



## Notice of meeting of

### Decision Session - Executive Member for Corporate Services

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

**Date:** Tuesday, 27 April 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 26 April 2010** if an item is called in before a decision is taken, or

**4.00pm on Thursday 29 April 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 23 April 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 9 March 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 **5.00pm on Monday 26 April 2010**.
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 January to March 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 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. **Bad Debt Write Off Report - Period January to March 2010** (Pages 5 - 14)  
This report presents 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 23 January 2010 to 31 March 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](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 অর্ধতে 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।

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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

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MEETING	DECISION SESSION - EXECUTIVE MEMBER FOR CORPORATE SERVICES
DATE	9 MARCH 2010
PRESENT	COUNCILLOR MOORE (EXECUTIVE MEMBER)

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**25. 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.

**26. MINUTES**

RESOLVED: That the minutes of the meeting held on 16 February 2010 be approved and signed by the Executive Member as a correct record.

**27. PUBLIC PARTICIPATION**

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

**28. APPROVAL OF UPDATED COUNTER FRAUD POLICIES**

The Executive Member received a report that sought approval for the adoption of revised counter fraud and counter fraud and corruption prosecution policies for the council. The policies had last been updated in April 2008 and minor changes were now required to update them, and to take into account changes to service arrangements. The Audit and Governance Committee had been consulted on the revised policies.

The Executive Member asked officers about the way in which the council handled cases where the perpetrator and/or their partner was suffering from prolonged ill health or had a serious disability or other incapacity. Officers confirmed that each case was considered on an individual basis and action was taken to recover overpayments. It was, however, not usual to prosecute in these circumstances.

Referring to paragraph 4.5, officers were asked to clarify the circumstances in which resources played a factor in whether or not to prosecute an offender. They explained that such cases usually involved the DWP or other partners and generally related to the length of time taken to carry out an investigation.

RESOLVED: That the council's "Counter Fraud and Corruption Policy" and "Fraud and Corruption Prosecution Policy", as detailed in Annexes 1 and 2 of the report, be approved subject to the following amendments to the "Fraud and Corruption Prosecution Policy:

- Paragraph 4.3 to read "...then the offender will not *normally* be prosecuted..."
- Paragraph 4.5 first bullet point to read "*inability* to complete the investigation within a reasonable period of time..."
- Paragraph 4.5 additional bullet point to be inserted as follows "*circumstances beyond our control make a prosecution unattainable*"
- Paragraph 6.2 second bullet point to read "...then prosecution proceedings will *normally* be instigated"

REASON: To ensure that up to date counter fraud procedures and policies are maintained.

Councillor R Moore, Chair

[The meeting started at 4.15 pm and finished at 4.27 pm].





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## Executive Member for Corporate Services

27 April 2010

Report of the Assistant Director of Customer & Business Support Services  
(Customer Service & Governance)

### Bad Debt Write Off Report – Period January to March 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 23 January 2010 to 31 March 2010. The last write-off report was presented to the Executive Member for Corporate Services on 16 February 2010 for the period 21 November 2009 to 22 January 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 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%. Updated figures for 2009/10 will be provided in the next report due on 20 July 2010.
- 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 22 January 2010 – 31 March 2010**

- 6 Details of accounts with individual values above £5k in respect of NNDR 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 £304,793 and Table 1 below shows the value of accounts by each area of debt.

**Table 1****Debt Write -Off Summary 22 January 2010 - 31 March 2010**

<b>Fund</b>	<b>Over £5K</b>	<b>Under &amp; Inc £5K</b>	<b>Total</b>
National Non-Domestic Rates	£23,228	£3,520	<b>£26,748</b>
Council Tax	£0	£170,559	<b>£170,559</b>
Housing Benefit Overpayment	£0	£32,399	<b>£32,399</b>
Sundry Debtors	£0	£75,087	<b>£75,087</b>
<b>Grand Total</b>	<b>£23,228</b>	<b>£281,566</b>	<b>£304,793</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. 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.
- 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 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**

- 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 £23,228 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 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**

- 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 Customer & Business Support  
Services (Customer Service & Governance)

**Report Approved**



**Date** 16 April 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 February 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 Accounts Over £5K

**Over £5000 Write Offs - March 2010**

**Annex A**

**NDR W-OFFS - Over £5k for March 2010**

ACCOUNT NO.	NAME	ADDRESS	RELEVANT CHG PERIOD		Year	W-Off AMOUNT (£)	Reason	Total
401033107			23/07/07	08/07/09	2008/09	£3,825.00	In Administration	
401033107			23/07/07	08/07/09	2009/10	£3,630.72	In Administration	
401033107			23/07/07	08/07/09	2008/09	£115.00	In Administration	
401033107			23/07/07	08/07/09	2009/10	£115.00	In Administration	
						<b>£7,685.72</b>	<b>In Administration Total</b>	
401036532			17/03/08	20/11/09	2007/08	£354.84	Bankrupt	
401036532			17/03/08	20/11/09	2008/09	£9,009.00	Bankrupt	
401036532			17/03/08	20/11/09	2008/09	£115.00	Bankrupt	
401036532			17/03/08	20/11/09	2009/10	£6,063.16	Bankrupt	
						<b>£15,542.00</b>	<b>Bankrupt Total</b>	
							<b>NDR Total</b>	<b>£23,227.72</b>

<b>GRAND TOTAL</b>	<b>£23,227.72</b>
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## Annex C

Year & Fund	Total Charges Raised	Total Value Written off this period	Total Value Written off To Date **	Percentage Written off
<b><u>NNDR</u></b>				
2009/10	£85,333,878	£9,658.64	£50,501	0.06%
2008/09	£81,598,658	£15,189.56	£264,421	0.32%
2007/08	£76,665,146	£2,267.92	£293,105	0.38%
2006/07	£72,709,037	£169.17	£189,179	0.26%
2005/06	£66,793,585	-£566.23	£188,410	0.28%
2004/05	£65,292,579	£26.13	£399,127	0.61%
2003/04	£63,102,660	£2.74	£545,593	0.86%
2002/03	£61,850,351	£0.01	£400,719	0.65%
<b><u>Sundry Debtors</u></b>				
2009/10	£53,874,242	-£349.27	£19,332.35	0.04%
2008/09	£52,093,892	£29,489.92	£81,406.24	0.16%
2007/08	£47,608,847	£9,050.09	£59,161.86	0.12%
2006/07	£52,876,432	£2,709.75	£83,467.30	0.16%
2005/06	£52,330,126	£5,095.12	£147,903.88	0.28%
2004/05	£36,986,021	£14,577.38	£344,346.85	0.93%
2003/04	£41,656,971	£9,574.70	£83,796.96	0.20%
2002/03	£34,543,460	£4,654.36	£135,093.73	0.39%
<b><u>Council Tax</u></b>				
2009/10	£79,870,509	£28,232.77	£77,527.62	0.10%
2008/09	£77,115,361	£49,994.08	£260,517.62	0.34%
2007/08	£73,149,211	£37,471.23	£281,046.91	0.38%
2006/07	£69,508,184	£22,809.85	£325,858.84	0.47%
2005/06	£65,661,542	£15,815.45	£315,914.39	0.48%
2004/05	£62,171,239	£7,928.45	£254,151.71	0.41%
2003/04	£56,427,886	£3,611.11	£550,887.82	0.98%
2002/03	£51,300,730	£2,231.38	£510,629.89	1.00%
<b><u>HB Overpayment</u></b>				
2009/10	£1,172,239	£6,585.73	£23,395.40	2.00%
2008/09	£1,496,654	£3,361.89	£49,020.83	3.28%
2007/08	£1,081,152	£2,493.57	£32,152.38	2.97%
2006/07	£841,495	£1,631.17	£50,930.71	6.05%
2005/06	£1,653,350	£4,482.05	£81,481.13	4.93%
2004/05	£725,982	£4,975.47	£122,419.03	16.86%
2003/04	£665,271	£2,306.19	£109,568.96	16.47%
2002/03	£516,204	£2,323.73	£134,769.57	26.11%
NNDR	£573,345,894	£26,748	£2,331,055	0.41%
Sundry Debtors	£371,969,991	£74,802	£954,509	0.26%
Council Tax	£535,204,663	£168,094	£2,576,535	0.48%
HB overpayment	£8,152,347	£28,160	£603,738	7.41%
<b>Grand total</b>	<b>£1,488,672,895</b>	<b>£297,804.11</b>	<b>£6,465,837</b>	<b>0.43%</b>

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

Figures prefixed - represent debt written back on

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