

REPORT TO EXECUTIVE

PORTFOLIO AREA: Policy, Performance, Management, Finance and Resources.

Date of Meeting: 29 September 2003

Public

Key Decision:

No

Recorded in Forward Plan:

No

Inside Policy Framework

Title: BAD DEBT WRITE-OFFS FOR COUNCIL TAX, NATIONAL NON-DOMESTIC RATES AND DEBTORS.

Report of: The Head of Revenues & Benefits Services

Report reference: RB14-03

Summary & Recommendations:

The Committee is requested to:-

Write-off the sum of £72,774.02 in respect of debts over £1,000.

Note the Head of Finance's action in writing off debts totalling £50,601.00 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 £ 95,854.28 NNDR £ 3,338.07

Council Tax £ 1,921.64

NNDR National Pool £ 197.24 General fund Account £10,158.81

Council Tax Pool £ 27,323.50

Total £123,375.02 Total £15,418.52

Contact Officer: Peter Mason

Ext: 7270

CITY OF CARLISLE

To: The Executive RB14/03

Date: 29 September 03

BAD DEBT WRITE-OFFS FOR COUNCIL TAX,

NATIONAL NON-DOMESTIC RATES AND DEBTORS

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1. BACKGROUND INFORMATION AND OPTIONS

1. In accordance with the Head of Finance's delegated authority for the write-off of outstanding debts under £1000 the Executive is asked to note debts totalling £50,601.00 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 £ 72,774.02.

Appendix 1 - Council Tax - 5,839.87

Appendix 2 - Sundry Debtors in former tenant arrears - 55,363.38

Appendix 3 - Benefits Overpayments Ex-Council Tenants - 9,596.17

Appendix 4 - Benefit Overpayments Private Tenants - 1,974.60

3. The 'write-ons' itemised in Table One totalling £15,418.52 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 3.5 below.

1. TABLE ONE

<u>Type of Debt</u>	<u>Under £1000</u>	<u>Under £1000</u>	<u>£1000 & Over</u>	<u>£1000 & Over</u>	<u>Write-Ons</u>
-	<u>No of</u>	<u>Amount</u>	<u>No of</u>	<u>Amount</u>	<u>Amount</u>
-	<u>Accounts</u>		<u>Accounts</u>		
-					
-		<u>£</u>		<u>£</u>	<u>£</u>
NNDR	1	197.24			(3,338.07)
Council Tax	122	21,483.63	4	5,839.87	(1,921.64)
Debtors			1	1,974.60	(98.80)
Private Tenants	24	4,185.69			
Housing Benefit			12	10,574.16	(7,958.63)
Overpayments	26	1,347.32	2	2,683.36	(855.20)
General Fund	31	1,065.59			
HRA					
Ex FTA	29	7,434.95	28	42,105.86	(431.36)
Council Tenants	73	14,886.58	5	9,596.17	(814.82)

Benefit Overpayments					
TOTAL	<u>306</u>	<u>50,601.00</u>	<u>52</u>	<u>72,774.02</u>	<u>(15,418.52)</u>

3. STAFFING/RESOURCES COMMENTS

Not Applicable

4. HEAD OF FINANCE'S COMMENTS

Included within the report.

5. LEGAL COMMENTS

Not Applicable

6. CORPORATE COMMENTS

Not Applicable

7. ENVIRONMENTAL IMPLICATIONS

Not Applicable

8. RECOMMENDATIONS

The Committee is requested to:-

1. Write-off the sum of £72,774.02 in respect of debts over £1000.
2. Note the Head of Finance's action in writing off debts totalling £50,601.00 in respect of bad debts under £1000.
3. Note that the costs will fall against the

General Fund - £ 95,854.28

NNDR National Pool - £ 197.24

Council Tax Pool - £ 27,323.50

£123,375.02

4. 'Write-ons' will be credited as follows:

NNDR - £ 3,338.07

Council Tax - £ 1,921.64

General Fund - £ 10,158.81

Total £ 15,418.52

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 and NNDR will fall against the pool provisions within those accounts. Any Council Tax or NNDR Court Costs written off will be charged against the costs 'Bad Debt' provision within the General Fund.

9. REASONS FOR RECOMMENDATIONS

Debts irrecoverable.

P MASON

Head of Revenues & Benefits Services

Contact Officer: Peter Mason Ext: 7270

Revenues & Benefits

Carlisle

17 September 2003

PM/WB/RB14/03