

**EXECUTIVE  
COMMITTEE**

12<sup>th</sup> February 2012

**QUARTERLY MONITORING OF WRITE OFFS – 1<sup>ST</sup> APRIL – 31<sup>ST</sup> DEC 2012**

Relevant Portfolio Holder	Councillor Mould
Portfolio Holder Consulted	
Relevant Head of Service	Teresa Kristunas, Head of Finance & Resources
Wards Affected	All

**1. SUMMARY OF PROPOSALS**

- 1.1 Members are requested to consider the action taken by officers with respect to the write off of debts during the first three quarters of 2012/13 and to note the profile and/or level of outstanding debt.

**2. RECOMMENDATIONS**

**The Executive is requested to RESOLVE that:**

**Subject to any comments, the contents of the report be noted.**

**3. KEY ISSUES**

- 3.1. In 2010/11 members approved a revised Write Off Policy which changed the process for the reporting and approval process for the writing off of debts due to the Council. The revised Policy requires officers to report to members of the actual level of write offs and the profile of outstanding debt.

- 3.2. The current bad debts provisions are as follows:

	£
Council Tax	249.2
Housing Revenue Account	586.8
Sundry Debtors	114.8
Benefits	227.1
Misc.	<u>3.3</u>
Total	<u>1,181.2</u>

**Financial Implications**

- 3.4.1 The current bad debt provisions are adequate in relation to level of write offs and the level of outstanding debt.

**Legal Implications**

- 3.5. There are no legal implications.

**Service / Operational Implications**

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3.6 No direct implications.

**Customer / Equalities and Diversity Implications**

3.7. No direct implications.

**4. RISK MANAGEMENT**

There are no risks identified.

**5. APPENDICES**

Appendix 1 – Write offs 1<sup>st</sup> April 2012 – 31<sup>st</sup> Dec 2012

Appendix 2 - Aged Debt Profile for Sundry Debts and Former Tenant  
Arrears

Council Tax Arrears and Business Rates Arrears as at 31st  
Dec 2012.

Appendix 3 – Write off of Overpaid Housing Benefit 1<sup>st</sup> April 2012 – 31st  
Dec 2012

**6. BACKGROUND PAPERS**

There are no background papers with this report.

**AUTHORS OF REPORT**

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**Appendix 1**

**Write Offs of Council Tax and Non-Domestic Rates**  
**1<sup>st</sup> April – 31<sup>st</sup> Dec 2012**

<b>Council Tax Period</b>		<b>01/04/12 - 31/12/12</b>
CT - 01	Gone away	37,511.82
	Deceased no funds in estate	1,534.04
CT - 02		
CT - 03	Bankruptcy	21,542.19
CT - 04	Statue Barred	1,057.77
CT - 06	Uneconomical to pursue	5,721.93
CT - 09	Automatic w/o +1/-1p	0.01
CT - 10	Balance under £5.00	20.83
CT - 11	Other	-466.48
CT - 12	Credits - unable to refund	-14,645.31
CTAX	Original w/o code	-255.29
	<b>Total</b>	<b>52,091.89</b>

<b>NDR Period</b>		<b>01/04/12 - 31/12/12</b>
NDR - 01	Gone away	35,689.00
NDR - 03	Liquidation/Winding up	181,592.26
NDR - 06	Uneconomical to pursue	132.92
NDR - 09	Automatic w/o +1/-1p	0.01
NDR - 10	Ratepayer deceased	16,908.21
NDR - 11	Credits - unable to refund	-3,438.48
	<b>Total</b>	<b>230,883.92</b>

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**Write Offs of Sundry Debts and Former Tenant Arrears (HRA)**  
**1<sup>st</sup> April 2012– 31<sup>st</sup> Dec 2012**

<b>Sundry Debts</b>	<b>Reason</b>	<b>01/04/12 – 31/12/12 £</b>
SDR – 01	Gone away	49,000.23
SDR – 02	Imprisonment	475.00
SDR – 03	Liquidation/Bankrupt	26,271.91
SDR – 04	Statue Barred	11,290.39
SDR – 05	Remitted by Court	
SDR – 06	Uneconomical to pursue	37,570.55
SDR – 07	Debt Matching	15,083.48
SDR – 08	Discretionary/Hardship	30.44
SDR – 09	Automatic w/o +1/-1p	
SDR – 10	Debtor deceased	7,115.88
SDR – 11	Credits - unable to refund	
	<b>Total</b>	<b>146,837.88*</b>

\* £66,247 will be charged against the bad debt provision. The balance will be charged direct to services.

<b>Former Tenant Arrears</b>	<b>Reason</b>	<b>01/04/12 - 31/12/12 £</b>
FTA – 01	Gone away	35,332.68
FTA – 02	Imprisonment	237.60
FTA – 03	Liquidation/Bankrupt	6,783.77
FTA – 04	Statue Barred	5,132.82
FTA – 05	Remitted by Court	
FTA – 06	Uneconomical to pursue	32,444.01
FTA – 07	Debt Matching	224.96
FTA – 08	Discretionary/Hardship	72.90
FTA – 09	Automatic w/o +1/-1p	
FTA – 10	Tenant deceased	4,382.46
FTA – 11	Credits - unable to refund	
	<b>Total</b>	<b>84,611.20</b>

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**Appendix 2**

**Aged Debt profiles for Sundry Debts and Former Tenant  
Arrears - 1<sup>st</sup> April 2012 to 31<sup>st</sup> Dec 2012**

**Sundry Debts**

<b>Age</b>	<b>Arrears as at 30/06/2012</b>	<b>Arrears as at 30/09/2012</b>	<b>Arrears as at 31/12/2012</b>
	<b>£</b>	<b>£</b>	
0 - 3 months	1,239,358.44	1,528,852.03	958,640.40
3 - 6 months	133,167.29	170,763.67	106,739.47
6 - 12 months	158,409.83	149,707.20	184,868.46
12 - 24 months	311,414.66	304,976.93	256,879.14
24 months and over	656,332.27	619,788.41	580,516.65

**Former Tenants**

<b>Age</b>	<b>Arrears as at 30/06/2012</b>	<b>Arrears as at 30/09/2012</b>	<b>Arrears as at 31/12/2012</b>
	<b>£</b>	<b>£</b>	
0 - 3 months	23,311.75	33,082.71	25,536.20
3 - 6 months	16,523.92	18,221.75	31,982.32
6 - 12 months	58,753.51	41,807.08	30,247.00
12 - 24 months	71,106.40	66,512.47	79,425.99
24 months and over	190,961.89	184,057.64	172,948.97

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**Council Tax Arrears**

<b>Year</b>	<b>Arrears Total as at 30/06/12</b>	<b>Arrears Total as at 30/09/12</b>	<b>Arrears Total as at 31/12/12</b>
<b>1996/97</b>	734.68	582.96	922.96
<b>1997/98</b>	1,115.61	1,052.33	1,052.33
<b>1998/99</b>	2,596.19	2,428.59	2,310.35
<b>1999/00</b>	6,670.78	6,347.03	6,868.27
<b>2000/01</b>	10,702.52	10,522.82	9,934.05
<b>2001/02</b>	19,083.45	18,357.06	17,174.38
<b>2002/03</b>	25,592.61	24,583.09	22,720.84
<b>2003/04</b>	40,027.58	36,683.47	35,136.99
<b>2004/05</b>	63,535.51	59,960.32	56,380.35
<b>2005/06</b>	86,473.54	80,478.36	75,137.04
<b>2006/07</b>	136,912.04	130,896.98	122,750.68
<b>2007/08</b>	175,632.70	165,931.76	155,946.08
<b>2008/09</b>	213,806.34	201,078.70	190,286.21
<b>2009/10</b>	264,459.34	241,137.80	226,274.98
<b>2010/11</b>	361,723.86	331,117.49	308,207.13
<b>2011/12</b>	630,406.76	533,314.16	451,966.41
<b>Total</b>	<b>2,039,473.51</b>	<b>1,844,472.92</b>	<b>1,683,069.05</b>

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**Business Rates Arrears**

<b>Year</b>	<b>Arrears Total as at 30/06/12</b>	<b>Arrears Total as at 30/09/12</b>	<b>Arrears Total as at 31/12/12</b>
<b>2000/01</b>	600.50	344.49	0.00
<b>2001/02</b>	2,222.72	1,938.42	125.35
<b>2002/03</b>	11,269.43	11,075.00	8,989.83
<b>2003/04</b>	13,281.67	13,005.36	11,923.72
<b>2004/05</b>	20,779.80	20,423.60	18,422.52
<b>2005/06</b>	21,778.48	24,217.83	23,709.63
<b>2006/07</b>	43,472.11	44,746.45	38,839.42
<b>2007/08</b>	108,596.53	99,002.62	93,254.45
<b>2008/09</b>	104,483.58	93,846.43	86,256.06
<b>2009/10</b>	79,234.83	48,054.86	32,418.11
<b>2010/11</b>	249,601.11	228,307.30	168,704.50
<b>2011/12</b>	322,016.70	263,473.97	147,146.56
<b>Total</b>	<b>977,337.46</b>	<b>848,436.33</b>	<b>629,787.15</b>

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**Appendix 3**

**Write off of Overpaid Housing Benefit – 1<sup>st</sup> April 2012 to 31st  
Dec 2012**

<b>Housing Benefit Write-Offs as at 31/12/2012</b>		
<b>Reason</b>	<b>Amount £</b>	<b>No. of cases</b>
Possible Write back	1,025.46	2
Deceased	2,892.23	17
Debt Relief Order	8,378.11	25
Hardship/Compassion	1,948.28	5
Not reasonable to recover	24,725.29	158
Uneconomic to recover	1,130.34	27
No prospect of recovery	11,160.98	24
<b>Totals</b>	<b>£51,260.69</b>	<b>258</b>