

REPORT TO EXECUTIVE

PORTFOLIO AREA: FINANCE AND RESOURCES

Date of Meeting: 3 March 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, DEBTORS AND EX-COUNCIL HOUSE RENTS.

Report of: The Head of Revenues & Benefits Services

Report reference: RB13/02

Summary & Recommendations:

The Committee is requested to:-

Write-off the sum of £70,479.53 in respect of debts over £1,000.

Note the Head of Finance's action in writing off debts totalling £21,590.89 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 £ 1,892.03 General Fund £ 347.80

Housing Revenue Account £ 7,833.51 Council Tax £ 2,000.68

NNDR National Pool £ 68,937.78 Housing Revenue Account £ 438.34

Council Tax Pool £ 13,407.10

Total £ 92,070.42 £ 2,786.43

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CITY OF CARLISLE

To: The Executive RB13/02

Date: 3 March 2003

BAD DEBT WRITE-OFFS FOR COUNCIL TAX,
NATIONAL NON-DOMESTICE RATES, DEBTORS,
AND EX-COUNCIL HOUSE RENTS

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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 £21,590.89 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 £ 70,479.53.

Appendix 1 – NNDR - 66,067.82

Appendix 2 – Council Tax - 1,905.21

Appendix 3 –Former Tenant Arrears - 1,350.00

Appendix 4 – Ex Council House Tenant Benefit

Overpayments - 1,156.50

3. The 'write-ons' itemised in Table One totalling £2,786.43 are in respect of balances originally written off that have since been paid and credit write-offs.

1.4 For the Executive's information definitions of write off terms are detailed in Appendix 5.

1.5 The write-offs are fully provisioned as explained in paragraph 3.5 below.

1. TABLE ONE

Type of Debt	<u>Under £1000</u> <u>No of Accounts</u>	<u>Under £1000</u> <u>Amount</u>	<u>£1000 & Over</u> <u>No of Accounts</u>	<u>£1000 & Over</u> <u>Amount</u>	<u>Write-Ons Amount</u>
-					
-					
-					
-		<u>£</u>		<u>£</u>	<u>£</u>
NDR	14	2,869.96	12	66,067.82	
Council Tax	60	11,501.89	1	1,905.21	(2,000.68)
Debtors		1,098.15		-	(182.82)
Private Tenants	4				(164.59)
Housing Benefit		793.88			(438.34)
Overpayments	13	72.75			
General Fund	4				
HRA					
Ex-				1,350.00	
Council Tenants	4	1,012.25	1	1,156.50	
FTA	37	4,242.01	1		
Benefit Overpayments					
TOTAL	<u>136</u>	<u>21,590.89</u>	<u>15</u>	<u>70,479.53</u>	<u>(2,786.43)</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 £70,479.53 in respect of debts over £1000.
2. Note the Head of Finance's action in writing off debts totalling £21,590.89 in respect of bad debts under £1000.
3. Note that the costs will fall against the

General Fund - £ 1,892.03

Housing Revenue Account - £ 7,833.51

NNDR National Pool - £ 68,937.78

Council Tax Pool - £ 13,407.10

£ 92,070.42

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

General Fund - £ 347.41

Council Tax - £ 2,000.68

Housing Revenue Account - £ 438.34

Total £ 2,786.43

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. In the case of HRA, the element relating to former tenant arrears £2,362.25 will be charged against a provision made for the purpose. 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 for reasons stated.

P MASON

Head of Revenues & Benefits Services

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Revenues & Benefits

Carlisle City Council

19 February 2003,

PM/EL/RB13/02