



EXECUTIVE

No Specific Ward Relevance

Committee

17th February 2010

IRRECOVERABLE DEBTS

(Report of the Head of Housing and Community Services)

1. Summary of Proposals

The purpose of this report is to consider writing off 29 cases of irrecoverable debt amounting to £87,773.62.

It is considered by Officers that all appropriate debt recovery action has been attempted to recover the debts listed in Appendix 1 of this report and no further action can be taken to enforce payments.

NB: If a debt is written off, it can be retrieved and pursued if it comes to the Council's attention that the debtor now has the means to pay the debt.

2. Recommendations

The Committee is asked to **RESOLVE** that

the debts totalling £87,773.62 (£40,557.07 General Fund; £47,218.55 Housing Revenue Account) detailed in the schedule attached to this report be written off as irrecoverable.

3. Financial, Legal, Policy, Risk and Climate Change / Carbon Management Implications

Financial

3.1 Provision is made within the Council's budget for write-offs.

3.2 The table below shows the current position from 1st April 2009 to 31st December 2009 by debt type:

Debt Type	Debit raised	Payments	Written-off	Written off against debit raised
Council Tax	£40,509,040	£37,395,688	£43,996	0.11%
Non Domestic Rates	£35,195,896	£31,850,804	£89,247	0.25%
Sundry Debts (GF inc OAB)	£3,723,311	£4,528,706	£148,211	3.9%
Sundry Debts (HRA inc FT's)	£437,393	£384,451	£89,143	20%

Key: OAB = Over allowed Housing Benefit; FT = Former Tenant Arrears

Note: General Fund Sundry debt payments are higher than raised due to reduction of arrears brought forward from previous years debit raised.

Legal

- 3.3 Under Section 151 of the Local Government Act 1972, a local authority must make arrangements for the proper administration of its financial affairs and appoint an Officer to oversee such administration.
- 3.4 The appendix in this report is exempt in accordance with S100.1 of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, as it contains the personal details of individuals. For this reason it is felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Policy

- 3.5 The Joint Chief Executive and Director of Housing, Leisure and Customer Services are the designated Officers for this purpose, and write-offs require their sanction. If a debt is written off, it can be retrieved and pursued if it comes to the Council's attention that the debtor now has the means to pay the debt. In the case of County Court Judgements, the Council can pursue payment for up to 6 years after the judgement is given.

Risk

- 3.6 No risk implications have been identified in this report.

Climate Change / Carbon Management

- 3.7 No sustainability, environmental or climate change implications have been identified in this report.

Report

4. **Background**

The detail of the report is contained within the attached schedule.

5. **Key Issues**

The key issues are detailed within the attached schedule. Details are specific to each case listed.

6. Other Implications

Asset Management	-	None.
Community Safety	-	None.
Health	-	None.
Human Resources	-	None.
Social Exclusion	-	None.

7. Lessons Learnt

None.

8. Background Papers

Personal Recovery Files (not for publication).

9. Consultation

There has been no consultation other than with relevant Borough Council Officers.

10. Author of Report

The author of this report is Jayne Bough (Housing Services Manager), who can be contacted on extension 3131 (e-mail: jayne.bough@redditchbc.gov.uk) for more information.

11. Appendices

Appendix 1 - Schedule of irrecoverable debts.

12. Key

A	=	Letter or Recovery
B	=	Visit
C	=	Bailiff
D	=	Internal Trace
E	=	External Trace
F	=	Attempted AOE (Attachment of Earnings Order)
G	=	Attempted ABO (Attachment of Benefits Order)
H	=	Committal Procedure
I	=	Collection Agency
J	=	Attempted Legal Recovery
SWL	=	Saffron Waiting List
S	=	Saffron Rents System Checked
HB	=	Housing Benefits System Checked
IS	=	Other Internal Systems Checked