

PORTFOLIO AREA: GOVERNANCE AND RESOURCES

Date of Meeting: 12 March 2012

Public

Key Decision: No

Recorded in Forward Plan: No

Inside Policy Framework

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

Report of: **Director of Resources**

Report reference: **RD95/11**

Summary & Recommendations:

The Committee is requested to:-

- 1 Note the Director of Resources action in writing of debts totalling £149,874.08 for the period 1st September 2011 to the 29th February 2012
- 2 Note that the costs will fall against the

General Fund	-	£ 67,629.64
Council Tax Pool	-	£ 55,240.34
NNDR Pool	-	<u>£ 27,004.34</u>
Total	-	£149,874.08
- 3 'Write-ons' will be credited as follows:

General Fund	-	£ 11,049.26
Council Tax Pool	-	£ 2,171.87
NNDR Pool	-	<u>£ 172.97</u>
Total	-	£ 13,394.10

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

- 4 Note the cumulative write offs (£342,931.80) and write on's (£46,945.54) for the period 1st April 2011 to 29th February 2012. The full 2011/12 years write offs and write on trends compared to previous years will be reported to members as part of the 2011/12 outturn report.

Contact Officer: Peter Mason

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CITY OF CARLISLE

To: The Executive
12 March 2012

RD95/11

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

1. INTRODUCTION

- 1.1 In accordance with the Director of Resources delegated authority for the write-off of outstanding debts, the Executive is asked to note debts totalling £149,874.08 have been written off for the period 1st September 2011- 29th February 2012, such bad debts are summarised for the Executive's information in Table 1 of this report.
- 1.2 The 'write-on's' itemised in Table 2 totalling £13,394.10 are in respect of balances originally written off that have since been paid and credit write-offs for the period 1st September 2011 to 29th February 2012
- 1.3 Also noted in Table 1 are the cumulative write offs 1st April 2011-29th February 2012 and in Table 2 the cumulative write on's.

TABLE 1 <u>Type of Debt</u>	<u>Write offs</u> <u>1st April 2011 to 31st</u> <u>August 2011</u>		<u>Write offs</u> <u>1st September 2011 to</u> <u>29th February 2012</u>		<u>Total Write offs</u> <u>2011-12 to 29th February</u> <u>2012</u>	
	No.	£	No.	£	No.	£
NNDR	37	89,918.15	14	27,004.34	51	116,922.49
Council Tax	30	8,528.73	141	55,240.10	171	63,768.83
Debtors						
Private Tenants	121	70,454.74	86	25,739.06	207	96,193.80
Housing Benefit			1	982.84	1	982.84
Overpayments						
General Fund	41	1,846.77	45	1,301.52	86	3,148.29
Penalty Charge						
Notices						
On Street	236	21,191.33	383	35,485.44	619	56,676.77
Off Street	13	1,070.00	40	3,407.00	53	4,477.00
Ex FTA Benefit	1	48.00	1	713.78	2	761.78
TOTAL	479	193,057.72	711	149,874.08	1,190	342,931.80

TABLE 2 <u>Type of Debt</u>	<u>Write on's</u> <u>1st April 2011 to 31st</u> <u>August 2011</u>		<u>Write on's</u> <u>1st September 2011 to</u> <u>29th February 2012</u>		<u>Total Write on's</u> <u>2011-12 to 29th February</u> <u>2012</u>	
	£		£		£	
NNDR	(7,049.27)		(172.97)		(7,222.24)	
Council Tax	(7,957.61)		(2,171.87)		(10,129.48)	
Debtors						
Private Tenants	(11,783.52)		(6,206.02)		(17,989.54)	
Housing Benefit						
Overpayments			(4,106.29)		(4,106.29)	
General Fund	(5.18)		(736.95)		(742.13)	
Ex FTA Benefit	(6,755.86)				(6,755.86)	
TOTAL	(33,551.44)		(13,394.10)		(46,945.54)	

2. RECOMMENDATIONS

The Committee is requested to:-

2.1 Note the Director of Resources action in writing of debts totalling £149,874.08 for the period 1st September 2011 to the 29th February 2012

2.2 Note that the costs will fall against the

General Fund	-	£ 67,629.64
Council Tax Pool	-	£ 55,240.34
NNDR Pool	-	<u>£ 27,004.34</u>
Total	-	£149,874.08

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

General Fund	-	£ 11,049.26
Council Tax Pool	-	£ 2,171.87
NNDR Pool	-	<u>£ 172.97</u>
Total	-	£ 13,394.10

2.4 In the case of General Fund the write-offs will be charged against provisions made for bad debts (except for PCN's which are accounted for on a cash basis). 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.

2.5 Note the cumulative write offs (£342,931.80) and write on's (£46,945.54) for the period 1st April 2011 to 29th February 2012. The full 2011/12 years write offs and write on trends compared to previous years will be reported to members as part of the 2011/12 outturn report.

3. REASONS FOR RECOMMENDATIONS

Debt irrecoverable

4. 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
- **Impact assessments**
- **Does the change have an impact on the following?**

Equality Impact Screening	Impact Yes/No?	Is the impact positive or negative?
Does the policy/service impact on the following?		
Age	N	N/A
Disability	N	N/A
Race	N	N/A
Gender/ Transgender	N	N/A
Sexual Orientation	N	N/A
Religion or belief	N	N/A
Human Rights	N	N/A
Social exclusion	Y	Positive
Health inequalities	N	N/A
Rurality	N	N/A

- **If you consider there is either no impact or no negative impact, please give reasons:**

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- **If an equality Impact is necessary, please contact the P&P team.**

P MASON
Director of Resources

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