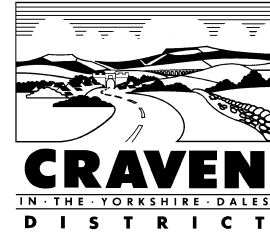


Policy Committee – 13th September 2016

Bad Debt Write Offs 2015/16



Report of the Strategic Manager - Financial Services (s151 Officer)

Lead Member Finance – Councillor Mulligan

Wards affected: All

1. **Purpose of Report** – In accordance with Financial Procedure Rules, to report to Members details of total bad debts written off during the 2015/16 financial year.
2. **Recommendations**
 - 2.1 This report is for information only. Members are recommended to note the bad debts written off during the 2015/16 financial year, as shown in Appendix A.
3. **Background**
 - 3.1 Customer and Benefit and Financial Services are responsible for the collection of council tax, non domestic rates and miscellaneous income.
 - 3.2 In order to focus resources on collectable accounts, thus minimising the cost of collection, it is from time to time important to write off accounts regarded as bad debts. This is generally accepted as good practice.
 - 3.3 The Council's Chief Finance Officer has delegated authority to write off Council Tax, Non Domestic Rates and Miscellaneous Income debts; subject to first consulting the appropriate Ward Representative(s) on any debt exceeding £100 that is being considered for write-off. In all cases the option to write off the debt has been chosen as the last resort; wherever possible the debt is recovered. In cases where the debt is written off, the debtor may be bankrupt, has moved abroad or is incapacitated with no means to pay.
 - 3.4 The total write offs in the year to 31 March 2016 amount to £281,190 (31 March 2015: £245,974). This is split across the following debt types: Sundry Debtors: £5,041 (31 March 2015: £5,831); NNDR Debtors: £140,864 (31 March 2015: £103,088); Council Tax Debtors: £87,822 (31 March 2015: £94,054); Overpaid Housing Benefits: £47,463 (31 March 2015: £43,001).
 - 3.5 If, following approval for write off, new information regarding the whereabouts of a debtor comes to light, then the debt is re-raised and pursued accordingly.
 - 3.6 Members may wish to place the writing off of these debts into context with the Council's successful collection record. In 2015/16 the Council had a collection rate of 98.8% (2014/15: 98.5%) for Council Tax and 99% (2014/15: 98.5%) for NNDR.

4 **Implications**

- 4.1 **Financial and Value for Money Implications** – There is provision within the Council’s budget for bad debt and writing off this amount will not cause that provision to be exceeded. The bad debt provisions for 2015/16 are Council Tax: £446,350 (2014/15: £429,850); Non Domestic Rates: £133,700 (2014/15: £216,350); Housing Benefit Overpayments: £419,676 (2014/15: £321,288) and General Provision: £170,219 (2014/15: £166,058).
- 4.2 **Legal Implications** – None.
- 4.3 **Contribution to Council Priorities** – None arising directly from this report.
- 4.4 **Risk Management** – Debt write offs are a financial risk to the Council risk. If there were to be an increase in the level of write-offs then this would pose an increased risk. Any large increases could also mean that the recovery procedures potentially have a weakness. The financial risk is mitigated by re-evaluating the bad debt provision each year and keeping it an appropriate level.
- 4.5 **Equality Analysis** - The Council’s Equality Impact Assessment Procedure has not been followed. Therefore neither an Initial Screening nor an Equality Impact Assessment has been undertaken on the proposed policy, strategy, procedure or function to identify whether it has/does not have the potential to cause negative impact or discriminate against different groups in the community based on •age • disability •gender • race/ethnicity • religion or religious belief (faith) •sexual orientation, or • rural isolation.
5. **Consultations with Others** – Financial Services & Revenue Services
6. **Access to Information** - Case files available for each write off proposed.
7. **Author of the Report** - James Anderson, Senior Accountant,
Telephone: 01756 706202. Email: janderson@cravendc.gov.uk

8 **Appendices**

Debts written off in 2015/16 by debt type.

Sundry debtor write-offs 2015-2016

Amount £	Invoice no	Debt type	Reason for write-off
£27.07	755256	TW	Ceased Trading
£31.44	753702	TW	Ceased Trading
£33.81	754680	TW	Ceased Trading
£38.25	754959	HP	Raised in Error
£38.89	753574	TW	Ceased trading
£42.50	753467	GS	Plot taken for building
£55.69	755892	TW	Ceased Trading
£69.17	750795	GA	Moved out of area
£70.22	755277	TW	Insolvent
£70.59	753847	TW	Insolvent
£79.42	754678	TW	Ceased trading
£79.94	753539	TW	Ceased Trading
£81.73	749481	GS	No Trace
£84.59	754839	TW	Ceased Trading
£85.01	753463	GA	No Trace
£86.06	754836	TW	Ceased trading
£90.94	744142	EC	No Trace
£93.48	745211	EC	No Trace
£94.51	750479	EC	No Trace
£95.56	756181	EC	No Trace
£112.00	749441	FG	No monies in the estate
£113.00	755474	CM	CDC error
£126.46	752448	WS	CDC error
£127.78	754889	TW	Contract Ceased
£193.94	753910	TW	Ceased Trading
£218.00	753043	SH	Homeless - multi debtor
£250.00	750865	SH	Homeless - multi debtor
£255.05	754794	SH	Homeless - multi debtor
£272.49	752193	TW	Ceased trading
£342.84	950640	TW	Contract Ceased
£478.00	755446	PB	CDC error
£532.82	753041	SH	In prison
£595.00	752891	CM	CDC error
£75.21	20 cases under £25		

£5,041.46 Total sundry debtor write-offs 2015-2016

KEY:

AP	Admin Penalty
BC	Building Control
CC	County Court Costs
CM	Bereavement
EC	East Castle St/Middletown Site
EH	Environmental Health
EP	Environmental Protection
FG	Finance General
GA	Garage Rents

GS	Garage Sites
HR	Human Resources General
HP	Discretionary Housing Payment
LI	Licensing
MG	Property General
MT	Market Traders
PB	Public Room Hire
SB	Swimming Baths
SH	Strategic Housing
SL	Small Lotteries
TW	Trade Waste
WS	Water Sampling

NNDR write-offs 2015-2016

Amount £	Ref	Reason for write-off
£324.91	50006381785	Bankrupt
£480.68	50006380716	Co. liquidated
£575.75	50006380055	Co liquidated
£897.78	50006380331	Gone away no trace
£1,068.58	50006371026	Co dissolved no assets
£1,136.06	50006348078	Co liquidated
£1,437.90	50006381121	company struck off
£2,278.12	50006382842	Co liquidated
£2,689.20	50006374158	Co liquidated
£2,706.57	50006367934	Co liquidated
£5,597.06	50006331878	Bankrupt
£5,644.34	50006377969	Co. Struck off
£7,840.88	50006373457	Recovery exhausted
£8,753.36	50006364849	Co in administration
£9,128.02	5000634986X	Recovery exhausted
£17,552.42	50006373170	Co liquidated, no assets
£18,007.98	50006368519	Recovery exhausted
£19,543.20	50006373036	Co liquidated
£35,201.33	50006357024	Bankrupt

No cases under £25

£140,864.14 Total NNDR write-offs 2015-2016

Council Tax Write-offs 2015-2016

Amount £	Ref	Reasons for write-offs
£34.62	10048987226	Small balance
£39.16	10048895774	Gone away/sm balance
£42.08	10049030915	In Prison
£42.34	10048998069	Small bal/Gone away
£56.69	10048739642	Gone away, small balance
£67.25	10048763570	Small balance/gone away
£74.14	10048986679	Uneconomic to pursue small balance
£75.20	10048917136	small balance/gone away
£76.30	10048970418	Gone away no trace
£76.32	10049024123	Gone away no trace
£76.68	10048948151	Small balance/gone away
£80.14	10049027433	Small balance/ gone away
£81.32	1004899919X	Small bal/Gone away
£82.22	10049034541	Gone away small balance
£83.35	10048933442	Small balance/gone away
£85.91	10049017893	Uneconomic to pursue small balance
£87.97	10048963293	Gone away poss returned to Romania
£88.11	10048920019	Gone away no trace
£88.92	10049005071	Gone away no trace
£89.35	10048992665	Gone away no trace
£89.90	10048818763	Gone away/small balance
£93.27	10048685796	small balance/uncollectable
£93.55	10048883168	Gone away small balance
£94.00	10048990486	Gone away
£95.23	10048679988	Gone away no trace
£105.59	10048990753	Gone away no trace
£105.69	10048781752	Gone away Germany
£105.79	10048900097	Gone away no trace
£110.70	10048948080	Gone away no trace
£116.75	10048982793	Gone away
£120.06	10048432088	Gone away no trace
£124.51	10048922047	Gone away
£124.60	10048868732	Gone away no trace
£126.81	10049033072	Gone away no trace
£128.06	10048796292	Gone away no trace
£130.33	10049028546	Gone away no trace
£130.38	10048944454	In prison
£132.15	10048899892	Gone away no trace
£138.07	1004898256X	Gone away no trace
£146.80	10049010877	Gone away no trace
£149.00	10049005750	Gone away no trace
£149.61	10048949685	Gone away no trace
£151.67	10048855372	Gone away no trace
£153.26	10048971280	Gone away no trace
£153.50	10048910639	Gone away no trace
£154.95	10049006916	Gone away no trace
£157.42	10048887951	Gone away
£166.56	10048826788	Debt Relief Order

£176.05	10048976635	Gone away no trace
£176.85	10048501281	Bankrupt
£177.02	10048898743	Gone away no trace
£179.82	10048918418	Gone away - Australia
£181.04	10048997798	Gone away no trace
£181.29	10048888871	Gone away no trace
£186.48	10048981081	Gone away Rtd to Latvia
£193.25	10048914096	Debt Relief Order
£206.28	10049029158	Gone away no trace
£207.72	10048990655	Co liquidated
£215.08	10048878471	Gone away no trace
£218.28	10048675126	Economic recovery exhausted
£221.12	10048594971	Gone away, Northern Ireland
£226.64	10048972455	Gone away
£233.53	10048916014	Bankrupt
£239.39	10049012250	Gone away no trace
£243.09	10048658834	Deceased
£244.80	10048488766	Debt Relief Order
£249.13	10049010536	No trace
£254.46	10048967268	Gone away no trace
£255.89	10048996442	Gone away no trace
£257.81	10049003099	Gone away no trace
£260.70	10049006818	Deceased
£260.78	10049016412	Gone away, poss in Australia
£266.16	10048999055	Gone away poss in Scotland
£266.18	10048968639	Gone away no trace
£280.87	10048619017	Debt Relief Order
£281.33	10049024114	Gone away no trace
£292.71	10048811578	Prop under control of LPA receivers
£299.54	10048957672	Gone away no trace
£301.78	10049000566	Gone away no trace
£302.46	10048749120	Gone away poss in Spain
£305.62	10049032685	Gone away no trace
£315.86	10048981644	Gone away no trace
£320.83	10048998855	Gone away no trace
£323.46	10049008659	Company Struck off
£333.58	10048913887	Gone away poss in Scotland
£334.64	10048990682	Gone away no trace
£341.77	10048938753	Gone away no trace
£343.73	10048915289	No Trace
£348.50	10048990646	Gone away
£355.00	10048337189	Debt Relief Order
£358.35	10048961336	Gone away poss in Ireland
£363.33	10048855418	Gone away no trace poss in London area
£365.59	10048271565	Deceased
£369.85	10048881247	Gone away no trace
£376.65	1004888775X	Gone away no trace
£400.06	10048625424	Gone away Australia
£405.00	10048987128	Bankrupt
£409.88	10048981911	Gone away no trace

£410.39	10048778584	Gone away, Australia
£428.88	10048971048	Gone away poss in Isle of Man
£433.20	10049041248	Gone away no trace
£444.43	10049057266	Individual Voluntary Arrangement
£449.78	10047816354	Prop under control of LPA receivers
£485.95	10048854054	Economic recovery exhausted
£488.08	10048920583	Gone away no trace
£515.11	10043795553	Individual Voluntary Arrangement
£521.91	10049029962	Gone away no trace
£524.93	10048863593	Gone away no trace
£531.84	10048716650	Debt Relief Order
£540.67	10048973755	Gone away no trace
£563.06	10048813185	Gone away no trace
£576.63	10048881944	Gone away no trace
£592.19	10048797411	Gone away, Eastern Europe
£625.66	10049002727	Gone away poss in Doncaster
£646.38	10048762341	Gone away no trace
£666.32	10048749855	Bankrupt
£680.94	10049001599	Gone away no trace
£691.97	10048888817	Gone away no trace
£701.22	10048836669	Bankrupt
£734.84	10048928498	Gone away no trace
£749.89	10048782776	Individual Voluntary Arrangement
£758.31	10048791277	Gone away no trace
£778.01	10048951651	Gone away no trace
£828.78	10048962968	Gone away
£924.26	10042918358	Individual Voluntary Arrangement
£927.76	10048908751	Gone away no trace
£936.06	10048920547	Company dissolved.
£944.01	10048340580	Debt Relief Order
£961.00	10048840921	Prop under control of LPA receivers
£986.92	10048541235	Gone away no trace
£1,036.43	10048947414	Gone away no trace
£1,069.26	1004889634X	Gone away no trace
£1,084.75	1004894387X	Gone away no trace
£1,124.56	10048994361	Gone away believed to be in Spain
£1,179.60	10048927554	Economic recovery exhausted
£1,245.28	10048895738	Gone away no trace
£1,276.26	10048861340	Gone away no trace
£1,361.86	10048917038	Gone away in Orkney
£1,389.95	10048839146	Gone away no trace
£1,411.72	10027880052	Deceased
£1,534.76	10048694054	Debt Relief Order
£1,535.40	10048711760	Gone away no trace
£1,593.14	1004870303X	Gone away poss in Spain
£1,633.89	10048860167	Gone away no trace
£1,642.18	10048770099	Gone away poss in Sheffield Also subject to DRO
£1,643.94	10048332735	Gone away no trace
£1,779.53	10048722010	Bankrupt
£1,985.16	10048588742	Gone away no trace

£2,131.73	10048179448	Bankrupt
£2,602.69	10023945452	Bankrupt
£2,862.05	10048711395	Gone away no trace
£3,291.47	10048326014	Bankrupt
£3,673.41	10048849869	Gone away no trace Uneconomic to pursue
£3,757.40	10048442737	Gone away no trace
£3,894.42	10048741628	Gone away no trace
£146.27	10 Cases under £25 written off	

£87,822.00 Total council tax write-offs 2015-2016

Overpaid housing benefit write-offs 2015-2016

Amounts £	Invoice no	Reason
£45.00	4448	Returned from External Collectors
£48.33	4739	Returned from External Collectors
£50.26	5761	Returned from External Bailiffs
£54.56	5671	Debt Relief Order
£54.60	4204	Returned from External Collectors
£65.00	5303	Returned from External Collectors
£68.14	6128	In Nursing Home
£69.52	5915	No Trace
£75.00	5672	Returned from External Bailiffs
£75.95	5067	Returned from External Collectors
£90.00	5267	Returned from External Collectors
£97.81	5801	Returned from External Collectors
£103.54	5297	Returned from External Collectors
£112.54	5612	No Trace
£115.08	5077	Returned from External Collectors
£116.54	5506	Returned from External Collectors
£116.96	5613	Returned from External Bailiffs
£126.59	5396	Returned from External Collectors
£129.24	5488	Returned from External Collectors
£134.37	4983	Returned from external collectors
£135.08	5018	Returned from external collectors
£138.67	5417	Returned from External Bailiffs
£159.69	5493	Returned from External Bailiffs
£160.00	3966	Returned from External Bailiffs
£174.81	5597	Returned from External Bailiffs
£182.30	5575	Returned from External Bailiffs
£186.81	5811	No Forwarding Address
£189.88	5809	No Trace - Experian checked
£192.08	5616	Cannot attach on Uni Credits
£196.00	4847	Returned from external collectors
£196.16	5421	Returned from External Collectors
£201.57	5356	Returned from External Collectors
£201.57	5356	Returned from External Collectors
£203.30	5554	Returned from External Bailiffs
£224.49	5655	No Trace
£244.18	5909	No Forwarding address
£254.43	5591	Returned from External Bailiffs
£323.08	5505	Returned from External Bailiffs
£332.16	5723	No Trace
£334.47	5586	Returned from External Bailiffs
£345.36	5487	Returned from External Collectors
£354.83	4956	Returned from external collectors
£392.32	5009	Returned from external collectors
£417.09	6028	No Trace
£430.20	5358	Returned from External Collectors
£459.21	5072	Returned from External Collectors
£461.55	6003	No Trace

£483.24	6067	No Trace
£484.30	5635	Returned from External Bailiffs
£490.40	5375	Returned from External Collectors
£533.63	5074	Returned from External Collectors
£533.75	5054	No Forwarding Address
£538.67	5247	Returned from External Collectors
£542.01	5147	Returned from External Collectors
£550.09	5053	Returned from external collectors
£622.92	6085	No Trace
£648.46	5499	In prison
£696.04	5208	Returned from external collectors
£702.93	5068	Returned from external collectors
£762.98	5254	Returned from External Collectors
£882.72	5608	Returned from External Bailiffs
£956.67	5633	Returned from External Bailiffs
£994.04	4543	Returned from External Bailiffs
£1,177.29	5395	Returned from External Collectors
£1,214.70	4526	Returned from External Bailiffs
£1,275.04	5138	Returned from External Collectors
£1,296.72	6013	Individual Voluntary Arrangement, in place October 2015
£1,374.12	5917	No Trace
£1,384.99	4527	Returned from external collectors
£1,453.86	5478	Returned from External Collectors
£1,573.99	4585	Returned from external collectors
£1,995.26	4404	Returned from External Bailiffs
£2,894.95	5462	Returned from External Bailiffs
£3,015.63	5229	Insolvent
£3,591.21	5371	Returned from External Collectors
£5,883.44	4382	Returned from External Bailiffs
£68.61	8 cases under £25	

£47,462.98 **Overpaid housing benfite write-offs 2015-2016**