



Notice of meeting of

Decision Session - Executive Member for Corporate Services

To: Councillor Moore (Executive Member)

Date: Tuesday, 16 February 2010

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 February 2010 if an item is called in before a decision is taken, or

4.00pm on Thursday 18 February 2010 if an item is called in after a decision has been taken.

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

Any written representations in respect of the items on the agenda should be submitted to Democratic Services by **5.00 pm on Friday 12 February 2010.**

1. Declarations of Interest

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

2. Minutes

To approve and sign the minutes of the Decision Session of the Executive Member for Corporate Services held on 29 January 2010.

3. Exclusion of Press and Public

To consider excluding the press and public from the meeting during consideration of Annex B of agenda item 5 “Bad Debt Write Off Report – Period mid November 2009 to January 2010” 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 **5.00 pm on Monday 15 February 2010**.

Members of the public may register to speak on:-

- An item on the agenda;
- An issue within the Executive Member’s remit;
- An item that has been published on the Information Log since the last session. Information reports are listed at the end of the agenda.

5. Bad Debt Write Off Report - Period mid (Pages 3 - November 2009 to January 2010 12)

This report presents to the Executive Member for Corporate Services the irrecoverable accounts in respect of Council Tax (CT), National Non-Domestic Rates (NDR), Sundry Debtors and Housing Benefit overpayment for write-off, covering the period 21 November 2009 to 22 January 2010.

6. Urgent Business

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

Information Log

No items have been published on the Information Log since the last decision session.

Democracy Officer:

Name: Jayne Carr

Contact Details:

Telephone – (01904) 552030

Email – 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.

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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.

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Holding the Executive to Account

The majority of councillors are not appointed to the Executive (40 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	DECISION SESSION - EXECUTIVE MEMBER FOR CORPORATE SERVICES
DATE	29 JANUARY 2010
PRESENT	COUNCILLOR MOORE (EXECUTIVE MEMBER)

16. DECLARATIONS OF INTEREST

The Executive Member was invited to declare at this point in the meeting any personal or prejudicial interests he might have in the business on the agenda. None were declared.

17. MINUTES

RESOLVED: That the minutes of the meeting held on 15 December 2009 be approved and signed by the Executive Member as a correct record.

18. PUBLIC PARTICIPATION

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

19. REVENUE BUDGET ESTIMATES 2010/11 - RESOURCES

The Executive Member received a report as part of the consultation on the 2010/11 budget process. The report presented the 2010/11 budget proposals for Resources and included:

- The base revenue budget for 2010/11 (Annex 1) to show the existing budgets
- The cost of pay and price increases, increments and settlement of pay and grading appeals for the portfolio
- Proposals for budget service pressure costs and savings options for the portfolio area (Annexes 2 and 3)
- Fees and charges proposals (Annex 4)

Full details of the budget would be considered by the Executive on 16 February 2010 and then Budget Council on 25 February 2010. The report sought the comments of the Executive Member on the proposals put forward.

The Executive Member stated that the budget for 2010/11 was being considered at a time of worldwide recession and at a time of great financial

stringency for both national and local government. The focus had to be on the council's core functions, the statutory services, front line delivery and working to maintain excellent services. Despite extra investment, savings must be made across the Council, both at a corporate and directorate level. The report that had been presented sought to find savings within the revenue budget.

The Executive Member thanked officers for their efforts in achieving a balanced budget. He also thanked Unison for their involvement in the budget process.

- RESOLVED: (i) That it be confirmed that the budget proposals are in line with the council's priorities.
- (ii) That the report and annexes be referred to the Executive for consideration.
- (iii) That all written and verbal representations made to the Executive Member be taken into consideration when the Executive considers the final budget.
- (iv) That officers be thanked for the work which has been undertaken to produce the report, especially considering the current economic situation.

REASON: As part of the consultation for the 2010/11 budget setting process.

Councillor R Moore, Chair

[The meeting started at 2.30 pm and finished at 2.33 pm].



Executive Member for Corporate Services

16 February 2010

Report of the Assistant Director (Customer Service & Governance)

Bad Debt Write Off Report – Period mid November 2009 to January 2010

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 covering the period 21 November 2009 to 22 January 2010. The last write-off report was presented to the Executive Member for Corporate Services on 15 December 2009 for the period 1 October 2009 to 20 November 2009.

Background

- 2 The council's Constitution and supporting Financial Regulations delegate the responsibility for writing-off all individual debts up to and including £5k to Chief Officers in consultation with the Chief Financial Officer (CFO) under the officer scheme of delegation. Above this threshold debts are written-off in consultation with the Executive Member for Corporate Services. Any exceptional debts with an individual value above £200k may only be written off on the authority of the Executive.
- 3 The council only writes off debt where it is irrecoverable for example where a customer has died and has no assets, or a business is bankrupt and has no assets. The only exception to this is where a debt is not cost effective to recover.
- 4 The council's in year collection rate for CT (2008/09) was in excess of 97% and placed York above the Unitary average of 96.7%. There was a 97.52% collection rate in 2008/09 for NNDR, which was down slightly on 2007/08 (98%) which reflected the recent economic conditions. The total collection rate for Sundry Debtor accounts is in excess of 99%.
- 5 The council is prudent in managing bad debt and makes provision for them 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 21 November 2009 – 22 January 2010

- 6 Details of accounts with individual values above £5k in respect of NNDR and Sundry Debtors are set out at Annex A excluding any personal data, and in detail in confidential Annex B of this report respectively. The value of the accounts to be written off this period is £169,560 and Table 1 below shows the value of accounts by each area of debt.

Table 1

Debt Write -Off Summary 21 November 2009 - 22 January 2010			
Fund	Over £5K	Under & Inc £5K	Total
National Non-Domestic Rates	£35,854	£10,741	£46,594
Council Tax	£0	£78,033	£78,033
Housing Benefit Overpayment	£0	£14,370	£14,370
Sundry Debtors	£10,882	£19,680	£30,563
Grand Total	£46,736	£122,825	£169,560

- 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. 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 C.
- 8 The council is continuing to develop and improve the efficiency of its debt collection and is working with the 'More for York' programme during 2009/10 to further improve its performance in the collection of both in year and prior year debt across all of the council's 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 £5k accounts totalling £46,736 in line with the council's Financial regulations;
 - ii. to leave the accounts on the council's accounts, but acknowledging the risk of doing so as laid down in paragraph 14 below.

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 confidential annexe B 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



3 February 2010

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 December 2009

Non-Confidential Annexes

Annex A Accounts to be written off excluding personal data
Annex C Debt Write off by year account raised

Confidential Annexes

Annex B NNDR Accounts Over £5K & Sundry Debtor Accounts Over £5K

Over £5000 Write Offs - February 2010

Annex A

NDR W-OFFS - Over £5k for Feb 2010

ACCOUNT NO.	NAME	ADDRESS	RELEVANT CHG PERIOD		Year	W-Off AMOUNT (£)	Reason	Total
401035965			08-Apr-09	14-Jul-09	2009/10	£9,115.34	Liquidation	
401035995			01-Apr-06	31-Mar-07	2006/07	£3,882.99	Liquidation	
401035995			01-Apr-07	31-Mar-08	2007/08	£4,369.85	Liquidation	
401035995			01-Apr-08	22-Feb-09	2008/09	£4,255.46	Liquidation	
						£21,623.64	Liquidation Total	
401034568			01-Apr-08	31-Mar-09	2008/09	£5,728.00	Bankrupt	
401034568			01-Apr-09	26-Nov-09	2009/10	£8,387.03	Bankrupt	
401034568			01-Apr-09	26-Nov-09	2009/10	£115.00	Bankrupt	
						£14,230.03	Bankrupt Total	
							Total	£35,853.67

Sundry Debtor Write Offs Over £5k for Feb 2010

ACCOUNT	NAME	ADDRESS	DATE OF ACCOUNT	Year	W-Off AMOUNT (£)	Reason	Total
DP53514284			01-Mar-09	2008/09	£2,387.80	Debtors Gone - Unable to trace	
DP53514284			01-Mar-09	2008/09	£12.80	Debtors Gone - Unable to trace	
DP53439550			01-Dec-08	2008/09	£2,937.50	Debtors Gone - Unable to trace	
DP53439550			01-Dec-08	2008/09	£12.80	Debtors Gone - Unable to trace	
DP53378242			01-Sep-08	2008/09	£2,900.00	Debtors Gone - Unable to trace	
DP53378242			01-Sep-08	2008/09	£12.50	Debtors Gone - Unable to trace	
DP53315302			01-Jun-08	2008/09	£2,606.16	Debtors Gone - Unable to trace	
DP53315302			01-Jun-08	2008/09	£12.50	Debtors Gone - Unable to trace	
					£ 10,882.06	Debtors Gone Total	£10,882.06

GRAND TOTAL	£46,735.73
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Annex C

Year & Fund	Total Charges Raised	Total Value Written off this period	Total Value Written off To Date **	Total Percentage Written off
<u>NNDR</u>				
2009/10	£86,412,184	£24,807.92	£40,842	0.05%
2008/09	£81,880,311	£12,743.14	£249,232	0.30%
2007/08	£76,387,278	£5,810.79	£290,837	0.38%
2006/07	£72,534,211	£3,882.99	£189,010	0.26%
2005/06	£66,969,000	-£661.61	£188,977	0.28%
2004/05	£65,292,579	£0.00	£399,101	0.61%
2003/04	£63,102,660	£0.00	£545,590	0.86%
2002/03	£61,850,351	£0.00	£400,719	0.65%
<u>Sundry Debtors</u>				
2009/10	£45,327,849	£2,063.63	£19,682	0.04%
2008/09	£52,093,892	£14,028.43	£51,916	0.10%
2007/08	£47,608,847	£6,137.10	£50,112	0.11%
2006/07	£52,876,432	£1,019.00	£80,758	0.15%
2005/06	£52,330,126	£3,226.97	£142,809	0.27%
2004/05	£36,986,021	£2,585.21	£329,769	0.89%
2003/04	£41,656,971	£532.26	£74,222	0.18%
2002/03	£34,543,460	£528.33	£130,439	0.38%
<u>Council Tax</u>				
2009/10	£80,934,247	£24,810.18	£49,295	0.06%
2008/09	£77,115,361	£27,314.06	£210,524	0.27%
2007/08	£73,149,211	£10,155.54	£243,576	0.33%
2006/07	£69,508,184	£5,276.91	£303,049	0.44%
2005/06	£65,661,542	£4,108.59	£300,099	0.46%
2004/05	£62,171,239	£3,122.89	£246,223	0.40%
2003/04	£56,427,886	£2,686.39	£547,277	0.97%
2002/03	£51,300,730	£526.47	£508,399	0.99%
<u>HB Overpayment</u>				
2009/10	£603,226	£3,012.12	£16,810	2.79%
2008/09	£1,496,654	£3,440.62	£45,659	3.05%
2007/08	£1,081,152	£1,065.89	£29,659	2.74%
2006/07	£841,495	£1,502.23	£49,300	5.86%
2005/06	£1,653,350	£3,437.93	£76,999	4.66%
2004/05	£725,982	£327.92	£117,444	16.18%
2003/04	£665,271	£436.79	£107,263	16.12%
2002/03	£516,204	£22.95	£132,446	25.66%
NNDR	£574,428,574	£46,583	£2,304,307	0.40%
Sundry Debtors	£363,423,598	£30,121	£879,707	0.24%
Council Tax	£536,268,402	£78,001	£2,408,440	0.45%
HB overpayment	£7,583,334	£13,246	£575,578	7.59%
Grand total	£1,481,703,908	£167,952	£6,168,033	0.42%

** (the totals shown include the values in this write off cycle)

Figures prefixed - represent debt written back on

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