

DISCRETIONARY WRITE OFFS

Relevant Portfolio Holder	Councillor Mike Webb
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 sets out discretionary write offs for consideration for write off.

2. RECOMMENDATIONS

That Cabinet RESOLVE to authorise the discretionary write off's detailed in Appendix 1.

3. KEY ISSUES

- 3.1. The current Write Off Policy requires Cabinet to authorise any discretionary write offs

Financial Implications

- 3.2 The total value of discretionary write off for authorisation is £28,141.49.
- 3.3 Provision is made within the Council's budgets to allow for bad debts to be written off. The total amount listed falls inside the existing provisions. The current bad debts provisions are as follows:

	£
Housing benefit Overpayments	485,363
NDR	224,907
Council Tax	214,937
Sundry Debtors	31,493

Legal Implications

- 3.4 Further Legal action in respect of these cases is not considered to be appropriate, or likely to result in repayment of the debt.

Service / Operational Implications

- 3.5 Further recovery work in respect of these cases would not be efficient use of officer time.

Customer / Equalities and Diversity Implications

- 3.6 The Council's Write Off Policy makes provision for customers to be treated fairly and equally.

4. RISK MANAGEMENT

- 4.1 If Cabinet did not authorise the write off of these debts the debts will remain outstanding with no likelihood of recovery.
- 4.2 This in turn will impact on the Council's ability to reduce outstanding debt, and accurately assess the true picture in relation to debts raised, debts under recovery and other outstanding debt.

5. APPENDICES

Appendix 1- Discretionary Write offs

6. BACKGROUND PAPERS

There are no background papers with this report.

AUTHORS OF REPORT

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Discretionary Write Off's

Case 1 – Non Domestic Rates

Reference 406674246 Amount £24,199.39 No Trace

Case referred to Bailiffs who visited in December 2012 and found no trace of debtors.

Case returned to us “Debtor absconded.”

Letter also received from solicitors for British Gas asking whether or not we have any details of the whereabouts of these debtors.

The property was again visited in March 2013 where it was established that the property has been repossessed by Nat West on the 5th February 2013.

All attempts to trace the account holder have failed.

Case 3 - Housing Benefit Overpayment

Female No fixed abode Amount £3,942.10

This overpayment was raised on 13.4.10 as a result of a joint fraud investigation with the Department for Work and Pensions (DWP) after information was received suggesting that Ms A was living with an undeclared partner.

Evidence was gathered and she was interviewed under caution but denied the offences.

The DWP Decision Maker considered the evidence including the interview under caution and decided that Income Support had been incorrectly claimed from 16.1.09.

It was decided that Housing Benefit of £4,441.65 had been overpaid for the period 19.1.09 to 8.3.10 and an invoice for this was issued on 4.5.10.

The case was taken to prosecution and Ms A was found not guilty but the overpayment decision stands and no appeal was made against the decision to recover the debt.

Deductions to recover the overpayment were made from Ms A's Housing Benefit entitlement from 13 Aug 2010 to 7 May 2012, 4 Jan 2013 to 1 Mar 2013 and 11 Mar 2013 to 19 Aug 2013.

BROMSGROVE DISTRICT COUNCIL

Cabinet

4th March 2015

There has been no claim for Housing Benefit since that date and DWP records show her as having no fixed abode and to be claiming Employment and Support Allowance (ESA), suffering from anxiety and drug dependency.

Recovery through deductions from ESA were requested but refused by the DWP because existing debts have priority and have given a date of 24 Jan 2020 to re-refer.

The customer has no permanent home and is unlikely to have any possessions of any value and therefore write off is recommended.

Should any further entitlement to Housing Benefit be established the debt can be resurrected and recovery recommenced.