



Policy, Finance and Development Committee	Tuesday, 16 March 2021	Matter for Information
--	-----------------------------------	-----------------------------------

Report Title: **Collection and Write-Off of Miscellaneous Debtors (Q3 2020/21)**

Report Author(s): **Comie Campbell (Head of Finance / Deputy Section 151 Officer)**

Purpose of Report:	To inform Members of the collection rate of Council Tax and National Non Domestic Rates debt owed to the Council at the end of quarter three of 2020/21 and for Members to approve any write-off of uncollectable debts as per the Council's Financial Regulations.
Report Summary:	The current economic climate continues to make debt collection a challenging exercise. Despite this there has been positive progress made in both Council Tax and Business Rates along with other forms of debts. Prior to year end a thorough review of miscellaneous sundry debtors will take place to review the risk associated with this area.
Recommendation(s):	A. That the contents of the report be noted; and B. That Members approve the write-off as detailed at paragraph 3 of this report.
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	Stephen Hinds (Deputy Chief Executive / Section 151 Officer) (0116) 257 2681 stephen.hinds@oadby-wigston.gov.uk Comie Campbell (Head of Finance / Deputy Section 151 Officer) (0116) 257 2713 comie.campbell@oadby-wigston.gov.uk
Corporate Objectives:	Building, Protecting and Empowering Communities (CO1) Growing the Borough Economically (CO2) Providing Excellent Services (CO3)
Vision and Values:	Accountability (V1) Teamwork (V3) Customer Focus (V5)
Report Implications:-	
Legal:	There are no implications arising from this report.
Financial:	The implications are as set out at paragraphs 2 to 3 of this report.
Corporate Risk Management:	Decreasing Financial Resources / Increasing Financial Pressures (CR1) Reputation Damage (CR4) Increased Fraud (CR10)
Equalities and Equalities Assessment (EA):	There are no implications arising from this report. EA not applicable.
Human Rights:	There are no implications arising from this report.

Health and Safety:	There are no implications arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	None.
Background Papers:	None.
Appendices:	None.

1. Introduction

- 1.1 As part of the income collection function, the Council operates a comprehensive debt collection process which covers all service areas of the Authority.
- 1.2 The Council uses three principal methods for collecting these debts:
- (i) Direct contact with the debtor by letter or telephone;
 - (ii) Referring the debt to a collection agent; and
 - (iii) Legal action through the courts.

2. Council Tax and Non-Domestic (Business) Rates

- 2.1 Council Tax and Non-Domestic (Business) Rates (NDR) make up the largest debts within the income collection area. These income streams have a combined annual debit to collect of around £41 million.
- 2.2 At the end of the third quarter 83.21% of the Council Tax debit had been collected against a target of 85.2%. Business Rates debit collected at the third quarter was 73.74% compared against a target of 82.29%. There is an annual target of 98.5% for both taxes. Business rates collection rates have been affected by the impact the Covid 19 pandemic has had on businesses being able to operate.

3. Write-Off of Bad Debt

- 3.1. In this quarter there have been 7 cases of National Non Domestic Rates (NNDR) business rates over £5,000 debts which require Elected Members approval to be written off. Where the debt being put forward to be written off is for a named individual the name has been removed from this report.
- 3.2. Cases below £5,000 are written off subject to the approval of the Section 151 Officer or his nominated deputy throughout the year where appropriate.
- 3.3. Table 1 shows the list of National Non Domestic Rates (NNDR) write off's requested for Quarter 3. This amount in total is £98,781.02. The council makes a financial provision each year to write off a certain amount of uncollectable debt as per financial regulations.

(Continued overleaf)

Table 1

Charge payer:	NNDR ref:	Amount	Reason for write off:
CENTRE SIGNS (UK) LTD	90420607	£11,704.30	Company Dissolved
IAM DISCOUNT LTD	90416455	£9,936.02	Company Dissolved
Annonimised Personal Name	90393194	£6,899.08	Old debt - over 6 years old
Annonimised Personal Name	90300673	£9,711.41	IVA discharged
Annonimised Personal Name	90403374	£11,500.00	Charged wrongly Admin error
Annonimised Personal Name	90416097	£15,024.17	Debtor deceased
PRETTY CHIC	90384473	£34,006.04	Company Dissolved
Total		£98,781.02	