

PERFORMANCE PORTFOLIO DECISION RECORD

22 February 2011

The meeting commenced at 3.00 pm in the Civic Centre, Hartlepool

Present:

Councillor Jonathan Brash (Performance Portfolio Holder)

Officers: Andrew Atkin, Assistant Chief Executive
Joanne Machers, Chief Customer and Workforce Services Officer
John Morton, Assistant Chief Finance and Customer Services Officer
Jo Wilson, Democratic Services Officer

37. Irrecoverable Debts – Business Rates – *Chief Finance Officer*

Type of Decision

Non key.

Purpose of Report

To seek the Portfolio Holder's approval to write-out a number of business rates debts, which are now considered to be irrecoverable.

Issues for Consideration

The Council's financial procedure rules provide that any debt due to the Council of £1,000 or more could only be written out with the express permission of the Portfolio Holder. Appendices attached to the report detailed the individual Business Rates over £1,000 and the reasons why each debt remained unrecovered. Should further information be received the debt would be reinstated onto the system and enforcement action recommence.

The Portfolio Holder clarified that non-collection of business rates did not have a financial impact on the council or the local economy due to business rates being passported to central Government. He queried the low status of the council on the list of creditors should a business become insolvent. The Assistant Chief Finance and Customer Services Officer indicated that preferential creditors with secured debts and Revenue and Customs had a higher status than the council for business rates but this was laid down in insolvency law. Local government debts were lower than might be expected. The Portfolio Holder described this as double standards on behalf of central Government when one part of the public sector (namely the Treasury) was

given a higher status than another such as local Government.

The Portfolio Holder asked how long recovery was attempted before deciding to write out the debt. The Assistant Chief Finance and Customer Services Officer advised that it was central government good practice to write out of the accounts a business rate debt immediately when a business went into liquidation. Following a business being declared bankrupt the council would still register their interest as creditors of the business and should any money be received from the winding up of the business at a later date the accounts could be adjusted.

Decision

That the write-out of the attached business rate accounts be approved for the reasons detailed.

38. Irrecoverable Debts – Council Tax – *Chief Finance Officer*

Type of Decision

Non key

Purpose of Report

To seek the Portfolio Holder's approval to write-out a number of council tax debts, which are now considered to be irrecoverable.

Issues for Consideration

The Council's financial procedure rules provide that any debt due to the Council of over £1,000 could only be written out with the express permission of the Portfolio Holder. Whilst every effort was made to collect debts due to the Council certain debts become irrecoverable and the report sought the agreement of the Portfolio Holder to write these out. Confidential appendices attached to the report detailed the individual council tax debts over £1,000 and the reasons why each debt remained unrecovered. Should any monies be received the debt would be reinstated onto the system.

The Portfolio Holder thanked the officers concerned for their phenomenal collection rate. He felt that given the amount written out was relatively small when compared with the annual collection of some £34million and given that the reasons for being unable to collect the monies included the death of a tax payer it was entirely reasonable to write-out the debt.

Decision

That the write-out of the attached council tax accounts be approved for the reasons detailed.

39. Irrecoverable Debts – Sundry Debt Invoices – *Chief Finance Officer*

Type of Decision

Non key.

Purpose of Report

To seek the Portfolio Holder's approval to write-out a number of Sundry Invoices, which are now considered to be irrecoverable.

Issues for Consideration

The Council's financial procedure rules provide that any debt due to the Council of £1000 or more could only be written out with the express permission of the Portfolio Holder. While every effort was made to collect debts due to the Council certain debts became irrecoverable. If payment was eventually received the invoice would again be reinstated on the Integra Debtors system. Appendices attached to the report detailed the individual sundry invoices over £1,000 and the reasons why each invoice remained unrecovered. All debts had been comprehensively scrutinised by officers.

The Portfolio Holder asked for details about the bankruptcy status of individuals and companies and expressed concern that the council did not have a higher status in getting its money owed compared with other creditors. The Assistant Chief Finance and Customer Services Officer outlined bankruptcy arrangements but indicated that the status of creditors were set out in law. The Portfolio Holder described this as double standards on behalf of central Government when one part of the public sector (namely the Treasury) was given a higher status than another such as local Government. The Assistant Chief Finance and Customer Services Officer indicated that for one of the debts the council had a legal charge on the property but other creditors legally got their money before the council..

Decision

That the write-out of the attached Sundry Invoices be approved for the reasons detailed.

41. Chief Executive's Departmental Plan 2010/11 – 3rd Quarter Monitoring Report – *Assistant Chief Executive and Chief Customer and Workforce Services Officer*

Type of Decision

Non key.

Purpose of Report

To inform the Portfolio Holder of the achievements made against the Chief Executive's Departmental Plan for 2010/11 for the 9 month period ending 31 December 2010.

Issues for Consideration

The report detailed the progress against the actions contained in the Chief Executive's Departmental Plan 2010/11 and the third quarter outturns of key performance indicators. All 53 actions within the Corporate Strategy and Customer & Workforce Services divisions had been achieved, were expected to be achieved or had made acceptable progress. Only 3 of the 19 performance indicators had not been achieved, all relating to Corporate Strategy. However all of these were based on public perception rather than actual statistical analysis and there could therefore be seen to be a margin of error on these figures. It was also noted that the amounts by which the targets had been missed was small and there had been improvements upon performance in these areas when compared to the previous quarter. The achievements had been around the threshold set by officers. The Portfolio Holder queried what was being done to improve public perception. The Assistant Chief Executive indicated that a wholesale review was taking place around arrangements which were in place town-wide to identify and set ambitions for Hartlepool, how these ambitions related to the public as groups and individuals and the facilitation and coordination of consultation with local groups. More efficient work practices in this area would be considered in light of reduced budgets. The Portfolio Holder commented that this was a key agenda for the local authority as effective engagement had a positive impact upon people's perception of a situation and contributed to the well being of communities.

Information was also given of notable actions carried out by the divisions including the production of the Local Area Agreement Delivery and Improvement Plan, provision of risk management training for officers, the transfer of additional services to Hartlepool Connect and the development of Corporate Customer Service Training.

Decision

That the achievement on actions and indicators be noted.

41. Local Government (Access to Information) (Variation) Order 2006

Under Section 100 (A)(4) of the Local Government Act 1972, the press and public were excluded from the meeting for the following items of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of the Schedule 12A of the Local Government

Act 1972 as amended by the Local Government (Access to Information)(Variation) order 2006

Minute 42 – Single Status Agreement Appeals – this item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information)(Variation)Order 2006) namely (para 4), information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.

42. Single Status Agreement Appeals – *Chief Customer and Workforce Services Officer*

Type of Decision

Non key.

Purpose of Report

To provide an update on progress on appeals received and obtain ratification of Appeals Panel outcomes in respect of High Priority Appeals.

Issues for Consideration

The report provided a background to the Appeals Procedure together with an update on the progress of appeals received. Ratification was requested of Appeals Panel outcomes in respect of High Priority Appeals. The Chief Customer and Workforce Services Officer highlighted that the appeal outcomes detailed within the confidential appendix to the report had resulted in a saving of over £6,000 to the authority due to employees dropping down a pay band on appeal. This had been flagged up to employees as a possible consequence of appeal and had led to the withdrawal of some appeals. Updates were given in relation to the Appeal Panel outcomes within the confidential appendix and these are detailed in the closed minutes.

Decision

That the progress on appeals received be noted and Appeals Panels outcomes in respect of High Priority Appeals be ratified

The meeting concluded at 3.30 pm.

P J DEVLIN

CHIEF SOLICITOR

PUBLICATION DATE: 28th February 2011