

## ANGLIA REVENUES PARTNERSHIP

**Report of** Paul Corney - Head of ARP  
**To:** ARP Joint Committee, 30<sup>th</sup> June 2014  
**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.
- That ARP risk is reviewed every 6 months by the Joint Committee in June and December each year.

### 1. Introduction / Background.

- 1.1 At the Joint Committee in December 2009 it was agreed that members would be updated at future meetings on the risk register so that risk could be reviewed regularly.
- 1.2 The audit governance report recommends that the Risk Register should be regularly reviewed by the Joint Committee and points out that this recommendation was made in the last governance audit in 2012/13 but has not been actioned.
- 1.3 The recommendation from the audit report is that Risk should be reviewed by the Joint Committee more than once per year.

### 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.
- 1.2 One risk remains amber after mitigation, the risk concerns income from Business Rates Retention and Council Tax meeting budget requirements. All other risks are assessed as green after mitigation (see Appendix A).
- 1.3 From April 2013 the system of Central Government funding changed from a national pool to a system of partially locally retained Business Rates and at the same time Council Tax Benefit was replaced by Local Council Tax Reduction Schemes with funding of awards reduced by 10%.
- 1.4 The move to locally retained rates transferred an element of risk and opportunity to local Councils. Where businesses move from an area or cease trading Councils share the risk with Central Government where in the past this would not have affected a Council's funding. On the other hand if businesses move in to a Council's area the Council will see income from Business Rates increase.
- 1.5 100% of Council Tax Benefit was funded through Benefit subsidy prior to April 2013 and the funding was based upon actual expenditure in a year. The funding of Local Council Tax Reduction Schemes was based upon 90% of the 2012/13 subsidy awards and does not vary if case loads or expenditure rises in subsequent years. On the other hand if case loads reduce then funding will not decrease in the year expenditure reduces.

1.6 This risk remains amber after mitigation because the risk is influenced by a number of factors outside of our direct control such as; Economic trends, unemployment levels, Businesses deciding to move operations out of a district and increasing pensioner population.

### **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 of risks
- To determine the frequency and timing of future Reviews of risk by the Joint Committee.

#### **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.

Background papers:- Internal Audit report 2013/14 – Anglia Revenues Partnership Arrangements BRK 1408

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