



REPORT TO EXECUTIVE

PORTFOLIO AREA: FINANCE AND PERFORMANCE MANAGEMENT

Date of Meeting: 19 November 2007

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 Director of Corporate Services

Report reference: CORP67-07

Summary & Recommendations:

The Committee is requested to:-

Write-off the sum of £44,466.35 in respect of debts over £1,000.

Note the Director of Corporate Services action in writing off debts totalling £113,229.03 in respect of bad debts under £1,000.

Note that the costs will fall against the 'Write-ons' will be credited as follows:

General Fund	£ 85,850.64	General Fund	£ 6,792.62
Council Tax Pool	£ 33,727.23	Council Tax Pool	£ 2,092.56
NNDR Pool	<u>£ 38,117.51</u>	NNDR	<u>£ 4,001.04</u>
Total	£ 157,695.38	Total	£12,886.22

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CITY OF CARLISLE

To: The Executive
19 November 2007

CORP67/07

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

1. BACKGROUND INFORMATION AND OPTIONS

1.1 In accordance with the Director of Corporate Services delegated authority for the write-off of outstanding debts under £1000 the Executive is asked to note debts totalling £113,229.03 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 £44,466.35.

	£
Appendix 1 – NNDR	36,758.06
Appendix 2 – Council Tax	5,961.20
Appendix 3 – Private Tenant Housing Benefits Overpayments	1,747.09

1.3 The 'write-ons' itemised in Table One totalling £12,886.22 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>
		£		£	£
NNDR	5	1,359.45	19	36,758.06	(4,001.04)
Council Tax	114	27,766.03	4	5,961.20	(2,092.56)
Debtors					
Private Tenants	50	7,641.88	3	1,747.09	(544.27)
Housing Benefit					
Overpayments					
General Fund	35	2,421.64			(3,346.37)
Debtors					
Penalty Charge					
Notices					
On Street	898	66,517.14			
Off Street	98	7,031.36			
Ex FTA					
Council Tenants	4	325.91			
Benefit					
Overpayments	2	165.62			(2,901.98)
TOTAL	<u>1,206</u>	<u>113,229.03</u>	<u>26</u>	<u>44,466.35</u>	<u>(12,886.22)</u>

3. **CONSULTATION**

- 3.1 Consultation to Date – Not applicable.
- 3.1 Consultation proposed – Not applicable.

4. **RECOMMENDATIONS**

The Committee is requested to:-

- 4.1 Write-off the sum of £44,466.35 in respect of debts over £1000.
- 4.2 Note the Director of Corporate Services action in writing off debts totalling £113,229.03 in respect of bad debts under £1000.

4.3 Note that the costs will fall against the

General Fund	-	£ 85,850.64
Council Tax Pool	-	£ 33,727.23
NNDR Pool	-	<u>£ 38,117.51</u>
		£157,695.38

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

General Fund	-	£ 6,792.62
Council Tax	-	£ 2,092.56
NNDR	-	<u>£ 4,001.04</u>
Total		£ 12,886.22

- 4.5 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.

5. REASONS FOR RECOMMENDATIONS

Debt 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

A BROWN
Director of Corporate Services

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