



Portfolio Holder Report

The portfolio holder will make a decision on this item after seven days have elapsed (including the date of publication).

Report of:	Portfolio Holder	Date of publication
Clare James, Corporate Director Resources (and S151 Officer)	Councillor David Henderson, Resources Portfolio Holder	9 March 2023

Write Offs - Irrecoverable Debts

1. Purpose of report

- 1.1 The reporting of Council Tax, Non-Domestic Rate (NNDR), Housing Benefit Overpayments and Sundry Debtor write-offs.

2. Outcomes

- 2.1 The ability to demonstrate effective debt recovery activities.

3. Recommendation

- 3.1 The Portfolio Holder is asked to note the action taken by the Corporate Director Resources (and S151 Officer) in relation to the write-off of bad debt.

4. Background

- 4.1 The Council aims for 100% recovery of all debts but for a variety of reasons recognises that a small percentage will always become irrecoverable. Each year, a provision is made to cover the amount written off, based on the age of the debt and the likelihood of recovery.

5. Key issues and proposals

- 5.1 Schedules of outstanding debts, which are deemed to be irrecoverable are attached at appendices
- 5.2 The debts are at a stage where further recovery action is not possible, either because of the age of the debt, the details available are insufficient to continue recovery action (e.g. absconding debtors with no forwarding address), the debt is negligible and it is uneconomic for the council to

continue recovery, or it is considered that all avenues of recovery have been exhausted. In the case of insolvency debt, an appropriate claim has been registered with the official receiver, and if a dividend is eventually received then this will be offset against the amount written off.

- 5.3** In the case of absconding debtors, local taxation staff utilise the services of an online tracing facility that will cross-check data with a number of national sources including registers of electors and recognised agencies.
- 5.4** The total Council Tax debt authorised for write-off is £308,092.14 representing 0.30% of the gross Council Tax debit for 2022/23.
- 5.5** The total NNDR debt authorised for write-off/adjustment is £203,437.71 representing 0.58% of the gross NNDR debit for 2022/23.
- 5.6** No Sundry Debt or Housing Benefit Overpayments are to be written off at this time.

6. Delegated functions

- 6.1** The matters referred to in this report are considered under the following executive function delegated to the Resources Portfolio Holder (as set out in Part 3 of the council’s constitution): “To deal with the collection and enforcement of debts due except where specific responsibility has been allocated elsewhere”; and The Scheme of Delegation to Officers whereby the Corporate Director Resources (and S151 Officer) is given to report these to the relevant executive member.

Financial and legal implications	
Finance	The cost of the write-offs will be met from the relevant Bad Debt Provision, which must be maintained at a level that can meet the write-offs, funded by contributions from the collection fund in relation to Council Tax and NNDR.
Legal	There are no direct legal implications arising from this report.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	X
equality and diversity	X

risks/implications	✓ / x
asset management	X
climate change	X

sustainability	X
health and safety	X

ICT	X
data protection	X

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

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List of background papers:		
name of document	date	where available for inspection
None		

List of appendices

Appendix 1 – 3: Schedules of Council Tax debts authorised for write-off
Appendix 4: Schedule of NNDR debts authorised for write-off