

## DEMOCRATIC RENEWAL SCRUTINY PANEL

**Venue:** Bailey Suite, Bailey House, Rawmarsh Road,  
Rotherham.

**Date:** Thursday, 15 July 2010  
**Time:** 3.30 p.m.

### A G E N D A

1. To determine if the following matters are to be considered under the categories suggested in accordance with the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.
3. Apologies and Communications.
4. Declarations of Interest.
5. Questions from members of the public and the press.

#### **For Decision:-**

6. Representatives on Working Groups and Panels 2010 (report herewith) (Pages 1 - 2)
7. Image of Rotherham Scrutiny Review - Update (Bronwyn Moss, Scrutiny Adviser to report)

#### **For Monitoring:-**

8. Safer Rotherham Partnership Update (Presentation by Steve Parry, Safer Rotherham Partnership Co-ordinator)
9. Contributing to Reducing and Managing Offender Behaviour (report herewith) (Pages 3 - 10)
10. Recommendations from the Debt Recovery Final Report (documentation herewith) (Pages 11 - 43)  

Report 1	Proposal to Create a Single Debt Collection Service (see pages 11 to 17)
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- Report 2      Proposal to Create an In-House Bailiff Service (see pages 18 to 27)
- Report 3      Proposal to Carry Out More Proactive Work Prior to Referring Debts to Bailiffs (see pages 28 to 34)
- Report 4      Summary of Outcomes from the Scrutiny Review (see pages 35 to 43)

**Minutes - For Information:-**

11. Minutes of the meeting of the Democratic Renewal Scrutiny Panel held on 3rd June, 2010 (herewith). (Pages 44 - 48)
12. Minutes of a meeting of the Members' Training and Development Panel held on 24th June, 2010 (herewith) (Pages 49 - 52)

**Date of Next Meeting:-  
Thursday, 16 September 2010**

**Membership:-**

Chairman – Councillor Austen  
Vice-Chairman – Councillor J. Hamilton  
Councillors:- Currie, Cutts, Dodson, Hughes, Johnston, Littleboy, Mannion,  
Nightingale, Parker, Pickering, Sims and Tweed

**Co-opted Members**

Ms. J. Jones (GROW)  
Mr. R. Noble (Rotherham Hard of Hearing Society/Older People's Forum)  
Councillor A. Bryden (Parish Council Representative)

**ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS**

<b>1.</b>	<b>Meeting:</b>	<b>DEMOCRATIC RENEWAL SCRUTINY PANEL</b>
<b>2.</b>	<b>Date:</b>	<b>15<sup>TH</sup> JULY, 2010</b>
<b>3.</b>	<b>Title:</b>	<b>REPRESENTATIVES ON PANELS AND WORKING GROUPS</b>
<b>4.</b>	<b>Directorate:</b>	<b>CHIEF EXECUTIVE'S DIRECTORATE</b>

**5. Summary**

Confirmation of memberships of the various Council sub-groups for the Municipal Year 2010/11 is required.

**6. Recommendations**

- (1) to confirm existing membership where appropriate.**
- (2) to consider revised memberships where necessary.**

## 7. Proposals and Details

To consider membership of the following:-

a. Health, Welfare and Safety Panel

***Meet on a quarterly basis on a Friday along with visits of inspection.***

Current Membership – Councillor Dodson and Councillor XX as substitute.

***To confirm Member and Substitute.*** (N.B. Member commitment required with substitute attending if nominated Member cannot)

***Previously Councillor Foden as Substitute, but no longer on this Panel.***

b. Members' Sustainable Development Group

***Meet on a quarterly basis on a Friday at 10.30 a.m.***

Current Membership – Councillor Austen.

***To confirm Member.***

c. RBT Governance Group

***Meet every two months on a Monday morning.***

Nomination required as Chair of this Panel is also on as Vice-Chair of Performance and Scrutiny Overview Committee.

## 8. Finance

None significant.

## 9. Risks and Uncertainties

Memberships are required to ensure continuity of the Council's business.

## 10. Policy and Performance Agenda Implications

Memberships are required to ensure continuity and progression of the Council's business

## 11. Background Papers and Consultation

None.

**Contact Name:- Lewis South, Democratic Services Manager**

**Ext 2055**

**[lewis.south@rotherham.gov.uk](mailto:lewis.south@rotherham.gov.uk)**

<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS</b>
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<b>1.</b>	<b>Meeting:</b>	<b>Democratic Renewal Scrutiny Panel</b>
<b>2.</b>	<b>Date:</b>	<b>15<sup>th</sup> July, 2010</b>
<b>3.</b>	<b>Title:</b>	<b>Contributing to Reducing and Managing Offender Behaviour</b>
<b>4.</b>	<b>Programme Area:</b>	Community Safety

### **5. Summary**

To report on the work of South Yorkshire probation trust in Rotherham in reducing re-offending and contributing to making our communities safer by punishing and rehabilitating offenders through delivering the sentences of the court.

### **6. Recommendations**

That the panel note the contents of this report and consider how to encourage full involvement of local authority led services in the developing Integrated Offender Management services being developed in Rotherham.

## 7. Proposals and Details

Rotherham Probation is hoping to move from its dilapidated premises in Main St/West gate by the autumn to a business park close to the town centre- however this may be affected by current reviews of all government expenditure.

As part of this we hope to be able to co-locate at least 6 police personal (the local offender management unit currently based in Maltby) as well as local accommodation and drugs services, using a regime called Integrated Offender Management. It is essential we identify how the local authority can also be integrated fully into this work.

The probation unit in Rotherham consist of myself as the head of the unit, 4 (FTE) team managers, 22 probation officers, 15 probation service officers and 15 administrative support staff. Other major support services are based in Sheffield for HR, Finance, and IT.

In a typical year we work with 1,300 offenders, last year we prepared over a thousand reports for local magistrates and crown courts, supervised 257 community orders and 215 people on licence post custody.

Our interventions unit supervised about 50,000 hours of Community Payback in Rotherham (over 400 offenders, ave 120 hours each) including schemes in Dalton, Kilnhurst, Rawmarsh, Dinnington, Kiveton, Aughton and Boston Castle.

The schemes included refurbishing and decorating premises, opening paths and bridleways, landscaping, grass cutting as well as landscaping and the construction of foundations for a hyperbaric chamber at the Multiple Sclerosis Centre and Community nominated projects at Little London, Maltby Allotments, Maltby Craggs, Dinnington Allotments and Brampton.

### Performance

Last year offenders in Rotherham completed 37 Drug rehabilitation requirements (in partnership with clearways), 58 alcohol requirements (in partnership with lifelines), 11 sex offender programmes, 19 Domestic abuse programmes and 77 other offending behaviour programmes.

This work clearly contributes to the Rotherham Community Safety Partnership.

4 years ago South Yorkshire was 38<sup>th</sup> of 42 probation areas in a league table of performance. Since then we have improved significantly such that for two of the past 3 years we have been assessed at green star (the highest of 4 ratings) in terms of our performance. Our last national inspection (Offender management inspection (OMI) Jan 2009) also rated us as green star/exceptional with a score of 79%

Many of our targets are about compliance with performance issues –such as initial assessments being done within 15days or within 5 days if assessed as high risk of harm and we have undertaken significant work on our processes to ensure most of these are well met.

However for the public of Rotherham the more important news has been the contribution we have made to reduce the re-offending of those under our supervision. Approximately half of crime is committed by those who have offended before.

Over the past year we have reduced reoffending by those on our caseloads by an average of 11% against their expected levels. South Yorkshire has been the strongest performer in the country on this measure over the last 6 quarters.

We are the only area to have achieved a statistically significant reduction for all 6 quarters. We are one of only 3 areas with a current double figure reduction. For the most recent quarter reported we have reduced reoffending in SYPT by 13.75%. The national average is a reduction of under 2%. In Rotherham for the last quarter reported this was approx -7%

This is one of the measures (NI 18) that is reported regularly to the JAG and the CSP. Other measures include NI 30 (re-offending by approx 30 prolific offenders jointly managed between probation and the police) - this is currently showing a reduction in Rotherham of approx 12% from baseline. (Both MoJ data – published May 2010.)

We also contribute with DIP and police to NI38- which measures drug misusing offenders- where we are measured at 93% of expected offending. For this we are one of 99 DAT/CSPs showing a positive impact (as against 72 DATs/CSPs where the level of proven offending was greater then anticipated). (Home Office national data published March 2010)

### **8. Finance**

Along with most of the public sector SYPT faces an uncertain financial future. Our budget has reduced by approx 5 % in each of the past 2 years, this includes a cut of approx 3% last month (£ 600,000 across SYPT) and clearly there will also be effects from the recently announced 25% cut over the next 4-5 years announced in the budget. Resources will continue to be focussed on public protection including working on reducing reoffending.

### **9. Risks and Uncertainties**

SYPT have a target to ensure 35 % of offenders are in employment by the end of their order- given the local economy this is an area we anticipate we will struggle with – at year end last year we only achieved 27%. So far this year this is measuring at 31% but given current employment opportunities this will be hard to maintain.

This year funding for offenders to access skills training has been funded through OLASS (offender learning and skills sector) - this funding is ceasing so we are urgently exploring alternatives and considering any barriers there may be to offenders attending generic education and training opportunities.

## **10. Policy and Performance Agenda Implications**

- Rotherham LAA
- SRP partnership plan 09-10 and 10-11

## **11 Background Papers and Consultation**

- Reducing reoffending explanation
- Rotherham reducing re-offending
- TOR RRIOM

**Contact Name: Maryke Turvey, Head of Probation in Rotherham, 376761  
Maryke.Turvey@ south-yorkshire.probation.gsi.gov.**



# OM21 / NI18 Rate of re-offending whilst under Probation supervision

## Data sources used

The data used for measuring the Local Authority Area (LAA) re-offending rate is a combination of Form 20 (F20) and Police National Computer (PNC) data. F20 data is taken from each probation area or trust's case management system at the end of each month, and details those offenders on the Probation caseload at that point. PNC data details proven cautions and convictions and is obtained from the Police.

## 'Re-offending whilst under probation supervision'

Re-offending whilst under probation supervision is defined as those on the F20 snapshot who re-offend within a 3 month period from the F20 date, and have a proven caution or conviction entered on the PNC database within 6 months of the F20 date.

Offences that do not result in a conviction or caution within 6 months are not counted in the re-offending measure

	Jun08	Jul08	Aug08	Sep08	Oct08	Nov08	Dec08	Jan09
F20 Data taken								
	3 months for re-offending to take place							
	6 month period for caution or conviction to be given and entered on the PNC database							
								Rate issued

## The predicted rate of re-offending

In the financial year 2007/08 the rate of re-offending was calculated for each LAA using the methodology detailed above. This provided a benchmark or a baseline for each LAA to be measured against until 2011.

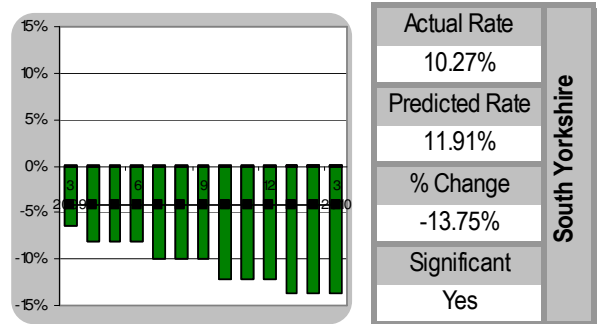
The predicted rate of re-offending is adjusted each quarter to take into account the type of people on the caseload and includes factors such as age, gender, offence, sentence, and number of offenders.

## The actual rate of re-offending

The actual rate of re-offending is calculated using the same methodology. I.e. by taking those offenders on the F20 snapshot and measuring the percentage who re-offend within a 3 month period from the F20 date, and have a proven caution or conviction entered on the PNC database within 6 months of the F20 date. For the measure this is calculated over a period of 12 rolling months.

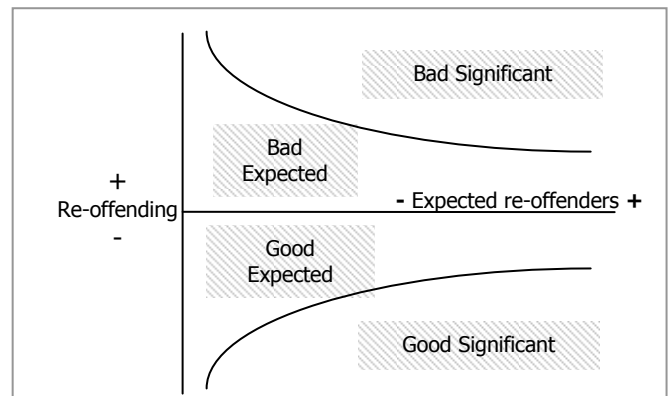
## Difference from baseline / percentage change

This figure is the one that is used to measure performance against the target. It measures the actual rate of re-offending as a percentage of the predicted rate. Eg, a cohort or 100 offenders has a predicted re-offending rate of 10. The actual re-offending rate is 8 offenders. The actual rate of re-offending as a percentage of the predicted rate is (Actual Rate - Predicted Rate) / Predicted Rate, a -20% reduction.



## Statistically significant reduction in re-offending

Statistical Significance is used to measure real change in the rate of re-offending against random fluctuations. This takes into account the number of predicted re-offenders against the change in re-offending rate. This is plotted on a funnel graph, and indicates expected or significant change.



Significant reduction in the rate of re-offending is expected to be demonstrated by the end of 2010/11 by each LAA.

## Publication of the data

The Government Office publishes quarterly on the MOJ website the rate of re-offending for each LAA. [www.justice.gov.uk/publications/local-adult-reoffending.htm](http://www.justice.gov.uk/publications/local-adult-reoffending.htm)

The Information Services Unit in South Yorkshire and Humberside Probation Trust reflect this information as a dashboard for the LAAs in their area, which is published on the local intranet.

## Reducing re-offending and Integrated Offender Management priority group of the Rotherham Community Safety Partnership

### Terms of Reference

Purpose: A cross agency group to develop and coordinate activity to reduce offending and re-offending rates across the borough of Rotherham on behalf of the Rotherham Community Safety Partnership.

Attendance from all starred agencies is essential. Deputies must be sent if members unable to attend.

The group will:

- Ensure procedures are used to identify and target offenders committing volume crime;
- Deliver and monitor the Prolific and other Priority Offenders scheme;
- Deliver and monitor the DIP scheme
- Develop an Integrated Offender Management model ensuring that priority offenders are actively targeted in a multi-agency approach in the community, in custody and on release on licence through appropriate support services.
- Ensure area, regional and national OM policy is implemented
- Address any concerns /issues from the IOM working group
- Report performance and make improvement recommendations to the JAG on behalf of the RCSP executive board
- Ensure delivery of key performance targets/measurables for the RCSP ( see schedule )

### Frequency of Meetings:

The group will meet on a bi-monthly basis.

### Chairing Arrangements:

To be provided by SY Probation Service- Maryke Turvey.

Vice Chair –Inspector Lea Jackson,

### Reporting Arrangements:

The group will report directly back to the RCSP/JAG through its Chair. A regular frequency to be determined by the RCSP and in addition, through the provision of papers to the RCSP on progress against targets set.

The group will be expected to be self-directed, other than when specifically tasked by the RCSP.

### Membership:

*SY Police, Rotherham Intelligence lead	Lea Jackson (Vice Chair)
South Yorkshire Police -area	Marco Zalad, Julia Norton
*SYPT - Rotherham	Maryke Turvey (Chair)
SYPT - South Yorkshire	Avril Montgomery
*SY Police - L.O.M.P vice chair	Dave Turner
*SYPT – L.O.M.P Chair	Doug Maillie
*DIP Programme/ Alcohol and drugs strategy	Malcolm Chiddey
*YOS	Paul Grimwood
Regional Office	Dave Facey
Neighbourhood Partnership	Janet Greenwood
Rotherham Community Safety Partnership	Steve Lavin
Job Centre Plus	Linda Foster
Housing	Juliette Wilson
HMP Prison	Gordon Elliot

Membership will be reviewed regularly, and within 3 months of being established the group will put together a SMART Action Plan against which actions will reviewed for the coming year.

Minutes will be sent to CPS & Courts services, who can be invited to attend on request.

## October 07 September 08 – Used in IPPF 08/09 Q3

Probation Area	Cohort Size (num of offenders)	Actual Rate of Re-offending	Predicted rate of re-offending	% difference from baseline	Required % reduction (target)
South Yorkshire	17744	11.45%	12.10%	-5.38%	-4.2%
Barnsley	3471	12.36%	12.06%	2.47%	-9.3%
Doncaster	4098	12.88%	12.40%	3.91%	-8.5%
<b>Rotherham</b>	<b>3334</b>	<b>9.63%</b>	<b>11.72%</b>	<b>-17.85%</b>	<b>-9.7%</b>
Sheffield	6721	11.17%	12.09%	-7.56%	-6.8%

## January 08 December 08 – Used in IPPF 08/09 Q4

Probation Area	Cohort Size (num of offenders)	Actual Rate of Re-offending	Predicted rate of re-offending	% difference from baseline	Required % reduction (target)
South Yorkshire	17715	11.28%	12.05%	-6.38%	-4.2%
Barnsley	3389	11.83%	12.22%	-3.13%	-9.4%
Doncaster	4128	12.65%	12.33%	2.55%	-8.5%
<b>Rotherham</b>	<b>3424</b>	<b>9.75%</b>	<b>11.58%</b>	<b>-15.74%</b>	<b>-9.6%</b>
Sheffield	6648	11.09%	12.00%	-7.62%	-6.8%

## April 08 March 09 – Used in IPPF 09/10 Q 1

Probation Area	Cohort Size (num of offenders)	Actual Rate of Re-offending	Predicted rate of re-offending	% difference from baseline
South Yorkshire	17870	11.07%	12.05%	- 8.09%
Barnsley	3,348	11.47%	12.14%	- 5.53%
Doncaster	4,211	12.30%	12.42%	- 0.99%
<b>Rotherham</b>	<b>3,451</b>	<b>9.94%</b>	<b>11.6%</b>	<b>-14.30%</b>
Sheffield	6,710	10.75%	11.94%	-10.02%

## July 08-June 09 used in Q2

Probation Area	Cohort Size (num of offenders)	Actual Rate of Re-offending	Predicted rate of re-offending	% difference from baseline
South Yorkshire	18,209	10.84%	12.04%	-9.99%
Barnsley	3,340	11.35%	12.12%	-6.36%
Doncaster	4,362	11.46%	12.37%	-7.31%
<b>Rotherham</b>	<b>3,483</b>	<b>10.28%</b>	<b>11.59%</b>	<b>-11.28%</b>
Sheffield	6855	10.43%	11.92%	-12.5%

Oct 08-Sept 09 used in Q3

Probation Area	Cohort Size (num of offenders)	Actual Rate of Re-offending	Predicted rate of re-offending	% difference from baseline
South Yorkshire	18, 534	10.48%	11.94%	<b>-12.26%</b>
Barnsley	3,397	10.30%	12.05%	<b>-14.52%</b>
Doncaster	4,460	10.76%	12.37%	<b>-11.80%</b>
<b>Rotherham</b>	<b>3,515</b>	<b>11.04%</b>	<b>11.58%</b>	<b>-4.68%</b>
Sheffield	6,971	10.04%	11.79%	<b>-14.83%</b>

Jan 09-Dec 09 used in Q1 PTR 10/11

Probation Area	Cohort Size (num of offenders)	Actual Rate of Re-offending	Predicted rate of re-offending	% difference from baseline
South Yorkshire	18, 785	10.27%	11.91%	<b>-13.75%</b>
Barnsley	3,462	10.11%	12.01%	<b>-15.82%</b>
Doncaster	4,528	10.76%	12.24%	<b>-12.11%</b>
<b>Rotherham</b>	<b>3,531</b>	<b>10.71%</b>	<b>11.62%</b>	<b>-7.88%</b>
Sheffield	7,066	9.68%	11.70%	<b>-17.23%</b>

<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO DEMOCRATIC RENEWAL SCRUTINY PANEL</b>
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<b>1.</b>	<b>Meeting:</b>	Democratic Scrutiny Renewal Panel
<b>2.</b>	<b>Date:</b>	15 July 2010
<b>3.</b>	<b>Title:</b>	Scrutiny Review of Debt Recovery: Creation of a Single Debt Recovery Service
<b>4.</b>	<b>Directorate:</b>	Financial Services

## 5. Summary

This report refers to a recommendation made following a scrutiny review of debt recovery arrangements for the Council to create “one debt collection service for council tax, sundry debts and 2010 rents”. The main reason for this recommendation was to ensure residents with multiple debts received a join-up service.

There are 112,000 Council Tax payers in Rotherham and 20,000 housing tenants. Less than 500 residents have significant debt on both their rent and council tax accounts and there were around 30 formal complaints received in 2009/10 by the various services relating to debt collection issues (only 7 of these were upheld). In proportion to the number of payers, the number with significant multiple debts is small and the number of complaints even smaller.

Set in this context, this report shows how current arrangements between the respective services for co-ordinating their work relating to residents with significant multiple debts can be developed to achieve the objectives of the scrutiny recommendation, without requiring full consolidation of existing services, which could have significant financial and operational implications.

Of particular significance is the fact that Rotherham’s performance in collecting debt is exemplary under the existing arrangements. Any reduction in current performance would create a detrimental impact on the Council’s overall budget, and this must be a risk with any new arrangements, at least in the short term.

The Strategic Leadership Team has considered this report and agrees with the conclusions and recommendations.

## 6. Recommendations

**The Democratic Renewal Scrutiny Panel is asked to:**

- **Note the findings and conclusions of this review**
- **Support the recommendation for debt collection services to improve the communication and co-ordination of debt recovery action relating to significant multiple debts, as opposed to the consolidation of existing services.**

## 7. Proposals and Details

Following a scrutiny review of Debt Recovery arrangements, a report was presented to Cabinet for its consideration on 23 September 2009. The report included 15 recommendations for strengthening the support given to customers who owed money to the Council, developing a more 'joined up' approach to debt recovery and for alleviating some concerns regarding the use of private bailiffs in collecting Council debts.

All recommendations made by the Performance and Scrutiny Overview Committee were subsequently accepted by Cabinet on 2 December 2009, and an action plan was produced for addressing the recommendations.

Recommendation 13 was for the Council to consider creating "one debt collection service for council tax, sundry debts and 2010 rents". This report identifies the potential costs, benefits and disadvantages of establishing a single debt recovery service.

### 7.1 The Debt Recovery Scrutiny Review

The scrutiny review report relating to this part of the Council's arrangements stated:

#### ***"3.4 Joining Up***

- The review group were informed that other local authorities have one point of collection for numerous corporate debts. In Rotherham, arrears chasing is by the service provider/section. An individual paying their council tax could be denying rent to 2010. 2010 also suggested that debt advisors and debt collection could all be corporately located in one team at the Council jointly with 2010. There appeared very little evidence of a joined up working and therefore the Council is unable to develop a holistic approach to individuals".*

It resulted in the following recommendation:

*"13. The Council should have one debt collection service for council tax, sundry debts and 2010 rents. Individuals will not have to contact multiple departments or deny one service their payments to pay another".*

In response, Cabinet agreed "A more detailed review will be carried out of the costs and potential benefits of consolidating existing arrangements into one debt collection service".

As part of this follow up work we have been unable to identify any authority that has combined the collection of council tax, sundry debts and rents. We asked Scrutiny Services for any information the Team had received about other local authorities' arrangements and, after consulting with 2010 Rotherham Ltd, RBT, the Citizens Advice Bureau, Voluntary Action Rotherham, Local Government Yorkshire and Humber, and IDeA, Scrutiny Services stated they could not "find authorities using a single collection point as recommended".

Scrutiny Services also reported that:

*"Mark Luntley, Programme Director for Finance at the LGA, has said that it is not uncommon to have council tax, sundry debts and business rate collection under one roof, however, he could not name any authorities that include rents in this arrangement..."*

*He felt that there was a lot of scope for efficiencies in thinking about where the links between debts are, and overlaps, but could not suggest a model of where the single collection team was operating”.*

Although this has been found to be the case, the Scrutiny Review was right to point out that there are opportunities for the existing services to work better together to deal with residents in a fairer way. One way of achieving the objective of improving customers' experience would be to refine the processes to be applied by each service when debts reach prescribed levels, to ensure that residents with significant multiple debts can be interacted with in a co-ordinated way.

## **7.2 The matter in context**

There are 112,000 Council Tax payers in Rotherham and 20,000 housing tenants. Each year approximately 30,000 sundry accounts are raised for services provided by the Council. The following provide an indication of the number of residents with significant multiple debts:

- 467 residents have both a rent account with a notice to seek possession and a council tax liability order
- 51 residents have a rent account with a notice to seek possession, a council tax liability order and at least one outstanding sundry account
- 353 residents have a council tax liability order and at least one outstanding sundry account
- 124 residents have a rent account with a notice to seek possession and a council tax debt passed to a bailiff.

There were around 30 complaints received in 2009/10 by the various services relating to debt collection issues. 5 of the complaints were fully upheld and 2 partially upheld.

In proportion to the number of payers, the number with significant multiple debts is very small and the number of complaints even smaller.

## **7.3 Enhanced co-ordination of existing services**

The relevant services have confirmed they would be willing and able to work more closely when debts reach specified thresholds.

As indicated in 7.2 above, most residents in multiple debt have arrears on their rent accounts. It is possible within the 2010 Rotherham Ltd system to 'flag' accounts requiring officers' action before recovery of debt is pursued. It is proposed that before any account is due to be issued with a 'Notice to Seek Possession' (NSP), the Housing Rents Income Service will contact the Council Tax and Sundry Accounts collection teams to ascertain whether any other debts exist. There are 1,400 cases reaching NSP stage each year.

In order to capture any residents with council tax and sundry account debt (but no rent account in arrears), the Council Tax Section will contact Sundry Accounts where they are considering asking for a pre-committal summons for any account (there are 200 pre-committal summons each year). Correspondingly, the Sundry Accounts Team will contact the

Council Tax Section where the former is considering referring any case for legal action (approximately 100 cases per year).

Where any case with multiple significant debts exists, the teams will co-ordinate their actions.

In addition to the actions proposed, when any resident experiences the later stages of debt recovery action referred to above, they will be signposted to the Money Advice Service for help and assistance.

It should also be noted that the Council has purchased 50,000 'Advice in Rotherham' leaflets to be sent out with any reminder sent by the Council. These leaflets, which were produced in response to the Scrutiny Review, contain current information on all the agencies available to help anyone getting into debt, and are available for residents to obtain support at an early stage to, hopefully, help residents avoid getting into greater difficulty.

The proposals outlined above would seem to provide an economical, pragmatic and effective option for creating joined-up debt collection arrangements, which should ensure significant multiple debt cases receive a joined-up approach to contact in relation to debt recovery.

## 7.2 A single collection service

Although this review was unable to find any established single collection services, we have looked at the potential implications of creating one debt collection service in Rotherham, compared with the option of enhancing existing arrangements to provide better co-ordination.

In theory, a single collection service should lead to a more seamless service for residents who find themselves in debt. This model should enable a single case file to be established for each debtor and for one officer to be responsible for making any agreements for all services with debts outstanding. Although in concept, this seems a relatively straightforward argument, in practice there are a number of issues that complicate the option, including mainly:

**The various services (council tax, business rates, housing rents and sundry accounts) operate to different legal and regulatory frameworks.**

The existing rules require different steps / stages within the recovery processes and are prescriptive, providing little opportunity for deviation.

These differences would exist irrespective of the organisational structure adopted and would require officers within any consolidated service to develop specialisms. In effect, while a separate team would be created, organisational divisions would probably still exist within the team.

Alternatively, if officers were expected to gain knowledge and expertise of more than one system, they could submit claims for re-grading, which would reduce the value of any savings achieved through consolidating services.

**A variety of systems are used by the debt recovery services and these systems link to the respective core activities**

Each debtor has an individual account for any service received. The relevant services administer the respective accounts. The creation of a single debt collection service would require a new debt system to be created with appropriate interfaces made to existing systems OR access and some editing powers for each existing system would need to be provided to any single debt recovery service. Any



arrangement could create complications, extra bureaucracy and confusion between the debt recovery service and the services' administrators.

Services collecting debt currently cost approximately £850,000 per year (excluding Council Tax and NNDR systems costs, which cannot be separated for recovery). This is made up of £340,000 for Council Tax / NNDR, £160,000 for sundry accounts and £350,000 for rent recovery. If 10% savings could be achieved through any merger, this would save the Council £85,000 per year. However, it should be noted that a detailed exercise has not been carried out to assess the precise structure that might be required and there would be some additional costs, such as those highlighted above, involved in the operation of a joint service. It is thought that any net savings that could be achieved would be marginal.

There are two other significant factors that would need to be taken into account in any decision to create a single service. These are:

**Services are currently provided by different organisations**

Currently, 2010 Rotherham Ltd collects rent income and RBT collects council tax and business rates. These organisations are paid under management agreement or contract to provide these services. There could be significant contractual issues relating to any changes in the existing arrangements, including the possible TUPE of staff and compensation to RBT under the RBT contract affordability model (unless any new team is placed within RBT).

**There could be substantial set-up costs**

Any new service might need new accommodation and / or other infrastructure requirements. There could be substantial costs associated with any new accommodation or relocation

Overall, there is not a strong financial argument for creating a single debt recovery service.

**7.5 Other relevant factors - the Council's performance in collecting debt.**

The Council collected 97% of Council Tax in 2008/09 (4<sup>th</sup> highest of metropolitan authorities). It increased the collection rate to 97.1% in 2009/10.

2010 Rotherham Ltd collected 99.53% of Council Housing Rents during the period 2009/10. This statistic placed Rotherham in the top 25% in the performance league tables for ALMOs in England and Wales.

Rotherham collects sundry accounts in 44 days (average) compared with a benchmarking club average of 67 days. It also costs the Council less to collect each debt at £8.44 compared with an average of £9.06.

These indicators show that Rotherham's performance in collecting debt is exemplary under the existing arrangements. Any change to existing arrangements could result in a reduction in these performance levels, at least temporarily, which would create a detrimental impact on the Council's overall budget.

**7.6 Conclusion**

It is suggested that the main objectives of the scrutiny recommendation can be achieved by enhancing current arrangements between the respective services for co-ordinating their work

relating to residents with significant multiple debts. This approach could be adopted rather than the merger of current services, which would have a range of financial and operational implications.

## **8. Finance**

Section 7 indicates a number of areas where costs would be incurred if the Council decided to proceed with any proposal to consolidate debt recovery services. Some of the costs could be quite significant. A full and detailed review of the implications outlined in this report would need to be completed if Members were minded to pursue a consolidated option.

Services have indicated they could absorb any additional work associated with the alternative suggestion of improved communication and co-ordination when debts reach prescribed thresholds, at no significant extra cost.

## **9. Risks and Uncertainties**

Full implementation of the scrutiny review recommendation could result in substantial additional set up costs and disruption.

Implementation of the alternative proposal may fail to secure the improvements needed in communication and co-ordination between the debt recovery services. The services will monitor the impact of any revised arrangements and report on any benefits and disadvantages experienced.

## **10. Policy and Performance Agenda Implications**

The Council aims to implement effective and efficient debt recovery proceedings in order to maximise income and minimise the impact of non-collection on Council Tax and rent levels and service provision. The Council also aims to support all residents in financial difficulty, particularly during the current economic downturn.

This review and proposed revisions to debt recovery arrangements are consistent with both objectives.

## **11. Background Papers and Consultation**

- Cabinet Report - Debt Recovery Scrutiny Review - 23 September 2009
- Cabinet Report – Response to the Debt Recovery Scrutiny Review – 2 December 2009
- Performance and Scrutiny Overview Committee Report – Progress on recommendations, 12 March 2010
- Strategic Leadership Team, 5 July 2010

Debt recovery services have been consulted in producing this report.

**A full and detailed review of the implications outlined in this report would need to be completed if Members were minded to pursue a consolidation option. Any full review would need to be inclusive of all stakeholders, including the Council, RBT and 2010 Rotherham Ltd management, and staff representatives.**

**Contact Names:**

Colin Earl, Director of Internal Audit & Governance, 01709 822033

e-mail: [colin.earl@rotherham.gov.uk](mailto:colin.earl@rotherham.gov.uk)

<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO DEMOCRATIC RENEWAL SCRUTINY PANEL</b>
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<b>1.</b>	<b>Meeting:</b>	Democratic Renewal Scrutiny Panel
<b>2.</b>	<b>Date:</b>	15 July 2010
<b>3.</b>	<b>Title:</b>	Scrutiny Review of Debt Recovery: Bailiff Services
<b>4.</b>	<b>Directorate:</b>	Financial Services

### 5. Summary

This report refers to a recommendation made following a scrutiny review of debt recovery arrangements, for the Council to consider examining the business case for creating an in-house bailiff service. The main benefits of such a change were seen as being twofold in that, firstly, the Council would be able to retain the revenue generated from bailiff fees and, secondly, there would be greater accountability when dealing with vulnerable customers.

Comparison of existing charges to both the Council and customers with estimated costs of an in-house service, suggests the Council would have to subsidise any internal service by approximately £88,404 per year or charge customers more than is currently the case for the recovery of debt. The creation of an in-house service would also involve set up costs of approximately £76,765.

In considering any alternatives it should be noted that the Council's current arrangements, which involve the use of external bailiffs, work very effectively. The Council's Council Tax and NNDR collection rates are amongst the best in the country. The creation of an in-house service could adversely affect the Council's income collection rates, at least in the short term. If this happened, there would be a reduction in Council Tax collected to pay for Council services.

The Scrutiny Review recommendation has had a positive impact. While the number of formal complaints received by the Council about bailiffs is low, as a result of the review quarterly forums have been established between the Council, bailiffs and advice services to enable any concerns to be addressed in an open and constructive way. This should improve the customer relations element of existing arrangements.

The Strategic Leadership Team has considered this report and agrees with the conclusions and recommendations.

### 6. Recommendations

**The Democratic Renewal Scrutiny Panel is asked to:**

- **Note the findings and conclusions from the review of the business case for creating an in-house bailiff service**
- **Support the recommendation to continue to work closely with bailiffs and advice services, rather than to establish an in-house bailiff service.**

## 7. Proposals and Details

Following a scrutiny review of Debt Recovery arrangements, a report was presented to Cabinet for its consideration on 23 September 2009. The report included 15 recommendations for strengthening the support given to customers who owed money to the Council, developing a more 'joined up' approach to debt recovery and for alleviating some concerns regarding the use of private bailiffs in collecting Council debts.

All recommendations made by the Performance and Scrutiny Overview Committee were subsequently accepted by Cabinet on 2 December 2009, and an action plan was produced for addressing the recommendations.

Recommendation 9 was "*The Council considers examining the business case of an in-house bailiff service where there could be clearer lines of accountability, performance monitoring and charges to client*".

This report seeks to analyse the cost implications associated with the establishment of an 'in-house' bailiff service and highlight some other issues that might affect any decision to change from the existing arrangements.

### 7.1 The Debt Recovery Scrutiny Review

The scrutiny review report relating to this part of the Council's arrangements stated:

*"3.5 ... When someone's debt is passed onto bailiffs, the bailiffs will add their own extra fees which the Council does not receive. If the Council were to have an internal service they would receive these additional fees. Whilst evidence given demonstrated that the highest collection rates are from Councils that use private bailiffs this information does not reflect the extra revenue generated from the additional charges levied. If there were an internal service, this would prevent confusions and tensions over the use of bailiffs, the Council could charge a lower rate of additional fees and would also be more aware of the service that individuals are receiving.*

The main benefits of such a change were seen as being twofold in that, firstly, the Council would be able to retain the revenue generated from bailiff fees and, secondly, there would be greater accountability when dealing with vulnerable customers. In terms of revenue retention it was felt that this could be used to finance the service and lead, possibly, to a reduction in fees / costs charged to customers.

Establishment of an in-house service should make the day to day control of bailiff work more straightforward as it would remove a link in the management chain. Establishing a team of internal bailiffs may also lead to more direct liaison with debt advice agencies, particularly where customers are identified as vulnerable.

### 7.2 Current Recovery Process

The Council makes extensive efforts to engage and work with customers to try to come to a mutually satisfactory solution to the management of their debt. Despite this, in some instances the referral to bailiffs is the only step that can be taken in order to secure payment of the Council Tax that is legally due.

Before any case is passed to the bailiffs, the debtor will have been issued with, as a *minimum*, a Council Tax bill, a reminder and a summons. At each stage the debtor is urged to make contact with the service, to discuss any outstanding payments. Even after the issue of a Liability Order by the Magistrates Court, which signifies the start of the bailiff referral process, the Revenues Team issues further warning letters and attempts to apply attachment of earnings or deductions from benefits before referring any case to the bailiffs. The referral of any case to the bailiff is always a last resort and is only used where the customer has failed to engage with the service or where previous recovery methods have failed.

Benchmarking data suggests that Rotherham's use of bailiffs is low. Amongst councils participating in the benchmarking exercise, the average number of bailiff referrals per 1,000 chargeable dwellings in 2008/09 was 60 whilst Rotherham's average was 44. In 2008/09 there were 4,844 Council Tax and 527 Business Rates liability order cases referred to the bailiffs. In 2009/10, the numbers had fallen, respectively, to 3,759 for Council Tax (14% fewer than in 2008/09) and 453 for Business Rates (22% fewer). This means, in 2009/10 the Council referred 35 cases to bailiffs per 1,000 chargeable dwellings, which is 58% of the 2008/09 average.

The 2 companies used by the Council to provide bailiff services – Rossendales and Jacobs – are required to comply with Codes of Practice that meet the Institute of Rating, Revenues and Valuation (IRRV) model Code.

### 7.3 Costs and charges to customers

Under the existing arrangements, costs incurred by the bailiffs are charged directly to the debtor. The Council is only liable for bailiffs' costs on occasions when staff intervene to stop or pull back a case from bailiffs and costs have already accrued. These costs are negligible; for example in 2009/10 they were £4,426.

We have been advised by the Bailiffs that the average fees charged to customers is £100 per liability order and that they have a 58% recovery rate (i.e. on average the bailiffs collect £58 costs per liability order). In 2008/09 the authority referred a total of 5,371 Council Tax and Business Rates liability order cases to the bailiffs. This means that the bailiffs recovered £311,518 in 2008/09 (£58 x 5,371). The Council's costs would have to be lower than this if it were to be able to reduce charges to clients or generate savings.

Following a review of various authorities' arrangements, an indicative structure for an in-house service has been produced based on a structure at North Tyneside Metropolitan District Council, which operates an internal service and is fairly similar to Rotherham, although slightly smaller in size (*93,500 properties in North Tyneside compared with 111,500 in Rotherham*). North Tyneside Council's performance in collecting Council Tax is roughly comparable with Rotherham, having achieved 96.9% in 2008/09, compared with Rotherham's collection rate of 97%, and North Tyneside's model provides for a number of bailiffs helped by support staff who deal with case management and incoming customer contact. This is a cost effective way of providing an overall service. The alternative of requiring bailiffs to perform all of the case management and contact would add significant extra costs.

Using the North Tyneside Model, the Council would face the following costs:

- Initial start up costs of £76,765

- Annual running costs of £368,770, made up of staff costs (£297,140) and running costs (£71,630)

More details of these costs can be found in **Appendix 1**.

***(Note – these costs assume that Rotherham could operate with the same establishment as North Tyneside, even though the latter has fewer residents)***

The Council would either have to subsidise the service by £88,404 per year (the difference between the amount it is assumed that the in-house service would recover <sup>\*1</sup> and the cost of the service), or it would have to charge clients more in order to recover its full costs. Assuming 2008/09 referral levels and a 58% recovery rate, as per the bailiffs' current performance, the Council would have to recover £76 per liability order <sup>\*2</sup> in order to recover its full costs. This is considerably higher than the £58 achieved by external bailiffs.

It should be noted that there are a number of debts that relate to accounts where the customer has moved out of the Rotherham area. It is not known precisely how many debtors have 'absconded' from the area, but estimates based on a review of a sample of cases suggests it could be as much as 10% of the total number of debtors. If an 'in-house' service were to be adopted, consideration would have to be given to how these debts would be collected i.e. by the Council's in-house team, which might require substantial amounts of travel and costs, or by the appointment of external bailiffs for these cases. In other authorities with 'in-house' arrangements, out of area debt has still necessitated an arrangement to be made with a private bailiff company.

#### **7.4 Risks relating to performance and income collection**

In 2008/09 the Council collected 97.0% of the council tax due, making it the 4<sup>th</sup> best performing Metropolitan District Council in the country (out of 36) and the best in the Yorkshire region. In 2009/10, performance improved slightly to 97.1% despite the current economic conditions.

Any reduction in the Council's performance would directly reduce income to fund Council services. A 1% reduction in performance would reduce income by around £800,000. Any change in arrangements would run the risk of reducing collection rates, at least during the transitional period.

Out of the 9 Metropolitan Councils achieving upper quartile performance for council tax collection in 2008/09 (2009/10 figures are not yet available), only North Tyneside MBC had an in-house service. In South Yorkshire, only Doncaster has an in-house service and it achieved 95.5% collection of Council Tax and 95.0% of business rates in 2008/09. If Rotherham performed at these levels it would have received £1.2m less in Council Tax for that year. In recent months Doncaster Council has established contracts with private companies to collect some cases.

The bailiff industry has traditionally high staff turn-over rates. The loss of staff and training of new staff in a relatively small team for any significant length of time could result in a

<sup>1</sup> This is £58 per case managed, which is 90% of the total (with 10% out of area cases given to external bailiffs). i.e. Amount collected £58 x 5,371 cases x 90% = £280,366

<sup>2</sup> Adjusted for out of area accounts which the Council could not charge for, as these would still be pursued by external bailiffs. This is £368,770 divided by 4,834 cases (5,371 cases in 2008/09 x 90%; 10% out of area)

downturn in collection levels. North Tyneside Council has stated it has difficulty in retaining good staff and is often operating at less than full establishment.

## 7.5 Service standards

Part of any rationale for establishing an in-house service is to be able to work more closely with vulnerable customers. In this respect it should be noted that the Council already has in place a procedure for dealing with vulnerable customers, which it operates with the bailiffs companies. The bailiff companies regularly identify and refer potential vulnerable cases back to the Council for further consideration.

Additionally, it is felt that an in-house service would be better for customers as they would be dealing directly with the council at all times and lines of responsibility would be clearer. Whilst this is undoubtedly true it must be emphasised that under the current arrangements the Council's debt recovery staff work very closely with their colleagues at the private bailiff companies who are helpful, professional and responsive.

The council received 10 complaints during 2009/10 that related to bailiff cases. The Council monitors the bailiffs' response to complaints, to ensure the residents are treated fairly. Any unfair treatment of any resident is unacceptable. However, given the nature of the work, this level of complaints does not suggest the existence of any fundamental problem with current arrangements.

There is close liaison between the Council and bailiff services on debt collection issues. This includes formal quarterly reviews of the bailiffs' performance. Additionally, following on from the Scrutiny review, quarterly forums have been established between the Council, bailiffs and advice service, to enable any concerns to be addressed in an open and constructive way.

## 7.6 Conclusions and Recommendations

- The Council's current arrangements work very effectively. The Council's collection rate is amongst the best in the country. The Council refers far fewer cases to bailiffs than other authorities in its benchmarking group (as few as 58% of the average). And, while there are inevitable complaints about bailiffs, the number of formal complaints received by the Council is very low.
- This review shows that the Council would have to subsidise any internal service and / or charge customers more than is currently the case for the recovery of debt.
- There would be significant initial investment required to set up an in-house service. The costs associated with this would either have to be written off or charged to debtors over time.
- The creation of an in-house service could adversely affect the Council's income collection rates, at least in the short term. If this happened, there would be a reduction in Council Tax collected to pay for Council services.
- There is currently a downward trend in the number of cases being referred to bailiffs. If this continues, the unit costs for dealing with each case are likely to increase, resulting in even higher charges being made to those in debt, or a more significant Council



subsidy required. This would not be the case with external bailiffs, who can more easily adjust resources and, therefore, keep charges low.

It is recommended that the Council should continue to work with bailiffs to make the services provided to customers' as sympathetic as possible in the circumstances. It is also recommended that the Council continues to work as proactively as possible with debtors, to prevent cases from being referred to bailiffs.

It is not recommended that the Council establishes its own bailiff service

## 8. Finance

Section 7.3 shows the cost to the Council and customers (on average) of existing arrangements. These are compared with estimated costs and charges of creating and running an in house bailiff service. It is estimated that it would cost the Council £88,404 per year to subsidise an in-house service, if charges to customers are kept at their current levels.

The creation of an in-house service would also involve set up costs of approximately £76,765.

No budget provision has been made for any costs arising from this review. Any proposals would, therefore, have to be considered alongside any other priorities for Council funding.

## 9. Risks and Uncertainties

The current arrangements for collecting debt work effectively. The risks associated with the use of external bailiffs are managed through monitoring of the bailiff's performance by Council officers and through close liaison and working between the Council's officers and bailiffs.

The creation of an in-house service may enable the Council to be more flexible in changing services as required, by virtue of being directly in control of the services. This might improve customers' experiences of debt recovery.

Conversely, the creation of an in-house team could reduce income collection rates, at least in the short term, and reduce the resources available to the Council for the delivery of (other) Council services.

## 10. Policy and Performance Agenda Implications

The Council aims to implement effective and efficient debt recovery proceedings in order to maximise income and minimise the impact of non-collection on Council Tax and rent levels and service provision. The Council also aims to support all residents in financial difficulty, particularly during the current economic downturn.

This review and confirmation / proposed revisions to debt recovery arrangements are consistent with both objectives.

## **11. Background Papers and Consultation**

- Cabinet Report - Debt Recovery Scrutiny Review - 23 September 2009
- Cabinet Report – Response to the Debt Recovery Scrutiny Review – 2 December 2009
- Performance and Scrutiny Overview Committee Report – Progress on recommendations, 12 March 2010
- Strategic Leadership Team, 5 July 2010.

### **Contact Names:**

Colin Earl, Director of Internal Audit & Governance, 01709 822033

e-mail: [colin.earl@rotherham.gov.uk](mailto:colin.earl@rotherham.gov.uk)

### **Appendix 1: Analysis of the cost of an in-house bailiff service**

## Analysis of the cost of an in-house bailiff service

### 1. Introduction

We have looked at a number of authorities who utilise internal rather than external bailiffs to collect Council Tax. The arrangements at North Tyneside Council have been used to determine what any structure at Rotherham might look like, because:

- The authority is fairly similar to Rotherham, although slightly smaller in size (*93,500 properties in North Tyneside compared with 111,500 in Rotherham*)
- The Council's performance in collecting Council Tax is roughly comparable with Rotherham, having achieved 96.9% in 2008/09, compared with Rotherham's collection rate of 97%
- North Tyneside Council's model provides for a number of bailiffs helped by support staff who deal with case management and incoming customer contact. This is a cost effective way of providing an overall service (leaving bailiffs to perform all of the case management and contact would add significant extra costs).

### 2. Staffing

The structure requirements set out below are based on the North Tyneside Council model:

Post	Number	Annual Salary & On Costs per officer	Total Annual Salaries & On Costs
Team Leader	1	£43,052	£43,052
Technical Officer	1	£30,554	£30,554
Bailiff	5	£30,554	£152,770
Support Officer	3	£23,588	£70,764
	<b>10</b>		<b>£297,140</b>

### 3. Annual Costs

The following annual non-staff costs would accrue to the service:

Item	Number	Total Annual Cost £
Accommodation	5 (office-based staff)	7,500
Transport Costs (van, fuel and parking)	5	19,175
IT equipment, including software, broadband and printing	10 (5 for broadband)	23,498
Mobile Phones	5	6,600
Other non-staff Costs	-	14,857
		<b>£71,630</b>

Notes:

### IT

Requirement for staff to be able to access and update core systems while out on the doorstep. Lack of this facility will mean additional inputting of visit results on return to office either:

- by the bailiffs themselves which will cut down their time on the road
- by additional support staff not quoted for in the business case.

The ability to access systems on the doorstep allows queries to be resolved quickly meaning visits are more successful, customer queries can be answered and the bailiffs can complete more visits per day. It also cuts down on unnecessary paperwork thereby saving money.

The figures quoted are based on Kirona, which is the mobile solution provided by Northgate who is our current core Council Tax System provider.

### Bailiff broadband

Bailiffs would have to be provided with Broadband access. The cost per month would be:

- £51.85 usage
- £18.00 Crypto Card service charge

### Staff Software Charges

Per bailiff per annum:

- £240 Microsoft Office licence
- £25 Email
- £50 Internet

### Printing

Based on a referral level of 5,000 Liability Orders per annum and allowing for at least five prints per L/O (a cautious estimation - notification letters, expenditure docs at 2 pages, letters to be left where no response, Nulla Bona etc). Black and white printing costs = 2.445p per print:

- $20,000 \times 2.445p = £489.00$

### Mobile Phones

Mobile phones are required so bailiffs can:

- contact the office to discuss accounts at point of visit
- seek advice before levy or charging waiting time costs
- assist debtors in respect of other queries raised
- safety of bailiff

A basic phone is free with £2 per month line rental. Calls are charged at an average 18p per minute. Monthly calculation based on 30 minutes calls per bailiff per day for 20 days per month:

- $Calls\ 30 \times 18p \times 20 = £108$  per bailiff per month
- Line rental = £2 per bailiff per month

### Other non-staff costs

These include hire of tow truck, auctioneers' fees, storage for goods recovered, recruitment and selection, HR, legal assistance, training and the 'crisis line'. The crisis line is used to monitor officers' location and safety.

**4. Set Up Costs**

The following set-up costs would be incurred:

Item	Number	Total Cost (£)
Recruitment and Selection	1	3,500
Training	10	9,410
Bailiff Licensing	5	2,105
Laptops	10	8,060
Software and software licenses	1	42,000
Northgate Bailiff Module	1	8,600
Broadband	5	1,090
Sundry costs (clothing, wheel clamps and personal alarms)	1	2,000
		<b>£76,765</b>

Notes:

Recruitment and Selection (Initial)

Estimate based on expenses incurred in advertising in appropriate trade papers in addition to cost internally of recruitment and selection. Bringing in skilled staff initially may help reduce costs elsewhere and should mean better initial performance than would be achieved by training a team from scratch.

Training

Based on quotes from current external training suppliers

Bailiff Licensing

These expenses of £421 per bailiff will be incurred in initially getting the bailiffs up and running and are per bailiff: -

- £150 - Application to court
- £200 - Bailiff bond
- £23 - CCJ search
- £48 - CRB check

Laptop & Software

This figure of £806 per member of staff covers the initial hardware, software and installation:

- £657 - Laptops
- £55 - Laptop Installation
- £47 - Email Account installation
- £47 - Internet Account Installation

Bailiff Broadband

This is necessary to allow bailiff to access to the system. Per bailiff:

- £141.08 Crypto card token, licence and installation
- £50.00 USB Modem
- £26.82 USB delivery & installation

<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO DEMOCRATIC RENEWAL SCRUTINY PANEL</b>
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<b>1.</b>	<b>Meeting:</b>	Democratic Renewal Scrutiny Panel
<b>2.</b>	<b>Date:</b>	15 July 2010
<b>3.</b>	<b>Title:</b>	Scrutiny Review of Debt Recovery: Additional effort to contact debtors prior to referral of cases to bailiffs
<b>4.</b>	<b>Directorate:</b>	Financial Services

## 5. Summary

This report refers to a recommendation made following a scrutiny review of debt recovery arrangements, which is for the Council to take additional steps to contact residents owing Council Tax prior to the Council referring debts to bailiffs for recovery.

A pilot has been carried out on 97 council tax cases about to be passed to bailiffs. The pilot resulted in a small amount of additional council tax being collected and agreement of payment arrangements with half of the sample group. However, it should be noted that two-thirds of the residents making payment arrangements later defaulted on the agreement within one month of making it. In these cases, referral to bailiffs was delayed and, with it, the chances of the prompt recovery of debt.

The pilot demonstrated benefits including identification of vulnerable residents or residents potentially entitled to benefits or discounts and identification of vacant properties.

In order to attempt pro-actively to contact approximately 900 relevant cases per year prior to referring these to bailiffs, RBT would have to engage one extra collection officer at a cost of £29,000. No budget is currently available to meet these costs and this requirement would have to compete with other Council priorities.

The Strategic Leadership Team has considered this report and suggests not investing in additional proactive work on the basis of this pilot and in view of other priorities for Council resources at the current time.

## 6. Recommendations

**The Democratic Renewal Scrutiny Panel is asked to:**

- **Note the findings and conclusions from this pilot involving taking additional steps to contact residents owing Council Tax prior to the Council referring debts to bailiffs for recovery**
- **Support the recommendation to not invest in additional proactive activity at this time.**

## 7. Proposals and Details

Following a scrutiny review of Debt Recovery arrangements, a report was presented to Cabinet for its consideration on 23 September 2009. The report included 15 recommendations for strengthening the support given to customers who owed money to the Council, developing a more 'joined up' approach to debt recovery and for alleviating some concerns regarding the use of private bailiffs in collecting Council debts.

All recommendations made by the Performance and Scrutiny Overview Committee were subsequently accepted by Cabinet on 2 December 2009, and an action plan was produced for addressing the recommendations.

Recommendation 7 was for the Council to *"consider for those individuals who repeatedly fall into debt or are on the verge of having their debt passed to bailiffs that a more proactive approach via home visits or phone calls might be more successful in recovering debt"*.

This report shows the findings of a pilot exercise designed to assess the costs and benefits of proactively attempting to contact residents with council tax arrears about to be referred to bailiffs for recovery action.

### 7.1 The Debt Recovery Scrutiny Review

The scrutiny review report relating to this part of the Council's arrangements stated:

*"6.6.1 The review group were impressed with the approach of 2010 to collecting their housing rent. There are three teams of Housing Income Champions comprising 11 officers who will visit residents and deal on a one to one basis any issues a client is having with paying their rent. Contact details are made available and accessible to all 2010 residents and home visits are made to those who have defaulted on their payments. ...*

*6.6.2 Clearly there are many more people in Rotherham paying council tax than there are 2010 residents so home visits to all those defaulting on their council tax would be an enormous undertaking that would be resource intensive on officer time. However the Council could consider this approach in specified circumstances, for example, for those with the largest amount of debt or who repeatedly fall into arrears. In many cases people have fallen into multiple debt and are too frightened even to open their letters. It appears that this approach has been successful for 2010 ....*

The benefits of making contact with debtors prior to bailiff referral are that:

- We can be sure that the debtor is fully aware of the situation which in the current economic climate may particularly assist debtors who have previously had little experience of debt
- We can advise the debtor of potential benefits, discounts or exemptions they may be entitled to but are not currently in receipt of
- Income details are obtained which can allow alternative recovery options such as benefit deductions or Attachment of Earnings where the debtor does not make a suitable arrangement for payment.

## 7.2 Review of cases about to be referred to bailiffs for the collection of council tax arrears

In order to assess potential costs and potential benefits of adopting a more proactive approach, the Council Tax Section selected 97 cases during the period March – April 2010 where accounts were about to be passed to bailiffs. The aim of this Pilot was to analyse the effect on debtors who had outstanding Council Tax accounts but had not responded to earlier reminders that had been issued to them.

All the 97 accounts included in the Pilot met the following criteria:

- They had a Liability Order outstanding in respect of 2009/10 financial year
- They had not responded to documentation issued which would have been at minimum - bill, reminder, summons, Liability Order
- They would have been referred to bailiffs as the next stage of recovery action
- The debtor did not have a past history of default on Council Tax payments.

Attempts to contact debtors were made by telephone and home visits. A total of 150 phone calls were attempted by staff on the 71 cases where telephone numbers were available or found. The average time per case was estimated at 1 hour (71 hours in total), including time for:

- Finding the telephone numbers
- Successful and unsuccessful call time
- Call preparation and subsequent system input.

It should be noted that the pilot was carried out at the end of the financial year when a large percentage of the Liability Orders would relate to benefit claimants. It is more likely that we hold telephone numbers for benefit claimants as this is requested when a benefits claim is made. Where a debtor is or has been a benefit claimant then the chances of contact are increased because telephone numbers tend to have been obtained at the time of the benefit claim and the residents are more likely to be present at the property on visit.

Past experience shows that most residents in arrears not receiving benefits are picked up in the early stages of the financial year. In many cases, phone numbers are not held for these cases and proactive work in these instances would more likely require a higher proportion of home visits.

The visiting process equated to a week and a half of visiting officers' time (55.5 hours). This time included:

- Travelling time
- Time spent at properties (successful and unsuccessful)
- Visit preparation and subsequent system input.

Of the 97 debtors:

- 36 were contacted by phone
- 22 were contacted by home visit
- 41 were not contacted.



Staff were attempting in both stages of the procedure to:

- Obtain payment or an arrangement for payment
- Advise the debtor of the seriousness of the situation and inform them of the recovery actions that could be taken against them
- Obtain income details which a debtor is legally obliged to provide following the Liability Order being granted
- Identify cases where benefits, discounts or exemptions may be applicable which had not been applied for
- Identify cases where the debtor had left the address we held for them
- Identify vulnerable debtors.

### **7.3 Results from the pilot**

A number of positive outcomes were achieved from the pilot, including:

- Payment arrangements were made with 49 residents (out of 58 contacted). However, it should be noted that 32 of these residents defaulted within one month of making the arrangement. In these cases, referral to bailiffs was delayed and, with it, the chances of the prompt recovery of debt
- A small amount of debt (£484) was collected
- Residents contacted were advised about benefits or discounts potentially available and 15 residents were advised to submit benefits applications due to their circumstances
- 11 vacated properties were identified
- 3 vulnerable residents were identified and signposted for support.

#### Cash Collected

Only a relatively small amount of debt was taken during the pilot (£484 taken over the phone), because no arrangements were set up to enable visiting staff to take cash from residents prepared to pay during a visit. If a more proactive approach is adopted the amount of payments collected should increase as:

- Procedures for cash collections by visitors would be in place
- Visiting officers would be recovery trained rather than benefit staff who though doing an excellent job were not experienced in this area
- Contact earlier in the financial year would be more likely to elicit payments as debtors are more likely to be employed and therefore in a better financial situation to be able to make immediate payment.

#### Benefit, Discounts and Exemptions

In the current economic climate many debtors who have previously not had problems with payment may be unaware of the benefits, discounts or exemptions they may be entitled to. Staff when contacting debtors both by phone and visit attempted to advise debtors of potential benefits, discounts or exemptions they may be entitled to but are not in receipt of. The benefit of identifying these cases is that:

- Outstanding and subsequent debt may be reduced
- Reducing balances may make recovery easier or in some cases not necessary

It should be stressed that while potential benefit entitlement was identified, it may be that either no application was subsequently made or the debtor was not entitled to receive benefit. As the visits were fundamentally for recovery purposes no in depth examination of the debtor finances and entitlements was undertaken.

### Vacated Properties

Debtors often vacate properties without informing the authority and particularly where no benefit is in payment it may be that this vacation does not become apparent until a visit by the bailiffs is conducted. This can result in complaints from the new occupiers of the property.

During the Pilot, staff identified the cases where a vacation had occurred which we were not aware of. Picking up these vacations at an earlier stage assisted by:

- Ensuring that accounts were correctly apportioned thus reducing the debtors balance
- Ensuring new occupiers were billed quicker thus increasing the chances of collection from them
- Tracing procedures commenced to obtain the new address of the debtor in order to pursue recovery
- Incorrect bailiff referrals were minimised thus reducing bailiff wasted time which could be used chasing other RMBC debt

### Vulnerable Debtors

Staff when contacting both by phone and visit attempted to identify vulnerable debtors where we not previously aware of the circumstances. Though none were identified in visits a small number due to age or health issues were identified over the phone.

Obviously any such issues which are identified before bailiff referral allow a more appropriate approach to recovery of the debt to be taken.

## **7.4 Applicability of the approach**

11,000 Liability Orders were granted in 2009/10 of which 3,665 met the criteria of the pilot. Three-quarters of these cases ultimately paid outstanding arrears following recovery action by the Council's collection team. Approximately 900 were referred to bailiffs in 2009/10 and these would be the cases that a more proactive approach could be applied to, in line with the Scrutiny Review recommendation.

## **7.5 Costs of applying the approach to relevant cases**

Staff time spent during the pilot amounted to 18 days (126.5 hours) at an approximate cost of £2,300 to cover 97 cases. If this were to be extrapolated to cover 900 cases, this would mean additional effort equating to 167 days, although it could be expected that time per case would reduce with economies of scale and experience. In any event, to carry out this service would require one additional officer to be appointed into the current recovery team. Any spare time available to the officer could support other recovery activities.

The cost of a visiting officer, including on-costs is approximately £29,000. RBT would require the Council to pay this amount under a change-request. No budget is currently available to meet these costs and this requirement would have to compete with other Council priorities.

### **7.5 Conclusion of the pilot**

The pilot has achieved some promising outcomes. Implementation on a larger scale would be labour intensive and require additional resources. While undertaking the Pilot staff had to be taken away from their normal duties and this could obviously not be supported on anything other than a short term basis without additional resources.

The cost of adopting this approach to relevant cases would be £29,000 per year.

## **8. Finance**

Section 7 indicates various benefits from the pilot. The time spent on the pilot can be used to make an assessment of the resources required to deliver this enhanced service on a regular basis on relevant cases. In order to carry out this service on approximately 900 relevant cases per year, RBT would have to engage one extra collection officer at a cost of £29,000.

## **9. Risks and Uncertainties**

Collections performance could be jeopardised, particularly in year performance if:

- The introduction of a too rigid framework on required visits without officer discretion meaning backlogs occur particularly if numbers of Liability Orders increase which could be the result of the economic downturn
- The section is not adequately resourced to deal with peaks in work
- Any temporary reductions in staff availability due to leave or sickness absence will have a significant impact on the visits that could be completed

It should be considered that although the adoption of the pilot would provide a better service to customers it may not recoup the outlay in additional debt recovered. Also as detailed previously the high incidence of failure of payment arrangements may mean that for many customers it will simply mean that recovery action such as bailiffs is simply delayed.

## **10. Policy and Performance Agenda Implications**

The Council aims to implement effective and efficient debt recovery proceedings in order to maximise income and minimise the impact of non-collection on Council Tax and rent levels and service provision. The Council also aims to support all residents in financial difficulty, particularly during the current economic downturn.

This review and proposed revisions to debt recovery arrangements are consistent with both objectives.

## **11. Background Papers and Consultation**

- Cabinet Report - Debt Recovery Scrutiny Review - 23 September 2009
- Cabinet Report – Response to the Debt Recovery Scrutiny Review – 2 December 2009
- Performance and Scrutiny Overview Committee Report – Progress on recommendations, 12 March 2010
- Strategic Leadership Team, 5 July 2010

### **Contact Names:**

Colin Earl, Director of Internal Audit & Governance, 01709 822033  
e-mail: [colin.earl@rotherham.gov.uk](mailto:colin.earl@rotherham.gov.uk)

**ROTHERHAM BOROUGH COUNCIL – REPORT TO DEMOCRATIC RENEWAL  
SCRUTINY PANEL**

1.	<b>Meeting:</b>	Democratic Renewal Scrutiny Panel
2.	<b>Date:</b>	15 July 2010
3.	<b>Title:</b>	Scrutiny Review of Debt Recovery
4.	<b>Directorate:</b>	Financial Services

**5. Summary**

This report provides information on outcomes resulting from a scrutiny review of debt recovery arrangements completed in 2009.

A large number of positive outcomes have been achieved from the review, including

- The production of a customer focused corporate debt policy,
- Better information on where to get help with debt and procedures for helping vulnerable residents
- Better co-ordination of debt collection,
- Closer working with and monitoring of bailiffs.

These outcomes will both improve the services managed by the Council and result in a fairer and more sympathetic approach to the collection of debt.

**6. Recommendations**

**The Democratic Renewal Scrutiny Panel is asked to note the positive outcomes achieved from the scrutiny review of debt recovery arrangements.**

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## 7. Proposals and Details

Following a scrutiny review of Debt Recovery arrangements, a report was presented to Cabinet for its consideration on 23 September 2009. The report included 15 recommendations for strengthening the support given to customers who owed money to the Council, developing a more 'joined up' approach to debt recovery and for alleviating some concerns regarding the use of private bailiffs in collecting Council debts.

All recommendations made by the Performance and Scrutiny Overview Committee were subsequently accepted by Cabinet on 2 December 2009, and an action plan was produced for addressing the recommendations.

This report provides an update on the action plan and identifies the outcomes achieved from the review. Details of the recommendations and outcomes are summarised in **Appendix 1**.

All recommendations are now substantially complete, with various reports being presented to the Democratic Renewal Scrutiny Panel alongside this report, to complete key recommendations made in the scrutiny review

The scrutiny review has resulted in a number of positive outcomes, including:

- A new 'Advice in Rotherham' leaflet has been produced and 50,000 printed to be distributed with all reminders. Other literature and website details have been updated (Recs. 1, 11 and 15)
- Improved signposting of vulnerability procedures is being carried out as part of additional information being provided by post and through the service centres (Recommendation 2).
- A new Corporate Debt Policy has been produced which focuses much more on the customers, highlighting what they can expect the Council to do when collecting debt and identifying the support available to residents in financial difficulty. The policy was supported by the Democratic Renewal Scrutiny Panel in April 2010 and approved by Cabinet in June 2010 (Rec 3).
- A liaison group has been set up, consisting of the Council, RBT, bailiffs and advice services, to review the approach to the collection of debt including the use of bailiffs and the standards they apply in practice (Recs. 4, 5 and 9)
- The corporate debt policy includes guidance about when debt can be transferred back to the Council from bailiffs (rec. 6)
- The findings and suggestions of this scrutiny review have been passed to the lead officer and Chair of the Advice Sector Scrutiny Review Group, to incorporate into the Review Group's work (rec. 8)
- Bailiffs are instructed to accept structured repayments where relevant. The number of cases at bailiff stage paying by instalment is now being reported to the Cabinet Member for Resources - since January 2010 (Rec 10)
- Bailiffs' quality assurance checks and quarterly review meetings are being used to assess the standard of approach adopted by Bailiffs (Rec 12)
- Proposals to be presented to the Democratic Renewal Scrutiny Panel will lead to better joined-up approaches to debtors with significant multiple debts (Rec 13).

- Key letters have been reviewed and sent for Crystal Mark assessment. Feedback has been taken into account in finalising letters. Only technical issues (eg formatting of addresses) are preventing the Council securing the Crystal Mark (Rec 14)

**The Democratic Renewal Scrutiny Panel is asked to note the positive outcomes achieved from the scrutiny review of debt recovery arrangements.**

## **8. Finance**

The production and distribution of 50,000 'Advice in Rotherham' leaflets cost c£2,000.

Other changes considered in response to the review could have potentially significant cost implications. However, officers have presented cost neutral alternatives that should achieve substantially the objectives of the review.

## **9. Risks and Uncertainties**

Significant changes to debt collection arrangements could adversely affect the effectiveness of recovery procedures and, in turn, jeopardise collection rates. It is crucial that the Council balances the need to be fair to all residents with its objective to maximise income from those who can pay.

The response to the scrutiny review aims to balance the services to the public while maintaining the Council's performance in debt collection.

## **10. Policy and Performance Agenda Implications**

The Council aims to implement effective and efficient debt recovery proceedings in order to maximise income and minimise the impact of non-collection on Council Tax and rent levels and service provision. The Council also aims to support all residents in financial difficulty, particularly during the current economic downturn.

This review and proposed revisions to debt recovery arrangements are consistent with both objectives.

## **11. Background Papers and Consultation**

- Cabinet Report - Debt Recovery Scrutiny Review - 23 September 2009
- Cabinet Report – Response to the Debt Recovery Scrutiny Review – 2 December 2009
- Performance and Scrutiny Overview Committee Report – Progress on recommendations, 12 March 2010
- Democratic Renewal Scrutiny Panel – Corporate Debt Policy, April 2010

- Democratic Renewal Scrutiny Panel – Review of Proposal to Create a Single Debt Collection Service, 5 July 2010
- Democratic Renewal Scrutiny Panel – Review of Proposal to Create an In-House Bailiff Service, 5 July 2010
- Democratic Renewal Scrutiny Panel – Review of Proposal to Make Additional Effort to Contact Debtors Prior to Referral of Cases to Bailiffs, 5 July 2010

**Contact Names:**

Colin Earl, Director of Internal Audit & Governance, 01709 822033  
e-mail: [colin.earl@rotherham.gov.uk](mailto:colin.earl@rotherham.gov.uk)



**APPENDIX 1****Scrutiny Review of Debt Recovery: Progress on Agreed Action Plan**

UPDATE AT 5 JULY 2010

No	Recommendation	Agreed Action / Comment	Update
1	The Council must demonstrate it is fully implementing the recovery actions from the corporate debt policy, most particularly that of “must effectively distinguish between customers who cannot pay and those who will not pay their debts”.	<p>It is recognised that the crucial issue here is to take all possible steps to engage customers, to enable them to:</p> <ul style="list-style-type: none"> <li>- make repayment arrangements</li> <li>- be signposted to the Citizen’s Advice Bureau / Money Advice Service to access support</li> <li>- apply, where relevant, for benefits to reduce their liability to a level commensurate with their means.</li> </ul> <p>To promote further engagement the relevant services will:</p> <ul style="list-style-type: none"> <li>- review and improve letters, websites etc, and improve signposting to advice agencies / credit unions</li> <li>- reinforce messages in advice given via direct customer contact</li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Completed - Actions taken are covered in detail in Recommendations 11, 14 &amp; 15</i></li> <li>▪ <i>Completed - RBT has built this information into its scripting processes. Service Centre staff are being given new information leaflets to distribute to customers.</i></li> </ul>
2	The Council must ensure it is proactively considering the health of individuals as per DWP guidance, particularly those whose debt is passed to private bailiffs	There is an existing procedure for identifying ‘vulnerable’ customers and dealing with them sensitively. This will be maintained and arrangements for improving signposting customers to Advice Agencies (See Recommendation 1) will be implemented.	<ul style="list-style-type: none"> <li>▪ <i>Completed - Improved signposting of vulnerability procedures is being carried out as part of the additional information being provided by post and through the service centres.</i></li> </ul>

No	Recommendation	Agreed Action / Comment	Update
3	The corporate debt policy and other related documents are brought together to one, accessible, online policy.	Existing elements of current policy will be reviewed and amalgamated into one coherent document. This will be made available on the RMBC website	<ul style="list-style-type: none"> <li>▪ <i>Completed. A new Corporate Debt Policy was supported by the Democratic Renewal Scrutiny Panel in April 2010 and approved by Cabinet in June 2010.</i></li> </ul>
4	The Council and RBT set up regular liaison meetings with the leading debt advice agencies. The Council must work more closely with debt advice agencies to ensure the level of complaints and queries these agencies are receiving are known at a middle and senior management level within the Council.	A Quarterly Liaison Group will be established. It is also suggested that this could incorporate Recommendation 5 in order to bring the bailiff companies to the same forum.	<ul style="list-style-type: none"> <li>▪ <i>Completed: Two quarterly meetings held to date in March and June 2010</i></li> </ul>
5	Liaison meetings take place between the Council and its bailiffs. The bailiffs advised they have a dedicated Advice Sector team. Further to the liaison meetings the Council should facilitate joint meetings between this team and our local advice agencies such as CAB and Money Advice Service.	See Recommendation 4	<ul style="list-style-type: none"> <li>▪ <i>See Rec 4</i></li> </ul>
6	Guidance needs to be added to the corporate debt policy detailing when debt can be transferred back to the Council from bailiffs.	Guidance will be added to be added to the Corporate Debt Policy, describing when it is appropriate to transfer debts back to the Council	<ul style="list-style-type: none"> <li>▪ <i>Completed. Details have been included in the Corporate Debt Policy referred to in recommendation 3.</i></li> </ul>

No	Recommendation	Agreed Action / Comment	Update
7	<p>The Council consider for those individuals who repeatedly fall into debt or are on the verge of having their debt passed to bailiffs that a more proactive approach via home visits or phone calls might be more successful in recovering debt.</p>	<p>1,800 cases were passed to bailiffs between April and Sept 2009. Additional resources would be required to carry out home visits and / or phone calls to relevant customers about to be referred to bailiffs, with no guarantee of a better response from customers. It is not possible at this stage to identify accurately the costs (and benefits) of carrying out these extra steps, but it could cost within the range £30,000 to £70,000 per year.</p> <p>In order to establish more precisely the costs and potential benefits of introducing a more pro-active approach, it is proposed to conduct phone calls / home visits to 100 customers due to be referred to bailiffs.</p>	<ul style="list-style-type: none"> <li>Completed. Outcomes from the Pilot scheduled to be presented to the Democratic Renewal Scrutiny Panel on 15 July 2010</li> </ul>
8	<p>Whilst the review group acknowledges that all local authorities are under a difficult period of financial restraint, we recommend further to the Advice Sector Scrutiny Review, that the Council considers how it financially supports debt advice agencies and whether there is potential for a long-term saving to be made by supporting more debt advisors in the Borough. Reference needs to be made to the work of the advice sector working group in respect of the model for advice services across the Borough.</p>	<p>The findings and suggestions of this review will be passed to the lead officer and Chair of the Advice Sector Scrutiny Review Group, to incorporate into the review group's work.</p>	<ul style="list-style-type: none"> <li>Completed. Information passed over on 3 December 2009</li> </ul>

No	Recommendation	Agreed Action / Comment	Update
9	The Council considers examining the business case of an in-house bailiff service where there could be clearer lines of accountability, performance monitoring and charges to clients.	An exercise will be carried out to consider the business case for establishing a Council-run bailiff service.	<ul style="list-style-type: none"> <li>▪ <i>Completed. Proposals presented to the Democratic Renewal Scrutiny Panel should lead to better liaison with existing bailiffs and better monitoring of performance.</i></li> </ul>
10	The Council should urge the bailiff companies used that in line with the protocol adopted <u>all</u> bailiffs should accept structured repayments and that this has been a concern of the authority and local debt advice agencies	Following this review, bailiffs will be reminded of the Council's expectations. These will also be reiterated where necessary at the quarterly review meetings proposed in response to Recommendation 4.	<p><i>Completed.</i></p> <ul style="list-style-type: none"> <li>▪ <i>Issue raised at December 2009 bailiffs liaison meeting.</i></li> <li>▪ <i>The number of cases at bailiff stage paying by instalment is being reported to the Cabinet Member for Resources (since January 2010).</i></li> </ul>
11	The Council creates a website and information pack for those individuals or families who will have their debt passed to bailiffs. This should include information on their rights including entitlement to restructured payments and complaints contact details at the private bailiffs and the Council itself.	<p>An information sheet / pack will be developed and made available to customers, setting out the facts regarding customers' rights when bailiffs have been appointed contact to be developed.</p> <p>Website information will be updated accordingly.</p>	<p><i>Completed:</i></p> <ul style="list-style-type: none"> <li>▪ <i>A new 'Advice in Rotherham' leaflet has been produced and 50,000 printed to be distributed with all reminders.</i></li> <li>▪ <i>Other literature and website details have been updated.</i></li> </ul>
12	The Council should provide a more robust monitoring system of the codes of conduct with our private bailiffs via the mystery shopping method used by other local authorities.	The Council / RBT will liaise with Rossendales and councils who employ this technique. Based on their ideas and experience a programme of mystery shopping will be developed.	<ul style="list-style-type: none"> <li>▪ <i>Completed. Bailiffs' quality assurance checks and quarterly review meetings are being used to assess the standard of approach adopted by Bailiffs.</i></li> </ul>

No	Recommendation	Proposed Action / Comment	Update
13	The Council has one debt collection service for council tax, sundry debts and 2010 rents. Individuals will not have to contact multiple departments or deny one service their payments to pay another one.	<p>A more detailed review will be carried out of the costs and potential benefits of consolidating existing arrangements into one debt collection service.</p> <p>Currently, individuals with multiple debts can seek help from the Citizen's Advice Bureau or the Council's Money Advice Service. These independent services will help customers to prioritise their debt and, where necessary, help negotiate repayment plans. Greater efforts will be made to make customers aware of this provision through recommendations adopted in response to this scrutiny review.</p>	<ul style="list-style-type: none"> <li>Completed. Proposals to be presented to the Democratic Renewal Scrutiny Panel will lead to better joined-up approaches to debtors with significant multiple debts.</li> </ul>
14	Letters sent out for Council Tax reminders should be in plain English and checked via the crystal mark scheme to ensure they can be easily understood.	<p>We will undertake a review of letters etc &amp; explore use of the Crystal Mark or similar service.</p> <p>It should be noted that some of content on recovery notices is required by legislation.</p>	<ul style="list-style-type: none"> <li>Completed. Key letters have been reviewed and sent for Crystal Mark assessment. Feedback has been taken into account in finalising letters. Only technical issues (eg formatting of addresses) are preventing the Council securing the Crystal Mark</li> </ul>
15	The FAQ sent out with Council Tax reminders should signpost where advice and support can be accessed, and promote the good work of the local credit unions	Documents to be revised as a result of this review will be amended, where relevant, to include signposting to Advice Agencies / Credit Unions along with reference to their website pages. Revisions will take into account developments resulting from Recommendations 11 & 14.	<p>Completed:</p> <ul style="list-style-type: none"> <li>Revisions have been made to material, including the website.</li> <li>A new 'Advice in Rotherham' leaflet has been produced and 50,000 printed to be distributed with all reminders.</li> </ul>

**DEMOCRATIC RENEWAL SCRUTINY PANEL**  
**Thursday, 3rd June, 2010**

Present:- Councillor Austen (in the Chair); Councillors Cutts, Dodson, J. Hamilton, Hughes, Johnston, Mannion, Pickering and Tweed.

Apologies for absence were received from Councillors Currie, Littleboy, Parker and Sims.

**1. MINUTE'S SILENCE**

The Scrutiny Panel held a minute's silence as a mark of respect and recognition for the recent death of Councillor Michael Clarke, Freeman of the Borough.

**2. COMMUNICATIONS**

The Chairman gave an update on the current situation regarding co-optees to this Scrutiny Panel. Parish Council representatives were to be agreed at the Parish Network Meeting next week.

One community representative, Joanna Jones, had expressed an interest to continue being a co-optee. In light of there being no further expressions of interest for this Panel,

It was suggested that the nominations of people who have expressed an interest in joining multiple panels should be discussed at the forthcoming Performance and Scrutiny Overview Committee meeting.

Resolved:- (1) That the Parish Council representatives be confirmed in due course.

(2) That Joanna Jones be approved as a nominated community representative.

(3) That the necessary course of action to seek a further community representative be pursued.

**3. DECLARATIONS OF INTEREST**

There were no Declarations of Interest to report.

**4. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS**

There were no questions from members of the public or the press.

**5. PRIORITIES OF THE CABINET MEMBER FOR COMMUNITY DEVELOPMENT AND ENGAGEMENT, COUNCILLOR MAHROOF HUSSAIN**

The Scrutiny Panel offered a warm welcome to Councillor Mahroof Hussain MBE, Cabinet Member for Community Development and Engagement who gave a presentation which provided a review of performance on key issues over the last municipal year and identified ongoing and future activity for the current municipal year during his term of office.

The presentation drew specific attention to:-

- Equality and Diversity and the “Excellent” accreditation achieved by the Council.
- The encouragement and participation in Local Democracy.
- Community Engagement Activities.
- Connecting Communities.
- Targeted Support Fund.
- Rotherham’s One Town One Community.
- Proud Theme Board Cohesion Priorities.
- Cohesion Projects.
- Activities and Events – Uniting Communities, Promoting Shared Values.
- Partners working together on Prevent.
- Prevent Projects.
- One Town One Community Next Steps.
- Advice Review.
- Rotherham Local Involvement Network (LINK).
- Parish Councils.
- Future Plans.

A discussion and question and answer session ensued and clarification was provided on:-

- Funding/budget provision for the One Town One Community engagement.
- Promotion and marketing of the small grant funds - to be launched in June, 2010.
- Links with the Area Assemblies and allocations of grant funding for projects in communities.
- Liaison with the Area Partnership Managers.
- Criteria and monitoring for small organisations to access the small grants fund.
- Armed Forces Day and the flag raising ceremony.

Resolved:- That Councillor Mahroof Hussain be thanked for his very informative presentation.

## **6. ROTHERHAM VOLUNTARY SECTOR UPDATE**

The Scrutiny Panel offered a warm welcome to Janet Wheatley, Chief

Executive for Voluntary Action Rotherham, who gave a snapshot of the current position, where the voluntary and community could make a difference, key issues and the challenges and opportunities for the future.

The presentation drew specific attention to:-

- The recent survey (December, 2009).
- Size and diversity of the voluntary and community sector.
- Beneficiary groups.
- Financial position and sources of income.
- Prospects post 2011.
- Gender balance of those employed in the voluntary and community sector.
- Volunteering.
- Funding advice and support for volunteers.
- Different roles performed by the voluntary and community sector.
- Preventative and focus on early intervention.
- Specialist knowledge offered to service users.
- Contributions to the Community Strategy and Local Area Agreement.
- Volunteer Centre and supporting people back into work through volunteering.
- Social Enterprise Team working with those wanting to set up social enterprise activity.
- Swinton Lock Adventure Centre.
- Get Sorted Academy of Music.
- Crossroads Care.
- Voluntary and Community Strategy.
- Eastwood and Springwell United.
- Rush House.
- Apna Haq.
- Key issues for the voluntary and community sector.
- Voice and Influence.
- Service support.
- Access to a highly professional skilled workforce.
- Funding and investment sources.
- Voluntary Action Rotherham's role.
- Provision of a range of services and support for organisations to operate.
- Act as a voice for the voluntary and community sector and support to have a voice.
- Challenges and opportunities facing the voluntary and community sector.

A discussion and question and answer session ensued and information was sought on why the number of volunteers nationally appeared to be reducing, which was not the case in Rotherham.

Resolved:- That Janet Wheatley be thanked for her very informative



presentation.

**7. DEMOCRATIC RENEWAL SCRUTINY PANEL DRAFT WORK PROGRAMME**

Further to Minute No. 87 of the meeting of this Panel held on 22nd April, 2010, consideration was given to a report which set out to the Scrutiny Panel its draft work programme for the 2010/11 municipal year that included the key matters for scrutiny known to date.

The report also set out several options for the Panel to consider concerning future reviews, frequency of Crime and Disorder meetings and moving meetings around the borough.

Discussion ensued on the areas suggested for scrutiny review and following debate the consensus appeared to opt initially for a review into public access to the Council's website. It was noted that a six month evaluation of the website was to be done shortly, so it was suggested that the outcome of this evaluation and possibly a half day session at Millside around the website's functionality be undertaken by agreement during August, 2010.

The Scrutiny Panel were also in agreement to taking forward a review into the community leadership role of councillors and to explore the particular problems around failing indicators relating to domestic violence and substance/drug misuse.

The Scrutiny Panel also considered how often the designed Crime and Disorder Committee should meet whilst noting the recommendation of at least once a year. This was debated at some length and the consensus was that meetings should take place initially on a quarterly basis with the Co-Chairs of the Crime and Disorder Reduction Partnership in attendance.

Reference was also made to the benefits of holding Scrutiny Panel meetings within the community. Some felt that the remit of this Panel was so diverse that it was preferable to hold the meetings more centrally, however, the idea did receive some interest.

Resolved:- (1) That the work programme for the 2010-2011 municipal year be noted.

(2) That the Council's website be considered as the initial area for review.

(3) That the Crime and Disorder Committee should meet initially on a quarterly basis with the Co-Chairs of the Crime and Disorder Reduction Partnership in attendance.

(4) That some initial investigations into the practicalities of holding meetings around the borough take place before the next meeting.

**8. 2009-2010 YEAR END SRP PERFORMANCE SUITE RETURNS**

Consideration was given to the information contained within the 2009/2010 Year End Safer Rotherham Partnership Performance Suite Returns.

Resolved:- That the contents of the report be noted.

**9. 2009-2010 SRP YEAR END PERFORMANCE SUMMARY**

Consideration was given to the information contained within the 2009/2010 Year End Performance Summary.

Resolved:- That the contents of the report be noted.

**10. MINUTES OF THE MEETING OF THE DEMOCRATIC RENEWAL SCRUTINY PANEL HELD ON 22ND APRIL, 2010**

Resolved:- That the minutes of the meeting of the Democratic Renewal Scrutiny Panel held on 22<sup>nd</sup> April, 2010 be approved as a correct record for signature by the Chairman.

**11. MINUTES OF THE MEETINGS OF THE PERFORMANCE AND SCRUTINY OVERVIEW COMMITTEE HELD ON 16TH AND 30TH APRIL, 2010**

Consideration was given to the minutes of the meetings of the Performance and Scrutiny Overview Committee held on 16<sup>th</sup> and 30<sup>th</sup> April, 2009.

Resolved:- That the contents of the minutes be noted.

**MEMBERS' TRAINING AND DEVELOPMENT PANEL  
THURSDAY, 24TH JUNE, 2010**

Present:- Councillor Whelbourn (in the Chair); Councillors Austen, Lakin, Littleboy, Sangster, Steele, St. John and Wootton.

Apologies for Absence were received from Councillors Dodson, Gosling, Pickering, Sharman, Smith, Turner and Cockayne.

**50. MINUTES OF THE PREVIOUS MEETING HELD ON 23RD MARCH, 2010**

The minutes of the previous meeting held on 23<sup>rd</sup> March, 2010 were agreed as a correct record.

With regards to Minute No. 46 (Safeguarding Issues) it was reported that the training with for Corporate Parenting would commence in the Autumn.

The first session in relation to Safeguarding would be on the 2<sup>nd</sup> July, 2010 in partnership with the Children and Young People's Scrutiny Panel. Further sessions relating to Safeguarding would be rolled out to the Locality Champions and other Members in due course.

Councillor Lakin, Cabinet Member for Children and Young People's Services informed the Panel that he was to resume the visits to the children's homes along with visits to other establishments shortly and would be inviting all Members as Corporate Parents.

Reference was also made to the role of Champions in general, along with the Locality Champions, and clarification was sought. It was, therefore, proposed that the role of Champions be revisited.

Further information was also requested on the latest position with regards to CRB checks for Members and discussion ensued on:-

- Whether a Member as a School Governor had to have a CRB check if they were not directly involved with children.
- CRB checks being non-transferable and the requirement for individual checks being carried out for different activities.
- Council Minute which referred to CRB checks being undertaken for all Members.
- Clarification of the current status of CRB checks on Members.

Agreed:- That the current situation with regard to CRB checks be clarified.

**51. PERSONALISATION AGENDA**

Further to Minute No. H109 of the meeting of the Cabinet Member for

Health and Social Care held on 26th April, 2010 reference was made to the proposals for training for members on the Personalisation Agenda.

The Scrutiny Adviser reported that Tom Sweetman had previously provided some information to assist Members at their surgeries.

It was noted that some training had previously been provided on the Personalisation Agenda and it was suggested that further training be arranged as a refresher which should include new Members and where possible relevant information be provided on the intranet and website.

Agreed:- That an "aide memoire" on two sides fo A4 be circulated to Members for them to use at their surgeries.

## **52. MEMBER DEVELOPMENT BUDGET**

The Chairman introduced Charlie Longley, Senior Accountant, who provided information on the latest position with regards to the Member Training Budget.

The budget position for the period 1<sup>st</sup> April, 2009 to 31<sup>st</sup> March, 2010 was £25,052 underspent on a budget of £32,473. The reason for the underspend being the £21,000 grant funding from R.E.I.P. When used against the expenditure the net saving on the Member Training Budget was £7,421. This year the budget stood at £30,975.

The Panel noted the current position, but asked if consideration could be given to carrying forward at least £7,000 of the underspend in view of potential cuts to budgets and for the potential of allocating some funds for ICT provision in the Majority Party Room.

Agreed:- That the carry forward request be considered further and appropriate action taken.

## **53. MEMBER DEVELOPMENT PROGRAMME**

Consideration was given to the report presented by the Scrutiny Adviser which gave an overview of proposed Member Development activity during the late summer through to December.

These already included a serious of development activities around:-

- 2nd July, 2010 - Safeguarding Children – this will be an initial session for the Cabinet Member, Advisers and Members of the Children and Young People's Scrutiny Panel.
- Autumn, 2010 – The Member Role as a Corporate Parent – a series of sessions aimed at all Members.
- Autumn, 2010 – The Councillor Role in Combating Climate Change – from an initial proposal by the Deputy Leader and the Sustainable Communities Scrutiny Panel.

- Autumn, 2010 – Updating our Knowledge of Licensing – a joint session with Sheffield City Council aimed mainly at Members of the Licensing Committee.
- Autumn, 2010 – Ward Walkabouts for new Members.
- Autumn, 2010 – An Effective Administration/An Effective Opposition.

It was noted that a workshop on the PREVENT agenda had been arranged for the 30<sup>th</sup> June, 2010 on moving forward the Community Cohesion/Community Leadership Role of Councillors.

Some Members asked for more information about the “Total Place” approach to Public Service management with some thirteen pilot schemes currently taking place which would help inform how this could be taken forward. It would be helpful for Members of the Audit Committee or a wider audience to take this forward in conjunction with Local Strategic Partnership partners.

In addition a series of Member Development events have been organised by the Yorkshire and Humber Region. Information about these had been circulated to all Members via email.

The programme for 2010/11 IDeA Leadership Academy had also been received with expressions of interest for the Graduate School from Councillors Pickering and Lakin and the Summer School from Councillors Falvey and Havenhand and for the Adults, Children’s Health and Wellbeing Programme from Councillor Paul Lakin (in his new Cabinet portfolio). It may be that following the summer school Councillors Falvey and Havenhand may wish to attend the full Leadership Academy programme.

Reference was also made to training packages arranged by the Governors’ Support Section, which were available for those Members that were also School Governors. There were also the opportunity to approach the Governors’ Support Section for specific information/training if there were several cluster schools that required some support.

As a result of information coming from National Government, there may be a need for some workshops related to the budget position in view of the proposals to reduce budgets by 25%. The Comprehensive Spending Review was due for publication in October and may shed more light on the current positions. It was suggested that some consideration given to the resurrection of the Our Future Groups with a view to them assisting with the process.

Agreed:- (1) That the proposed Member Development activities proposed in the report be approved.

(2) That Members forward to the Scrutiny Team any additional proposals they may have for other activities.

(Councillor Lakin declared a personal interest in this item on the basis that he was a recipient of some of the training that was approved.)

**54. MEMBER DEVELOPMENT INDUCTION - FEEDBACK**

Consideration was given to a report presented by the Scrutiny Adviser which provided information about the induction programme for new Members which was run after the election.

Following the May elections a two week induction course was held for the two new Members. It was difficult to judge how to pitch induction as it was uncertain how many new Members would be elected. Sessions were held at different times for the convenience of the new Members with a variation of early evening proving helpful.

Due to the election of a new Government and the many challenges and changes which local government would now face, it could well be that consideration should be given to a change in format for induction with fewer sessions initially, but with more spread in the early Autumn.

Members noted the sessions that had taken place and acknowledged that early notification to all candidates of the induction process before the election was important.

Agreed:- That the report be received and the contents noted.

**55. DATE AND TIME OF NEXT MEETING**

Agreed:- That the next meeting scheduled take place on Thursday, 22<sup>nd</sup> July, 2010 at 2.30 p.m.