



## Notice of meeting of

### Decision Session - Executive Member for Corporate Services

**To:** Councillor Moore (Executive Member)

**Date:** Tuesday, 16 June 2009

**Time:** 4.15 pm

**Venue:** The Guildhall, York

### AGENDA

#### Notice to Members - Calling In:

Members are reminded that, should they wish to call in any item on this agenda, notice must be given to Democracy Support Group by:

**10:00 am on Monday 15 June 2009**, if an item is called in *before* a decision is taken, *or*

**4:00 pm on Thursday, 18 June**, if an item is called in *after* a decision has been taken.

Items called in will be considered by the Scrutiny Management Committee.

#### 1. **Declarations of Interest**

At this point Members are asked to declare any personal or prejudicial interests they may have in the business on this agenda.

#### 2. **Minutes**

(Pages 3 - 6)

To approve and sign the minutes of the last meeting of the Executive Member for Corporate Services Advisory Panel held on 20 January 2009.

### **3. Exclusion of Press and Public**

To consider excluding the press and public from the meeting during consideration of Annexes A to D of agenda item 5 (Bad Debt Write-off Report 2008/09) on the grounds that it contains information which is likely to reveal the identity of an individual and relating to the financial or business affairs of any particular person. This information is classed as exempt under Paragraphs 2 and 3 of Schedule 12A to Section 100A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006.

### **4. Public Participation**

At this point in the meeting, members of the public who have registered their wish to speak at the meeting can do so. The deadline for registering is **Monday 15 June 2009 at 5:00 pm.**

### **5. Bad Debt Write-Off Report 2008/09** (Pages 7 - 40)

This report presents to the Executive Member for Corporate Services the irrecoverable accounts in respect of Council Tax (CT), National Non-Domestic Rates (NNDR), Sundry Debtors and Housing Benefit overpayment for write-off 2008/09.

### **6. Urgent Business**

Any other business which the Chair considers urgent under the Local Government Act 1972.

Democracy Officer:

Name: Jayne Carr

Contact Details:

Telephone – (01904) 552030

Email – [jayne.carr@york.gov.uk](mailto:jayne.carr@york.gov.uk)

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above.

## About City of York Council Meetings

### Would you like to speak at this meeting?

If you would, you will need to:

- register by contacting the Democracy Officer (whose name and contact details can be found on the agenda for the meeting) **no later than 5.00 pm** on the last working day before the meeting;
- ensure that what you want to say speak relates to an item of business on the agenda or an issue which the committee has power to consider (speak to the Democracy Officer for advice on this);
- find out about the rules for public speaking from the Democracy Officer.

**A leaflet on public participation is available on the Council's website or from Democratic Services by telephoning York (01904) 551088**

### Further information about what's being discussed at this meeting

All the reports which Members will be considering are available for viewing online on the Council's website. Alternatively, copies of individual reports or the full agenda are available from Democratic Services. Contact the Democracy Officer whose name and contact details are given on the agenda for the meeting. **Please note a small charge may be made for full copies of the agenda requested to cover administration costs.**

### Access Arrangements

We will make every effort to make the meeting accessible to you. The meeting will usually be held in a wheelchair accessible venue with an induction hearing loop. We can provide the agenda or reports in large print, electronically (computer disk or by email), in Braille or on audio tape. Some formats will take longer than others so please give as much notice as possible (at least 48 hours for Braille or audio tape).

If you have any further access requirements such as parking close-by or a sign language interpreter then please let us know. Contact the Democracy Officer whose name and contact details are given on the order of business for the meeting.

Every effort will also be made to make information available in another language, either by providing translated information or an interpreter providing sufficient advance notice is given. Telephone York (01904) 551550 for this service.

যদি যথেষ্ট আগে থেকে জানানো হয় তাহলে অন্য কোন অর্ধাতে তথ্য জানানোর জন্য সব ধরনের চেষ্টা করা হবে, এর জন্য দরকার হলে তথ্য অনুবাদ করে দেয়া হবে অথবা একজন দোঅবী সরবরাহ করা হবে। টেলিফোন নম্বর (01904) 551 550।

*Yeteri kadar önceden haber verilmesi koşuluyla, bilgilerin terümesini hazırlatmak ya da bir tercüman bulmak için mümkün olan herşey yapılacaktır. Tel: (01904) 551 550*

我們竭力使提供的資訊備有不同語言版本，在有充足時間提前通知的情況下會安排筆譯或口譯服務。電話 (01904) 551 550。

اگر مناسب وقت سے اطلاع دی جاتی ہے تو ہم معلومات کا ترجمہ مہیا کرنے کی پوری کوشش کریں گے۔ ٹیلی فون (01904) 551 550

*Informacja może być dostępna w tłumaczeniu, jeśli dostaniemy zapotrzebowanie z wystarczającym wyprzedzeniem. Tel: (01904) 551 550*

### **Holding the Executive to Account**

The majority of councillors are not appointed to the Executive (38 out of 47). Any 3 non-Executive councillors can 'call-in' an item of business from a published Executive (or Executive Member Decision Session) agenda. The Executive will still discuss the 'called in' business on the published date and will set out its views for consideration by a specially convened Scrutiny Management Committee (SMC). That SMC meeting will then make its recommendations to the next scheduled Executive meeting in the following week, where a final decision on the 'called-in' business will be made.

### **Scrutiny Committees**

The purpose of all scrutiny and ad-hoc scrutiny committees appointed by the Council is to:

- Monitor the performance and effectiveness of services;
- Review existing policies and assist in the development of new ones, as necessary; and
- Monitor best value continuous service improvement plans

### **Who Gets Agenda and Reports for our Meetings?**

- Councillors get copies of all agenda and reports for the committees to which they are appointed by the Council;
- Relevant Council Officers get copies of relevant agenda and reports for the committees which they report to;
- Public libraries get copies of **all** public agenda/reports.

City of York Council

Committee Minutes

---

MEETING	EXECUTIVE MEMBER FOR CORPORATE SERVICES AND ADVISORY PANEL
DATE	20 JANUARY 2009
PRESENT	COUNCILLORS MOORE (EXECUTIVE MEMBER), PIERCE (VICE-CHAIR), FIRTH, GUNNELL AND GALVIN (SUBSTITUTE)
APOLOGIES	COUNCILLOR HEALEY

---

**34. DECLARATIONS OF INTEREST**

Members were invited to declare at this point in the meeting any personal or prejudicial interests they might have in the business on the agenda. No interests were declared.

**35. MINUTES**

RESOLVED: That the minutes of the meeting held on 9 December 2008 be approved and signed by the Chair and Executive Member as a correct record.

**36. PUBLIC PARTICIPATION**

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

**37. FORWARD PLAN UPDATE**

Members received an update on the Resources Directorate items currently listed on the Forward Plan.

Consideration was given to the items that were due to be considered at the EMAP meeting on 17 March 2009.

Members agreed that, having received the Resources Directorate Plan, they did not require copies of the service plans to be presented to them.

- RESOLVED: (i) That the arrangements for dealing with write-offs be delegated to the Head of Finance in consultation with the Executive Member.
- (ii) That, unless further items arose which required the consideration of the Advisory Panel, the meeting on 17 March 2009 be cancelled.

### 38. RESOURCES BUDGET PROPOSALS

Members received a report presenting the 2009/10 budget proposals for the Resources Directorate. The report included:

- The revenue budget for 2009/09 (Annex 1) to show the existing budgets
- The budget adjusted and rolled forward from 2008/09 into 2009/10
- The provisional allocation of pay and price increases for the portfolio
- Proposals for budget service pressure costs and savings options for the portfolio area (Annex 2)
- Fees and charges proposals (Annex 3)
- The existing approved capital programme (Annex 4)

As part of the consultation process, Members of EMAP were asked for their comments or alternative suggestions on the proposals shown in Annexes 2 and 3.

Consideration was given to the proposed budget allocation of £350k for the IT Development Plan. It was noted that the funding was based on a required budget level of £450k, as agreed by the Executive on 2 December 2008. However, since there was regularly slippage on this budget, a one-off credit of £100k was proposed to reflect this. Members queried whether it would be possible to further increase the credit in view of the previous level of slippage. Officers explained that changes had been made to the way in which schemes were planned and monitored in order to improve delivery and that major projects such as the planned upgrade to Citrix would need to be delivered. If the funding was reduced even further there would be concerns as to whether it would be possible to implement the plan effectively.

Clarification was sought as to the basis on which the figure for pay inflation had been set at 2.25%. Officers explained that the negotiations for the 2009/10 settlement had not yet started but that a survey of unitary authorities had indicated that the majority were estimating awards of between 2%-2.5%.

Clarification was sought as to why the Capital Budget – 2008/09 to 2010/11 included funding allocated to the Admin Accommodation project when this was a turnkey scheme. Officers explained that the expenditure profile for the project would need to be revisited but that there were different models of turnkey schemes.

Members of the Labour Group reserved their position for Budget Council.

#### Advice of the Advisory Panel

That the Executive Member be advised:

- (i) That the budget proposals were in line with the Council's priorities.

- (ii) That the budget proposals for savings and growth contained within the report be noted and referred to the Budget Executive on 16 February 2009 for consideration together with Members' comments.
- (iii) That the budget proposals for the revenue budget contained within the report be noted and referred to the Budget Executive for consideration together with Members' comments.
- (iv) That the budget proposals for the Resources Directorate for 2009/10 contained in the report and including:
  - 2009/10 Base Budget as set out in paragraph 7 of the report
  - Savings proposals as set out in Annex 2 of the report
  - Fees and charges as set out in Annex 3 of the reportbe noted and referred to the Budget Executive for consideration together with Members' comments.

Decision of the Executive Member

RESOLVED: That the advice of the Advisory Panel be accepted and endorsed.

REASON: As part of the consultation for the 2009/10 budget setting process.

**39. RESOURCES DIRECTORATE PLAN**

Members received a report setting out the Resources Directorate Plan for 2009-2010. The Plan set out the main priorities for the Directorate, including key milestones and timescales.

Officers gave an overview of the restructuring of the Directorate and the revised areas of responsibility.

Consideration was given to the Directorate Priorities as outlined in the report.

Officers were asked about the impact that the implementation of job evaluation had had on the Directorate. They stated that there had been a significant impact in some areas of the Directorate and that this may have implications in terms of recruitment and retention of staff. The appeals process was underway.

Members sought assurances that staff appraisals were being carried out within the Directorate and that appropriate support and development opportunities were in place for all staff, including frontline staff as well as those who carried out managerial roles. Officers confirmed that the Directorate was fully committed to carrying out Personal Development Reviews and meeting the development needs of staff. An important part of the training provision was delivered in-house and was tailored to meet the specific needs of staff. It was also recognised that there was a need to ensure that managers had appropriate managerial as well as technical skills in order to lead on the proposed changes in the Directorate. The

Head of Human Resources was currently looking at issues in respect of workforce development, including the induction of new staff and the way in which Personal Development Reviews were being carried out within the Council.

Clarification was sought as to the figures regarding the Corporate Efficiency Programme. Officers stated the intention was to deliver £15m of efficiency gains in the next three years. It was anticipated that savings of £3m would be achieved in the first year and that this figure would increase as the programme developed.

### Advice of the Advisory Panel

That the Executive Member be advised:

- (i) That the Resources Directorate Plan for 2009-2010 be approved.
- (ii) That thanks be recorded to Director of Resources for producing the plan and for the work that he and the Assistant Directors were carrying out in leading on the developments within the Directorate.

### Decision of the Executive Member

That the advice of the Advisory Panel be accepted and endorsed.

REASON: To provide strategic direction for the Directorate and to act as a consolidated reference point for Service Managers.

Councillor R Moore  
Executive Member for Corporate Services

Councillor R Pierce, Vice-Chair in the Chair

[The meeting started at 5.30 pm and finished at 6.35 pm].





---

Executive Member for Corporate Services

16 June 2009

Report of the Assistant Director (Customer Service & Governance)

BAD DEBT WRITE-OFF REPORT 2008/09

### **Summary**

- 1 This report presents to the Executive Member for Corporate Services the irrecoverable accounts in respect of Council Tax (CT), National Non-Domestic Rates (NNDR), Sundry Debtors and Housing Benefit overpayment for write-off 2008/09. The last write-off report to come before members was in March 2008 for the 2007/08 year.

### **Background**

- 2 The council's Constitution and supporting Financial Regulations delegates the responsibility for writing-off all individual debts in excess of £2K to the Executive Member for Corporate Services. The debts with individual values below this amount are written-off by the Chief Financial Officer (Director of Resources) under the officer Scheme of Delegation.
- 3 The council only writes off debt where it is irrecoverable for example where a customer has died, or a business is bankrupt. The only exception to this is where a debt is not cost effective to recover.
- 4 The council's debt recovery or collection rate for CT is in excess of 98% and puts York above the Unitary average of 96.7%. The collection rate for Sundry Debtor accounts is in excess of 99% with NNDR having a 97.5% collection rate, which is down slightly on 2007/08 (98%) but reflects the current economic conditions.
- 5 The council is prudent in managing bad debt and makes provision for this in its annual statement of accounts. This ensures that the writing off of bad debt has no detrimental affect on service provision or the council taxpayer. In the case of NNDR the Government meets the cost of writing off bad debt.

**Debt to be written off 2008/09**

- 6 Full details of accounts with individual values above £2K in respect of CT, NNDR, Sundry Debtors and Housing Benefit Overpayment are set out at the confidential Annexes A to D of this report respectively. The value of the accounts to be written off of this year is 27% lower (£431,875) than 2007/08. This reflects the good performance of the council's CT, NNDR and income teams in a year when the economic climate has had a detrimental affect on local businesses and customers alike. In addition to this a substantial amount of data cleansing has been carried out in advance of the implementation of the council's new financial management system increasing the number of bad debts identified for write off. Table 1 below shows a comparison between the 2008/09 and 2007/08 write off totals.

**Table 1**

Debt Write -Off Summary 2008/09				
Fund	Total Over £2K	Total Under £2K	Total	Totals 2007/08
National Non-Domestic Rates	£361,988	£29,394	<b>£391,383</b>	£826,835
Council Tax	£184,408	£247,059	<b>£431,467</b>	£458,477
Housing Benefit Overpayment	£28,408	£60,736	<b>£89,144</b>	£93,160
Sundry Debtors	£39,459	£177,313	<b>£216,772</b>	£182,168
<b>Grand Total</b>	<b>£614,263</b>	<b>£514,503</b>	<b>£1,128,765</b>	<b>£1,560,640</b>

- 7 The figures alone do not reflect the overall performance of the recovery teams. This can be more clearly demonstrated when the figures are compared to the value of debts raised. Although not all the debts written off are from the 2008/09 year, Table 2 below provides a much clearer picture of how successful the council has been in collecting outstanding debt with just a fraction been written off in most cases. A more detailed breakdown of the debt write off relating to each year, compared to the respective value of accounts raised is set out at Annex E.

**Table 2**

Percentage of Bills Written-Off Compared to Value Raised			
Fund	Value to be Written Off	Value of Bills Raised 08/09	% Of Bills Written-Off
National Non-Domestic Rates	£391,383	£72,519,000	0.54%
Council Tax	£431,467	£85,635,426	0.50%
Housing Benefit Overpayment	£89,144	£1,370,790	6.50%
Sundry Debtors	£216,772	£52,093,892	0.42%
<b>Grand Total</b>	<b>£1,128,765</b>	<b>£211,619,108</b>	<b>0.53%</b>

- 8 The council is continuing to develop and improve the efficiency of its debt collection and will be working with efficiency partners during 2009/10 to further improve its performance in the collection of both in year and prior year debt across all the income streams.

### Consultation

9 No consultation was necessary in the production of this report.

### Options

10 There are two options for the Executive Member for Corporate Services to consider in relation to this report. These are:

- i. to write off the over £2K accounts totalling £614,263;
- ii. to leave the accounts on the council's accounts.

### Analysis

11 All analysis is contained in the annexes to this report.

### Corporate Priorities

12 The effective and efficient management of income collection directly supports the corporate strategy objective of delivering an Effective Organisation. Improved income to the council also provides cross-cutting financial support in delivering all eight corporate objectives.

### Implications

13

- (a) **Financial** – The Assistant Director of Resources (Corporate Finance) has been consulted in relation to this report and has confirmed that there is adequate provision to meet the value of the accounts to be written off.
- (b) **Human Resources (HR)** - There are no implications
- (c) **Equalities** - There are no implications
- (d) **Legal** - There are no implications
- (e) **Crime and Disorder** - There are no implications
- (f) **Information Technology (IT)** - There are no implications
- (g) **Property** - There are no implications

### Risk Management

14 If proper debt management and accounting procedures are not followed in the management and writing off of debt then the council could be criticised by the external auditor as part of the annual Use of Resources Assessment.

**Recommendations**

- 15 The Executive Member for Corporate Services is asked to:
- a) approve the write off of bad debt as set out at Table 1 above and in the detailed confidential annexes A – D attached to this report;

Reason

*To remove irrecoverable bad debt from the council's accounts in accordance with accountancy best practice.*

**Contact Details**

**Author:**

David Walker  
Head of Financial Procedures  
Phone No 01904 552261

**Chief Officer Responsible for the report:**

*Pauline Stuchfield  
Assistant Director of Resources (Customer Service  
& Governance)*

Report Approved



Date 29.5.09

**Specialist Implications Officer(s)** Not applicable

**Wards Affected** Not applicable

All

For further information please contact the author of the report

**Background Papers**

Write off Report 2007/08

**Confidential Annexes**

- Annex A Council Tax Accounts Over £2K  
Annex B NNDR Accounts Over £2K  
Annex C Sundry Debtor Accounts Over £2K  
Annex D Housing Benefit Accounts Over £2K

**Non-Confidential Annex**

- Annex E Debt Write off by year account raised

By virtue of paragraph(s) 2, 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 2, 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 2, 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 2, 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

<b>Year &amp; Fund</b>	<b>Total Charges Raised</b>	<b>Total Value Written off</b>	<b>Percentage Written off</b>
<b><u>NNDR</u></b>			
2008/09	£72,519,000	£130,530	0.18%
2007/08	£78,485,072	£180,663	0.23%
2006/07	£78,725,557	£118,687	0.15%
2005/06	£69,540,029	£75,817	0.11%
2004/05	£68,200,000	£49,805	0.07%
2003/04	£67,624,223	£45,069	0.07%
2002/03	£62,559,370	£43,261	0.07%
<b><u>Sundry Debtors</u></b>			
2008/09	£52,093,892	£2,571	0.00%
2007/08	£47,608,847	£31,868	0.07%
2006/07	£52,876,432	£36,014	0.07%
2005/06	£52,330,126	£49,942	0.10%
2004/05	£36,986,021	£32,034	0.09%
2003/04	£41,656,971	£35,051	0.08%
2002/03	£34,543,460	£33,571	0.10%
<b><u>Council Tax</u></b>			
2008/09	£85,635,426	£37,953	0.04%
2007/08	£73,886,114	£139,030	0.19%
2006/07	£70,388,994	£130,488	0.19%
2005/06	£66,564,805	£92,320	0.14%
2004/05	£62,900,000	£77,349	0.12%
2003/04	£57,100,000	£58,130	0.10%
2002/03	£49,800,000	£40,526	0.08%
<b><u>HB Overpayment</u></b>			
2008/09	£1,370,790	£20,677	1.51%
2007/08	£1,081,152	£18,454	1.71%
2006/07	£841,495	£21,301	2.53%
2005/06	£1,653,350	£15,449	0.93%
2004/05	£725,982	£26,258	3.62%
2003/04	£665,271	£19,925	2.99%
2002/03	£516,204	£9,203	1.78%

This page is intentionally left blank