

Title of Report	FORMER TENANT RENT ARREARS, CURRENT TENANT RENT ARREARS, COUNCIL TAX, NON-DOMESTIC RATES AND SUNDRY DEBTOR WRITE OFFS FOR APPROVAL IN FINANCIAL YEAR 2022/23	
Presented by	Councillor Nick Rushton Corporate Portfolio Holder	
	PH Briefed <input type="checkbox"/> Yes	
Background Papers	All information used in compiling the report contain exempt information under paragraph 3 of Part 1 to Schedule 12A Local Government Act 1972	Public Report: Yes
		Key Decision: Yes
Financial Implications	There is no additional financial effect as all the debts are met from the Authority's bad debt provision for previous years arrears or from in year income if the debts relate to the current financial year.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	There are no direct legal implications from this report.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	None identified.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To inform Cabinet of the write-offs during the 2022/23 financial year and seek approval to write off debts over £10,000.	
Reason for Decision	To comply with proper accounting practices.	
Recommendations	THAT CABINET APPROVES THE NON-DOMESTIC RATES WRITE OFFS THAT ARE OVER £10,000	

1.0 BACKGROUND

- 1.1 The purpose of this report is to seek approval to write off debts over £10,000.
- 1.2 Details of overall write offs in the financial year 2022/23 are included in this report.
- 1.3 Writing off debts is only considered where appropriate recovery and enforcement options have been taken, or, where the Council is legally prohibited from pursuing the debt.

These include:

- Bankruptcy or a Debt Relief Order is in place.
- Deceased – No assets within the estate.
- Debtor Absconded / No Trace.
- Company in liquidation/dissolved or ceased trading with no assets.
- Severe hardship and/or serious health issues; or Statute barred i.e., we cannot legally pursue the debt as there has been six years since the debt fell due and no action has been taken to collect the debt.
- Uneconomical to collect i.e., it is not financially viable to take further action for example due to the low level of the debt or they have gone abroad.

2.0 WRITE-OFFS FOR APPROVAL

- 2.1 There is one Non-Domestic Rate debt over £10,000 for which Cabinet approval is sought amounting to £30,069.45.

Table 1: Non-Domestic Rate Debt Over £10,000

Company	Financial Year		Status on Account	Amount to be Written Off
Limited Company	2019/20	£6,195.00	In Liquidation	£30,069.45
	2020/21	£7,808.00		
	2021/22	£7,808.00		
	2022/23	£7,808.00		
	2023/24	£ 450.45		
TOTAL				£30,069.45

- 2.2 For Business Rates, writing off debt is only ever considered as a last resort. In the above instance when companies, sole traders or partnerships become insolvent the Council is prohibited from taking any further action as all their outstanding debts are included within the Administration, Liquidation, or personal bankruptcy.
- 2.3 There are no write offs for consideration for any other fund that have a value of over £10,000.

3.0 2022/23 WRITE-OFFS

- 3.1 The write-offs for 2022/23 financial year are detailed in Table 2 below. For each fund the total amount written off during the year has been split into Cabinet approved (over £10,000) and those written off under delegated powers (under £10,000). Details of the opening value of the bad debt provision and the value remaining at the end of the financial year are also stated.

Table 2: Debts Written Off during the 2022/23 Financial Year

Fund	2022-23 Bad Debt Provision £	Cabinet Approved Write Offs £	Delegated Powers Write Offs £	Total Value of Write Offs £	Bad Debt Provision Remaining £
Council Tax	4,259,574.77	0.00	192,483.19	192,483.19	4,067,091.50
National Non-Domestic Rates	867,005.00	99,123.50	29,810.01	128,933.51	738,071.49
Overpaid Housing Benefit	1,188,965.38	0.00	10,406.25	0.00	1,178,559.13
Housing Rent	1,112,085.05	0.00	3,950.73	3,950.73	1,108,134.32
Sundry Debtor Invoices	93,000.00	0.00	0.00	0.00	93,000

Policies and other considerations, as appropriate	
Council Priorities:	Value for Money
Policy Considerations:	Not applicable.
Safeguarding:	Not applicable.
Equalities/Diversity:	Not applicable.
Customer Impact:	Not applicable.
Economic and Social Impact:	Not applicable.
Environment and Climate Change:	Not applicable.
Consultation/Community Engagement:	Not applicable.
Risks:	Regular reviews of debts for write off mitigates the risk that the Council's accounts do not reflect the true level of recoverable income. It is also part of an effective arrears management strategy.
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