

OVERVIEW & SCRUTINY COMMITTEE

Minutes of the meeting of the Overview & Scrutiny Committee held on Wednesday, 17 July 2019 at the Council Chamber - Council Offices, Holt Road, Cromer, NR27 9EN at 9.30 am

Committee

Members Present:

Mr T Adams (Vice-Chairman)	Mr H Blathwayt
Mr N Dixon (Chairman)	Mrs W Fredericks
Mr P Heinrich	Mr N Housden
Mr G Mancini-Boyle	Mr N Pearce
Miss L Shires	Mrs E Spagnola
Mr J Toye	Mr A Varley

Members also attending:

Mr N Lloyd, Mr J Rest and Mr E Seward

Officers in Attendance:

Democratic Services and Governance Officer (Scrutiny), Corporate Director and Head of Paid Service (NB), Head of Legal & Monitoring Officer, Revenues Manager and Democratic Services Manager

Also in attendance:

Press and Public

1 TO RECEIVE APOLOGIES FOR ABSENCE

None received.

2 SUBSTITUTES

None.

3 PUBLIC QUESTIONS & STATEMENTS

None received.

4 MINUTES

The minutes of the Overview and Scrutiny Committee meeting held on 12th June 2019 were agreed as an accurate record and signed by the Chairman.

5 ITEMS OF URGENT BUSINESS

None received.

6 DECLARATIONS OF INTEREST

None declared.

7 PETITIONS FROM MEMBERS OF THE PUBLIC

None received.

8 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE BY A MEMBER

None.

9 RESPONSES OF THE COUNCIL OR THE CABINET TO THE COMMITTEE'S REPORTS OR RECOMMENDATIONS

None.

10 ENFORCEMENT UPDATE

The Chairman invited the Head of Paid Service (NB) to introduce the report. He outlined the background to the establishment of the Enforcement Board in 2013 and the subsequent formation of the Combined Enforcement Team. He explained that the Board was set up to tackle difficult, often longstanding enforcement issues, mainly related to property and then in 2016 the Combined Enforcement Team (CTE) was established to bring a consistency of approach and efficiencies in the way the Council dealt with empty homes, council tax completions and planning enforcement. He said that the report before Members covered complex cases and those dealt with by the CTE. There were several longstanding cases although a number of these had been progressed or completed in recent weeks.

The Head of Paid Service reminded Members that the previous Overview & Scrutiny Committee had recommended to Cabinet that enforcement update reports should be presented quarterly rather than six monthly. He said that a considerable amount of work had been undertaken to improve the layout of the accompanying matrix that detailed the enforcement cases and suggested that Members may wish to reconsider the timing of reports to ensure that the committee's work programme was not overloaded.

The Head of Paid Service concluded by saying that the CTE tried to visit as many long term empty properties as possible throughout the year but that there would always be a 'churn' of about 400 properties. He said that the information in the matrix was confidential and that Members should always take advice from officers before speaking on any of the cases.

Questions and Discussion

1. The Chairman, Cllr N Dixon, asked whether there were any issues or specific cases that required the support of the Committee. The Head of Paid Service replied that there were not. Key cases were highlighted and individual cases were dealt with through council policies. Serious cases would be reported up to Members. Cllr Dixon then asked whether there were any barriers in terms of process that the Committee could assist with. The Head of Paid Service replied that an understanding by Members that some of the more complex cases could take a long time to resolve would be appreciated.

2. Cllr L Shires asked if it was possible to have a timeframe for cases to help Members manage expectations. The Head of Paid Service replied that it varied hugely. Often contact would begin with a letter followed by a formal notice. There was a wide range of options before officers, each with a different timeline. Using a compulsory purchase order was the last resort and before that it could take 1 year to 18 months, allowing for a compliance period and then an appeal period. He then highlighted two high profile cases that the Board was dealing with – both having gone on for several years with considerable cost implications. He concluded by saying that a third of cases had very long term issues, the rest were ‘churned’ over in about a year. The Chairman thanked him for his comments and suggested that Members checked the matrix regularly to see stage by stage progression. This would give them an indication of likely timelines.
3. Cllr N Lloyd (Portfolio Holder for Environment) said that it was a derelict building in North Walsham that had led him to stand for election as a district councillor. It took 6 years to resolve and this was not due to a lack of trying as the owner would not engage. However, the result was worth it. He advised all members to look around their wards and report any neglected sites. It should also be remembered that there was a financial benefit to the Council for getting empty properties back into use. The Chairman suggested that this could be raised at the next meeting of Full Council to raise awareness.
4. Cllr N Pearce queried whether there was any way additional pressure could be put on owners to comply. He suggested that they could be summoned before Members for questioning. The Head of Paid Service replied that this would sit outside of the enforcement processes. He added that the Council was a regulator and that should be sufficient in dealing with such cases. It was essentially about keeping the pressure on owners. Occasionally meetings between the owner and Council officers took place on site, sometimes under caution and in such cases it was a requirement for the owner to attend. The Head of Legal, Democratic Services and Benefits added that it was not allowed under law for members to get involved in individual cases as there were often criminal matters that were being investigated. Also, there were no legal powers in place requiring people to come in or engage with the Council. She referred to a case where a member had persuaded a defendant to admit that they had committed a crime, however, it could not be used in court as evidence as it was not done under caution. She concluded by saying that the Committee could ask people to come in and speak on how any issues or problems could be resolved. The Chairman thanked her for her comments and said that the discussion was straying into process and that a training session or briefing paper could help members understand the issues better.
5. Cllr J Rest said that the time element was important as was the cost. He referred to a derelict shop in Fakenham which had been updated but was now on its 4th owner. Essentially it had not been worth the time and effort as it was not viable as a business.
6. Cllr N Housden referred to the tyre mountain in Tattersett and whether there was an indication of the timeline going forward. The Head of Paid

Service replied that it was such a big case that it would be brought back to Members. However, it was getting to a point where the deadline was fast approaching. Cllr Housden suggested that a working party could be established to look at the wider issues arising from such challenging cases. The Head of Paid Service replied that this could be a way forward. There were certainly issues around disused airfields that could be looked at.

7. Cllr G Mancini-Boyle asked whether owners who fell into business rates arrears were given the option of a payment plan to clear the debt. The Revenues Manager replied that he would address this point during consideration of Agenda item 10: Debt Recovery 2018/19.
8. Cllr L Shires asked if it was possible to provide a cost breakdown of the enforcement cases to date. The Head of Paid Service replied that officer time was not calculated (with the exception of the Legal team). Court costs were known and logged. Cllr Shires sought confirmation that there was no known cost for the 32 cases currently being dealt with by the Council. The Head of Paid Service confirmed that there wasn't. The Head of Legal, Democratic Services and Benefits added that it was not common practice for officer time to be recorded, however, improvements in digital technology were moving quickly and it was possible for some legal case management systems to record 'background time' and this may be a tool that could be used more widely in the future.
9. Cllr N Housden asked whether the Council received costs when a case was concluded in its favour. The Head of Legal, Democratic Services and Benefits confirmed that an application for costs was always submitted.

The Chairman thanked everyone for their input. He asked Members to consider the frequency of the Enforcement Update reports, suggesting that they could revert to every 6 months with the proviso that if members had any concerns then an additional report could come to the Committee at any time.

It was proposed by Cllr N Dixon, seconded by Cllr G Mancini-Boyle and

RESOLVED

- 1. To note the continued progress of the Enforcement Board and the Combined Enforcement Team.**
- 2. To receive further updates on a six monthly basis.**

11 DEBT RECOVERY 2018-19

The Revenues Manager outlined the Annual Debt Recovery report for 2018/19. He explained that it included a summary of debts written off in each debt area showing the reasons for write-offs and values, collection performance for council tax and non-domestic rates, level of arrears outstanding and the level of provision for bad and doubtful debts. He went on to say that writing off debts was a necessary function of any organisation that collected money. The Council was committed to ensuring that debt write-offs were kept to a minimum by taking reasonable steps to collect any outstanding monies. When the process failed to recover some or all of the debt then they

were considered for write-off. These cases were very much the exception.

Cllr E Seward, Portfolio Holder for Finance added that in terms of recovery of debt, most local authorities did not resort to imprisonment and NNDC did not intend to go down this route either, except in circumstances where the debtor was able to pay but refused to.

Questions and Discussion

1. Cllr J Toye referred to Table 3 'Housing Benefit overpayments' and queried the 211% outstanding against debit at year end, specifically the 12 invoices over £10,000. The Revenues Manager explained that housing benefit was particularly challenging as claimant's circumstances could change leading to a change in payments. Last year there were several large debts that had accrued spread over three service areas: finance, revenues and housing benefit. In response to the specific issue raised, he said that there were several large cases involving income or capital and sometimes pensions which did distort the overall collection of housing benefit. In response to a further question from Cllr Toye as to whether any mechanism could be put in place to avoid this, the Revenues Manager replied that there were tools that could be used to assist and in the last year the Council had used software to access HMRC records and were able to establish quickly that claimants income had changed in about 80 cases. However, it should be noted that some cases were very old and write-offs may have to be considered.
2. Cllr T Adams referred to housing benefit and asked whether it was possible to monitor how frequently council error was the cause of overpayment. The Revenues Manager said that 31st March was the collection rate report date. He acknowledged that there were things that could be changed or improved but said that collection rates were very good and that a payment plan was put in place so that overpayments could be repaid over a reasonable period and the needs of the customer were always taken into consideration.
3. Cllr Adams agreed that the collection rate was very impressive. He sought assurance that that the team was well resourced enough to maintain this high level of performance. The Revenues Manager replied that three members of staff had recently been lost to other service areas which placed additional strain on the rest of the team. However, it was easier to manage a challenging workload through overtime.
4. The Chairman asked whether there were any benchmarks that the council used to measure itself against. The Revenues Manager replied there was regular benchmarking against other local authorities. He reiterated that the council was in the top quartile for collection and that all available tools were used to check on claimants – including social media.
5. Cllr N Pearce asked whether there was any way that the Council could have closer ties with government departments so that information they held could be accessed and the level of overpayments reduced. The Revenues Manager replied that in the case of housing benefit this was already improving and the team now reacted within 9 days. He said that he would like to see a similar response rate in council tax and business rates.

6. Cllr P Heinrich asked whether it was possible to access a statistical breakdown of debtors and the reasons why. The Revenues Manager replied that this could be done to a limited extent for council tax, for benefits claimants there was more information available – for example regarding their household situation. He added that mental health was a big issue and it could be hard to engage with some people and on some occasions it would have to be reported and support would be provided from the Early Help Hub.
7. Cllr J Toye referred to direct debit payments and asked whether any more could be done to encourage more business rate payers to switch to direct debit. The Revenues Manager said that this had been a frustrating issue for many years. There was lots of relief available but many sole traders would prefer to pay by BACs than direct debit.

The Chairman thanked everyone for their comments. He said that the debt recovery rates were impressively high and asked that the Committee's thanks was passed onto the team. He said that it would be useful to see a trend analysis of debt collection rates over a period of several years. The Revenues Manager replied that there was data over going back over 10 years and that target levels were based on an analysis of trends.

The recommendations was proposed by Cllr P Heinrich seconded by Cllr G Mancini-Boyle and

RESOLVED

To recommend to Full Council:

1. **To approve the Annual Report giving details of the Council's write-offs in accordance with the Council's Debt Write-Off Policy and Performance in relation to revenues collection.**
2. **To approve the updated Debt Write-Off Policy.**
3. **To approve the updated Benefit Overpayment Policy and the use of High Court Enforcement Agents if considered necessary.**

12 OVERVIEW & SCRUTINY ANNUAL REPORT 2018/19

The Chairman asked the Democratic Services & Governance Officer (Scrutiny) to introduce the report. He explained that this was the Annual report of the Committee and covered the period from May 2018 to May 2019.

It was proposed by Cllr N Pearce and seconded by Cllr L Shires.

RESOLVED to

Note the Overview & Scrutiny Committee Annual Report 2018/19.

13 THE CABINET WORK PROGRAMME

The Democratic Services Manager outlined the Cabinet Work Programme and drew Members attention to any changes.

RESOLVED

To note the Cabinet Work Programme.

14 OVERVIEW & SCRUTINY WORK PROGRAMME AND UPDATE

The Democratic Services and Governance Officer (Scrutiny) updated the Committee on actions from previous meetings. Regarding the Sheringham Primary School Parking Task & Finish Group, he said that he had contacted the Road Safety Team based at Norfolk County Council and they had agreed to put together information on funding requirements for a 'bike, walk, scoot' scheme. He said that the Road Safety team was about to undergo a restructure but it shouldn't affect the implementation of the Task & Finish group's preferred scheme.

In response to a previous query regarding the 'Better Broadband' project, the Democratic Services and Governance Officer (Scrutiny) said that the level of delivery had already been exceeded across Norfolk and that the Council's financial contribution of £1m towards the scheme would be drawn down in quarter 4.

Cllr J Rest, Chairman of Governance, Risk & Audit Committee, informed Members that there were ongoing issues with the Council's external auditors which was delaying the publication of the final statement of accounts. The committee was due to meet next week and a further update on the situation would be provided to Members as soon as possible. The Head of Legal, Democratic Services & Benefits added that this was a problem across all of the Norfolk local authorities.

15 EXCLUSION OF THE PRESS AND PUBLIC

16 TO CONSIDER ANY EXEMPT MATTERS ARISING FROM CONSIDERATION OF THE PUBLIC BUSINESS OF THE AGENDA

The meeting ended at 11.12 am.

Chairman