

**POLICY AND RESOURCES SCRUTINY COMMITTEE -
19TH JULY 2011**

SUBJECT: WRITE OFF DEBTS – 2010/11

REPORT BY: DEPUTY CHIEF EXECUTIVE

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 2010 to 31st March 2011.

2. LINKS TO STRATEGY

2.1 The Council's budget is partly funded by Council Tax, Rents and other sources of income. In order to ensure the resources are available to meet all the Council's objectives the Authority will always 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 2010 to 31st March 2011 the following debts were written off:

	£ Amounts Written Off	Total Budgeted Income/Grant 10/11 £	% of Total Income/Grant written off 10/11 (full year)	% of Total Income/Grant written of 09/10 (full year)
Council Tax	294,279	55.6m	0.5	0.4
Business Rates	416,435	36.3m	1.1	1.3
Council House Rents	182,966	43,300,116	0.43	0.42
Sundry Debts	256,706	23,901,475	1.1	0.8
Overpayments of Housing Benefits	34,892	69.0m	0.1	0.2

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 10/11" shows the write-offs expressed as a percentage of the "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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