

**POLICY AND RESOURCES SCRUTINY COMMITTEE –
 5TH MARCH 2013**

SUBJECT: WRITE OFF DEBTS – 2012/13 HALF YEAR

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 previously agreed by Cabinet. This report covers the period from 1st April 2012 – 30th September 2012.

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 £155m 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 2012 to 30th September 2012 the following debts were written off:

	Amounts Written Off £	Total Budgeted Income/Grant 12/13 £	% of Total Income/Grant written off 12/13 (half year)	% of Total Income/Grant written off 11/12 (full year)
Council Tax	134,661	56.2m	0.2	0.48
Business Rates	98,933	36.7m	0.3	1.59
Council House Rents	120,700	46m	0.26	0.49
Sundry Debts	120,434	9.5m	1.3	0.7
Overpayments of Housing Benefits	64,034	71.8m	0.09	0.15

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 12/13" 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. EQUALITIES IMPLICATIONS

5.1 This report is for information only, therefore no Equality Impact Assessment has been undertaken.

6. RECOMMENDATIONS

6.1 This report is for Members information.

7. STATUTORY POWER

7.1 Local Government Act 1972 and 2000.

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Cllr H.W. David, Chairman - Policy and Resources Scrutiny Committee
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