

INFORMATION ITEMS

CORPORATE GOVERNANCE AND FINANCE COMMITTEE – 21 JULY 2014

[P51]

1.0 **ISSUE/RECOMMENDATION**

1.1 That the Committee notes the content of the following information items:

A. AMOUNTS WRITTEN OFF AS IRRECOVERABLE

(Author: Linda Grinnell – Head of Finance)

A.1 Financial Procedure Rule 8.4 requires the Committee to be informed of amounts written off as irrecoverable.

A.2 For Council Tax, an allowance is made in setting the Council Tax Base to cover the cost of irrecoverable debts. National Non-Domestic Rate (NNDR) irrecoverables are offset against the Council's contribution to the national pool. Sundry Debtors write-offs are ultimately a cost set against the budget of the service to which the debt relates, although a provision from bad or doubtful debts is maintained which cushions these costs.

A.3 Overpayments of Housing Benefit are created when information from claimants or from the Department of Work and Pensions is subsequently found to be incorrect (by error or by fraud) or where the Council makes an error in assessing claims. Under the regulations, the Council is obliged to attempt to recover these overpayments but for reasons such as unable to trace, bankruptcy, aged debt, deceased, uneconomic to pursue, it is not always possible to secure full recovery. A provision is made in the accounts each year against this possibility and the write-offs identified below will be charged against this reserve.

A.4 The amounts written-off are as tabulated below. The Corporate Governance and Finance Committee Chairman has been consulted about each individual write-off exceeding £1,000.

Write-offs relating to:	Amounts individually under £1,000		Amounts individually over £1,000	
	No.	Total Value	No.	Total Value
Council Tax:	1	£197.11	12	£21,138.54
All avenues of	21	£4,853.26		(1993 to 2014)
recovery	12	£80.23		
exhausted/	6	£3,062.34		
uneconomical to	9	£4,289.61		
collect				
Write-ons	24	£804.11		
	18	£4,336.64		

Housing Benefits:	2	£158.72		
No trace	6	£221.02		
Local Authority error	14	£2,377.83		
Debt relief order granted	4	£775.62		
Deceased	6	£624.17		
Uneconomical to recover				
Bankrupt				
Aged				
Debt/exhausted all avenues of recovery				
NNDR:	1	£122.22		
Bankrupt/ Liquidation/ unable to trace				
Sundry Debtors:				

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Item A – Exempt information by virtue of Category 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended): Write-offs and Write-ons batches received in the period 21 March 2014 to 9 July 2014.	Room 214A The Grange, Ely	Linda Grinnell Head of Finance (01353) 616470 E-mail Linda.grinnell@eastcambs.gov.uk