



## REPORT

<p>To: POLICY &amp; RESOURCES (ESTABLISHMENT &amp; MONITORING) SUB COMMITTEE</p> <p>GENERAL PURPOSES COMMITTEE</p> <p>POLICY &amp; RESOURCES (PERSONNEL) SUB COMMITTEE</p>	<p>Subject: RE-GRADING OF DEBT RECOVERY CLERICAL OFFICERS</p>
<p>From: DIRECTOR OF ADMINISTRATION</p>	
<p>Date: 25 February 2005</p>	<p>Ref: WBK/JMB</p>

## 1. Introduction

- 1.1 The purpose of this report is to inform the Committee and Sub Committees of the conclusions reached following a re-grading request for the two posts of Clerical Officer in the Debt Recovery Unit of the Legal Services Division, currently graded at GS3.

## 2. Background

- 2.1 Following reorganisation in 1996, Legal Services were responsible for administration of the Council's unpaid debt after normal reminder systems had been exhausted. This work was characterised by attempts to improve the quality and accuracy of poor records relating to each outstanding debt. The available records were such that very little debt was able to proceed beyond the earliest stages of pre-litigation procedures.
- 2.2 This situation prompted a number of reviews and in June 2001, the Finance Department presented a report to the Finance Sub-Committee recommending the creation of a debt recovery team and strategies were adopted across the Council to ensure that unpaid invoices raised by the Council could be effectively pursued.
- 2.3 The following are some extracts from the Director of Finance's report which impacted on Legal Services :

*"There is little dedicated resource [throughout the Council] devoted to any pro-active debt recovery measure. This means that high volumes of accounts are passed to Legal Services with little hope of recovery rather than this being restricted to cases which have a reasonable potential for successful litigation. To achieve a more pro-active approach to general debt recovery we should look to the Council Tax Debt Recovery Unit. It is considered that the use of this type of model would give corresponding benefits in general debt recovery. The longer term aim being to restrict the debt being passed to Legal Services to that which has the potential of successful litigation. It is recommended that staffing resources and methods of operation, including the interplay between Legal Services and the Finance Team, be reviewed in approximately six months time when the Finance Team is in operation. The Head of Legal Services has been consulted and concurs with this approach."*

### **3. Considerations**

- 3.1 The impact for Legal Services of these improvements in debt management has indeed been that only debt which has a reasonable prospect of success in court is passed to the Legal Services Debt Recovery Unit. For example, in the last financial year the Unit recovered 1,049 debts amounting to £170,724.
- 3.2 Although working practices have not previously been reviewed on a formal basis, the changes which have evolved between Finance and Legal Services has involved a significant and material change in the type of work undertaken within Legal Services. The two clerical officer postholders are now responsible for the following duties not previously undertaken:
- To draft summonses, writs and petitions.
  - To raise court proceedings, lodging court papers and monitoring actions. These actions range from small claims to actions of forthcoming and petitions for sequestration.
  - To negotiate and agree payment strategies with debtors.
  - To enforce all court decrees by means of legal diligence.
  - To draft and issue instructions to sheriff officers.
  - To liaise with in-house and external solicitors about on-going legal actions.
  - To prepare documents and lodge them as productions in court actions.
- 3.3 Both postholders have a paralegal qualification. Any future candidate for these posts would require to have such a qualification or to obtain it at the earliest opportunity.
- 3.4 The Head of Personnel Services has completed her analysis of the re-grading request and has concluded that the revised and agreed job description supports a re-grading from GS3 to AP1 and consequently recommends that the two posts should be re-graded to AP1.

### **4. Corporate Considerations**

The financial cost of implementing this recommendation is approximately £700 per annum and can be met within existing budget resources. Court expenses are awarded to the Council which makes a contribution to the salaries budget. The debt recovered far exceeds the cost of the unit.

### **5. Recommendations**

- 5.1 For their respective interests, the Committee and Sub Committees are recommended to approve re-grading to AP1 the two posts of Clerical Officer – Debt Recovery.

  
**Director of Administration**