

Meeting	CABINET
Time/Day/Date	5.00 pm on Tuesday, 18 September 2018
Location	Board Room, Council Offices, Coalville
Officer to contact	Democratic Services (01530 454512)

All persons present are reminded that the meeting may be recorded and by attending this meeting you are giving your consent to being filmed and your image being used. You are kindly requested to make it known to the Chairman if you intend to film or record this meeting.

The Monitoring Officer would like to remind members that when they are considering whether the following items are exempt information under the relevant paragraph under part 1 of Schedule 12A of the Local Government Act 1972 they must have regard to the public interest test. This means that members must consider, for each item, whether the public interest in maintaining the exemption from disclosure outweighs the public interest in making the item available to the public.

AGENDA

Item	Pages
1. APOLOGIES FOR ABSENCE	
2. DECLARATION OF INTERESTS	
Under the Code of Conduct members are reminded that in declaring disclosable interests you should make clear the nature of that interest and whether it is pecuniary or non-pecuniary.	
3. PUBLIC QUESTION AND ANSWER SESSION	
4. MINUTES	
Minutes of the meeting held on 24 July 2018	3 - 10
5. BUSINESS RATES RETENTION PILOT BID	
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6. DISPOSAL OF PROPERTY - CONFIRMATION OF URGENT ACTION	
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7. CONTRACT AWARD FOR COMMERCIAL LAUNDRY EQUIPMENT AT SHELTERED SCHEME ACCOMMODATION

Report of the Strategic Director of Housing and Customer Services
Presented by the Housing Portfolio Holder

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8. FORMER TENANT RENT ARREARS, CURRENT TENANT RENT ARREARS, COUNCIL TAX, NON DOMESTIC RATES AND SUNDRY DEBTOR WRITE OFFS

Report of the Strategic Director of Housing and Customer Services
Presented by the Corporate Portfolio Holder

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Circulation:

Councillor R D Bayliss
Councillor R Blunt (Chairman)
Councillor T Gillard
Councillor T J Pendleton
Councillor N J Rushton
Councillor A V Smith MBE

MINUTES of a meeting of the CABINET held in the Board Room, Council Offices, Coalville on TUESDAY, 24 JULY 2018

Present: Councillor R Blunt (Chairman)

Councillors R D Bayliss, T Gillard, T J Pendleton and A V Smith MBE

In Attendance: Councillors R Adams, J Bridges, J Clarke, N Clarke, J G Coxon, D Everitt, T Eynon, J Geary, G Houlst, J Legrys, S Sheahan and M Specht

Officers: Mr J Arnold, Mrs T Bingham, Mrs C Hammond, Mr G Jones, Mrs B Smith and Miss E Warhurst

15. APOLOGIES FOR ABSENCE

Apologies were received from Councillor N J Rushton

16. DECLARATION OF INTERESTS

In accordance with the Code of Conduct, Members declared the following interests:

Councillors R Blunt, T Gillard and T J Pendleton declared a non-pecuniary interest in the additional item - Update on County Council's intention to consider unitary proposals and a strategic alliance for the East Midlands, as Members of Leicestershire County Council.

17. PUBLIC QUESTION AND ANSWER SESSION

There were no questions received.

18. ADMISSION OF ADDITIONAL ITEM

It was moved by Councillor R Blunt, seconded by Councillor T J Pendleton and

RESOLVED THAT:

By reason of special circumstance in that an additional item of business needs to be considered before the next meeting of the Cabinet, the item entitled "Update on County Council's intention to consider unitary proposals and a strategic alliance for the East Midlands be considered at this meeting as a matter of urgency in accordance with Section 100B(4)(B) of the Local Government Act 1972.

Reason for decision: To enable the consideration of urgent business.

19. MINUTES

Consideration was given to the minutes of the meeting held on 12 June 2018.

It was moved by Councillor R Blunt, seconded by Councillor A V Smith and

RESOLVED THAT:

The minutes of the meeting held on 12 June 2018 be approved and signed by the Chairman as a correct record.

Reason for decision: To comply with the Constitution

20. REVIEW OF 2018 - 2023 MEDIUM TERM FINANCIAL STRATEGY

The Head of Finance presented the report to Members.

She advised that the report provided a summary of the first review of the assumptions of the Medium Term Financial Strategy that was approved by Council in February and it gave Members an update in respect of the Journey to Self-Sufficiency Programme. She stated that the review had re-assessed the assumptions that drove the medium term financial plans of the General Fund and Housing Revenue Account in light of the Government's spring statement and financial outturn of the Council for the 2017/18 financial year. She highlighted that the revisions on the General Fund had resulted in a favourable movement in the 5 year savings target, bringing it down by £770k, from £5.3m over the period to £4.6m and that the Housing Revenue Account 5 year projections remained positive with balances building until 2022 for the purposes of repaying two maturity loans totalling £13m which fall due in that year. She added that the future projected funding shortfall previously reported of £62m between 2041 and 2048 had reduced significantly to £33m over the same period due predominantly to a re-alignment of CPI forecasts over the 30 year plan which drove assumed rental income.

She informed Members that in respect of the Journey to Self-Sufficiency Programme, the commercial strategy was now in an early draft and was expected to come to Cabinet for approval later in the current financial year, and that savings in respect of a second phase of management restructures had delivered savings of £36k and £32k for the General Fund and Housing Revenue Account respectively, and early work that would deliver savings from the Council's support services in relation to the outsourcing of leisure was progressing well with initial savings of £20k identified. She advised Members that a revised Medium Term financial plan for the Council and a further update in respect of the Journey to Self-Sufficiency Programme would be delivered to Cabinet in December as part of the review of the draft 2019/20 budget proposals.

Councillor R Blunt stated that in a time of financial uncertainty the report before them showed that the Council had taken the required steps to deliver balanced budgets and therefore there was no current requirement to raise Council Tax or charge for brown bins.

Councillor R D Bayliss stated that the report in front of them outlined how good the Authority's treasury management was.

It was moved by Councillor R Blunt, seconded by Councillor T Gillard and

RESOLVED THAT:

1. The impact of the review of the Medium Term Financial Strategy on the Council's projected financial position be noted; and
2. The progress of the journey to self-sufficiency programme be noted.

Reason for decision: To keep members up to date in respect of the council's financial projections.

21. LEISURE VAT IMPLICATIONS

The Head of Finance presented the report to Members.

She advised Members that the report requested that Cabinet recommended to Council that VAT exemption status in respect of the leisure centres was sought and provided the comments of the Policy Development Group in considering the issue. She stated that following a European Court of Justice ruling last year, HMRC had now accepted that sporting services delivered by Local Authorities should be exempt from VAT as was the

case already for non-profit making bodies delivering the same supplies and services, and would allow Councils to choose to apply for the exemption status.

She informed Members that if the Council proceeded to apply for exemption status, savings in the region of £250K per annum would be achieved until such time that services were switched to the new leisure provider, following contract award later in the financial year, and adding that in addition, the Council would also be able to reclaim the VAT that had been paid over to HMRC for the past 4 years, equating to approx. £1m.

She advised that the original outsourcing business case had been reviewed in light of the new treatment being available and that additional calculations had also been undertaken in response to questions raised by the Labour Group following PDG on 27 June, which had been outlined in the additional confidential paper that had been circulated prior to the meeting to members. She highlighted that exemption status was only favourable if the Council outsourced the leisure centres and that was because, under the exemption in a business-as-usual scenario, significant capital expenditure would breach the HMRC 'test of insignificance' and substantial VAT liabilities would then arise that would outweigh the benefits of exemption.

She informed Members that 4 bids had been received from potential operators by close of play on Friday, 20 July and so there was no reason to believe a contract would not be awarded. She advised that the work required to make an application to HMRC would cost approximately £15k.

The Leader invited Councillor S Sheahan to ask his question.

Councillor S Sheahan thanked the Leader for allowing him to ask the question. He asked:-

"Given that the option of keeping Hood Park Leisure Centre in house, with VAT exemption is only £148,000 more expensive on the 25 year NPV position (£6k pa) would the Administration accept that it is worth exploring further the possibility of keeping Hood Park in house?"

Councillor A V Smith provided the following response to the question:-

"I need to make it absolutely clear to Members that the decision to outsource Hood Park and Hermitage Leisure Centres has already been made. This report is in consideration of a change in VAT treatment alone that will bring financial benefits to the council. We have already engaged the market and we are not unravelling this decision. We have 4 strong bidders from a very well established leisure market place who all operate on behalf of Local Authorities in Leicestershire and will all deliver far better outcomes in terms of facilities and community benefit. To separate out Hood Park is completely unfeasible as the business operation in terms of staffing, operational practices, and marketing are intrinsically linked. As stated in the additional paper circulated this evening, the in-house position has declined further since 2016/17 due to the need for future capital expenditure, and reduced revenue in the face of increased competition, and this pattern continues."

Councillor R Blunt stated that the administration was committed to the route that had been set within the Leisure project and that the reclaimed VAT would be a windfall for the Council to use to its advantage. He stated that had there been no bids received then it would be a different story, however to change the outcomes at such a late stage would make a mockery of the process.

It was moved by Councillor A V Smith, seconded by Councillor R Blunt and

RESOLVED THAT:

1. The contents of the report and the comments of the Policy Development Group be noted and;

2. It be recommended to Council that the application to HMRC be made for exemption on VAT in respect of sporting services provided by the Council.

Reason for decision: To recommend to Council that an application is made to HMRC to seek exemption from charging VAT on sporting services.

22. PROPOSED SUPPLEMENTARY PLANNING DOCUMENTS - ASHBY DE LA ZOUCH AND COALVILLE CYCLING STRATEGIES

The Regeneration and Planning Portfolio Holder presented the report to Members.

He reminded Members that in January Cabinet had withdrawn several SDPs as they were out of date or no longer had a relevant policy in the adopted Local Plan. He advised that consultation had taken place on both documents and that Cabinet were being asked to recommend to the Local Plan Committee that the documents be adopted subject to the amendments detailed in appendix a.

Councillor A V Smith stated that it was a very good piece of work and that the Council needed a cycling strategy.

Councillor R D Bayliss expressed frustration that cycle paths had been provided along the busy roads yet many still cycled on the roads and asked if there was anything the Council could do to encourage the use of the cycle paths.

Councillor R Blunt stated that the population was growing but the road network in Leicestershire could not cope and therefore the Authority would be ahead of the game with the policies being proposed.

It was moved by Councillor T J Pendleton, seconded by Councillor A V Smith and

RESOLVED THAT:

The Ashby de la Zouch cycling strategy and the Coalville cycling strategy be recommended to the Local Plan Committee for adoption as supplementary planning documents subject to the amendments outlined in appendix a.

Reason for decision: To recommend to the Local Plan Committee that the strategies be adopted as supplementary planning documents.

23. MINUTES OF THE COALVILLE SPECIAL EXPENSES WORKING PARTY

The Community Services Portfolio Holder presented the report to Members.

She advised that the Working Party continued to have a positive impact on the Coalville area and its residents due to the ongoing proactive work it had delivered and since their last meeting the Working Party had reviewed their Terms of Reference, which Cabinet were being asked approve, and that Music and Picnic in the Park had been extremely popular and successful again. She highlighted that the Working Party were proposing that next year's events were to be held on 22 and 23 June.

She informed Cabinet, that whilst it was disappointing that the application to the Bardon Community Fund for the commemorative artwork in Memorial Square had been unsuccessful, it was pleasing that the project was still on track and had the full support of the Whitwick Branch of the Royal British Legion. She stated that the Working Party had requested that Cabinet approved an additional £3,000 be allocated from balances to Melrose Road Play Hub to cover potential legal fees in order to allow a footpath to be installed and that she was pleased to report that funding applications to Bardon

Community Fund had been successful for 50% of the amounts requested for improvements to Coalville Park in order to help achieve Green Flag status, and improvements to London Road Cemetery.

She commended the efforts of the Working Party in trying to improve the Coalville area in line with the Council priorities and urged Members to support the recommendations to allocate £1,100 from balances to allow additional grass cutting to take place at Phoenix Green and along both Bardon and Ashby Roads. She highlighted that work to remove the MUGA from Lillehammer Drive had commenced and that the Working Party would be considering how the Section 106 funding associated with the project could be used to enhance facilities for residents within that vicinity.

It was moved by Councillor A V Smith, seconded by Councillor T Gillard and

RESOLVED THAT:

The recommendations made by the Coalville Special Expenses Working Party as detailed within the minutes be noted and the recommendations as summarised at 3.0 be approved.

Reason for decision: To progress Coalville Special Expenses projects and programmes.

24. UPDATE ON COUNTY COUNCIL'S INTENTION TO CONSIDER UNITARY PROPOSALS AND A STRATEGIC ALLIANCE FOR THE EAST MIDLANDS

The Chief Executive presented the report to Members.

She highlighted the background and that the report before them sought to set out the proposed actions and governance timetable to allow the Council to fully respond to the forthcoming consultation, the Council's communication plan and consultation plan for the process, and identify the initial actions that would need to be taken to ensure any proposals were robustly assessed. She informed Members that government guidance suggested a unitary council should cover at least 300,000 people although there were now no restrictions for a unitary council in relation to the maximum population. The report outlined a number of possible different models that the Council may need to consider.

She advised Members of the work that had already been undertaken by officers and outlined the key communication messages in relation to the process. She added that due to the timetable and response deadlines it may be necessary to reschedule some Cabinet and Council meetings to allow the process to be open and transparent through appropriate scrutiny and consideration at meetings.

Councillor R Blunt stated that it was a sensible and mature response to the proposals and that North West was the first authority to come up with a paper for Members to consider. He advised that throughout the whole process the Council would need to consider what was best for the district and its residents and consider all the options that were put forward. He felt that a good communication plan was vital when working with staff and residents, and the process should be open and transparent, and as such as the Leader of the ruling party he would allow a free vote at Council when it was considered and that Cabinet would then respect the outcome.

Councillor T J Pendleton stated that efficiencies may be easy to quantify through various models however he was unsure if value for money or responsiveness on the ground could be so easily measured. He felt that North West had a good track record of reacting quickly to governance and financial issues. He supported the debate.

It was moved by Councillor R Blunt, seconded by Councillor T J Pendleton and

RESOLVED THAT:

1. The County Council's intention to develop proposals for unitary government and East Midlands Strategic Alliance be noted;
2. The communication plan, as set out in appendix B be approved;
3. The Council's change to the schedule of meetings in order to accommodate the County Council's consultation period, as set out in paragraph 6.1 be noted.

Reason for decision: To ensure the District Council is in a position to fully consider and respond to any proposals in a timely manner.

25. MARLBOROUGH SQUARE REDEVELOPMENT

The Leader presented the report to Members.

He reminded Members that the Marlborough Square project formed an important step within the regeneration strategy for Coalville and it implemented work identified by the Prince's Foundation's Strategy for Coalville from 2009. He advised that since Cabinet reserved £1.1 million in January, officers had been working with Leicestershire County Council to develop a detailed scheme that could be tendered. He stated that the County was still finalising tender documentation but the initial cost estimates had been reviewed upwards as part of this process although provisional sums had been included to cover elements that were still unknown.

He informed Members that the report set out the financial implications and budget for the project for Cabinet to approve and that display boards around the room showed the latest design and materials proposed. He added that consultation and engagement with the business community had continued with strong support for the scheme, and that further engagement would continue seeking to minimise the impact of the works on businesses. He stated that the County were working to start on site in October with completion before the end of the financial year.

It was moved by Councillor R Blunt, seconded by Councillor T J Pendleton and

RESOLVED THAT:

1. The results of the public consultation on the concept plan be noted.
2. The design (by LCC) to refurbish Marlborough Square to create a new public space, new bus stops and new taxi rank with a limited amount of short stay parking be approved.
3. The application for £340,000 of LLEP funding to support the project be noted.
4. Additional funding for the project of £486,000 from the earmarked reserve for site acquisitions in Coalville and £60,000 from the local business fund be approved.
5. Authority be delegated to the Strategic Director of Place in consultation with the Leader to:
 - a. Negotiate and agree final costings for the project;
 - b. Approve final designs;

- c. Enter into a contract with LCC for the carrying out of highway works to implement the project
- d. Actively manage the contract during the works period including agreeing changes to the design and programme if required,
- e. Enter into contracts for associated consultancy fees of up to £70,000

All within the cost envelope of £1,586,500 as described in paragraph 3.2 of the report.

- 6. Authority be delegated to the Strategic Director of Place to negotiate and enter into a maintenance agreement with LCC to apportion maintenance responsibilities and costs estimated at £5,000 per year arising from the high quality, non-standard materials that form the project's design
- 7. Authority be delegated to the Strategic Director of Place to enter into contracts for associated materials and equipment totalling up to £60,000

Reason for decision: Cabinet approval is needed to progress the project further.

26. EXCLUSION OF PRESS AND PUBLIC

RESOLVED THAT:

In pursuance of Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the remainder of the meeting on the grounds that the business to be transacted involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act and that the public interest in maintaining this exemption outweighs the public interest in disclosing the information.

Reason for decision: To enable the consideration of exempt information.

27. MARKET PROVISION IN COALVILLE

The Leader presented the report to Members.

He outlined the proposals within the report and the next steps.

It was moved by Councillor R Blunt, seconded by Councillor T Gillard and

RESOLVED THAT:

The recommendations as detailed in the report be approved.

Reason for decision: To seek agreement to progress the work.

The meeting commenced at 5.00 pm

The Chairman closed the meeting at 5.51 pm

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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 18 SEPTEMBER 2018

Title of report	BUSINESS RATES RETENTION PILOT BID
Key Decision	a) Financial No b) Community No
Contacts	Councillor Nicholas Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk Director of Housing and Customer Services 01530 454819 glyn.jones@nwleicestershire.gov.uk Head of Finance and Section 151 Officer 01530 454707 tracy.bingham@nwleicestershire.gov.uk
Purpose of report	To seek approval to seek to become a business rates pilot for 2019/20 as part of a Leicestershire-wide business rates pilot bid, subject to agreement across the county. To have the necessary delegations in place to submit and enter into the pilot.
Reason for Decision	Requirement of Financial Procedure Rules
Council Priorities	Business and Jobs Value for Money
Implications:	
Financial/Staff	Financial issues are contained within the report.
Link to relevant CAT	None.
Risk Management	The pilot provides opportunities for retaining more of the increased income from business growth within Leicestershire. There is a risk that undertaking the pilot will be less robust than the current pool arrangements in place if there is a need to call upon safety net payments and there are insufficient resources in the Pool.
Equalities Impact Screening	Not required.
Human Rights	No implications.
Transformational Government	No implications.

Comments of Head of Paid Service	Report is satisfactory.
Comments of Section 151 Officer	Report is satisfactory.
Comments of Deputy Monitoring Officer	Report is satisfactory.
Consultees	Corporate Leadership Team
Background papers	Invitation to Local Authorities in England to pilot 75% Business Rates Retention in 2019/20 and to pioneer new pooling and tier-split models.
Recommendations	<p>THAT CABINET:</p> <ol style="list-style-type: none"> 1. SUBJECT TO AGREEMENT WITH PARTNER AUTHORITIES, APPLIES TO BECOME A BUSINESS RATES PILOT FOR 2019/20 AS PART OF A LEICESTERSHIRE-WIDE BUSINESS RATES PILOT BID; 2. DELEGATES AUTHORITY TO HEAD OF FINANCE IN CONSULTATION WITH THE PORTFOLIO HOLDER (CORPORATE) TO AGREE THE DETAIL OF THE BUSINESS RATES PILOT BID (IN CONJUNCTION WITH OTHER LEICESTERSHIRE LOCAL AUTHORITIES) WITH RESPECT TO THE FINANCIAL ASPECTS AND OVERALL GOVERNANCE OF THE PILOT BID; 3. DELEGATES AUTHORITY TO THE HEAD OF FINANCE IN CONSULTATION WITH THE PORTFOLIO HOLDER (CORPORATE) TO SUBMIT A JOINT BID (IN CONJUNCTION WITH OTHER LEICESTERSHIRE LOCAL AUTHORITIES) AND ENTER INTO A PILOT AGREEMENT WITH MHCLG IF THAT BID OUTCOME IS SUCCESSFUL.

1.0 BACKGROUND

- 1.1 The current 50% Business Rates Retention system has been in place since April 2013. The level of business rates yield has a direct impact on the council's funding, with both the risks and rewards of business rate growth and contraction currently being shared between central Government, the County Council and Leicestershire Fire and Rescue, with 40% being retained by NWLDC.
- 1.2 To manage downside risk and maximise the potential amount of business rates that are retained within Leicestershire, all of its councils have entered into a business rates pooling arrangement where a percentage of business rates collected by each council goes into a pool. The financial surplus or deficit is shared between the councils and a

proportion of the surplus is distributed to the Leicester and Leicestershire Enterprise Partnership (LLEP).

- 1.3 The Government has previously announced its former intentions surrounding the implementation of 100% business rates retention and launched five initial 100% pilots in devolution deal areas from April 2017. From April 2018, a further 10, 100% pilots were launched following an invitation from the Ministry of Housing, Communities and Local Government (MHCLG). The pilot authorities forego Revenue Support Grant and (if applicable) Rural Services Delivery Grant and have their business rates “top-ups” or “tariffs” adjusted to ensure that the value of the additional retained business rates is matched by the value of the grants foregone, plus the change in tariffs and top-ups.
- 1.4 North West Leicestershire District Council submitted a bid to become a pilot in 2018/19 in conjunction with all other Leicestershire Local Authorities, but were unsuccessful. The bid had estimated that the Leicestershire Pool could benefit by up to £18.9m by becoming a pilot in 2018/19.
- 1.5 In December 2017 the Government announced a new commitment to increase the level of business rates retained by local government to 75% (instead of 100%) in April 2020.
- 1.6 In order to test the proposed 75% business rates retention system and to aid understanding of the transition to this new system from April 2020, the Government is now inviting local authorities to apply to become 75% business rates retention pilot in 2019/20.
- 1.7 The deadline for bids is 25 September 2018.
- 1.8 The approval of the Deputy Chairman of the Council has been given for exemption to the Council’s Scrutiny Procedure Rules in relation to call-In, since any call-in would prevent the ability to submit the bid by the 25 September deadline and, given that the application will be on a combined Leicestershire basis, would remove the opportunity for all Leicestershire Authorities to participate.

2.0 THE INVITATION TO BECOME A PILOT

- 2.1 The government is interested in exploring how 75% rates retention can operate across more than one authority to promote financial sustainability and to support coherent strategic decision-making across functional economic areas. As a result, the government is seeking bids from authorities within a pool or proposed pool. Proposals are expected to set out tier split arrangements of all precepting authorities, including Fire and Rescue authorities.
- 2.2 Agreement must be secured locally from all relevant authorities to be designated as a pool for 2019/20 (in accordance with Part 9 of Schedule 7B to the Local Government Finance Act 1988) and to put in place local arrangements to pool their additional business rates income.
- 2.3 Bids are required to explain how a pilot will manage risk and reward at a strategic level whilst also paying regard to the financial sustainability of all local authorities involved and how any potential growth in business rates may be spent. The bid will also need to outline the governance arrangements for strategic decision making.
- 2.4 The proposal will need to show that all participating authorities have agreed to become part of the suggested pool and share additional growth as outlined in the bid. The

Section 151 officer of each authority will need to sign off the proposal before its submission.

3.0 LEICESTERSHIRE PILOT BID

3.1 The Leicestershire Treasurers' Association (LTA) (Section 151 Officers of all Leicestershire authorities) have identified that the additional amounts retained under a 75% pilot could be up to £13.8m.

3.2 Consideration has been given to the appropriateness of the previous gain allocation submitted as part of the 100% pilot bid and whether these principles can be applied to the 75% bid. This approach has now been agreed with District Chief Executives and Leaders.

3.3 The proposed share of the £13.8m gain of the 75% Leicestershire bid is therefore on the same principles as the 100% pilot bid, as follows:

3.3.1 After paying to each authority sums they would have received had 50% rates retention continued, and compensating the pool for any safety net payment it would have received, any balance of aggregate business rates income will be shared as follows:-

(a) 1% to the Combined Fire Authority (£138k);

(b) 99% as described below:

- i. **Infrastructure and Housing growth** - £5m of any remaining balance will be allocated to fund investment in infrastructure to unlock housing growth. Should the balance be less than £5m, the whole of the balance will be allocated for this purpose.
- ii. **Town Centre Enhancements** - After allocating £5m to fund investment in infrastructure to unlock housing growth, up to £4.4m of any remaining balance will be allocated to fund public realm improvements in town centres and the city. This sum will be split between the City Council (50%) and the district councils (50%). The district allocation will be shared between the districts, in proportion to mid-2017 population (or such basis as the districts agree). Should the balance be less than £4.4m, the whole of the balance will be allocated for this purpose.
- iii. **Financial Sustainability** - After allocating £4.4m to fund public realm improvements in town centres and the city centre, up to £3.6m of any remaining balance will be allocated to support the financial sustainability of the sub-region, with particular emphasis on invest to save expenditure. This sum will be split between the City Council (40%), County Council (40%) and the district councils (20%). In the upper tier authorities, the key focus of this spending will be investment in interventions that reduce the future costs of looked after children. In the districts, the key focus will be to fund upfront investment in schemes that will generate future savings. The district allocation will be shared between the districts, in proportion to mid-2017 population (or such basis as the districts agree). Should the balance be less than £3.6m, the whole of the balance will be allocated for this purpose.

- iv. **Balancing Amount** - The final tranche of funding, which based on current projections is around £0.6m, will be available to authorities to address financial pressures more generally, and will be split as follows:-

- (a) City Council – 30%;
- (b) County area – 70%.

As this will address financial pressures, the county area share will be split based on 2018/19 budget requirements:

- (a) 82.8% to the County Council;
- (b) 17.2% will be shared between the districts, in proportion to mid-2017 population (or such basis as the districts agree).

- 3.4 The effect of the above allocation methodology in totality is (approximately) as follows:

- (a) City Council – 30%;
- (b) County area – 70%.

Within the county area, the split is approximately:

- (a) County Council – two thirds;
- (b) District councils – one third.

- 3.5 At the time of writing this report, work to finalise the bid continues with the LTA and Chief Executives. Discussions are still ongoing as to whether the information can be presented differently to the 2018/19 bid to place more emphasis on Financial Sustainability.

4.0 NEXT STEPS

- 4.1 As part of any application to become a pilot the Leicestershire authorities will need to prepare a proposal to MHCLG setting out why Leicestershire should be considered as a pilot. As an existing Pool, Leicestershire should have a strong case as it has proven governance arrangements and has made pooling gains for each year it has operated.
- 4.2 Further work is required by the Leicestershire authorities to finalise the bid and governance arrangements. This work will include making proposals and reaching an agreement as to how the financial benefits from being a pilot are shared amongst all Leicestershire authorities.

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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 18 SEPTEMBER 2018

Title of report	DISPOSAL OF PROPERTY – CONFIRMATION OF URGENT ACTION
Key Decision	Financial – Yes Community - Yes
Contacts	Councillor Roger Bayliss 01530 411055 roger.bayliss@nwleicestershire.gov.uk Strategic Director of Housing and Customer Services 01530 454819 glyn.jones@nwleicestershire.gov.uk Head of Housing and Property 01530 454780 chris.lambert@nwleicestershire.gov.uk
Purpose of report	To seek Cabinet confirmation of a decision taken by the Chief Executive and Leader under the urgency provisions within the HRA Disposal Policy.
Reason for decision	The proposal to dispose of the property was in accordance with the HRA Disposal Policy, which was approved by Cabinet on 3 March 2015, to generate a capital receipt to meet the needs of the HRA Business Plan.
Council priorities	Value for Money, Homes and Communities.
Implications:	
Financial/Staff	The proceed of sale will contribute towards the annual income from sales target (of £400,000) within the approved Housing Capital Programme
Link to relevant CAT	None
Risk Management	None
Equalities Impact Screening	Due to the high number of refusals and inability to let 58 Ramscliff Avenue, it was not possible to rehouse a family from the Housing Register in this property.
Human Rights	None

Transformational Government	Active asset management is an important part of our HRA Asset Management strategy, to ensure we spend our money wisely, and deliver the agreed quality of Council housing for tenants.
Comments of Head of Paid Service	Report is satisfactory.
Comments of Section 151 Officer	Report is satisfactory.
Comments of Deputy Monitoring Officer	Report is satisfactory.
Consultees	Corporate Asset Management Group (AMG).
Background papers	Report to Cabinet 3 March 2015 – HRA Disposals Policy
Recommendations	THAT CABINET CONFIRM THE DECISION OF THE CHIEF EXECUTIVE AND LEADER OF THE COUNCIL TO ACCEPT AN OFFER OF £73,900 FOR THE FREEHOLD SALE OF 58 RAMSCLIFFE AVENUE DONISTHORPE.

1.0 REPORT

- 1.1 A Council property situated at 58 Ramscliffe Avenue, Donisthorpe was identified as having historic structural movement when it became empty after an elderly and longstanding tenant passed away. The property had suffered from significant historic subsidence and had a sloping floor to both ground and first floor level. The slope is very pronounced, and cannot be rectified without rebuilding the property which would not represent value for money.
- 1.2 Following an evaluation of the available options it was decided to carry out empty homes repair works to the property and seek to let it through the Choice Based Lettings system. This proved unsuccessful, as despite identifying a number of prospective tenants, they all withdrew their interest following viewings.
- 1.3 A valuation of the property was therefore undertaken which indicated an open market value of between £10k and £12k, as the site value only.
- 1.4 Following a further evaluation of the options, it was determined that we should dispose of the property through an estate agents advert. The property was advertised through Newton Fallowell estate agents and after over 20 viewings and a request for best and final offers, we received three confirmed bids, the highest of which was £73,900 from a Mr Yates.
- 1.5 The HRA disposals policy requires the acceptance of any offer over £50k to have Cabinet approval prior to acceptance, and this was not anticipated to be necessary given the initial low valuation figure received. The disposal policy includes provision for urgent action, and this was exercised, with the Chief Executive and Leader confirming acceptance of the offer.

The disposal policy requires that any use of the urgency provision is reported to the next available meeting of Cabinet, hence this report.

- 1.6 The true market value of this property was clearly significantly higher than the initial valuation received, and the learning from this experience will be contribute to future application of the Asset Management Strategy.

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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 18 SEPTEMBER 2018

Title of report	CONTRACT AWARD FOR COMMERCIAL LAUNDRY EQUIPMENT AT SHELTERED SCHEME ACCOMMODATION
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Roger Bayliss 01530 411055 roger.bayliss@nwleicestershire.gov.uk Strategic Director of Housing and Customer Services 01530 454819 glyn.jones@nwleicestershire.gov.uk Head of Housing and Property 01530 454780 chris.lambert@nwleicestershire.gov.uk
Purpose of report	This report is to seek Cabinet approval for the direct award of a contract for Laundry Equipment to our 6 sheltered schemes
Reason for decision	The contract would improve the facilities and service delivery for tenants in sheltered housing schemes.
Council priorities	Homes for Communities
Implications: Financial/Staff Link to relevant CAT Risk Management Equalities Impact Screening Human Rights Transformational Government	Financial implications include an increase in expenditure initially from NWLDC, recovered by an increase in service charge to tenants Not applicable Risk will be managed jointly with JLA Limited and Housing Management Team Manager as part of contract management Not applicable Not applicable Not applicable

Comments of Head of Paid Service	Report is satisfactory.
Comments of Section 151 Officer	Report is satisfactory.
Comments of Deputy Monitoring Officer	Report is satisfactory.
Consultees	<ul style="list-style-type: none"> • Housing and Property Service Management Team • Tenants
Background papers	None
Recommendations	IT IS RECOMMENDED THAT CABINET APPROVE THE AWARD TO JLA LIMITED OF THE CONTRACT TO INSTALL AND MANAGE OUR SHELTERED SCHEME LAUNDRY EQUIPMENT FOR A PERIOD OF UP TO EIGHT YEARS.

1.0 BACKGROUND

1.1 The Housing Service is currently responsible for 174 sheltered housing properties. Sheltered accommodation has communal entrances to flats in a traditional corridor scheme with communal facilities, including a laundry room.

1.2 As a landlord, we provide a number of services which are charged back to the tenants, proportionally, including laundry facilities, through the service charge process.

1.3 At present, the service charge for laundry facilities is very low and does not fully reflect the cost of the actual service provided, including the capital cost of equipment; call out fees; and maintenance and annual servicing; and duct cleaning which is undertaken. As a result, we currently only recover a proportion of our costs.

1.4 In February 2017, our current service supplier, JLA Limited¹, were engaged to replace two washing machines into Hood Court on their Total Care package² as a trial. These machines were “rented” for a fixed period, and include a number of service advantages including;

- fully inclusive servicing
- wear and tear maintenance
- installation and removal of other equipment
- 24/7 call out facility direct to JLA.

This reduces costs and contract management overheads to the council, as tenants contact JLA directly.

¹ JLA Limited purchased Wilson Electricals who historically responded to our call outs

² <http://procurementforhousing.co.uk/suppliers/jla/> - Total Care Package

- 1.5 This trial has been successful, with tenants and staff commenting about the quality of equipment and the quality of the service.
- 1.6 JLA are the supplier selected by the OJEU complaint framework procurement of Procurement for Housing (PfH), allowing us as a member to complete a direct call off process to select new equipment and services.
- 1.7 The Procurement for Housing route has been discussed with the Procurement Manager who agrees it is the most cost effective route. A mini competition using the ESPO framework, does not yield the financial benefits³ the PfH framework does.

2.0 PROPOSAL

- 2.1 The Procurement for Housing framework commenced on 1 March 2014 and is valid until 9 November 2018 with JLA Limited being the supplier of choice. North West Leicestershire District Council can select a supplier from the call off contract anytime up to 8 November 2018.
- 2.2 It is proposed to directly award a five year contract with an option to extend for three further one year periods (8 year total) to provide equipment in all of our sheltered schemes, replacing all existing appliances (excluding two new machines under JLA rental in Hood Court). In accordance with Contract Procedure Rules, an approach will be made to JLA Limited.
- 2.3 JLA Limited currently have 52 contracts in the Housing sector through the Procurement for Housing framework. Some of these clients (from the central region) are listed below:
 - Flagship Housing Group
 - Moseley and District Churches HA
 - Futures Homescape
 - Wrekin Housing Trust
 - Havebury Housing Partnership
- 2.4 Not only does the contract allow for a better standard of service and lower ongoing maintenance but also allows for improved facilities. The contract includes a “sluice” machine to be fitted at every scheme which will assist with hygiene for tenants who require ongoing care and support and reduces the risk of cross contamination for other residents, and potential breakdown of machines.
- 2.5 Both legal and Procurement services support the decision for a direct award, having previously demonstrated the framework to be both a compliant route and delivering value for money.
- 2.6 Following Cabinet approval, the contract will be mobilised and fully operational within a maximum period of eight weeks after contract signing.

³ Financial Benefits include the time taken to undertake a full tender process outside of using a framework as well as the pricing being more competitive under the PfH framework for the contracted units.

- 2.7 An intention to award notice has been sent to tenants informing them of the new contract and events will be arranged in the Sheltered Schemes to discuss the new contract and benefits. An example of this notice is attached as Appendix A.
- 2.8 There is no requirement to do formal consultation with tenants.
- 2.9 A copy of the benefits of total care package we would receive is attached as Appendix B

3.0 FINANCIAL IMPLICATIONS

- 3.1 Based on the proposed number of machines below, the maximum cost of the contract award would be £23.3k per annum, equating to £186k over the lifetime of the contract⁴. This pricing is subject to final agreement on numbers of machines and associated pricing, which will be included in the contract. Cabinet approval is needed for this contract award because the total possible duration exceeds 5 years and the value exceeds £100k.
- 3.2 The anticipated number of machines are listed below, including the proposal to include a sluice machine.

Scheme (Number of flats)	Proposed weekly charge per property	Current weekly charge per property	Proposed number of machines
Central Court (31)	£2.08p	£0.11p	4 (2 washers, 2 dryers)
Fairfield Court (37)	£2.55p	£0.16p	6 (3 washers, 3 dryers)
St Mary's Court (21)	£3.08p	£0.13p	4 (2 washers, 2 dryers)
Park View (31)	£2.08p	£0.15p	4 (2 washers, 2 dryers)
Wakefield Court (23)	£2.81p	£0.07p	4 (2 washers, 2 dryers)
Hood Court (31)	£3.04p	£0.43p	6 (3 washers, 3 dryers)

- 3.3 Although there is a small budget currently for remedial works, the cost of the contract will be fully recovered by the service charge income. As such, the remedial works budget will no longer be required.

4.0 RECOMMENDATION

- 4.1 It is recommended that Cabinet approve the award to JLA Limited of the contract to install and manage our laundry equipment for a period of up to eight years.

⁴ The full cost includes if the optional years are taken up, taking this contract to its maximum duration of 8 years.



Wallace

Housing Directorate
Housing Management Team
Please ask for: Andrew

Telephone: 01530454660
Fax: 01530 454816
Our Ref:

Date: 06/09/2018

Dear

Re: New Laundry Equipment in Sheltered Schemes

INTENTION TO AWARD CONTRACT

I am pleased to inform you that, following a review of the current laundry facilities in our sheltered schemes, we are proposing to start a new contract with JLA Limited in October 2018 for them to provide our laundry equipment.

This contract will see the removal of old machines and installation of new machines across our sheltered accommodation, with a dedicated telephone number to report any issues.

The new contract will see an increase in your service charge from £xxx to £xxx. This change will come into effect from xxxxx

I will be holding a number of events for you to come and discuss with me the new contract and look at all the Benefits the new contract will bring.

I will be at xxxxx in the downstairs communal lounge on 19 September 2018 at xxxx for 45 minutes

I look forward to seeing you there.

Yours sincerely

A handwritten signature in black ink that reads "Andrew Wallace".

Andrew Wallace
Principal Housing Management Team Leader

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JLA is the leading provider of commercial laundry solutions to the housing sector and offers a range of robust, easy-to-use equipment that has been developed to meet the needs of residents and housing managers across all types of schemes.

From supporting independent living, to overcoming economic challenges with the best value solutions, our dedicated housing team will work with you to meet your requirements.

Our [JLA 7](#) and [JLA 8](#) washers and dryers feature simple user interfaces and the ability to handle up to eight loads of laundry a day – perfect for resident use whether you have 2 residents or 200.

PROTECTING YOUR RESIDENTS

With the increasing concern around fire safety in relation to domestic appliances such as washers and dryers, JLA is supporting Housing Associations in ensuring their equipment is fit for purpose and as part of this, highlighting how commercial alternatives can minimise the risk to their residents.

With JLA's commercial machines for housing, you can provide your residents with the simplicity and size of a domestic machine but with the durability, performance and safety of industrial equipment.

IT'S ALL TAKEN CARE OF WITH TOTAL CARE

Our revolutionary Total Care package is the preferred choice for housing providers looking to remove the hassle from their laundry room as it offers complete peace of mind for one, simple monthly payment which is recoverable via service charges. With no requirement for a capital outlay, along with all-inclusive breakdown cover it removes the hassle from your laundry and ensures you can concentrate on your priorities.



With Total Care, PFH members can benefit from:

- Market leading machines with **no capital outlay**
- Fully-inclusive breakdown cover with no wear & tear clause
- Guaranteed engineer response within eight working hours – or we pay you £100
- Seven-day call-out service – including bank holidays
- 24/7 customer helpline
- No repair bills or call-out charges – ever

All for a simple, monthly payment.

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 18 SEPTMEBER 2018

Title of report	FORMER TENANT RENT ARREARS, CURRENT TENANT RENT ARREARS, COUNCIL TAX, NON DOMESTIC RATES AND SUNDRY DEBTOR WRITE OFFS
Key Decision	a) Financial No b) Community No
Contacts	Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk Director of Housing & Customer Services 01530 454819 glyn.jones@nwleicestershire.gov.uk Head of Finance 01530 454707 tracy.bingham@nwleicestershire.gov.uk
Purpose of report	To agree write-offs over £10,000 and receive details of debts written off under delegated powers.
Reason for decision	To comply with proper accounting practices.
Council priorities	Value for Money
Implications:	
Financial/Staff	There is no additional financial effect as all the debts are met from the Authority's bad debt provision for previous years arrears or from in year income if the debts relate to the current financial year.
Link to relevant CAT	None.
Risk Management	Regular reviews of debts for write off mitigates the risk that the Council's accounts do not reflect the true level of recoverable income. It is also part of an effective arrears management strategy.
Equalities Impact Screening	Not applicable.
Human Rights	None discernible.
Transformational Government	Not applicable.

Comments of Head of Paid Service	Report is satisfactory.
Comments of Section 151 Officer	Report is satisfactory.
Comments of Deputy Monitoring Officer	Report is satisfactory.
Consultees	None.
Background papers	All papers used in compiling the report contain exempt information under paragraph 3 of Part 1 to Schedule 12A Local Government Act 1972
Recommendations	<p>THAT CABINET APPROVES:</p> <ol style="list-style-type: none"> 1. THE NON DOMESTIC RATES AND SUNDRY DEBT WRITE OFFS THAT ARE OVER £10,000; 2. NOTES THE AMOUNTS WRITTEN OFF UNDER DELEGATED POWERS; AND 3. NOTES THE AMOUNTS OF SUNDRY DEBTS PREVIOUSLY WRITTEN OFF UNDER DELEGATED POWERS IN 2016/17 AND 2017/18

1.0 WRITE OFFS

1.1 Write offs relating to prior years against Bad Debt Provision:

	Provision as at 1 April 2018	Write offs to date (under delegated powers)	Amounts written off over £10,000 approved by Members	Balance Available
Council Tax	£2,171,722.74	£54,699.19	£0.00	£2,117,023.55
Non Domestic Rates	£273,111.56	£8,565.71	£0.00	£264,545.85
Housing Rents	£582,403.98	£17,302.40	£0.00	£565,101.58
Sundry Debtors/Housing Benefit Overpayments	£1,638,123.39	£16,465.72	£0.00	£1,621,657.67

1.2 Write offs relating to 2018/19

	Write offs to date (under delegated powers)	Amounts written off over £10,000 approved by Members
Council Tax	£947.79	£0.00
Non Domestic Rates	£0.00	£0.00
Housing Rents	£1,084.85	£0.00
Sundry Debtors/Housing Benefit Overpayments	£464.31	£0.00

2.0 FORMER TENANT RENT ARREARS

2.1 The amounts written off under delegated powers, in accordance with the policy, are as follows: 26 cases under £1,000 which amount to £5,227.04. Of these 11 cases are deceased with no estate (£2,547.61) and 15 are uneconomical to pursue (£2,679.43). There are five cases between £1,000 and £10,000 amounting to £12,075.36. Of these, one is deceased with no estate (£1,895.09), one is statute barred (£2,638.55) and three are uneconomical to pursue (£7,541.72).

2.2 There are no former tenancy arrears write-offs over £10,000 for which we seek approval.

3.0 CURRENT TENANT RENT ARREARS

3.1 There are no current tenant rent Arrear write-offs for which we seek approval.

4.0 COUNCIL TAX

4.1 There are currently no council tax debts over £10,000 for which Cabinet's approval for write off is sought.

4.2 The amounts written off under delegated powers, in accordance with the thresholds outlined in the write off policy, are as follows: Nine cases under £100 which amount to £322.96. Of these, four cases have absconded (£148.66), two cases that are uneconomical to collect (£45.77), two cases are deceased with no assets (£87.04) and one is insolvent (£41.49). There are 16 cases between £100 and £1,000, which amount to £7,851.10. Of these, 11 have absconded (£5,285.55), two cases are insolvent (£995.34) and three are deceased with no assets (£1,570.21). There are nine cases between £1,000 and £10,000 which amount to £21,639.47. Of these, three cases have absconded (£6,492.18), five cases are insolvent (£12,615.79) and one is deceased with no assets (£2531.50).

4.3 The full list of reasons for writing off debt includes:

- Bankruptcy or a Debt Relief Order is in place
- Deceased – No assets in the estate.
- Debtor Absconded / No Trace
- Company in liquidation/dissolved or ceased trading with no assets
- Severe Hardship and/or Serious health Issues
- Statute barred i.e. we cannot legally pursue the debt as there has been six years since the debt fell due and no action has been taken to collect the debt.
- Uneconomical to collect i.e. it is not financially viable to take further action for e.g. due to the low level of the debt, they have gone abroad etc.

4.4 Writing off debts is only considered where all appropriate recovery and enforcement measures have been taken, or, where the council are legally prohibited from pursuing the debt.

4.5 Each year the council produces a recovery timetable which details the dates on which the statutory Reminders, Final Notices and Summonses are to be despatched. The letters issued are designed to maximise collection by prompting tax payers to pay their missed instalments in a timely manner, thereby avoiding further enforcement action taking place. Information is provided on the website to explain what happens next should payment not be made.

4.6 For all outstanding debt, the council takes the recovery action outlined in the bullet points below:

- If payment is not received by the instalment due date shown on the bill, a reminder notice is issued.
- If payment is received within seven days the tax payer may continue with their original instalment plan. If they default again within the year, then one further reminder notice is issued. If they do not pay, the following steps are taken.
- If payment is not received by the date on the reminder notice, a court Summons is issued. The Summons advises them of the date and time that the Council will attend a Magistrates Court hearing to apply for the award of a Liability Order against them.
- Once a Liability Order is obtained, the Council has a number of enforcement options open to them in order to secure payment of the debt.

4.7 Liability Order Action

Once a Liability Order has been obtained each debt is looked at and a decision is made as to the most appropriate course of action to take from the list of available options below. It is only after all of these have been considered and/or pursued that the debt is put forward for write off.

1. Apply to the debtor's employer for an Attachment of Earnings.
2. Apply to the DWP for a deduction from the debtor's benefits
3. Instruct an external enforcement company (bailiffs) to collect the debt on the council's behalf.
4. If the enforcement company are unsuccessful, the Council could commence committal proceedings against the debtor.

5. If the debtor owns their own home a Charging Order could be made against the property.
6. If the debt is over £5,000, bankruptcy proceedings could be commenced against the debtor.

When considering the final three options on the above list, the Council must always be mindful of the individual circumstances of the debtor and the financial impact on the Council of pursuing each option. Additional costs will be incurred when utilising any of these options.

5.0 NON DOMESTIC RATES (NNDR)

- 5.1 There are three Non Domestic Rate debts over £10,000 amounting to £319,897.50 for which Cabinet approval for write off is sought. Of these, two cases are insolvent (£308,024.00) and one case has absconded (£11,873.50).
- 5.2 The amounts written off under delegated powers in accordance with the policy thresholds are as follows: There is one case between £1,000 and £10,000 amounting to £3,242.11 which is insolvent.
- 5.3 As with the recovery of Council Tax, for Business Rates, writing off debt is only ever considered as a last resort. Often companies, sole traders or partnerships become insolvent and the Council is prohibited from taking any further action as all of their outstanding debts are included within the Administration, Liquidation or personal bankruptcy.
- 5.4 The Council follows the same recovery process for Business Rates as for Council Tax. However, once the Council has obtained a Liability Order there are only a limited number of enforcement actions that can legally be pursued. In most cases, where a payment arrangement or contact cannot be made, the Council refers the case to external Enforcement Agents. If they are unsuccessful, the Council then has three further options to consider before putting the debt for write off. These options are:
 - Committal (For sole traders and partnerships only)
 - Security for Unpaid Rate (this is the equivalent of a Charging Order on a property but this can only be done with the ratepayers agreement)
 - Insolvency Proceedings

6.0 SUNDRY DEBTORS (INCLUDES NON CURRENT HOUSING BENEFIT OVERPAYMENTS PRE 2011)

- 6.1 There are no sundry debtor cases over £10,000 for which Cabinet's approval for write off is sought.
- 6.2 There were no cases that have been written off under the Deputy S151 Officer delegated powers.
- 6.3 The recovery process varies dependant on the type of debt. Generally the debtor will receive a minimum of two reminder letters the final stating that recovery through the county court will take place in the event of non payment. Once judgement is obtained the normal recovery methods are available such as attachment of earnings/ benefit etc.

7.0 CURRENT HOUSING BENEFIT OVERPAYMENTS

- 7.1 There are currently no housing benefit cases over £10,000 for which Cabinet's approval for write off is sought.
- 7.2 The amounts written off under delegated powers, in accordance with the thresholds outlined in the write off policy, are as follows: There are three cases under £100 amounting to £81.78. Of these, one debtor is deceased with no assets (£68.01), two which are uneconomical to collect (£13.77). There are four cases between £100 and £1000 amounting to £1,729.96. Of these, two cases are deceased with no assets (£964.36), one case which has insufficient recovery data (£555.69) and one case which are uneconomical to collect (£209.91). There are two cases under £10,000 which are insolvent, amounting to £7,783.64.
- 7.3 For all outstanding benefit overpayment debt, the council takes the recovery action outlined in the bullet points below:
- An invoice is issued giving 14 days to make payment, or to contact the council.
 - If payment is not received a first Reminder is issued, followed by a second reminder two to three weeks later.
 - If payment is not received a 'CIS' (DWP database) check is carried out to assess if a deduction from benefit or an attachment of earnings is appropriate. If neither of these options is suitable the account is sent to an external collection team with no cost to the Council. However, they have no powers to enforce the debt at this stage only to collect it.
 - If the cases are returned, each case is checked and a decision is made as to whether it is appropriate to start legal proceedings in the County Court.
 - If judgement is obtained in the County Court, the following enforcement options are available to consider:-
 1. Warrants of Control (the use of County Court Bailiff, or High Court Sheriff)
 2. Third Party Debt Orders (Utilises the customer's bank account to extract payment)
 3. Charging Order (the debt is secured on the customer's house)
 4. Insolvency (petition for bankruptcy)

8.0 INTERNAL AUDIT RECCOMENDATION

- 8.1 Cabinet is invited to note the following internal audit finding and resultant recommendation arising on the internal audit of Sundry Debtors, completed in Quarter 1 of this financial year:

The Head of Finance is authorised to write off Sundry debts up to the value of £10,000 under S151 Officer delegated powers. Such write-offs should then be reported through to Cabinet periodically as part of a wider report which encompasses Former Tenant Rent Arrears, Current Tenant Rent Arrears, Council Tax, NNDR and Sundry Debt Write offs. A review of the Cabinet reports identified that a value for Sundry Debts written off under delegated powers was last reported in September 2015. All subsequent reports have incorrectly stated that no Sundry Debts have been written off under delegated powers. Testing identified that the following amounts have been written off under S151 Officer delegated powers:

- 2017/18 £86,000

- 2016/17 £95,444

Recommendation:

Sundry debts written off under S151 Officer delegated powers should be reported to Cabinet. A decision should be taken as to whether an update should be provided to Cabinet to inform them of Sundry Debts written off under S151 Officer delegated powers since September 2015.

- 8.2 By way of implementation of this recommendation, Cabinet are recommended to note that £86,000 in 2017/18 and £95,444 in 2016/17 were previously written off under S151 Officer delegated powers but were not reported to Cabinet in error.
- 8.3 All future sundry debtor debts written off under S151 delegated powers will be reported to Cabinet on a quarterly basis as appropriate moving forward. As detailed in 6.2 above, there were no cases that have been written off under the Deputy S151 Officer delegated powers in this period or in 2018/19 to date.

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