



POLICY AND RESOURCES SCRUTINY COMMITTEE – 3RD MARCH 2015

SUBJECT: WRITE-OFF OF DEBTS

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND S151 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 and Sundry Debtors.

3. LINKS TO STRATEGY

- 3.1 The Council's budget is partly funded by Council Tax, Rents and other sources of miscellaneous income. In order to ensure that these resources are available to meet all the Council's objectives the Authority will always seek to maximise income collection.

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 in the 2014/15 financial year. The figures for Council Tax, Business Rates and Council House Rents cover the period 1st April 2014 to 30th September 2014. The figures for Sundry Debtors cover the 1st April 2014 to 31st January 2015.

	Total Amounts Written Off In Period (£)	Total Budgeted Income/Grant 2014/15 (£m)	% of Total Income/Grant Written-off In Period (%)	% of Total Income/Grant Written-off 2013/14 (%)
Council Tax	98,197	60.5m	0.16	0.39
Business Rates	232,051	39.4m	0.59	1.42
Council House Rents	74,106	49.6m	0.15	0.51
Sundry Debtors	214,744	20.5m	1.05	1.26

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 In Period" shows the write-offs expressed as a percentage of the "Total Budgeted Income/Grant 2014/15", i.e. monies due to the Council. For comparison purposes the percentages for 2013/14 are also included in the table.

4.4 In addition to the totals in the table in paragraph 4.2, £73,366 has also been written-off to date during 2014/15 in relation to invoices raised for overpayments of Housing Benefits (total invoices raised during the year £ 1,205,483).

5. EQUALITIES IMPLICATIONS

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

6. FINANCIAL IMPLICATIONS

6.1 As detailed in the report.

7. PERSONNEL IMPLICATIONS

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

8. CONSULTATIONS

8.1 There are no consultation responses that have not been reflected in this report.

9. RECOMMENDATIONS

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

10. REASONS FOR THE RECOMMENDATIONS

10.1 To ensure that Members are informed of sums written-off during the 2014/15 financial year.

11. STATUTORY POWER

11.1 Local Government Act 1972 and 2000.

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