

**POLICY AND RESOURCES SCRUTINY COMMITTEE -
21ST JULY 2009**

SUBJECT: WRITE OFF DEBTS – 2008/09

REPORT BY: DIRECTOR OF CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 To advise Members of the monies due to the Council which it has not been possible to collect. These have been written off in accordance with the Policy, as agreed previously by Cabinet, and relates to the end of March 2009.

2. LINKS TO STRATEGY

- 2.1 The Council's budget is partly funded by Council Tax, Rents etc and in order to ensure the resources are available to meet all the Council's objectives we seek to maximise income collection.

3. FINANCIAL IMPLICATIONS

- 3.1 The Council collects very large sums of money from residents and local businesses. In excess of £145m is collected each year and inevitably there are instances of non-payment. A 'firm but fair' approach has always been adopted and all legal means are pursued to recover monies owed.
- 3.2 The regular writing-off of uncollectable debts is an important financial discipline. The Council would be criticised by External Audit if debts remained in the accounts when there is little likelihood of recovery. During 2008/09 the following debts were written off:

	£	Total Budgeted Income/Grant 08/09 £	% of Total Income/Grant 08/09	% of Total Income/Grant 07/08
Council Tax	278,871	53.0m	0.5%	0.2%
Business Rates	270,053	32.4m	0.8%	0.6%
Council House Rents	172,224	41m	0.42%	0.44%
Sundry Debts	178,000	19.1m	0.9%	0.5%
Excess Notices	£3,900	114,927	2.6%	6%
Overpayments of Housing Benefits	51,605	57.1m	0.1%	0.1%

3.3 Whilst the sums shown above are significant it is important to put them into context, please refer to column entitled "Total Budgeted Income/Grant". In the third column above the write-offs are expressed as a percentage of the monies due to the Council.

4. PERSONNEL IMPLICATIONS

4.1 There are none.

5. RECOMMENDATIONS

5.1 This report is for Members information.

6. STATUTORY POWER

6.1 Local Government Act 1972 and 2000.

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