



EXECUTIVE BOARD DECISION

REPORT OF:	Executive Member for Finance and Governance
LEAD OFFICERS:	Strategic Director Finance and Resources
DATE:	Thursday, 7 December 2023

PORTFOLIO/S AFFECTED:	Finance and Governance
WARD/S AFFECTED:	(All Wards);
KEY DECISION:	Y

SUBJECT: Business Rates and Sundry Debt Write Offs over £30k

1. EXECUTIVE SUMMARY

This report details the debts that have proved irrecoverable, and, as such, in line with the Financial Procedures Rules are presented to the Executive Board for consideration for write off.

2. RECOMMENDATIONS

That the Executive Board:

Approves the write off of:

1. £214,532.48 in respect of Business Rates
2. £71,197.99 in respect of Sundry Debts

3. BACKGROUND

The Council's Standing Orders and Financial Regulations stipulate that the Strategic Director of Finance and Governance may authorise the write off of any individual debt up to the value of £5,000.

For those debts above £5,000 and below £30,000, the Strategic Director of Finance and Governance, in consultation with the Executive Member for Finance and Governance can authorise the write off.

For individual debts where the debt is over £30,000, the case must be referred to the Executive Board for authorisation. This report details these cases for consideration.

In arriving at a decision to write off a debt, officers must pursue a rigorous process to establish whether funds can be recovered before concluding as a last resort, that the debt is deemed to be irrecoverable. The companies identified in this report have been pursued as appropriate using all available recovery and enforcement methods. Unfortunately it has not been possible to recover the money owed and the only option available is to write the debts off.

4. KEY ISSUES & RISKS

It is good accounting practice to ensure all irrecoverable debts are written off as appropriate. After

extensive enquiries, all of the debts listed below have been deemed irrecoverable and do require write off from the appropriate system.

A summary of the write offs listing all debtors is listed below. The individual cases contain the pertinent details for the write off, including; the amount of debt, debt type and the reason for the write off.

Business Rates

Debtor	Amount	Debt type	Reason for write off
Individual 1	£39,270.55	Business Rates	Insolvency
Company 1	£70,618.20	Business Rates	Company dissolved
Company 2	£36,594.73	Business Rates	Company dissolved
Company 3	£68,049.00	Business Rates	Insolvency

Sundry Debts

Debtor	Amount	Debt type	Reason for write off
Company 4	£71,197.99	Sundry Debt	Insolvency

5. POLICY IMPLICATIONS

All write offs contained in this report have followed the appropriate procedures and do fulfil the criteria for write off.

6. FINANCIAL IMPLICATIONS

The Council maintains an accounting provision for potential bad debt write off. The adequacy of this provision is reviewed each year and is subject to audit review.

The amount for write off detailed in this report is £285,730.47. The total amount of debt written off is provided for from the bad debt provision.

Even after the write off of the following debts, the bad debt provision for Business Rates and Sundry Debts remains at £1,272,020 and £5,645,947 respectively.

7. LEGAL IMPLICATIONS

The Council has a duty to pursue and recover outstanding monies due, however, it is inevitable that some debts cannot be recovered for a number of reasons. All of the debts outlined in this report are deemed irrecoverable for the reasons listed above.

8. RESOURCE IMPLICATIONS

There are no resource implications associated with this decision.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

10. CONSULTATIONS

None with this report.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION:	1
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CONTACT OFFICER:	Andy Ormerod
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DATE:	23 rd November 2023
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BACKGROUND PAPER:	
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