

---

**QUARTERLY MONITORING OF WRITE OFFS  
1<sup>ST</sup> APRIL 2014 – 30<sup>TH</sup> JUNE 2014**

Relevant Portfolio Holder	Councillor Hollingworth
Portfolio Holder Consulted	Yes
Relevant Head of Service	Amanda de Warr, Head of Customer Access and Financial Support
Wards Affected	All

**1. SUMMARY OF PROPOSALS**

- 1.1 This report summarises the write off of debts during the first quarter of 2014/15 along with the profile and level of outstanding debt.

**2. RECOMMENDATIONS**

**That, subject to any comments, the Overview & Scrutiny Board note the contents of the report.**

**3. KEY ISSUES**

- 3.1. The current Write Off Policy requires officers to report to members the actual level of write offs and the profile of outstanding debt.

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

	£
NDR	224,907
Ctax	214,937
Sundry Debtors	<u>31,493</u>
Total	471,337

**Financial Implications**

- 3.3 Details of written off debts during the period for Council Tax, Non Domestic Rates, and Sundry Debts, including a break down of the number of debtors, and Overpaid Housing Benefit are attached at Appendix 1. A total of £64,966 of unrecoverable debt was written off during this quarter.

- 3.4 An age profile of the outstanding sundry debts at the end of each quarter is attached at Appendix 2. The data for the same periods in 2013/14 are provided for comparative purposes. The outstanding debt at the end of the first quarter is higher than in the following quarter due to the timing of the garden waste collection service invoicing. The comparative data shows that we have higher outstanding debt than at the same point last year. Having reviewed the details behind this there are a variety of reasons. There is no evidence to suggest that recovery processes are

## **Overview & Scrutiny Board**      **15<sup>th</sup> September 2014**

---

not working, rather that arrangements and terms for some of the debts have altered and therefore a direct comparison cannot be made.

- 3.6 An analysis of Council Tax and Non Domestic Rates arrears is attached at Appendix 3. This shows the current outstanding debt against each of those years which we continue to pursue. As shown the debt for this financial year is significant. This is because all Council Tax and NDR becomes due on 1<sup>st</sup> April but is brought down by each month as instalments are paid. Arrangements are in place for much of the outstanding debt from recent previous years. Older debt tends to be in varying stages of recovery. We do not write off any debt until we have exhausted all possible avenues to recover.

### **Legal Implications**

- 3.7 There are no legal implications.

### **Service / Operational Implications**

- 3.8 No direct implications.

### **Customer / Equalities and Diversity Implications**

- 3.9. No direct implications.

## **4. RISK MANAGEMENT**

- 4.1 No specific risks identified.

## **5. APPENDICES**

Appendix 1- Write offs 1<sup>st</sup> April – 30<sup>th</sup> June 2014

Appendix 2- Aged Debt Profile for Sundry Debts Arrears as at 30<sup>th</sup> June 2014

Appendix 3 - Council Tax and Non Domestic Rates Arrears Analysis

## **6. BACKGROUND PAPERS**

There are no background papers to this report.

### **AUTHORS OF REPORT**

Name: Jean Howard  
E Mail: [j.howard@bromsgroveandredditch.gov.uk](mailto:j.howard@bromsgroveandredditch.gov.uk)  
Tel 01527 881352

**BROMSGROVE DISTRICT COUNCIL**

**Overview & Scrutiny Board**

**15<sup>th</sup> September 2014**

**Appendix 1**

**Write Offs 1<sup>st</sup> April 2014 – 30<sup>th</sup> June 2014**

<b>Council Tax</b>	<b>Amount (£)</b>	<b>Number of Accounts</b>
Gone away	16,292.85	44
Deceased no funds in estate	506.15	4
Bankruptcy	57.00	1
Write Of Credit	-492.23	17
Statue Barred	4,040.46	10
Uneconomical to pursue	399.09	12
Other	171.38	2
Costs written off	2,736.46	43
<b>Total</b>	<b>23,831.14</b>	<b>136</b>

<b>NDR</b>	<b>Amount (£)</b>	<b>Number of Accounts</b>
Gone away	29,256.79	13
Bankruptcy	396.77	1
Liquidation	1601.98	2
In Administration	458.00	1
Costs written off	880.00	10
<b>Total</b>	<b>32,593.54</b>	<b>27</b>

<b>Sundry Debts</b>	<b>Amount (£)</b>	<b>Number of Invoices</b>
No further Action due to value	60	1
Part Paid advised write off	20	15
Auto write off under £5.00	3	5
Advised Write Off	126	1
Overpaid (Credits)	-769	36
<b>Total</b>	<b>-560</b>	<b>58</b>

<b>Housing Benefit Write Offs</b>	<b>Amount (£0)</b>	<b>No. of cases</b>
<b>Reason</b>		
Deceased	189	2
Uneconomical to recover	2,885	11
Cannot trace	2,066	4
Old debt-recovery options ex	3,962	6
<b>TOTAL</b>	<b>9,102</b>	<b>23</b>

**Appendix 2**

**Aged Debt profile for Sundry Debts - 1<sup>st</sup> April 2014 – 30<sup>th</sup> June 2014**

<b>Age</b>	<b>As at 30<sup>th</sup> June 2014</b>	<b>As at 30<sup>th</sup> June 2013</b>
1 – 30 days	375,255	325,588
31 - 60 days	246,968	111,331
61 – 90 days	18,367	7,621
90 days +	148,842	160,769
<b>Total</b>	<b>789,432</b>	<b>605,309</b>

**Appendix 3**

**Council Tax Arrears**

<b>Council Tax Arrears Analysis</b>					
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	
	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Annual debit</b>
<b>Year</b>	<b>£</b>	<b>£</b>			<b>£</b>
1999/00	9869.03				25,836,407
2000/01	14,722.72				26,419,700
2001/02	23,350.36				29,487,929
2002/03	35,427.20				35,962,692
2003/04	32,054.31				40,922,548
2004/05	34,384.86				41,770,011
2005/06	68,403.58				44,059,868
2006/07	88,198.00				46,683,333
2007/08	79,731.62				49,061,780
2008/09	87,063.83				51,592,006
2009/10	92,186.06				53,577,097
2010/11	149,444.01				55,298,276
2011/12	187,955.74				55,399,069
2012/13	291,776.21				55,882,474
2013/14	636,847.28				56,565,040
2014/15	37,372,725.49				57,832,715
<b>Total</b>	<b>39,200,023.54</b>				<b>725,350,945</b>

**Non Domestic Rates Arrears**

<b>Non Domestic Rates Arrears Analysis</b>					
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	
	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Annual Debit</b>
<b>Year</b>	<b>£</b>	<b>£</b>			<b>£</b>
2000/01	-1,442.12				17,415,978
2001/02	656.81				17,232,868
2002/03	-1,665.72				17,175,162
2003/04	211.80				17,345,890
2004/05	-331.53				17,854,642
2005/06	5,633.06				18,803,202
2006/07	3,562.52				19,823,744
2007/08	3,026.97				20,822,010
2008/09	23,528.11				23,586,234
2009/10`	56,573.05				23,829,603
2010/11	55,886.01				23,233,864
2011/12	88,683.27				25,205,206
2012/13	131,380.32				26,984,821
2013/14	208,162.79				27,558,863
2014/15	18,890,661.55				28,185,165
<b>Totals</b>	<b>19,464,526.89</b>				<b>325,057,252</b>