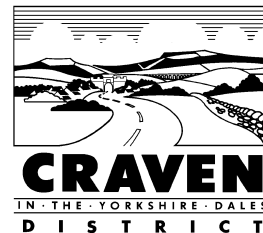


Policy Committee – 9th July 2013

Bad Debt Write Offs



Report of the Corporate Head of Financial Management

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 2012/13 financial year.

2. **Recommendations**
 - 2.1 This report is for information only. Members are recommended to note the bad debts written off during the 2012/13 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 Corporate Head of Financial Management 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 2013 amount to £262,394. This is split across the following debt types: Sundry Debtors: £16,833 (Appendix A); NNDR Debtors: £126,137 (Appendix B); Council Tax Debtors: £80,539 (Appendix C); Overpaid Housing Benefits: £38,885 (Appendix D).

 - 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 2012/13 the Council had a collection rate of 97.5% for Council Tax and 96.9% for NNDR.

4 Implications

4.1 **Financial and Value for Money (vfm) 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 2012/13 are Council Tax: £323,600; Non Domestic Rates: £143,650; Housing Benefit Overpayments: £265,380 and General Provision: £122,629.

4.2 **Legal Implications** – None.

4.3 **Contribution to Council Priorities** – None arising directly from this report.

4.4 **Risk Management** – Not applicable.

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

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@cravenc.gov.uk

8 Appendices

Debts written off in 2012/13 by debt type.

SUNDRY DEBTOR WRITE-OFFS - 2012-13

Invoice No	Debt Type	Amount £	Reason for write-off
562934	AP	108.15	Aged Debt
564108	AP	576.92	Admin Penalty
569724	AP	210.90	Admin Penalty
571591	CC	65.00	Court costs - Multi debtor
571591	AP	908.91	Multi debtor - no payments
572908	CC	28.60	uncollectable
572920	AP	657.07	Multi debtor - no payments
574752	CC	45.00	Court costs - Multi debtor
574752	AP	468.14	Multi debtor - no payments
575840	CC	75.00	Court costs - Multi debtor
575840	CC	100.00	Court costs - Multi debtor
575840	AP	1,140.89	Multi debtor - no payments
576086	CC	100.00	Gone away
576086	AP	238.75	No Trace
577674	AP	301.34	Multi debtor - no payments
577948	AP	306.25	Multi debtor - no payments
578281	AP	100.00	Admin Penalty
579199		180.00	bankrupt
579260	PB	84.00	LA error
579371	GA	72.94	Uneconomic to pursue Muti debtor - would cost again to re-issue warrant
579372	CC	35.00	Uneconimic to pursue
579372	GA	72.94	Uneconomic to pursue Muti debtor - would cost again to re-issue warrant
579372	CC	100.00	Uneconomic to pursue Muti debtor - would cost again to re-issue warrant
579452	TW	35.00	uncollectable
579802	AP	291.17	Admin Penalty
579848	GA	349.00	Garage rental
579881	MG	335.00	No monies
580388	EH	38.00	Gone away
580533	AP	1,113.93	Multi debtor - no payments
580656	GA	212.93	Gargage in dis-repair
580671	WS	40.46	Out of Area
580697	TW	44.00	no funds
580835	SB	49.50	RD chq -no response to letter written
722677	GS	38.60	Garage rental
722677	CC	45.00	Garage arrears
722677	GS	115.79	Garage rental
722679	GS	77.92	Garage rent
723056	GS	32.52	Garage rental
725954	CC	150.00	No monies
730653	GA	107.24	Garage arrears
730785	GA	94.26	Uneconomic to pursue Muti debtor - would cost again to re-issue warrant

Invoice No	Debt Type	Amount £	Reason for write-off
730786	GA	236.50	Uneconomic to pursue Muti debtor - would cost again to re-issue warrant
731097	TW	72.35	uncollectable
732055	SH	37.25	bus closed
732593	TW	46.62	Bankrupt
733140	TW	79.84	ceased trading
733163	TW	131.63	No longer trading
733174	TW	708.49	Bankrupt
733180	TW	446.63	Bankrupt
733254	GS	29.25	Garage rental
733379	TW	41.69	No longer trading
733897	AP	317.57	No Trace
734262	PB	98.00	LA error
734308	FG	1,234.83	Moved out of area - student - no monies
734617	AP	352.34	No Trace
734655	TW	189.52	Bankrupt
734833	SB	48.00	Small balance
735055	MG	98.74	uncollectable
735588	GA	49.81	Uneconomic to pursue Muti debtor - would cost again to re-issue warrant
735609	GA	99.88	Garage Rent
735610	GA	49.81	Garage rent
735997	TW	382.76	Bankrupt
736258	TW	46.46	No longer have a contract with CI
736435	AP	533.98	Multi debtor - no payments
736711	GA	198.15	Garage Rent
736716	GA	48.72	Garage Rent
736845	GA	49.81	Garage in disrepair
736849	LI	119.81	Liquidated
736855	MG	79.87	No longer using Bus station
736944	TW	75.72	Trade Waste Collected
737397	TW	309.74	No Trace
737445	WS	60.33	Bankrupt
738812	GA	49.62	Garage rent
738883	EC	90.94	Garage Plot Rental
739563	TW	309.01	Gone away
739653	TW	380.68	Bankrupt
950534	TW	88.53	Bankrupt
950547	TW	141.50	No longer trading
30037794	TW	50.55	Change of address - no response
63 Debtors with balances under £25 written-off		302.09	
TOTAL DEBTOR WRITE-OFFS 2012-13		<u>16,833.14</u>	

NNDR WRITE-OFFS 2012-13

Ref	Amount £	Reason for write-off
50006355990	39.12	small balance
50006363146	41.46	Small bal gone away
50006362267	65.00	costs only
50006334417	112.15	Company in liq.
50004775453	146.10	Co in administration
50006366554	234.63	Co liquidated
50006365147	244.59	Company struck off
50006361780	253.73	Co Liquidated, no assets
50005663555	293.23	Co liquidated
50006364689	425.57	Bankrupt
50006350278	432.86	Co in administration
50006369470	446.15	Co liquidated
50006348953	496.61	Gone away no trace
5000635478X	693.22	Co in liquidation no assets
5000635837X	738.85	Recovery exhausted
50006359464	884.36	Gone away no trace
50006366652	1,036.71	Bankrupt
50006347368	1,139.46	Uneconomic to pursue/ Recovery exhausted
50006357810	1,173.24	No prospect of dividend Uneconomic to pursue Recovery
50006338642	1,251.76	exhausted
50006340557	1,360.16	co insolvent
50006355598	1,432.07	IVA
50006364034	1,920.33	No prospect of payment
50006340225	2,288.55	IVA
50006362973	3,818.26	Co liquidated, no assets
50006366367	4,299.23	Co liquidated
50006362632	4,416.52	Gone away, no trace
50006366572	4,474.69	Gone away no trace
5000634612X	4,848.00	company defunct
50006361557	4,874.43	gone away, no trace
50006314388	4,889.52	in liquidation
50006361726	5,211.51	Bankrupt
50006333117	5,391.03	Bankrupt
50006367694	5,680.87	Bankruptcy proceedings commenced by IR
50006360892	5,752.77	Company struck off
50006361762	6,725.08	Recovery exhausted
50004915056	8,108.28	deceased
50006359894	8,812.00	IVA
5000636014X	9,895.42	Gone away no trace
50006364929	10,737.85	Company struck off
50006362623	11,009.59	Company struck off gone away
2 Case with debts under £25	42.22	
TOTAL NDR WRITE- OFFS 2012-13	126,137.18	

COUNCIL TAX WRITE-OFFS 2012-13

Ref	Amount £	Reason
10048746859	28.83	gone away small balance
10048725868	30.00	small balance
10048772026	30.75	small bal gone away
10048733381	31.56	small bal. gone away
10048791965	33.66	small bal/gone away
10048755260	41.98	Gone away sm bal.
10048188691	44.09	Gone away/small balance
10048767035	47.18	Gone away
10048761195	49.39	small balance
10007620653	57.70	In care
10048614092	58.74	LA Error
10048827952	65.00	Gone away, costs only
1004873967X	83.38	Gone away
10048764576	86.43	Gone away no trace
10048801436	90.42	Gone away no trace
10048563016	94.38	Gone away
1004869347X	94.81	Gone away sm balance
10048746581	97.78	gone away
10048782364	102.22	Gone away
10048711161	105.22	No trace
10048789943	111.79	Gone away no trace
1004881305X	118.15	Gone away no trace
10048755162	121.84	Deceased
10019613157	121.94	Deceased
10048793948	128.54	In prison
1004878998X	130.90	Gone away no trace
10048829852	135.10	Gone away no trace
1004875176X	138.81	Gone away no trace
10048817383	139.21	Gone away no trace
10048791787	140.64	gone away no trace
10048797529	141.25	In France
10048798346	146.05	Gone away
10048733327	147.61	Gone away poss in Eastern Europe
10048818674	151.02	Deceased
10048051516	153.77	Gone away no trace
10048841838	153.85	Gone away no trace
10048834111	158.71	Gone away no trace
1004881486X	159.96	Gone away no trace
10048820032	163.41	Gone away no trace
10048661477	165.25	Gone away no trace
10048661145	165.81	gone away
10048823549	166.86	Doubtfull liability
10048828027	168.26	Gone away no trace
10048307015	171.57	Gone away/aged debt
10048812072	176.28	no prospect of payment
10048804915	178.70	Gone away no trace
10048834864	185.49	Gone away no trace
10048800163	186.09	In prison

Ref	Amount £	Reason
10048704939	187.31	Gone away no trace
10048795143	190.46	Gone away, in Spain
10048802066	197.31	Gone away no trace
10048810643	199.90	Gone away poss in Scotland
10048831071	201.60	IVA
10048792675	207.46	Incorrect liability
10048794433	207.79	Gone away poss in Berkshire
10048809485	210.60	Gone away no trace
10048835921	212.67	Gone away no trace
10048830272	219.14	Gone away no trace
10048785511	219.18	Gone away no trace
10048803517	224.57	In prison
10048742721	229.91	Gone away
10048757969	243.29	Gone away no trace
10048159677	246.52	Deceased
10048644441	247.13	Gone away no trace
10048298610	252.03	Gone away
10048287556	253.33	Gone away
10048812241	257.56	Deceased
10048709293	261.26	Uneconomic to pursue
10048835180	263.18	Gone away no trace
10048571774	267.28	Bankrupt
10048819348	276.00	Bankrupt
10013584651	278.91	Bankrupt
10048711054	280.63	gone away
10048713322	286.02	doubtful liability
10048694994	286.29	Recovery exhausted
10048797930	292.71	No trace
10048819061	293.43	Gone away no trace
10048802324	325.24	Gone away no trace
10048829327	326.62	Gone away no trace
10048655981	332.67	Gone away no trace
10048773228	334.00	gone away no trace
10048112580	337.09	gone away poss in Leeds
10048841892	342.18	Gone away no trace
10048629589	343.98	IVA
1000219475X	345.63	Deceased
10048755420	363.02	Gone away no trace
10048692376	364.12	Recovery exhausted
10048090814	374.47	Bankrupt
10048842771	375.11	Gone away no trace
10048806694	395.77	Gone away
10048666625	397.06	Gone away. Poss in Teesside
10048818843	405.20	Gone away no trace
10048798328	412.28	Gone away no trace
10048804817	413.51	Gone away no trace
1004883247X	416.65	Bankrupt
10048622876	423.25	Gone away no trace

Ref	Amount £	Reason
10048802692	424.20	Gone away no trace
1004878762X	431.65	Recovery exhausted
10048555593	445.07	Bankrupt
10048717235	446.44	Gone away no trace
10048778459	446.65	Gone away
10048780031	448.52	Bankrupt
10048834837	470.61	Gone away no trace
10048738235	480.42	Gone away
10048789649	494.28	Gone away
10048831527	508.42	Gone away no trace
10048764244	519.52	Gone away trace
10048605751	525.44	Aged debt
10048344751	529.30	Gone away no trace
10048769241	535.24	Debtor detained
10048096924	555.06	Aged debt
10048802781	563.96	Gone away no trace
10048797420	573.25	Gone away poss in Eastern Europe
10048674688	573.72	No means to pay
10048750138	577.53	Recovery exhausted
10048166480	586.72	Recovery exhausted
10048766147	590.55	Gone away no trace
10048835224	596.04	Gone away no trace
10048794916	613.66	Gone away no trace
10048691817	644.39	gone away no trace
10048827184	650.82	Gone away no trace
10048851067	661.66	Gone away no trace
10048615338	673.32	DRO
10048513510	680.89	Gone away no trace
10048675799	688.49	Gone away no trace
10048779042	699.51	Deceased no estate
10048804290	716.20	Bankrupt
1004868725X	758.78	Gone away no trace
10048847957	791.35	Gone away no trace
10048338264	803.73	Aged debt
10048795018	813.48	Gone away no trace
10048690562	822.65	Gone away poss in Bfd
10048802997	849.08	Gone away no trace
10020049650	907.08	Recovery exhausted
10048661646	912.93	Gone away no trace
10048344519	948.14	gone away
1004883369X	957.67	Gone away poss working abroad
10048218158	961.68	Gone away no trace
10048685473	1,012.71	Bankrupt
10048697990	1,029.30	Gone away no trace
10048792719	1,049.07	Gone away no trace
10048771343	1,054.96	Gone away/Recovery exhausted/
10048665414	1,069.49	Gone away no trace
10048349131	1,135.86	Bankrupt

Ref	Amount £	Reason
10048675126	1,172.73	IVA
10048719316	1,204.19	Recovery Exhausted
1004877895X	1,243.63	Gone away
10048665174	1,359.84	Gone away no trace
10048528373	1,434.18	Gone away no trace
10048296226	1,450.88	Recovery exhausted
10046171450	1,567.14	Gone away no trace
10048842190	1,829.91	Deceased
10048383880	1,989.39	Gone away no trace
10048686684	1,995.99	Recovery exhausted
10048772563	2,298.00	Gone away no trace
10048439578	4,094.77	Bankrupt
10048721338	5,884.07	Charging order
16 cases under £25 amounting to	263.19	
TOTAL WRITE-OFFS 2012-13	<u>80,539.10</u>	

OVERPAID HOUSING BENEFIT WRITE-OFFS 2012-13

Invoice No	Amount £	Reason
3813	26.08	Returned from external Collectors
4036	34.12	No Trace
4497	34.96	IVA - Dividends paid
4171	39.50	System Error
2166	40.00	Returned from external Collectors
4364	43.00	Deceased
3463	43.27	Returned from External Collectors - Absconded
4057	57.69	No estate
2791	58.00	Returned from external Collectors
3221	66.54	Returned from External Collectors
3307	72.00	Returned from external Collectors
4262	80.77	No Trace
4316	80.77	No Trace
4125	82.26	Deceased
4048	86.70	NFA
3828	103.56	Returned from external Collectors
3928	103.86	No Trace
3762	105.00	Forwarding address incorrect
3833	107.49	Debtor Deceased
4265	111.23	Held under Mental Health Act
4108	156.79	No Trace
4053	163.54	Deceased
3042	167.00	Returned from external Collectors
3853	172.60	Returned from external Collectors
3243	173.08	Returned from external Collectors
3434	191.54	Returned from external Collectors
4041	200.62	No Trace
3387	203.59	Returned from external Collectors
3932	212.94	No Trace
2113	213.59	Returned from external Collectors
3978	230.28	No Trace
3876	241.64	Returned from External Collectors
3971	259.62	No contact made
3784	275.22	Returned from external Collectors
3847	276.93	No Trace
4327	281.28	In Nursing Home
3419	346.16	Returned from external Collectors
3481	346.16	Returned from external Collectors
3962	367.05	OAP - moved to relatives out of area
4222	382.64	In Nursing Home
4103	403.85	No Trace
4159	464.22	Experian Check - No Trace
3416	489.05	Returned from external Collectors
4496	501.68	IVA - Dividends paid
3526	519.80	Returned from External Collectors
4266	529.24	Admin order in Place
4353	541.75	Experian - No Trace
3158	547.50	Returned from external Collectors
3415	584.19	Returned from external Collectors
3421	621.00	Returned from external Collectors
4313	648.36	No means to pay _ Ctax w.off
3705	691.79	No Trace

Invoice No	Amount £	Reason
3439	733.80	Returned from external Collectors
3587	736.92	Returned from external Collectors
1839	797.32	Returned from external Collectors
4063	807.70	No trace - experian check done
3441	850.00	Returned from external Collectors
3541	972.00	Returned from external Collectors
3559	1,208.20	Returned from external Collectors
3487	1,317.37	Returned from external Collectors
3941	1,597.92	No trace - experian check done
4644	1,605.76	Bankrupt
3283	1,710.00	Returned from external Collectors
4408	1,776.94	No Trace
3681	1,800.00	Returned from external Collectors
3825	1,876.59	Returned from External Collectors
3242	2,042.57	Returned from external Collectors
1776	2,566.25	No Trace
4354	3,599.96	SMI
12 Cases Under £25 written-off	104.55	
OVERP'D HSG BENEFIT		
INVOICE WRITE-OFFS 2012-		
13	<u>38,885.35</u>	