

Overview & Scrutiny Board

10th September 2012

QUARTERLY MONITORING OF WRITE OFFS – 1ST APRIL – 30TH JUN 2012

Relevant Portfolio Holder	Councillor Hollingsworth
Portfolio Holder Consulted	
Relevant Head of Service	Teresa Kristunas, Head of Finance & Resources
Wards Affected	All

1. SUMMARY OF PROPOSALS

- 1.1 Members are requested to consider the action taken by officers with respect to the write off of debts during the first quarter of 2012/13 and to note the profile and/or level of outstanding debt.

2. RECOMMENDATIONS

The Overview & Scrutiny Board is request to note the report.

3. KEY ISSUES

- 3.1. Members approved a revised Write Off Policy which changed the process for the reporting and approval process for the writing off of debts due to the Council. The revised Policy requires officers to report to members of the actual level of write offs and the profile of outstanding debt.

- 3.2. The current bad debts provisions are as follows:

	£
Housing Benefit	521,480
Council Tax	227,470
NDR	12,400
Sundry Debtors	<u>46,740</u>
Total	<u>808,090</u>

Financial Implications

- 3.3 The current bad debt provisions are adequate in relation to level of write offs and the level of outstanding debt.

Legal Implications

- 3.4. There are no legal implications.

Service / Operational Implications

- 3.5 No direct implications.

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Customer / Equalities and Diversity Implications

3.6. No direct implications.

4. RISK MANAGEMENT

There are no risks identified.

5. APPENDICES

Appendix 1 – Write offs 1st April 2012 – 30th June 2012

Appendix 2 - Aged Debt Profile for Sundry Debts Arrears

Council Tax Arrears and Business Rates Arrears as at 30th June 2012.

Appendix 3 – Write off of Overpaid Housing Benefit 1st April 2012 – 31st March 2012

6. BACKGROUND PAPERS

There are no background papers with this report.

AUTHORS OF REPORT

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Appendix 1

Write Offs of Council Tax and Non-Domestic Rates
1st April – 31st March 2012

Council Tax	Reason	01.04.12 to 30.06.12
		£
WOTH	Write Off Other	-90,402.28
WCOS	Write Off Costs	-5,392.06
SBWO	Small Balance Write Off	<u>-40.54</u>
	Total	<u>-95,834.88</u>

NDR	Reason	01.04.12 to 30.06.12
		£
WOBF	Write Off Bailiff Fees	-57.00
WOFF	Write Off	-147,116.18
WOLC	Write Off Liab Costs	-15.00
WOSC	Write Off Summons Costs	<u>-3,577.21</u>
	Total	<u>-150,765.39</u>

Note: future reports will contain more detail on the reasons for write off

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**Write Offs of Sundry Debtors -
1st April 2012 to 30th June 2012**

Sundry Debts	Reason	01/04/2012- 30/06/2012 £
GA	Gone Away	0.00
LB	Liquidation/Bankrupt	51.00
NFAV	No further Action due to value	3,013.35
D	Deceased	110.00
AWO	Auto write off under £1.00	3.85
LA	Legal Advised Write Off	931.72
PPAW	Part paid advised Write Off	4,568.84
	Total	8,678.76

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Appendix 2

Aged Debt profile for Sundry Debts - 1st April 2012 to 30th June 2012

Age	Sundry Debts
	£
1 – 30 days	195,341.14
31 - 60 days	29,288.89
61 – 90 days	181,228.82
90 days +	122,196.80
Total	528,055.65

Council Tax Arrears

**Council Tax Arrears Analysis as at
30/06/2012**

Year	Total £	Annual debit £
1997/98	3,810	
1998/99	5,524	
1999/00	13,095	25,836,407
2000/01	23,137	26,419,700
2001/02	33,799	29,487,929
2002/03	50,436	35,962,692
2003/04	48,158	40,922,548
2004/05	54,750	41,770,011
2005/06	96,880	44,059,868
2006/07	136,456	46,683,333
2007/08	141,646	49,061,780
2008/09	130,450	51,592,006
2009/10`	150,404	53,577,097
2010/11	276,984	55,298,276
2011/12	<u>509,695</u>	55,399,069
	<u>1,675,224</u>	

Note: the above arrears figures will reduce over time.

Non Domestic Rates Arrears

**Non Domestic Rates Arrears Analysis
As at 30/06/2012**

Year	Total £	Annual Debit £
1997/98	3,586	
1998/99	2,572	
1999/00	1,688	
2000/01	195	17,415,978
2001/02	2,163	17,232,868
2002/03	1,018	17,175,162
2003/04	1,035	17,345,890
2004/05	1,228	17,854,642
2005/06	20,965	18,803,202
2006/07	39,654	19,823,744
2007/08	*305,195	20,822,010
2008/09	77,693	23,586,234
2009/10`	224,377	23,829,603
2010/11	232,534	23,233,864
2011/12	<u>520,498</u>	25,205,206
	<u>1,434,401</u>	

Note: the above arrears figures will reduce over time.

* Bill for £279,520 in dispute. £195k paid in August, balance to be written off.

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Appendix 3

Write off of Overpaid Housing Benefit – 1st April 2012 to 30th June 2012

Housing Benefit Write-Offs		
Reason	Amount £	No. of cases
Possible Write back	Nil	Nil
Deceased	142.97	1
Debt Relief Order	166.00	1
Bankruptcy	1802.48	1
Person Abroad	Nil	Nil
Hardship/Compassion	Nil	Nil
Not reasonable to recover	1976.50	1
Uneconomic to recover	707.77	4
Debt matching	Nil	Nil
Cannot trace	Nil	Nil
No prospect of recovery	Nil	Nil
Old debt – recovery options expired	1229.72	2
Totals	£6,025.44	10