies it was provided at no cost to the ARP partner Authorities because the Enforcement Agencies' profit was derived from the fees charged to debtors and collected by the Agencies.
- 1.6 The ARP Enforcement Agency showed a net surplus (after costs) in respect of cash collected by the end of March 2018. With Breckland Council passing Norwich City work to the Enforcement Agency it is estimated that an increased net surplus will be generated due to the additional cases, the increase in fees generated would be shared by the ARP partners and Breckland's arrangement with Norwich City would mean that they would also benefit. It should be noted that the surpluses generated from the cases in respect of

the ARP partners will be shared between the ARP partners only.

1.7 The success of the ARP Enforcement Agency is, in part, due to the economy of scale that is provided by having 7 partners. The sharing of fixed costs means that the more work that is passed to the in-house team the lower the cost to the ARP partner Councils. A second factor is the geographical proximity of all the Councils and this proximity is maintained if Breckland pass the Norwich City work to the Enforcement Agency.

1.8 The Operational Improvement Board have delegated authority to negotiate the terms of work from new Authorities entering the Enforcement Agency. Breckland Council will agree a Service Level Agreement with Norwich City concerning the scope of services and arrangements in respect of the share of cost and fees generated.

2.0 **OPTIONS**

2.1 Breckland Council could decide not to accept delegation of the Enforcement function from Norwich City however if they do so then this would reduce the efficiency of the Enforcement Team.

2.2 Breckland Council could agree to the delegation of the Enforcement function from Norwich City which would increase the efficiency of the Enforcement team.

3.0 **REASONS FOR RECOMMENDATION(S)**

3.1 Where it is in the interests of the Breckland Council to agree arrangements for the ARP Enforcement Agency to collect additional debt we will need to agree the arrangements to ensure that the joint working agreement benefits all partners.

4.0 **EXPECTED BENEFITS**

4.1 Increases in the work passed to the Enforcement Agency will bring about greater resilience and will increase the Agency's capacity to continue to provide fair and robust collection services

4.2 The Agency has generated surpluses in the all years of operation and any increase in the work passed to the Agency will increase the surplus for the partner councils whilst providing an improved rate of council tax collection.

5.0 **IMPLICATIONS**

5.1 **Carbon Footprint / Environmental Issues**

5.1.1 It is the opinion of the Report Author that there are no implications.

5.2 **Constitution & Legal**

5.2.1 The Local Government Act 2000 and the Local Authorities (Discharge of Functions) (England) Regulations 2012 allow authorities to delegate executive functions to the executive of another local authority. In this case, such delegation will enable Breckland Council to exercise relevant statutory powers under the Local Government Finance Act 1992, the Tribunals, Courts and Enforcement Act 2007 and the Local Government Finance Act 1988 in respect of properties within Norwich City Council's administrative area. External legal advice has been received which confirms that this is an appropriate mechanism for the proposal.

5.2.2 This is an executive function so can be determined by the Leader, Cabinet or Portfolio Holder.

5.3 Corporate Priorities

5.3.1 The implementation of the in house service assists with the Medium Term Financial Plan.

5.4 Equality and Diversity / Human Rights

5.4.1 We have a Public Sector Equality Duty, all enforcement action is taken on a case by case basis and is compliant with that duty. All ARP staff receive full training in matters relating to the treatment of vulnerable persons.

5.5 Financial

5.5.1 The Enforcement Agency provides income to the Council and any expansion of work may increase the income generated

5.6 Risk Management

5.6.1 The performance of the service is monitored closely and reported to Joint Committee to manage the risk of the service not being at least cost neutral. The service was in surplus for 2015/16, 2016/17 and 2017/18 exceeding the business case estimate.

5.6 Staffing

5.6.1 It is estimated that the complement of staff will need to increase, however the income generated will more than cover the staffing costs. At General Purposes Committee on the 25th May 2016, Breckland Council gave the Operational Improvement Board delegated Authority to appoint up to eight additional members of staff to carry out enforcement work where they are satisfied that the increase is justified by robust data, the increase in resource will be within this delegated authority.

Background papers:- General Purposes Committee May 2016

<http://democracy.breckland.gov.uk/ieListDocuments.aspx?CId=130&MId=3598&Ver=4>

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Key Decision: No

Exempt Decision: No

Appendices attached to this report:

None