



Policy, Finance and Development Committee	Tuesday, 26 March 2024	Matter for Information and Decision
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Report Title: **Collection and Miscellaneous Debtors Write-Off 2023/24)**

Report Author(s): **Deborah Proctor (Interim Finance Manager)**

Purpose of Report:	To seek approval to write off debts above £10,000 and to provide a status update on the status of debts written off under delegated powers.
Report Summary:	There have been amounts of NDR, Council Tax, Housing Benefit Overpayment and Sundry Debts written off under delegated powers by the Section 151 Officer (amounts under £5,000) and the Section 151 Officer in consultation with the Policy, Finance and Development Chair (amounts between £5,000 - £10,000). Amounts for write-off that are above £10,000 are set out in this report for Committee approval.
Recommendation(s):	That the Committee note the contents of the report and approve the Non-Domestic Rates and Housing Benefit Overpayment write-offs that are above £10,000.
Head of Service, Manager, Officer and Other Contacts:	Sal Khan (Interim Strategic Director & Section 151 Officer) (0116) 257 2690 sal.khan@oadby-wigston.gov.uk Deborah Proctor (Interim Finance Manager) (0116) 257 2823 deborah.proctor@oadby-wigston.gov.uk Claire Werra (Revenue and Benefits Manager) (0116) 257 2681 claire.werra@oadby-wigston.gov.uk
Strategic Objectives:	Our Council (SO1)
Vision and Values:	Accountability (V1) Respect (V2) Customer Focus (V5)
Report Implications:-	
Legal:	There are no implications directly arising from this report.
Financial:	The implications are as set out within this report.
Corporate Risk Management:	Decreasing Financial Resources / Increasing Financial Pressures (CR1)

Equalities and Equalities Assessment (EA):	There are no implications arising from this report.
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:	As the author, the report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	<ul style="list-style-type: none"> • Policy Finance and Development Committee Chair
Background Papers:	<ul style="list-style-type: none"> • Debt Recovery Policy, Policy, Finance and Development Committee – Tuesday 21 July 2015.
Appendices:	None.

1. Introduction

- 1.1 The purpose of this report is to seek approval to write off debts above £10,000 and to provide a status update on the status of debts written off under delegated powers.
- 1.2 The "writing off" of debts is only considered where appropriate recovery and enforcement options have been taken or where the Council is legally prohibited from pursuing the debt. Examples where debt recovery is prohibited in law include:
- Bankruptcy or a Debt Relief Order is in place,
 - Deceased – No assets within the estate,
 - Debtor Absconded / No Trace,
 - Company in liquidation/dissolved or ceased trading with no assets,
 - Severe hardship and/or serious health issues or
 - Statute barred i.e. the Council cannot legally pursue the debt as there has been six years since the debt fell due and no action has been taken to collect the debt.
- 1.3 In some cases, it is uneconomical to collect an outstanding debt, because the costs associated with recovering the debt exceed the income recoverable.
- 1.4 The Council uses a few methods to collect debts, principally making direct contact via letter, email or telephone, referring debts to an enforcement agent and/or taking legal action through the courts system.
- 1.5 Where appropriate, recovery and enforcement options have been taken or where the Council is legally prohibited from pursuing, debts are considered for write off in line with the Council's Corporate Debt Policy. Under the policy, amounts owed by a single debtor under £5,000 may be written off by the Chief Finance Officer. Amounts above £5,000 but below £10,000 are delegated for write off to the Chief Finance Officer in consultation with

the Policy, Finance and Development Committee (PFDC) Chair. The writing debts off above £10,000 may only be approved by PFDC.

2. Current Position

- 2.1 Write offs relating to the current year (2023/24) are set out below. Members should note that there are 3 bad debts relating to the current year requiring their approval.

Type of Debtor	Write offs to date less than £5,000 (by S151 Officer under delegated powers)	Write offs to date £5,001 - £10,000 (by S151 Officer under delegated powers)	Amounts written off over £10,001 approved by Members	TOTAL
Council Tax	£62,514.51	£5,663.39	-	£68,177.90
Non-Domestic Rates	£19,831.80	-	£37,553.56	£57,385.36
Housing Rents	£30,851.06	-	-	£30,851.06
Housing Benefit Overpayments	£22,061.51	£9,934.71	-	£31,996.22
Sundry Debtors	£6,970.20	-	-	£6,970.20
Total	£142,229.08	£15,598.10	£37,553.56	£195,380.74

3. Council Tax

- 3.1 There are currently no **Council Tax** debts over £10,000 for which Committee's approval for write off is sought.
- 3.2 The amounts written off under delegated powers in accordance with the thresholds outlined in the Corporate Debt Policy are as follows:

Council Tax	Total No of cases	Write offs to date less than £5,000 (by s151 Officer under delegated powers)	Write offs to date £5,001 - £10,000 (by s151 Officer under delegated powers)
Deceased	16	£3,354.00	-
Bankruptcy	4	£2,493.03	-
DRO	25	£7,746.59	-
Hospital (long-term)	1	£164.63	-
In Prison	4	£646.67	-
IVA	4	£2,336.78	-
Statute barred	37	£11,525.78	-
Small Balance	37	£285.04	-
Unable to trace	92	£26,374.81	£5,663.39
Vulnerable	16	£7,587.18	-
TOTAL	236	£62,514.51	£5,663.39
			£68,177.90

4. Non-Domestic Rates

4.1 There are 3 **Non-Domestic Rate** debts over £10,000 for which Committee approval for write off is being sought:

Write offs requiring committee approval: (over £10K)

Non-Domestic Rates	Reason for write off	Amount to write off
Charge payer A	Dissolved	£ 11,894.16
Charge payer B	Dissolved	£ 14,702.03
Charge payer C	Unable to trace	£ 10,957.37
		£ 37,553.56

4.2 The amounts written off under delegated powers in accordance with the thresholds outlined in the Corporate Debt Policy are as follows:

Non-Domestic Rates	Total No of cases	Write offs to date less than £5,000 (by s151 Officer under delegated powers)	Write offs to date £5,001 - £10,000 (by s151 Officer under delegated powers)
Dissolved	15	£11,667.97	-
Unable to trace	27	£3,726.61	-
Statute Barred	0	-	-
Not appropriate to pursue	1	£4,437.22	-
Recovery Exhausted	0	-	-
Uneconomical to pursue	0	-	-
TOTAL	43	£19,831.80	-

5. Housing Rents

5.1 There are currently no **Housing Rent** debts over £10,000 for which Committee's approval for write off is sought.

5.2 The amounts written off under delegated powers in accordance with the thresholds outlined in the Corporate Debt Policy are as follows:

Housing Rents	Total No. of cases	Write offs to date less than £5,000 (by s151 Officer under delegated powers)	Write offs to date £5,001 - £10,000 (by s151 Officer under delegated powers)
Deceased	12	£4,230.38	-
Bankruptcy / Insolvency	0	-	-
IVA / DRO	0	-	-

Unable to trace	1	£737.70	-
Statute barred	23	£24,537.96	-
Not appropriate to pursue	0	-	-
Recovery exhausted	1	£237.60	-
Uneconomical to pursue	10	£1,107.42	-
TOTAL	47	£30,851.06	-

6. Housing Benefit Overpayments

- 6.1 There are no **Housing Benefit Overpayments** over £10,000 for which Committee approval for write off is sought.
- 6.2 The amounts written off under delegated powers in accordance with the thresholds outlined in the Corporate Debt Policy are as follows:

Housing Benefit Overpayment	Total No of cases	Write offs to date less than £5,000 (by s151 Officer under delegated powers)	Write offs to date £5,001 - £10,000 (by s151 Officer under delegated powers)
Deceased	5	£1,655.71	£9,934.71
Bankrupt	10	£5,376.66	-
IVA/DRO	4	£3,602.08	-
Unable to Trace	14	£4,212.90	-
Statute barred	8	£1,700.31	-
Not appropriate to pursue	3	£4,233.40	-
Recovery exhausted	9	£1,233.47	-
Uneconomical to pursue	10	£46.98	-
Non-recoverable	0	-	-
TOTAL	63	£22,061.51	£9,934.71
			£31,996.22

7. Sundry Debtors

- 7.1 There are currently no **Sundry Debtor** debts over £10,000 for which Committee approval for write off is sought.
- 7.2 The amounts written off under delegated powers in accordance with the thresholds outlined in the Corporate Debt Policy are as follows:

Sundry Debtors	Total No. of cases	Write offs to date less than £5,000 (by s151 Officer under delegated powers)	Write offs to date £5,001 - £10,000 (by s151 Officer under delegated powers)
Deceased	-	-	-
Bankruptcy / Insolvency	-	-	-
IVA / DRO	-	-	-
Unable to trace	2	£60.00	-
Statute barred	15	£1,891.83	-
Not appropriate to pursue	2	£158.32	-
Recovery exhausted	5	£4,860.05	-
Uneconomical to pursue	-	-	-
TOTAL	24	£6,970.20	-