



## Notice of meeting of

### Decision Session - Executive Member for Corporate Services

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

**Date:** Tuesday, 15 December 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 14 December 2009** if an item is called in before a decision is taken, or

**4.00pm on Thursday 17 December 2009** 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 11 December 2009.**

#### **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 - 4)  
To approve and sign the minutes of the last Decision Session of the Executive Member for Corporate Services held on 20 October 2009.

- 3. Exclusion of Press and Public**  
To consider excluding the press and public from the meeting during consideration of Annexes B to E of agenda item 5 “Bad Debt Write Off Report – Period October to November 2009” 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 14 December 2009 at 5.00 pm**.

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 October to November 2009** (Pages 5 - 20)  
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 1 October 2009 to 20 November 2009.

- 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](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.

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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.

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 দোআবী 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*

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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 (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

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MEETING	DECISION SESSION - EXECUTIVE MEMBER FOR CORPORATE SERVICES
DATE	20 OCTOBER 2009
PRESENT	COUNCILLOR MOORE (EXECUTIVE MEMBER)

**6. 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. No interests were declared.

**7. MINUTES**

RESOLVED: That the minutes of the meeting held on 20 January 2009 be approved and signed by the Executive Member as a correct record.

**8. EXCLUSION OF PRESS AND PUBLIC**

RESOLVED: That the press and public be excluded from the meeting during consideration of Annexes A to D of agenda item 5 ("Bad Debt Write-Off Report - Period April to September 2009") 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.

**9. PUBLIC PARTICIPATION**

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

**10. BAD DEBT WRITE OFF REPORT: APRIL TO SEPTEMBER 2009**

The Executive Member received a report that presented 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 1 April 2009 to 30 September 2009.

The Executive Member was asked to write off the over £2,000 accounts (totalling £293,781) or to leave the accounts on the council's accounts.

RESOLVED: That the write off of bad debt, as set out in Table 1 of the report and in Annexes A-D of the report be approved.

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

Councillor Moore, Chair

[The meeting started at 4.15 pm and finished at 4.16 pm].





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Executive Member for Corporate Services

15 December 2009

Report of the Assistant Director (Customer Service & Governance)

Bad Debt Write Off Report – Period October to November 2009

### 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 1 October 2009 to 20 November 2009. The last write-off report was presented to the Executive Member for Corporate Services on 20 October 2009 for the period 1 April 2009 to 30 September 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 1 October 09 – 20 November 09**

- 6 Details of accounts with individual values above £5k in respect of CT, NNDR, Sundry Debtors and Housing Benefit Overpayments are set out at Annex A excluding any personal data, and in detail in confidential Annexes B to E of this report respectively. The value of the accounts to be written off this period is £272,211 and Table 1 below shows the value of accounts by each area of debt.

**Table 1**

## Debt Write -Off Summary 1 October 2009 - 20 November 2009

<b>Fund</b>	<b>Over £5K</b>	<b>Under &amp; Inc £5K</b>	<b>Total</b>
National Non-Domestic Rates	£38,721	£3,060	<b>£41,782</b>
National Non-Domestic Rates 2008	£30,751	£14,734	<b>£45,485</b>
Council Tax	£5,556	£105,197	<b>£110,753</b>
Housing Benefit Overpayment	£14,447	£38,656	<b>£53,103</b>
Sundry Debtors	£5,244	£15,845	<b>£21,088</b>
<b>Grand Total</b>	<b>£94,720</b>	<b>£177,492</b>	<b>£272,211</b>

- 7 The write offs this period also includes an additional £45.5k of NNDR debt relating to NNDR accounts that were cancelled in October 2008 but had not been formally written off. As set out at Paragraph 5 the cost of this debt is met by the Government.
- 8 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 F.
- 9 The council is continuing to develop and improve the efficiency of its debt collection and is working with the 'More for York' program 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**

- 10 No consultation was necessary in the production of this report.

**Options**

- 11 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 £94,720 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 15 below.

## Analysis

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

## Corporate Priorities

13 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

14

(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

15 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

16 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 annexes B – E 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** 3<sup>rd</sup> December 2009

**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 October 2009

**Non-Confidential Annexes**

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

**Confidential Annexes**

Annex B Council Tax Accounts Over £5K  
Annex C NNDR Accounts Over £5K  
Annex D Sundry Debtor Accounts Over £5K  
Annex E Housing Benefit Accounts Over £5K

## NDR W-OFFS - Over £5k for December 2009

ACCOUNT NO.	NAME	ADDRESS	RELEVANT CHG PERIOD		Year	W-Off AMOUNT (£)	Reason	Total
401034028			01-Apr-08	31-Mar-09	2008/09	4,707.50	W-Off In Administration	
401034028			01-Apr-08	31-Mar-09	2008/09	245.73	W-Off In Administration	
401034028			01-Apr-09	12-May-09	2009/10	1,367.30	W-Off In Administration	
401034028			01-Apr-09	12-May-09	2009/10	115.00	W-Off In Administration	
						<b>6,435.53</b>	<b>W-Off In Administration Total</b>	
401033116			01-Apr-07	31-Mar-08	2007/08	12,900.91	W-Off Deceased	
401033116			01-Apr-07	31-Mar-08	2007/08	115.00	W-Off Deceased	
						<b>13,015.91</b>	<b>W-Off Deceased Total</b>	
401030007			14-Jun-05	18-Sep-05	2005/06	5,578.48	Liquidation	
401030007			14-Jun-05	18-Sep-05	2005/06	50.00	Liquidation	
401031038			01-Apr-06	31-Mar-07	2006/07	2,589.81	Liquidation	
401031038			01-Apr-07	05-Jul-07	2006/07	8,152.13	Liquidation	
401031248			01-Apr-06	31-Mar-07	2006/07	3,783.35	Liquidation	
401031248			01-Apr-07	05-Feb-08	2007/08	3,257.69	Liquidation	
401031248			01-Apr-07	05-Feb-08	2007/08	1,259.82	Liquidation	
401033108			19-Jul-07	16-Oct-07	2007/08	9,007.38	Liquidation	
401030167			01-Apr-06	31-Mar-07	2006/07	6,550.48	Liquidation	
401030167			01-Apr-07	14-May-07	2007/08	913.00	Liquidation	
						<b>41,142.14</b>	<b>Liquidation Total</b>	
400025565			01-Apr-05	16-Jul-06	2005/06	4,834.00	Bankrupt	
400025565			01-Apr-06	16-Jul-06	2006/07	3,929.91	Bankrupt	
400025565			01-Apr-06	16-Jul-06	2006/07	115.00	Bankrupt	
						<b>8,878.91</b>	<b>Bankrupt Total</b>	<b>69,472.49</b>

**Council Tax Write-Offs over £5K**

ACCOUNT NO.	NAME	ADDRESS	RELEVANT CHG PERIOD		Year	W-Off AMOUNT (£)	Reason	
880400594			01-Apr-04	12-Mar-05	2004/05	1,001.81	Gone Away - No Trace	
880400594			01-Apr-05	31-Mar-06	2005/06	1,045.02	Gone Away - No Trace	
880400594			01-Apr-06	31-Mar-07	2006/07	1,113.30	Gone Away - No Trace	
880400594			01-Apr-07	31-Mar-08	2007/08	1,172.55	Gone Away - No Trace	
880400594			01-Apr-08	31-Mar-09	2008/09	1,223.37	Gone Away - No Trace	
							<b>Total</b>	<b>5,556.05</b>

**Written off Housing Benefit Overpayments Over £5K ( 01 SEP 09 - 31 OCT 09 )**

ACCOUNT NO	NAME	ADDRESS	RELEVANT CHG PERIOD		Year	W-Off AMOUNT (£)	W/O Reason	
770727			02-Sep-96	22-Apr-01	2001/02	14,447.12	Deceased - no assets	<b>14,447.12</b>

**Sundry Debtor Account Balances (Over 5k) - Write Offs**

ACCOUNT	NAME	ADDRESS	RELEVANT CHG PERIOD		Year	DATE OF ACCOUNT	Reason	
DP53532088			N/A	N/A	2009/10	5,243.87	In Administration	<b>5,243.87</b>

**GRAND TOTAL** **94,719.53**

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## Annex F

Year & Fund	Total Charges Raised	Total Value Written off this period	Total Value Written off To Date **	Total Percentage Written off
<b>NDR</b>				
2009/10	£86,412,184	£2,505	£16,034	0.02%
2008/09	£81,880,311	£7,253	£236,489	0.29%
2007/08	£76,387,278	£46,705	£285,026	0.37%
2006/07	£72,534,211	£17,003	£185,127	0.26%
2005/06	£66,969,000	£8,506	£189,638	0.28%
2004/05	£65,292,579	-£418	£399,101	0.61%
2003/04	£63,102,660	£521	£545,590	0.86%
2002/03	£61,850,351	£5,356	£400,719	0.65%
<b>Sundry Debtors</b>				
2009/10	£45,327,849	£9,956	£17,618	0.04%
2008/09	£52,093,892	£5,046	£37,888	0.07%
2007/08	£47,608,847	£1,727	£43,975	0.09%
2006/07	£52,876,432	£343	£79,739	0.15%
2005/06	£52,330,126	£2,168	£139,582	0.27%
2004/05	£36,986,021	£755	£327,184	0.88%
2003/04	£41,656,971	£0	£73,690	0.18%
2002/03	£34,543,460	£1,094	£129,911	0.38%
<b>Council Tax</b>				
2009/10	£80,934,247	£17,950	£24,485	0.03%
2008/09	£77,115,361	£43,341	£183,209	0.24%
2007/08	£73,149,211	£17,968	£233,420	0.32%
2006/07	£69,508,184	£10,468	£297,772	0.43%
2005/06	£65,661,542	£14,491	£295,990	0.45%
2004/05	£62,171,239	£4,428	£243,100	0.39%
2003/04	£56,427,886	-£309	£544,590	0.97%
2002/03	£51,300,730	£449	£507,872	0.99%
<b>HB Overpayment</b>				
2009/10	£603,226	£4,582	£13,798	2.29%
2008/09	£1,496,654	£4,158	£42,218	2.82%
2007/08	£1,081,152	£6,951	£28,593	2.64%
2006/07	£841,495	£4,072	£47,797	5.68%
2005/06	£1,653,350	£4,115	£73,561	4.45%
2004/05	£725,982	£4,672	£117,116	16.13%
2003/04	£665,271	£7,265	£106,826	16.06%
2002/03	£516,204	£1,946	£132,423	25.65%

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

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