

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Portfolio Holder for Finance Executive Director Commercialisation (S151)
To: Cabinet - 10 November 2015
(Author: Mark Woolerton - Recovery & Support Team Leader)
Subject: Write Offs
Purpose: To recommend writing off irrecoverable debts

Recommendation:

- 1) That the amounts identified in this report are approved for write off.

NOTE: Please raise any queries that you may have about individual write offs, as included in the Appendices, with Mark Woolerton at least two working days ahead of the scheduled meeting.

1.0 BACKGROUND

- 1.1 This report identifies debts that are considered to be irrecoverable and which have a value exceeding £1,050 which as a result require Cabinet approval for write off. A summary of these debts is shown in the table below and they total £30,026.42
- 1.2 The need to write debt off usually arises due to the debtor being untraceable, insolvent, ceased trading with no assets or deceased with insufficient funds in the estate. All possible methods of recovery have been considered and, where appropriate are pursued before identifying the debt as being irrecoverable. This can include internal recovery action, use of debt collection agents, external tracing agents and procedures through the Courts.
- 1.3 A summary of debts requiring approval for write off is given in the tables overleaf. The table also provides details of the total value of debts written off last financial year and the total value of debts approved by Cabinet this financial year.

Value by Debtor £	Council Tax £	Business Rates £	Accounts Receivable £	Former Tenant Arrears £	Housing Benefit Overpayments £	TOTAL £
1,050 - 1,500		1,366.19	1,159.32	6,106.59		8,632.10
1,500 - 2,000			1,532.90	3,604.58	1,551.59	6,689.07
Over 2,000	2,192.78		4,802.86	7,709.61		14,705.25
Total	2,192.78	1,366.19	7,495.08	17,420.78	1,551.59	30,026.42

Value	Council Tax £	Business Rates £	Accounts Receivable £	Former Tenant Arrears £	Housing Benefit Overpayments £	TOTAL £
2014/15 Total written off in that year	103,814.54	69,055.53	77,401.82	19,597.85	19,146.55	289,016.29
2015/16 Previously approved Cabinet write offs	0.00	12,327.79	15,877.19	6,233.88	5,437.02	39,875.88
Write offs included in this report	2,192.78	1,366.19	7,495.08	17,420.78	1,551.59	30,026.42
2015/16 Total written off in this year so far	2,192.78 or 0.01 % of 2015/16 collectable debit	13,693.98 or 0.05% of 2015/16 collectable debit	23,372.27 or 4.02% of current collectable debt	23,654.66	6,988.61 Or 0.56% of repayable overpayments	69,902.30

Details of the individual debts are shown in the exempt appendices, as listed below:

- Appendix A – Council Tax
- Appendix B – Business Rates
- Appendix C – Accounts Receivable (formerly Sundry Debtors)
- Appendix D – Former Tenant Arrears
- Appendix E – Housing Benefit Overpayments

1.4 This is an accounting procedure all debts approved for write off will be set against the existing bad debt provisions. Debts can be resurrected in full or in part at any time should new information come to light suggesting that they may be recoverable after all. In every case, we believe that all collection options have been exhausted and that there are now no realistic prospects of recovery.

2.0 OPTIONS

- 2.1 To approve the recommendation.
- 2.2 To approve the recommendation with amendments.
- 2.3 Not to approve the recommendation.

3.0 REASONS FOR RECOMMENDATION

3.1 All recovery methods available have been considered and where appropriate pursued before making the decision to write off. Accounting good practice to write off uncollectable debt.

4.0 **EXPECTED BENEFITS**

4.1 Complying with accounting good practice.

5.0 **IMPLICATIONS**

5.1 **Carbon Footprint / Environmental Issues**

5.1.1 It is the opinion of the Report Author that there are no implications

5.2 **Constitution & Legal**

5.2.1 Writing off debts is an executive function and is therefore presented to Cabinet for determination.

5.2.2 The Appendices to this report are considered by officers to be exempt as they include information as described in Schedule 12A Part 1, Paragraph 1 (information relating to any individual), Paragraph 2 (information which is likely to reveal the identity of an individual) and Paragraph 3 (information relating to the financial or business affairs of any particular person [including the authority holding that information]).

5.2.3 Applying the public interest test, officers do not consider that the public interest is better served by releasing rather than withholding the information.

5.3 **Contracts**

5.3.1 It is the opinion of the Report Author that there are no implications

5.4 **Corporate Priorities**

5.4.1 It is the opinion of the Report Author that there are no implications

5.5 **Crime and Disorder**

5.5.1 It is the opinion of the Report Author that there are no implications.

5.6 **Equality and Diversity / Human Rights**

5.6.1 It is the opinion of the Report Author that there are no implications.

5.7 **Financial**

5.7.1 The proposed write offs will be written off against the existing bad debt provisions.

5.8 **Health & Wellbeing**

5.8.1 It is the opinion of the Report Author that there are no implications.

5.9 **Risk Management**

5.9.1 It is the opinion of the Report Author that there are no implications. Debts can be resurrected if new information comes to light to suggest they may be recoverable after all.

5.10 Safeguarding

5.10.1 It is the opinion of the Report Author that there are no implications.

5.11 Staffing

5.11.1 It is the opinion of the Report Author that there are no implications.

5.12. Stakeholders / Consultation / Timescales

5.12.1 Once approval of this report has been given, debts are able to be written off; that are detailed within the confidential appendices attached to this report.

6.0 WARDS/COMMUNITIES AFFECTED

6.1 The Council has a provision for the write off of debts therefore no wards or communities are directly affected.

Background papers:- None

Lead Contact Officer

Name and Post: Mark Woolerton – Recovery and Support Supervisor
Andy Eaman – Investigations Team Leader

Telephone Number 01775 764631
01775 764414

Email: mark.woolerton@cpbs.com
andy.eaman@cpbs.com

Key Decision: No

Exempt Decision: No

This report refers to a Mandatory Service

Appendices attached to this report for consideration:

(Please note that the following appendices are not for publication by virtue of Paragraphs 1 (Information relating to any individual), 2 (Information which is likely to reveal the identity of any individual) and 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information))

Appendix A – Council Tax Write Offs

Appendix B – Business Rate Write Offs

Appendix C – Accounts Receivable (formerly Sundry Debtors) Write Offs

Appendix D – Former Tenant Arrears Write Offs

Appendix E – Housing Benefit Overpayment Write Offs