

PORTFOLIO AREA: Finance and Resources.

Date of Meeting: 19th December 2005

Public

Key Decision: No

Recorded in Forward Plan: No

Inside Policy Framework

Title: BAD DEBT WRITE-OFFS FOR NNDR, COUNCIL TAX AND DEBTORS (INCLUDING EXCESS CHARGE NOTICES)

Report of: The Head of Revenues & Benefits Services

Report reference: RB13-05

Summary & Recommendations:

The Committee is requested to:-

Write-off the sum of £58,748.48 in respect of debts over £1,000.

Note the Director of Finance's action in writing off debts totalling £25,821.02 in respect of bad debts under £1,000.

Note that the costs will fall against the		'Write-ons' will be credited as follows:	
NNDR Pool	£57,716.42	NNDR	£11,328.26
General Fund	£11,218.17	General Fund	£ 1,488.17
Council Tax Pool	<u>£15,634.91</u>	Council Tax	<u>£ 23,904.14</u>
Total	£ 84,569.50	Total	£ 36,720.57

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Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

CITY OF CARLISLE

To: The Executive
Date: 19th December 2005

RB13-05

BAD DEBT WRITE-OFFS FOR NNDR, COUNCIL TAX,
AND DEBTORS

1. BACKGROUND INFORMATION AND OPTIONS

- 1.1 In accordance with the Director of Finance's delegated authority for the write-off of outstanding debts under £1000 the Executive is asked to note debts totalling £25,821.02 have been written off, such bad debts are summarised for the Executive's information in Table 1 of this report.
- 1.2 Also itemised in appendices are schedules of other debts exceeding £1000 and the committee is asked to consider the write-off of these debts which total £58,748.48.

	£
Appendix 1 – NNDR	54,983.59
Appendix 2 – General Fund	1,142.50
Appendix 3 – General Fund	
Ex former Tenant Arrears (FTA)	1,394.20
Appendix 4 – Ex FTA Housing Benefit Overpayments	1,228.19

- 1.3 The 'write-ons' itemised in Table One totalling £36,720.57 are in respect of balances originally written off that have since been paid and credit write-offs.
- 1.4 The write-offs are fully provisioned as explained in paragraph 4.5 below.

2. TABLE ONE

<u>Type of Debt</u>	<u>Under £1000 No of Accounts</u>	<u>Under £1000 Amount</u>	<u>£1000 & Over No of Accounts</u>	<u>£1000 & Over Amount</u>	<u>Write-Ons Amount</u>
		<u>£</u>		<u>£</u>	<u>£</u>
NNDR	12	2,732.83	18	54,983.59	(11,328.26)
Council Tax	57	15,634.91			(23,904.14)
Debtors					
Private Tenants	19	5,004.49			(205.20)
Housing Benefit					
Overpayments					
General Fund	19	1,384.76	1	1,142.50	
Ex HRA	3	1,063.95			
Ex FTA					
Council Tenants			1	1,394.20	(938.51)
Benefit					
Overpayments	1	0.08	1	1,228.19	(344.46)
TOTAL	<u>111</u>	<u>25,821.02</u>	<u>21</u>	<u>58,748.48</u>	<u>(36,720.57)</u>

3. **CONSULTATION**

3.1 Consultation to Propose

3.2 Consultation to Date

4. RECOMMENDATIONS

The Committee is requested to:-

- 4.1 Write-off the sum of £58,748.48 in respect of debts over £1000.
- 4.2 Note the Director of Finance's action in writing off debts totalling £25,821.02 in respect of bad debts under £1000.
- 4.3 Note that the costs will fall against the

NNDR Pool	-	£57,716.42
General Fund	-	£11,218.17
Council Tax Pool	-	<u>£15,634.91</u>
		£84,569.50

- 4.4 'Write-ons' will be credited as follows:

NNDR	-	£11,328.26
General Fund	-	£1,488.17
Council Tax	-	<u>£23,904.14</u>
Total	-	£36,720.57

- 4.5 In the case of General Fund the Write-offs will be charged against provisions made for bad debts. However VAT which has been separately identified will be recouped in future VAT returns. Note HRA debts and provisions have been transferred to the General Fund. Write-off/write on of Council Tax will fall against the pool provisions within those accounts. Any Council Tax Court Costs written off will be charged against the costs 'Bad Debt' provision within the General Fund.

5. REASONS FOR RECOMMENDATIONS

Debts irrecoverable.

6. IMPLICATIONS

- Staffing/Resources – Not Applicable
- Financial – Included within the report.
- Legal – Not Applicable
- Corporate – Not Applicable

- Risk Management – Not Applicable
- Equality Issues – Not Applicable
- Environment – Not Applicable
- Crime and disorder – Not Applicable
- Impact on the Customer – Not Applicable

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Carlisle
22 September 2005
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