



**POLICY AND RESOURCES SCRUTINY COMMITTEE -
2ND MARCH 2010**

SUBJECT: WRITE OFF DEBTS – 2009/10

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 by Cabinet. This report covers the period from 1st April 2009 to 30th September 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 £150m 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 the period 1st April 2009 to 30th September 2009 the following debts were written off:

	£	Total Budgeted Income/Grant 09/10 £	% of Total Income/Grant 09/10 (part year)	% of Total Income/Grant 08/09 (full year)
Council Tax	82,421	54.8m	0.2	0.5
Business Rates	75,654	32.9m	0.2	0.8
Council House Rents	70,429	43.1m	0.16	0.55
*Sundry Debts		19.1m		0.9%
*Excess Notices		.115m		2.6%
Overpayments of Housing Benefits	106,558	63.6m	0.2	0.1

* The implementation of a new sundry debtors system during 2009/10 has led to a requirement to look at all outstanding debts in total prior to migration of data. Hence the write offs will be for a full financial year.

3.3 Whilst the sums shown above are significant it is important to put them into context. In the table above, the column entitled "% of Total Income/Grant 09/10" shows the write-offs expressed as a percentage of the column entitled "Total Budgeted Income/Grant", i.e. 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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