NORTHUMBERLAND COUNTY COUNCIL

ECONOMIC PROSPERITY & STRATEGIC SERVICES OVERVIEW AND SCRUTINY COMMITTEE

At a meeting of the Economic Prosperity & Strategic Services Overview and Scrutiny Committee held at Committee Room 1, County Hall, Morpeth on Tuesday, 16th December, 2014 at 10.00 a.m.

PRESENT

A Wallace(Chair), A Sambrook(Vice-Chair), KO Graham, K Nisbet, JR Riddle, A Tebbutt

OFFICERS

G Arnott  School Meals Service Manager
I Brown   Interim Head of Technical Services
L Little  Democratic Services Officer
S Nicholson Scrutiny Officer
K Teasdale Recovery Manager

ALSO PRESENT

Councillors G Davey, D Ledger, B Gallacher, I Lindley, J Sawyer, E Simpson
M Shang - Rossendales Limited
Press/Public: 2

PART I

56. Apologies for Absence

Apologies were received from Councillors G Castle, L Grimshaw and G Sanderson.

57. Minutes

RESOLVED that the minutes of the Economic Prosperity and Strategic Services Overview and Scrutiny Committee held on 25 November 2014, as circulated, were agreed as a true record and signed by the Chair.

58. FORWARD PLAN

An updated version of the Forward Plan was circulated at the meeting. Members were advised that a report on the LGA Corporate Peer Challenge was to be considered by Policy Board on 10 February 2015. It would be reported to this Committee on 27 January 2015 for pre-scrutiny with all Scrutiny Members to be invited.

RESOLVED that the information be noted.
REPORTS PREVIOUSLY CONSIDERED BY THE POLICY BOARD

59. REPORT OF THE LEAD EXECUTIVE DIRECTOR

The Committee were asked to note the Policy Board Minute in respect of the Northumberland Economic Strategy.

RESOLVED that the information be noted.

REPORTS FOR CONSIDERATION BY SCRUTINY

60. PRESENTATION ON THE BAILIFFS SERVICE

The Deputy Leader introduced the item to Members who were informed that this was an important issue for all local authorities to ensure that money owed was collected and able to be used for the benefit of the whole community. A power point presentation was provided by the Council’s Recovery Manager and M Shang from Rossendales Limited, the Council’s appointed Enforcement Agents. (A copy of the presentation filed with signed minutes.)

The Recovery Manager advised that Bailiffs had ceased to exist with Enforcement Agents now used. All local taxation recovery was controlled by legislation with the latest changes regarding Enforcement Agents coming into force on 6 April 2014. This provided greater all round clarity; set the fee structure; listed exempt goods; and provided protection for vulnerable debtors. In Northumberland there were 148,414 domestic dwellings with a net collectable council tax debit of £155m for 2014/15 and 12,093 business rate properties with a net collectable debit of £79m for the same period. The Committee were informed of the billing and payment arrangements along with the different stages of recovery action with the numbers involved at each stage and the options for enforcement. It was stressed that at all stages of recovery the priority was to try to engage with customers to make arrangements for payment of the debt. He highlighted the online computer system which provided real time updates between the Council and Rossendales who provided an excellent service.

In response to questions from Members the following information was noted:

- Rossendales had provided services to some District Councils within Northumberland prior to reorganisation in 2009 and their services had been retained by the Council. The Company were based in Rossendale in Lancashire but had locally based Enforcement Agents with knowledge of the area.
- The debt which was deemed irrecoverable and written off in connection with council tax and National Non Domestic Rate (NNDR) was reported to this Committee on a quarterly cycle.
- Instalments were due monthly with reminders issued approximately 2 weeks following a missed payment so as to allow time for payments to individual accounts. All notifications invite debtors to contact the Council to discuss their accounts. There was a referral system in place and if it was necessary debtors would receive a personal visit, however this was
a limited resource.

- The Council had a proper procurement route with the main emphasis on ‘Grow Northumberland’. There was now more opportunity for local businesses to win contracts.
- Instalments were paid either over 10 or 12 months. Once a payment was missed recovery action was started with the issue of a reminder notice however arrangements could still be made for the debt to be paid within the financial year. Recovery action would continue if no contact was made. No charges would be incurred unless a liability order had been applied for.

Members were encouraged to contact the Recovery Section on behalf of debtors if necessary.

M Shang from Rossendales Limited advised that the Company worked with 140 local authorities across the Country and whilst their office was based in Rossendales all Enforcement Agents had local knowledge of their areas. He confirmed that the new legislation now covered all types of debt and provided fees which were transparent and simple to understand and aligned to the costs of activities. He advised the Committee that the structure now had three stages as follows:

- Stage 1 – Compliance: from receipt of a case by the Company to a visit.
- Stage 2 – Enforcement: from first visit to removal
- Stage 3 – Sale: from removal to completion

The fees and trigger points for payment of the fees were outlined along with the compliance process that the Company used which provided more opportunities for contact with clients both by telephone and letter than was required by the legislation. At the enforcement stage, Enforcement Agents were trained to recognise vulnerable clients who were then returned to the compliance stage and referred to the Company’s Welfare Unit with the £235 charge removed. He advised that clients were engaging with payment arrangements being made, especially at the £75 compliance stage.

In response to questions from Members the following information was provided:

- If Rossendales was unable to collect the debt then the original debt would be returned to the Council with the Company writing off the fees incurred. Fees in respect of vulnerable clients returned to the Council were also written off by Rossendales.
- If debt related to a previous tenant of a property then the case would be returned to the Council as it was the Council’s debt and it would up to the Council to trace the individual concerned to make arrangements for payment.
- Rossendales staff were trained to encourage clients to enter into sustainable payment arrangements to allow the debt to be collected
alongside any other debt the individual might have.

The Chair thanked the Recovery Manager and Mr Shang for their presentation and commented that the system was now much fairer.

RESOLVED that the information be noted.

61. REPORT OF THE EXECUTIVE DIRECTOR OF LOCAL SERVICES

Councillor Tebbutt declared an interest in this item as he was a School Governor.

The report provided information on the implementation of the Universal Free School Meals Initiative in Northumberland introduced in September 2014. The Interim Head of Technical Services and the Schools Meals Service Manager were in attendance to present the report and answer questions from Members. The Committee were informed that there had been nearly 100% take up across the County which compared very favourably to other local authorities in the region. Staff had worked with suppliers to ensure they were fully aware of the increases along with schools to ensure that they were ready for the September start. Most work had been completed prior to the start of the Autumn term, with all pupils provided with a hot school meal on the first day of term.

In response to a question related to applications by schools for funding for additional equipment, it was confirmed that all applications had been audited and specified criteria applied, which had meant that some schools did not get what they had requested.

The issue of parents not applying for free school meals for their children when they were entitled was highlighted as a potential problem with pupil premium based on the numbers of pupils on free school meals. The Committee were advised that this was a nationally recognised issue and the Department of Education were monitoring the situation. Schools must encourage parents to apply for any entitlement to free school meals.

In respect of new food standards it was confirmed that work had already been undertaken with suppliers and menus were already compliant. Training had also been given in relation to Food Allergy Legislation stressing the need for stringent record keeping in order to allow the tracing of food ingredients.

In respect of the small school at Kielder, it was confirmed that they managed their own service however the Schools Meals Service Manager would contact them to ascertain if they required any assistance. It was also confirmed that there was no segregation of children who were in receipt of free school meals.

The Chair stated that this was a positive report which had been very informative.
RESOLVED that the information be noted.

62. **WORKING GROUP REPORTS**

A report had been circulated from the Capital Works Programme Working Group which was well received by the Committee. Councillor Sawyer, the Chair of the Working Group who was in attendance, was complimented on the way the Working Group was Chaired with it being noted that Members worked well together and was a good example of how such Groups can work. Councillor Riddle highlighted that he had written to congratulate staff on the excellent work which had been undertaken in his area in relation to tree cutting, drainage and a road resurfacing scheme. Councillor Tebbutt also highlighted the benefit being gained of the Council’s policy in investing in new equipment.

A report had also been circulated from the Regeneration Working Group drawing attention to the recommendations it contained.

RESOLVED that the reports be noted and the recommendations contained therein endorsed.

**REPORTS OF THE SCRUTINY OFFICER**

63. **Economic Prosperity and Strategic Services Overview and Scrutiny Committee Work Programme**

The Scrutiny Officer advised that the meeting on 27 January 2015 would now also include a report on the LGA Corporate Peer Challenge. All Scrutiny Members would be invited for both items. Any issues identified for consideration by this Committee as part of the budget process should be raised with the Scrutiny Officer and Chair.

Councillor Sambrook provided an update on the development at Crag End and advised that a visit might be arranged for February to look at progress and advised that the programme for bridges was still to be finalised. Discussion took place regarding the possibility of the TAMP Working Group starting up again and the possibility of joint working between this Committee and Communities and Place Overview and Scrutiny Committee in relation to strategic transport. Councillor Riddle highlighted the requirement for business centres in rural locations and the need to work with DEFRA as funding for business hubs was available. The Scrutiny Officer confirmed this would be raised with the Policy and Research Manager.

RESOLVED that the information be noted.
INFORMATION REPORTS

64. POLICY DIGEST

Members were reminded that information reports would no longer be reproduced. Reports would be published on the Council’s website and if any Member had any questions they wanted to put to the relevant Policy Board member/he/she should contact Democratic Services in order that the appropriate arrangements could be made.

CHAIR

DATE