

Report of the Director of Resources

IRRECOVERABLE NON-DOMESTIC RATES, COUNCIL TAX, SUNDRY DEBTS AND HOUSING BENEFIT OVERPAYMENTS**1 Purpose of Report**

- 1.1 To request approval for the write-off of irrecoverable Non-Domestic Rates, Council Tax, Sundry Debts and Housing Benefit Overpayments and to note amounts written off under delegated powers for Council Tax, Non-Domestic Rates, Sundry Debts and Housing Benefit Overpayments.

2 Executive Summary

- 2.1 The Borough Council has the power to write-off irrecoverable Non-Domestic Rates, Council Tax, Sundry Debts and Housing Benefit Overpayments at the discretion of the Committee.

3 Appendices

- 3.1 Appendix
- 3.2 Further detail of debt for write off.

APPENDIX	TYPE OF DEBT	REASON
A	Non-Domestic Rates over £2,000	Insolvency
B	Council Tax over £2,000	Forwarding address not known
C	Council Tax over £2,000	Insolvency
D	Council Tax over £2,000	Payer deceased
E	Housing Benefit Overpayments over £2,000	Forwarding address not known
F	Housing Benefit Overpayments over £2,000	Insolvency
G	Housing Benefit Overpayments over £2,000	Payer deceased
H	Housing Benefit Overpayments over £2,000	Uneconomical to pursue

4 Proposed Action:

- 4.1 The Committee is invited to **RESOLVE** the write-off of £125,292.58 irrecoverable Council Tax, Non-Domestic Rates and Housing Benefit Overpayments.
- 4.2 The Committee is invited to **RESOLVE** to note that the net amount of £71,330.44 has been written off under delegated powers of the Section 151 Officer.

5 Background

- 5.1 There are periodical reviews of outstanding debts for Non-Domestic Rates, Council Tax, Sundry Debts and Housing Benefit Overpayments and sums deemed to be uncollectible are recommended for write-off.

6 Discussion

- 6.1 The Section 151 Officer has reviewed the amounts stated and has written them off under delegated powers in accordance with financial regulations.
- 6.2 All appropriate action has been taken. Debts have been thoroughly pursued via legal action in the Magistrates' Court; visits have been carried out by Council staff and specialist tracing/collection agencies. In all cases the debts were deemed to be irrecoverable.
- 6.3 A total of £73,131.85 irrecoverable Non-Domestic Rates, Council Tax, Sundry Debts and Housing Benefit Overpayments have been written off under delegated powers as follows:

Type of Debt	Reason	Amount
Non-Domestic Rates	Insolvent	£2281.04
Non-Domestic Rates	Forwarding address not known	£1307.74
Council Tax	Forwarding address not known	£39169.80
Council Tax	Insolvent	£17632.06
Council Tax	Deceased	£1799.32
Council Tax	Prison	£1382.92
Council Tax	Uneconomic to pursue	£1000.29
Sundry Debts	Uneconomic to pursue	£542.52
Housing Benefit Overpayments	Forwarding address not known	£6273.61
Housing Benefit Overpayments	Prison	£161.54
Housing Benefit Overpayments	Uneconomic to pursue	£1581.01

- 6.4 In circumstances where debts have been written off against the provision for bad debts and the whereabouts of the individual are subsequently discovered, action may still be taken to recover the debt. Should successful recovery be achieved, this would be written back to the accounts in accordance with best practice. A total of £1,801.41 irrecoverable council tax previously written off has been recovered by the Revenue Team and accounts have been adjusted accordingly.

Type of Debt	Reason	Amount
Council Tax	Forwarding address identified	-£1,347.64
Council Tax	Forwarding address identified	-£453.77

7 Legal Powers

- 7.1 Section 151 of the Local Government Act 1972 requires that local authorities make arrangements for the proper administration of their financial affairs. Part of these arrangements includes arrangements for the writing-off of debts.
- 7.2 Section 101 of the Local Government Act 1972 permits the Council to delegate certain powers, duties and functions to Committees. The power to write-off debts of £2,000 and over is delegated to this Committee.

8 Financial and Value For Money Implications

- 7.1 There are no direct revenue implications as adequate provision has been made within the accounts for bad debts.

9 Risk Analysis

- 9.1 None

10 Implications for Resources

- 9.1 None

11 Implications for Stronger and Safer Communities

- 11.1 None

12 Implications for Equalities

- 12.1 None

13 Author and Contact Officer

Richard Watson Consortium Business Rates Manager
Jill Wilkinson Council Tax Supervisor

14 Consultees

Nigel Robinson, Principal Revenue and Benefits Manager

