

**Decision Maker:** The Leader of the Council **Date:** Tuesday, 7 July 2020

**Title:** Officers Decision – Write offs 2019/20

**Portfolio Holder:** Portfolio Holder for Finance and Budget

**Report Author:** Angela Knight, Assistant Director - Resources **Key decision:** No  
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## Summary

1. This report details Officers decisions under delegated powers to authorise write offs less than £10,000 in line with the constitution and the Financial Regulations.
2. The write offs relate to Business Rates, Council Tax, Housing Benefit, Housing Rents and Sundry Debtors.
3. The total value of monies owed which have been written off by officers for the financial year 2019/20 is £262,768 of this £138,276 has a direct financial impact on the Council.
4. All of the amounts written off have been through the council's recovery process and proved to be either unrecoverable or uneconomical to pursue any further.

## Recommendations

5. The Leader is recommended to note the contents of this report

## Financial Implications

6. Any financial implications are included in the body of the report

## Background Papers

7. None

## Impact

- 8.

Communication/Consultation	Budget Holders and CMT have been consulted
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A

Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	N/A
Workforce/Workplace	N/A

## Situation

9. The total sum of write offs actioned in 2019/20 was £262,768 (compared to £241,469 in 2018/19) and relates to historical debt as well as current. The table below shows the breakdown of these amounts by service area.

	Write Off Amounts			UDC share
	2018/19	2019/20		
Council Tax	£70,626	£114,071	9%	£10,266
Business Rates	£33,033	£34,479	40%	£13,792
Benefits	£80,504	£63,058	100%	£63,058
Housing Rent	£56,153	£44,146	100%	£44,146
Sundry Debtors	£1,152	£7,014	100%	£7,014
	<b>£241,469</b>	<b>£262,768</b>		<b>£138,276</b>

10. For Council Tax and Business Rates we only bear the financial impact of our share, which is based on the same percentages as the income collected. The total value of the write offs are adjusted at the financial year end and applied to the main preceptors final account balances (with the exception of Parishes for Council Tax as the amounts are immaterial).
11. The main reasons for writing off debts are;
- Bankruptcy (personal and businesses)
  - Company in administration/liquidation
  - Independent voluntary Agreements (IVA's)
  - Unable to trace debtor or deceased
  - Uneconomical to continue to try and recover
12. It should be noted that although these amounts have been written off, if information becomes available on the debtor/s showing a change in circumstances we would reinstate the debt and pursue the amounts owed using the appropriate recovery process.
13. A report was presented to Cabinet on 30<sup>th</sup> November 2018 giving delegated authority to the Chief Finance Officer (S151) to write off individual debts up to a value of £10,000. Any individual amounts above this would be subject to Cabinet approval.
14. The Council is committed to supporting residents who are vulnerable and/or on a low income by offering early intervention support in managing their personal budgets and provide assistance with outstanding arrears. This includes personal payment plans and/or appointments (office based or home visits) with specialist officers who can provide this direct personal advice and support.

15. Prior to writing off a debt, officers will explore all avenues available to them to maximise the recovery of monies owed to the Council. There are clear procedures that are in place for recovery of all monies owed.
16. The procedures for the recovery of housing benefit overpayments is attached as Appendix A. Council Tax, Business Rates and Housing rents recovery processes are available on our website, at the following links;

[Council Tax Recovery Procedure](#)  
[Business Rates Recovery Procedure](#)  
[Housing Rent Recovery](#)

17. It should be noted that all recovery action was stopped in response to the Covid-19 pandemic and this was effective from 23 March. This had no financial impact on the figures presented for 2019/20.
18. The recovery process will be reinstated on a phased programme and is planned to mirror the Governments guidance on lockdown and the reopening of businesses. The council will amend its processes to accommodate the exceptional circumstances as required.

**Risk Analysis**

19.

Risk	Likelihood	Impact	Mitigating actions
None this report is for information only			

- 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.