

Contract and Financial Procedure Matters Report

SUMMARY

- 1.1 This report deals with the following items that require reporting to and approval by Council Cabinet under Contract and Financial Procedure rules:
- To ensure that necessary approvals are obtained before external funding agreements are concluded.
 - To sanction the write off of irrecoverable debt.

RECOMMENDATION

- 2.1 To approve delegated authority to bid for the available funds, in section 4.1.
- 2.2 To sanction the write off of irrecoverable Business Rates at 6.5

REASONS FOR RECOMMENDATIONS

- 3.1 To comply with the Council's Contract and Financial Procedure rules.



SUPPORTING INFORMATION

4 Clean Bus Technology Fund 2017-2019

- 4.1 The Government has notified us that Clean Bus Technology Fund 2017-2019 is now open, with a deadline of 17 November 2017 for receipt of completed bids. This represents a significant funding opportunity to apply for help with upgrading buses serving Derby with retrofit equipment to reduce tailpipe emissions.
- 4.2 The intention is that local authorities in England and Wales will apply for the funding on behalf of local bus operators; the primary aim of the fund is to help local authorities with the requirement to reduce roadside concentrations of nitrogen dioxide (NO₂) in the shortest possible time.
- 4.3 Up to £1.5m per year is available for each of the years 2017-18 and 2018-19. The Council will be the body with financial responsibility for administering the grant to local bus operators.
- 4.4 Members are requested to approve delegated authority to bid for the available funds.

5 DEFRA early measures funding for Air Quality – bus related measures

- 5.1 DEFRA has made available funding for early Air Quality related interventions. As part of these measures they have encouraged the Council to submit a bid for funding, which supports the Clean Bus Technology Fund. The Council previously provided an outline proposal to DEFRA.
- 5.2 The bid will be focused on research into city centre bus movements, bus stop locations, bus station activity, and a complete revision of formal partnership agreements. Much of the work will be facilitated by external consultants. The work is intended to set new standards relating to public transport services and secure formal agreements to contribute to Air Quality benefits, and will form part of the Local Air Quality Action Plan, to be submitted in late Summer 2018.
- 5.3 The total value of the bid will be subject to revision but the initial request will be for £90k. There is no match funding requirement.

6 Business Rates Write Offs

- 6.1 Business rates are charged on commercial properties across the City and for 2017/18 the total “billed” to businesses is £96.2 million.

6.2 The business rates team operates a robust recovery regime. As a result, despite a challenging economic environment, collection rates are ahead of budget expectations for 2017/18. At the end of 2016/17 the Council received a significant number of appeals which reduced the overall collection rate.

6.3 While every effort is made to collect debts, it is inevitable some business rates debts cannot be collected for a number of reasons set out below:

- death of debtor
- the debtor is declared bankrupt or is subject to other insolvency proceedings
- the debtor absconds
- a court remits the debt.

6.4 The debts detailed at Appendix 2 are classed as uncollectable for the reasons shown and it is recommended they are written off. The total value of debts recommended for write off is £1,288,263.67 which is greater than usual as no other write-off requests have been brought to Cabinet this financial year. The write offs will be funded from the Council's provisions for business rates debt.

In addition, the removal of unrecoverable debt will help focus recovery action against more current debt that has a greater chance of being collected. Any debt written off can subsequently be written back on should circumstances dictate.

6.5 It is recommended the debts listed in Appendix 2, totalling £1,288,263.67, are written off.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	
For more information contact: Background papers: List of appendices:	Toni Nash 01332 643364 e-mail toni.nash@derby.gov.uk Appendix 1 - Implications Appendix 2 - Schedule of debts

IMPLICATIONS

Financial and Value for Money

- 1.1 As detailed in the main body of the report and appendices.

Legal

- 2.1 None directly arising.

Personnel

- 3.1 None directly arising.

IT

- 4.1 None directly arising.

Equalities Impact

- 5.1 None directly arising.

Health and Safety

- 6.1 None directly arising.

Environmental Sustainability

- 7.1 None directly arising.

Property and Asset Management

- 8.1 None directly arising.

Risk Management

- 9.1 None directly arising.

Corporate objectives and priorities for change

- 10.1 These recommendations where relevant are in line with approved capital strategy and Asset Management Plans which accord with the Council's corporate priorities.

Appendix 2

Case No.	Total	Reason
Case 1	13,228.48	PROPOSAL TO STRIKE OFF
Case 2	19,003.93	COMPANY DISSOLVED
Case 3	23,638.76	RET FROM EA GNT
Case 4	33,718.30	COMPANY IN LIQUIDATION
Case 5	15,641.29	COMPANY DISSOLVED
Case 6	47,865.38	COMPANY DISSOLVED
Case 7	11,398.86	RET FROM EA GNT
Case 8	11,588.08	RET FROM EA GNT
Case 9	27,238.75	COMPANY DISSOLVED
Case 10	29,122.38	COMPANY DISSOLVED
Case 11	12,447.45	COMPANY IN LIQUIDATION
Case 12	16,585.36	RET FROM EA GNT
Case 13	12,214.25	RET FROM EA GNT
Case 14	32,509.77	COMPANY DISSOLVED
Case 15	121,588.40	CO VOL LIQUIDATION
Case 16	16,028.80	RET FROM EA GNT
Case 17	15,947.76	COMPANY DISSOLVED
Case 18	13,042.08	RET FROM EA GNT
Case 19	15,422.41	COMPANY IN LIQUIDATION
Case 20	13,469.03	COMPANY DISSOLVED
Case 21	10,964.79	RET FROM EA GNT
Case 22	22,782.37	COMPANY IN LIQUIDATION
Case 23	15,757.50	COMPANY ADDRESS ABROAD
Case 24	16,527.03	RET FROM EA GNT
Case 25	13,625.45	RET FROM EA GNT
Case 26	14,981.92	COMPANY DISSOLVED
Case 27	45,072.93	COMPANY IN LIQUIDATION
Case 28	23,394.06	IND VOL ARRG
Case 29	15,805.50	RET FROM EA GNT
Case 30	12,677.92	RET FROM EA GNT
Case 31	17,889.87	RET FROM EA GNT
Case 32	17,005.86	RET FROM EA GNT
Case 33	10,692.15	RET FROM EA GNT
Case 34	11,552.89	RET FROM EA GNT
Case 35	25,564.33	RET FROM EA GNT
Case 36	10,981.20	RET FROM EA GNT
Case 37	20,382.88	RET FROM EA GNT
Case 38	13,154.67	RET FROM EA GNT
Case 39	14,865.00	BANKRUPTCY
Case 40	14,815.21	RET FROM EA GNT
Case 41	10,773.40	RET FROM EA GNT
Case 42	56,603.17	IND VOL ARRG
Case 43	11,941.08	COMPANY DISSOLVED
Case 44	25,245.01	RET FROM EA GNT
Case 45	20,150.61	GONE NO TRACE
Case 46	11,548.30	RET FROM EA GNT
Case 47	18,357.92	COMPANY DISSOLVED
Case 48	14,795.57	RET FROM EA GNT
Case 49	21,637.46	COMPANY DISSOLVED
Case 50	15,240.25	RET FROM EA GNT
Case 51	13,511.92	GONE NO TRACE
Case 52	16,361.51	RET FROM EA GNT
Case 53	15,149.00	COMPANY DISSOLVED
Case 54	16,752.70	COMPANY IN LIQUIDATION
Case 55	16,336.23	RET FROM EA GNT
Case 56	10,213.91	COMPANY IN LIQUIDATION
Case 57	12,856.07	RET FROM EA GNT
Case 58	18,435.75	RET FROM EA GNT
Case 59	80,418.60	COMPANY IN LIQUIDATION
Case 60	31,742.16	RET FROM EA GNT
	1,288,263.67	