



Notice of meeting of

Decision Session - Executive Member for Corporate Services

To: Councillor Moore (Executive Member)

Date: Tuesday, 19 October 2010

Time: 4.00 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 18 October 2010, if an item is called in *before* a decision is taken, *or*

4:00 pm on Thursday 21 October 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 15 October 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**

(Pages 3 - 4)

To approve and sign the minutes of the Decision Session of the Executive Member for Corporate Services held on 21 September 2010.

3. 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 18 October 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.

4. 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 1 April 2010 to 30 June 2010" on the grounds that it contains information which is likely to reveal the identify 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 the Schedule 12A to Section 100A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006.

5. Quarterly Bad Debt Write Off Reports (Pages 5 - 16)

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 July 2010 to 30 September 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.

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

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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	21 SEPTEMBER 2010
PRESENT	COUNCILLOR MOORE (EXECUTIVE MEMBER)

7. 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.

8. MINUTES

RESOLVED: That the minutes of the Decision Session held on 20 July 2010 be approved and signed by the Executive Member as a correct record.

9. PUBLIC PARTICIPATION

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

10. CALL FOR EVIDENCE ON THE DATA PROTECTION LEGISLATIVE FRAMEWORK

The Executive Member considered a report that presented a draft response to the Ministry of Justice "Call for Evidence" on current data protection law. The Executive Member was asked to comment on the draft response (Annex A of the report) before it was finalised and sent to the Ministry of Justice.

RESOLVED: That the draft response be approved subject to consideration being given to expand the response to question 12 to include a clause stating that "the deadline could be extended if this was agreed by both parties because of the complexity of the information requested"¹.

REASON: To ensure that the views of City of York Council are considered during the revision of the European Directive.

Action Required

1. Submit response to Ministry of Justice

PS

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Executive Member for Corporate Services

19 October 2010

Report of the Assistant Director of Customer & Business Support Services (Head of Financial Services)

Bad Debt Write Off Report – Period July to September 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 1 July 2010 to 30 September 2010. The last write-off report was presented to the Executive Member for Corporate Services on 20 July 2010 for the period 1 April 2010 to 30 June 2010.

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 There are occasions where case law means the council is unable to pursue a debt following discharge from bankruptcy where Housing or Council Tax Benefit is involved. The precedent for this was set by the Court of Appeal (Balding CO/7636/2006). The two Housing Benefit write off cases set out at Annex A and confidential Annex B are been written of as a result of this judgment.
- 5 The council's in year collection rate for CT (2009/10) was 97.5% compared to 97.19% (2008/09) and placed York above the Unitary average of 97%. There was a 98.3% collection rate in 2009/10 for NNDR compared to 97.52% (2008/09) and placed York above the Unitary average of 97.4%. The total collection rate for Sundry Debtor accounts is in excess of 99%.

- 6 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 as this is taken from the value collected before it is passed on to central Government ensuring no cost to the local tax payer.

Debt to be written off 1 July 2010- 30 September 2010

- 7 Details of accounts with individual values above £5k in respect of NNDR, Housing Benefit Overpayment 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 total value of the accounts to be written off this period is £179,688.11 and Table 1 below shows the value of accounts by each area of debt.

Table 1

Debt Write - Off Summary 1 July 2010 – 30 Sept 2010			
Fund	Over £5000	Under & Inc £5000	Total
National Non-Domestic	37,279.12	1,427.80	38,706.92
Council	0.00	59,795.94	59,795.94
Housing Benefit	25,887.27	28,079.34	53,966.61
Sundry	0.00	27,218.64	27,218.64
Grand Total	63,166.39	116,521.72	179,688.11

- 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 from 2002/03, compared to the respective value of accounts raised is set out at Annex C.
- 9 The council is continuing to develop and improve the efficiency of its debt collection and is working with the 'More for York' programme during 2010/11 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:
- a) to write off the over £5k accounts totalling £63,166.39 in line with the council's Financial Regulations;
 - b) to leave the accounts on the council's accounts, but acknowledging the risk of doing so as laid down in paragraph 14 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 Customer & Business Support Services (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.

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 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:

Keith Best
Assistant Director of Financial Services
Customer and Business Support Services

Report Approved



Date 6/10/10

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 July 2010

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, Housing Benefit Overpayment and Sundry Debtor Accounts Over £5K

Over £5000 Write Offs

Annex A

National Non-Domestic Rates

ACCOUNT NO.	RELEVANT CHG PERIOD		Year	W-Off AMOUNT (£)	Reason	Total
401030334	01/08/2005	22/03/2010	2009/10	8,627.55	Bankrupt	
401030536	07/11/2005	26/11/2007	2005/06	2,313.48	Bankrupt	
401030536	07/11/2005	26/11/2007	2006/07	5,975.40	Bankrupt	
401030536	07/11/2005	26/11/2007	2006/07	100.00	Bankrupt	
401030536	07/11/2005	26/11/2007	2007/08	4,017.84	Bankrupt	
401030536	07/11/2005	26/11/2007	2007/08	115.00	Bankrupt	
401033852	27/11/2007	08/06/2009	2007/08	2,109.36	Bankrupt	
401033852	27/11/2007	08/06/2009	2008/09	6,375.60	Bankrupt	
401033852	27/11/2007	08/06/2009	2008/09	115.00	Bankrupt	
401033852	27/11/2007	08/06/2009	2009/10	1,265.25	Bankrupt	
401033852	27/11/2007	08/06/2009	2009/10	115.00	Bankrupt	
401035789	07/06/2007	07/02/2010	2008/09	1,059.74	Bankrupt	
401035789	07/06/2007	07/02/2010	2009/10	4,974.90	Bankrupt	
401035789	07/06/2007	07/02/2010	2009/10	115.00	Bankrupt	
					Bankrupt Total	£37,279.12
					NDR Total	£37,279.12

Housing Benefit Overpayments W-Offs over £5000

Claim No.	RELEVANT PERIOD		Year	W-Off AMOUNT (£)	W/O Reason	
00127167	20-Apr-98	04-Apr-99	1998/99	15.65	Bankrupt	
00127167	05-Apr-99	02-Apr-00	1999/00	14.15	Bankrupt	
00127167	05-Apr-99	02-Apr-00	1999/00	1,274.64	Bankrupt	
00127167	05-Apr-99	02-Apr-00	1999/00	29.80	Bankrupt	
00127167	03-Apr-00	01-Apr-01	2000/01	1,852.80	Bankrupt	
00127167	02-Apr-01	31-Mar-02	2001/02	1,512.11	Bankrupt	
00127167	15-Apr-02	26-May-02	2002/03	260.70	Bankrupt	
00127167	06-Jan-03	30-Mar-03	2002/03	521.40	Bankrupt	
00127167	21-Apr-03	17-Aug-03	2003/04	739.67	Bankrupt	
00127167	18-Aug-03	05-Oct-03	2003/04	304.57	Bankrupt	
00127167	06-Oct-03	21-Dec-03	2003/04	415.36	Bankrupt	
00127167	05-Jan-04	04-Apr-04	2003/04	490.88	Bankrupt	
00127167	19-Apr-04	23-May-04	2004/05	176.20	Bankrupt	
00127167	24-May-04	20-Jun-04	2004/05	261.08	Bankrupt	
00127167	21-Jun-04	07-Nov-04	2004/05	1,305.40	Bankrupt	
00127167	08-Nov-04	21-Nov-04	2004/05	130.54	Bankrupt	
00127167	05-Jul-10	22-Aug-10	2010/11	3.64	Bankrupt	
00132637	26-Aug-02	13-Oct-02	2002/03	39.00	Bankrupt	
00132637	26-Aug-02	13-Oct-02	2002/03	9.75	Bankrupt	
00132637	26-Aug-02	13-Oct-02	2002/03	29.25	Bankrupt	
00132637	26-Aug-02	13-Oct-02	2002/03	275.64	Bankrupt	
00132637	14-Oct-02	06-Apr-03	2002/03	1,726.50	Bankrupt	
00132637	07-Apr-03	01-Jun-03	2003/04	563.20	Bankrupt	
00132637	02-Jun-03	31-Aug-03	2003/04	915.20	Bankrupt	
00132637	01-Sep-03	05-Oct-03	2003/04	352.00	Bankrupt	
00132637	06-Oct-03	04-Apr-04	2003/04	1,830.40	Bankrupt	
00132637	05-Apr-04	20-Jun-04	2004/05	796.51	Bankrupt	
00132637	21-Jun-04	05-Sep-04	2004/05	796.51	Bankrupt	
00132637	06-Sep-04	03-Apr-05	2004/05	2,172.30	Bankrupt	
00132637	04-Apr-05	19-Jun-05	2005/06	818.29	Bankrupt	
00132637	20-Jun-05	04-Sep-05	2005/06	818.29	Bankrupt	
00132637	05-Sep-05	29-Jan-06	2005/06	1,562.19	Bankrupt	
00132637	30-Jan-06	19-Feb-06	2005/06	223.17	Bankrupt	
00132637	20-Feb-06	26-Feb-06	2005/06	26.64	Bankrupt	
00132637	27-Feb-06	31-Mar-06	2005/06	125.59	Bankrupt	
00132637	01-Apr-06	02-Apr-06	2006/07	7.61	Bankrupt	
00132637	03-Apr-06	03-Sep-06	2006/07	1,694.44	Bankrupt	
00132637	04-Sep-06	01-Oct-06	2006/07	308.08	Bankrupt	
00132637	02-Oct-06	04-Feb-07	2006/07	1,386.36	Bankrupt	

00132637	21-May-07	15-Jul-07	2007/08	101.76	Bankrupt	
					Bankrupt Total	£25,887.27
					GRAND TOTAL	£63,166.39

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Year & Fund	Total Charges Raised	Total Value Written off this period	Total Value Written off To Date **	Percentage Written off
<u>NNDR</u>				
2010/11	£86,047,148	£225	£225	0.00%
2009/10	£85,333,878	£17,672	£77,450	0.09%
2008/09	£81,598,658	£9,758	£293,855	0.36%
2007/08	£76,665,146	£6,846	£306,898	0.40%
2006/07	£72,709,037	£6,075	£199,473	0.27%
2005/06	£66,793,585	-£1,869	£187,592	0.28%
2004/05	£65,292,579	£0	£399,181	0.61%
2003/04	£63,102,660	£0	£545,590	0.86%
2002/03	£61,850,351	£0	£400,719	0.65%
<u>Sundry Debtors</u>				
2010/11	£22,248,065	£135	£135	0.00%
2009/10	£53,874,242	£12,345	£32,681	0.06%
2008/09	£52,093,892	£3,576	£70,327	0.14%
2007/08	£47,608,847	£5,169	£60,068	0.13%
2006/07	£52,876,432	£519	£86,350	0.16%
2005/06	£52,330,126	£1,987	£148,541	0.28%
2004/05	£36,986,021	£0	£332,146	0.90%
2003/04	£41,656,971	£0	£75,864	0.18%
2002/03	£34,543,460	£0	£130,516	0.38%
<u>Council Tax</u>				
2010/11	£83,028,364	£15,439	£15,607	0.02%
2009/10	£79,870,509	£22,217	£120,922	0.15%
2008/09	£77,115,361	£13,103	£250,089	0.32%
2007/08	£73,149,211	£5,618	£263,493	0.36%
2006/07	£69,508,184	£1,282	£311,044	0.45%
2005/06	£65,661,542	£50	£303,198	0.46%
2004/05	£62,171,239	£338	£249,619	0.40%
2003/04	£56,427,886	£1,381	£550,332	0.98%
2002/03	£51,300,730	£368	£509,544	0.99%
<u>HB Overpayment</u>				
2010/11	£588,331	£5,117	£7,199	1.22%
2009/10	£1,285,711	£11,118	£38,890	3.02%
2008/09	£1,496,654	£6,895	£57,484	3.84%
2007/08	£1,081,152	£665	£33,611	3.11%
2006/07	£841,495	£4,073	£56,374	6.70%
2005/06	£1,653,350	£4,352	£88,552	5.36%
2004/05	£725,982	£6,792	£126,753	17.46%
2003/04	£665,271	£6,199	£119,265	17.93%
2002/03	£516,204	£2,862	£141,122	27.34%
<u>Category Totals</u>				
NNDR	£659,393,042	£38,707	£2,410,983	0.37%
Sundry Debtors	£394,218,056	£23,731	£936,629	0.24%
Council Tax	£618,233,028	£59,796	£2,573,848	0.42%
HB Overpayments	£8,854,150	£48,073	£669,250	7.56%
Grand Total	£1,680,698,276	£170,307	£6,590,710	0.39%

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

Figures prefixed - represent debt written back on

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