

RECORD OF DECISION TAKEN UNDER DELEGATED AUTHORITY FROM EXECUTIVE/COUNCIL/COMMITTEE

DELEGATED POWERS OUTLINED IN THE CONSTITUTION



DELEGATED OFFICER DECISION TAKEN BY:	Strategic Director Finance and Resources
DELEGATED BY:	Council July 2023
IN CONSULTATION WITH:	Choose an item.
PORTFOLIO AREA:	Finance and Governance

SUBJECT: Write Offs for Quarter 1 & 2 2023 - 24

1. DECISION

That the debts contained within this report are authorised for write off in line with the Financial Procedures Rules

2. REASON FOR DECISION

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 authorisation.

3. BACKGROUND

The Council's Standing Orders and Financial Regulations stipulate that the Strategic Director of Finance and Resources 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 Resources, in consultation with the Executive Member for Finance and Governance can authorise the write off.

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 AND RISKS

All of the debts listed below have been deemed irrecoverable and do require write off authorisation. Individually, all of the debts are below £5,000.

A summary of the write offs amounts are listed below. Included in the summary is the service area totals and the reasons for the write.

4.1 Council Tax

Under £5,000

Number of cases	Total amount	Reason for Write off
491	£89,798.27	Irrecoverable
339	£195,958.94	Absconded / gone away
66	£63,935.04	Deceased
200	£907.53	De-minimus
105	£84,851.73	Bankrupt
14	£281.53	Credit payment
1	£9.06	Exceptional error
3	£393.99	Local Authority Error
2	0.46	Council Tax Benefit adjustment

Total number of cases = 1,220

Total amount of write off = £429,475.55

Over £5,000

Number of cases	Total amount	Reason for Write off
1	£6661.00	Irrecoverable

All accounts have been actively pursued with all recovery options being considered and exhausted. In the case of debts from deceased persons, it has been confirmed that the estate has no funds available to discharge the debt. The bankrupt cases have been verified with the Insolvency Service / Practitioners with claims made for the outstanding debts if applicable. All absconded accounts have also been subject to the various tracing methods including Experian checks and review on social media.

4.2 Business Rates

Under £5,000

Number of cases	Total amount	Reason for Write off
5	£3.43	De-minimus

4.3 Sundry Debts

There have been no write offs over £5,000 and under £30,000 during this period.

4.4 Housing Benefit Overpayments

Under £5,000

Number of cases	Total amount	Reason for Write off
3	£1,222.97	Irrecoverable
1	£677.52	Local Authority Error

4	£6,774.30	Deceased
4	£5,437.64	Insolvency
2	£3,934.47	Exceptional

£5,000 – under £30,000

Number of cases	Total amount	Reason for Write off
2	£18,839.64	Local Authority error

All accounts have been actively pursued with all recovery options being considered and exhausted. In the case of debts from deceased persons, it has been confirmed that the estate has no funds available to discharge the debt. The bankrupt cases have been verified with the Insolvency Service / Practitioners with claims made for the outstanding debts if applicable.

Debts can, and are written back on and pursued in certain circumstances. These will include absconded debtors and where new information comes to light.

5. 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 £479,687.52. The total amount of write off is provided for under the Council's bad debt provision.

Following the write offs from this period, the bad debt provision remains as follows:

Council Tax £11,007,042
 Business Rates £1,273,017
 Benefits Overpayments £1,886,865
 Sundry Debts £6,776,571

During the period, some debts have small credit balances written on, or previous write offs reversed following debtors being traced. During 1st April and 30th September, a total of £38,138 debt was written on for Council Tax, and a further £21,576.64 for Business Rates.

6. 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.

7. RESOURCE IMPLICATIONS

There are no resource implications associated with this decision.

8. OPTIONS CONSIDERED AND REJECTED

There are other options available to the Council. Good financial and accounting practice requires irrecoverable debt to be written off.

9. CONSULTATIONS

None.

--

10. DECLARATION OF INTEREST

All Declarations of Interest of the officer with delegation and any Member who has been consulted, and note of any dispensation granted should be recorded below:

VERSION:	1
-----------------	----------

CONTACT OFFICER:	Andy Ormerod
DATE:	
BACKGROUND DOCUMENTS:	