



POLICY AND RESOURCES SCRUTINY COMMITTEE – FOR INFORMATION

SUBJECT: WRITE-OFF OF DEBTS – 01/04/16 – 31/03/17

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151
OFFICER**

1. PURPOSE OF REPORT

- 1.1 To provide Members with a summary of outstanding debts which have been written-off in accordance with the policy previously agreed by Cabinet.

2. SUMMARY

- 2.1 The report provides details of debts written-off for Council Tax, Business Rates, Council House Rents, Sundry Debtors and Housing Benefits overpayments.

3. LINKS TO STRATEGY

- 3.1 To comply with Financial Regulations.
- 3.2 The writing-off of unrecoverable debts is an important element of prudent financial management. Effective financial management contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:-
- A prosperous Wales
 - A resilient Wales
 - A healthier Wales
 - A more equal Wales
 - A Wales of cohesive communities
 - A Wales of vibrant culture and thriving Welsh language
 - A globally responsible Wales.

4. THE REPORT

- 4.1 The Council collects very large sums of money from residents and local businesses 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.
- 4.2 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. The table below provides a summary of debts written-off for the financial year 01/04/16 to 31/03/17.

	Total Amounts Written Off 2016/17	Total Budgeted Income/Grant 2016/17	% of Total Income/Grant Written-off 2016/17	% of Total Income/Grant Written-off 2015/16
	(£)	(£m)	(%)	(%)
Council Tax	225,809	64.9	0.35	0.39
Business Rates	354,222	41.0	0.86	1.55
Council House Rents	267,833	53.0	0.50	0.55
Sundry Debtors	515,383	42.1	1.23	1.59

4.3 Whilst the sums shown above are significant it is important to put them into context. The column entitled "% of Total Income/Grant Written-off 2016/17" shows the write-offs expressed as a percentage of the "Total Budgeted Income/Grant 2016/17", i.e. monies due to the Council. For comparison purposes the Full-Year percentages for 2015/16 are also included in the table.

4.4 In addition to the table in paragraph 4.2, £171,677.98 has also been written-off in the period 01.04.16 to 31.03.17 in relation to the invoices raised for overpayments of Housing Benefits (total invoices raised during the period £1,261,467.00).

5. WELL-BEING OF FUTURE GENERATIONS

5.1 Effective financial management is a key element in ensuring that the Well-being Goals in the Well-being of Future Generations Act (Wales) 2015 are met. The process of writing-off unrecoverable debts ensures that financial liabilities are recognised as they occur and are not deferred as potential future liabilities.

6. EQUALITIES IMPLICATIONS

6.1 This report is for information purposes, so the Council's Equalities Impact Assessment (EqIA) process does not need to be applied.

7. FINANCIAL IMPLICATIONS

7.1 As detailed in the report.

8. PERSONNEL IMPLICATIONS

8.1 There are no direct personnel implications arising from this report.

9. CONSULTATIONS

9.1 There are no consultations that have not been included in the report

10. RECOMMENDATIONS

10.1 Members are asked to note the contents of this report.

11. REASONS FOR THE RECOMMENDATIONS

11.1 To ensure that Members are informed of sums written-off during the 2016/17 financial year.

12. STATUTORY POWER

12.1 Local Government Act 1972 and 2000.

Author: Stephen Harris, Interim Head of Corporate Finance

Tel: 01443 863022 E-mail: harrisr@caerphilly.gov.uk

Consultees: Nicole Scammell, Acting Director of Corporate Services & S151 Officer

John Carpenter, Council Tax & NNDR Manager

Sandra Isaacs, Rents Manager

Amanda Main, Housing & Council Tax Benefits Manager

Terry Thomas, Principal Incomes Officer

Craig Verrier, Senior Sundry Debtor Officer