

Committee: Finance & Administration

Agenda Item

Date: 25 November 2010

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Title: Write Offs

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Item for decision

Stephen Joyce, Assistant Chief Executive

Summary

1. Members are required to consider write offs in excess of £5,000. This report contains a recommendation that debts relating to irrecoverable Council Tax, Business rates and Sundry Debts are written off.
2. For legal reasons some debts are in the public domain and can be discussed in Part 1. Some debts are confidential should Members wish to discuss these, this will have to be discussed in Part 2. The debts are divided into appendices as shown below.

Appendix 1 (part 1)	Business Rates
Appendix 2 (part 2 - confidential)	Sundry Debts
Appendix 3 (part 2 - confidential)	Council Tax
Appendix 4 (part 2 – confidential)	Business Rates

Recommendations

3. The Committee is recommended to authorise write off of the following irrecoverable debts:
 - a) £147,162.04 of Business Rates as shown in Appendix 1 (Part 1 item)
 - b) £10,811.21 of Sundry Debts as shown in Appendix 2 (Part 2 item)
 - c) £5,828.65 of Council Tax as shown in Appendix 3 (Part 2 item)
 - d) £22,790.81 of Business Rates as shown in Appendix 4 (Part 2 item)

Financial Implications

4. For all write offs detailed in this report adequate provision for bad debts already exists and there are no additional budgetary implications arising.
5. The write off of Council Tax is a charge of £5,828.65 against the Council Tax Bad Debt Provision, the cost of which is met by the Collection Fund and apportioned between the major precepting authorities Essex County Council, Essex Police, Essex Fire and UDC. The UDC share is approximately 10% i.e. £583.

6. The write off of Business Rates is a charge of £169,952.85 against the Business Rates Bad Debt provision, the cost of which is met by the Collection Fund and affects the amount paid over to the National Non Domestic Rates Pool. In a general sense this affects the total amount of funding available to local government so there is an indirect future loss to this Council, although this cannot be accurately quantified.
7. The write off of Sundry Debts is a charge of £10,811.21 against the Sundry Debts Bad Debt Provision, the cost of which is met from the Council's General Fund budget.

Background Papers

None.

Impact

Communication/Consultation	Correspondence has been exchanged with customers, bailiffs, etc.
Community Safety	None identified.
Equalities	None identified.
Health and Safety	None identified.
Human Rights/Legal Implications	None identified.
Sustainability	None identified.
Ward-specific impacts	None identified.
Workforce/Workplace	None identified.

Situation

8. The attached appendices set out details of unrecoverable Council Tax, Business Rates and Sundry Debts. The reason for recommending write off is that there is no prospect of recovering the amounts due. Officers have exhausted recovery arrangements.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
None	-	-	No risks have been identified as this matter relates to internal administrative procedure.

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.