

## Write Off of Irrecoverable Revenues Bad Debts

### Summary

To approve the write-off of irrecoverable revenues bad debts over £1,500

### Portfolio - Finance

Date signed off: 23 February 2015

### WARDS AFFECTED

All

### Recommendation

The Executive is asked to **RESOLVE** that bad debts totalling £25,240.16 in respect of Council Tax and £12,166.34 in respect of Non-Domestic Rates to be written-off in 2014-15.

## 1. Resource Implications and Key Issues

- 1.1 Attached at Annex A is a schedule of bad debts for Council Tax and Non-Domestic Rates (NDR), the individual amounts of which are greater than £1,500. Financial Regulation 26.1 requires that any bad debt in excess of £1,500 shall only be written-off with the approval of the Executive.
- 1.2 All of the debts have been subject to the relevant recovery action and tracing enquiries have been undertaken.
- 1.3 The Council's bailiffs have also been unable to recover the debts from any forwarding address obtained from the tracing undertaken and the debt is now considered irrecoverable.
- 1.4 In respect of the Council Tax write offs, the Council bears 13% of the total, namely £3,281. The precepting authorities bear the remainder of the costs. In respect of the NDR write offs, the Council bears 40% of the total, namely £4,866.
- 1.5 To put into context the value of the debts that are being submitted for write off, this needs to be compared to the net collectable debits for 2014/15, which are:  
  
Council Tax £ 60.0M therefore write off is 0.042% of the net collectable debit  
NDR £ 36.6M therefore write off is 0.033% of the net collectable debit

## 2. Options

2.1 The debts are now deemed to be irrecoverable and therefore should be written off. The only other option would be to leave them in the accounts which would show a false situation.

### **3. Proposals**

3.1 It is proposed that the debts as set out in Annexe A, having been deemed irrecoverable, be written off.

### **4. Supporting Information**

4.1 Attached in Annex A is a listing of the individual debts for write-off showing the name of the debtor, year the debt arose, the reason for the write-off and the amount of the debt.

### **5. Legal Issues**

5.1 In accordance with advice from the Information Commissioner's office personal details of debtors subject to write-off can only be made public if a full risk analysis as regards possible vulnerability has been undertaken. In all cases being recommended for write-off the authority holds insufficient information as to the debtor's circumstances e.g. age group or possible disability, to perform a proper risk assessment and therefore all cases should remain on the confidential part of the agenda.

### **6. Risk Management**

6.1 As some of these debtors may be vulnerable, if any of their personal details were placed in the public domain the Council could be subject to legal action.

### **7. Human Rights**

7.1 See Paragraph 6.1

### **8. Officer Comments**

8.1 None in addition to the matters raised above.

<b>ANNEXES</b>	<b>Annex A Council Tax Write-offs and NDR Write-offs</b>
<b>BACKGROUND PAPERS</b>	<b>None</b>
<b>AUTHOR/CONTACT DETAILS</b>	<b>Robert Fox – Revenues and Benefits Manager robert.fox@surreyheath.gov.uk</b>
<b>HEAD OF SERVICE</b>	<b>Kelvin Menon – Executive Head of Finance</b>

### **Consultations, Implications and Issues Addressed**

	<b>Required</b>	<b>Consulted</b>	<b>Date</b>
<b>Resources</b>			
Revenue	N/A		
Capital	N/A		
Human Resources	N/A		
Asset Management	N/A		
IT	N/A		
<b>Other Issues</b>			
Portfolio Holder	Yes		
Corporate Objectives & Key Priorities	N/A		
Policy Framework	N/A		
Legal	Yes	Yes	5 Feb 2015
Governance	N/A		
Sustainability	N/A		
Risk Management	N/A		
Equalities Impact Assessment	N/A		
Community Safety	N/A		
Human Rights	N/A		
Consultation	N/A		
P R & Marketing	N/A		

Review Date:

Version: