

Committee:	Cabinet	Date: Thursday, 1 September 2022
Title:	Officers Decision – Write offs 2021/22	
Portfolio Holder:	Portfolio Holder for Finance and Budget	
Report Author:	Angela Knight, Assistant Director - Resources aknight@uttlesford.gov.uk	Key decision: N

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 to the Council which have been written off by officers for the financial year 2021/22 is £262,831 of this £69,584 has a direct financial impact on the Council.
4. All 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 Cabinet 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 Covid-19 pandemic has had a significant impact on how the Council has managed debt recovery since the 23 March 2020 with all recovery action put on hold by the Government nationally. The reduced level of recovery action during the 2020/21 financial year has resulted in a lower level of write offs than in previous years
10. The recovery process was reinstated on a phased programme during 2020/21 and was in line with the Governments guidance on lockdown and the reopening of businesses. The council has amended its processes to accommodate any exceptional or local circumstances as required.
11. The total sum of write offs actioned in 2021/22 was £262,831, although this is much higher than 2020/21 the table below shows that it is comparable to the pre pandemic year of 2019/20.

Write Off Amounts					
	2019/20	2020/21	2021/22		UDC share
Council Tax	£114,071	£57,797	£166,811	9%	£15,013
Business Rates	£34,479	£2	£69,081	40%	£27,632
Benefits	£63,058	£39,550	£8,915	100%	£8,915
Housing Rent	£44,146	£10,710	£16,724	100%	£16,724
Sundry Debtors	£7,014	£40,089	£1,300	100%	£1,300
	£262,768	£148,148	£262,831		£69,584

12. 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 is adjusted at the financial year end and will be written back to the revenue account.
13. For Business Rates and Council Tax the amounts are applied to the main preceptors final account balances within the collection fund (with the exception of Parishes for Council Tax as the amounts are immaterial).
14. The main reasons for writing off debts are;
 - a. Bankruptcy (personal and businesses)
 - b. Company in administration/liquidation
 - c. Independent voluntary Agreements (IVA's)
 - d. Unable to trace debtor or deceased
 - e. Uneconomical to continue to try and recover
15. 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.

16. A report was presented to Cabinet on 30th 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.
17. The Council is committed to supporting residents who are vulnerable and/or on a low income by offering early intervention and support in personal budgeting and arranging personal payment plans to manage any outstanding arrears. This support includes one to one support and advice meetings, offered either in person, telephone call or by video call with officers who specialise in providing this direct personal advice and support.
18. 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.
19. The procedures for the recovery of housing benefit overpayment are attached as Appendix A. Council Tax, Business Rates and Housing rents recovery processes are available on our website, at the following links;

[Council Tax Debt Recovery Procedures](#)
[Business Rates Debt Recovery procedures](#)
[Housing Rent Arrears Policy](#)

Risk Analysis

20.

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.