



Rochford District Council

To the Meeting of: FINANCE AND GENERAL PURPOSES

On: 1 FEBRUARY 2000

Report of: CORPORATE DIRECTOR (FINANCE AND EXTERNAL SERVICES)

Title: BENEFIT, COUNCIL TAX, NATIONAL NON-DOMESTIC RATES AND SUNDRY DEBTORS - WRITE-OFFS

Author: Mrs. L. Higby

Approved by:

Corporate Objectives

To ensure that services are cost effective.

Background

The Corporate Director (Finance & External Services) reports that, although no provisions are included in the council tax and business rate legislation for the writing off of debt, the Accounts and Audit Regulations 1996 now acknowledge that, in certain circumstances, for all practical purposes, some debts must be deemed uncollectable.

Appendix A to this report lists, in summary form, cases of write-off executed by the Corporate Director (Finance & External Services) under his delegated authority. Appendix B lists cases which fall outside such authority and which need this Committee's approval.

In all cases, diligent efforts have been made to recover debts, but have failed. In a number of cases, defaulters have moved abroad and the Council has no recovery remedy. The Director is, however, pleased to inform Members that 7 council tax and NNDR cases with a value totalling £821.51 which had previously been written off, have now been reinstated as a result of new information.

Crime and Disorder Implications

None.

Environmental Implications

None.

Financial Implications

As detailed in Appendices A and B.

Legal Implications

None.

Parish Implications

None.

Proposed that this Committee RESOLVES:

- (1) that items written off under the Corporate Director's delegated authority be noted.
- (2) that items shown in Appendix B be now written off in the accounts of the authority (HRHM/HFS)

Background Papers

None.

National Non-Domestic Rating

2 Cases value £292.00 (average debt £146.00)

Benefits

56 Cases value £6,190.47 (average debt £110.54)

Council Tax

28 Cases value £3,664.54 (average debt £130.88)

Former Tenant Housing Rents

71 Cases value £5,051.18 (average debt £71.14)

Sundry Debtors

9 Cases value £1,459.71 (average debt £162.19)

APPENDIX BNational Non-Domestic Rating

CASE NO.	AMOUNT	REASON FOR WRITE-OFF
	£	
1	772.00	Debt forms part of Voluntary Arrangement and no recovery action may be taken in respect of it.
2	1,336.34	Company wound up – no funds available for non-preferential creditors.
3	2,275.60	Debt relates to 1992/93 – unable to trace debtor.
5	6,063.29	Debtor bankrupt.
6	1,720.49	Company ceased trading due to insolvency, no assets available.
7	<u>1,765.31</u>	The debtor is a limited company which has ceased trading. The director does not respond to letters and is bankrupt.
6 Cases	13,933.03	

Council Tax

CASE NO.	AMOUNT	REASON FOR WRITE-OFF
	£	
13	1,611.22	Charge to be remitted in full by decision of the Magistrates Court
6	<u>733.80</u>	Debtor absconded – unable to trace.
	2,345.02	

Sundry Debtors

CASE NO.	AMOUNT	REASON FOR WRITE-OFF
	£	
None		

Benefits

CASE NO.	AMOUNT	REASON FOR WRITE-OFF
	£	
1	726.60	Claimant previously living in homeless hostel, now serving prison sentence.
2	1,249.39	Overpayment had arisen due to confusion over claimant's private pension and through no fault of his own. Claimant is elderly and on limited income.
3	3,239.81	Overpayment had arisen due to an omission from claim through no fault of the claimant.
4	548.56	Overpayment arose when claimant ceased to receive disability living allowance and claim was not amended.
5	782.18	Overpayment arose due to miscalculation of income from student grant.
6	548.35	Overpayment arose due to non-declaration of shares. Claimant has since died.
7	<u>1,225.25</u>	Overpayment arose when claimant's non-dependent reached 18, but claim was not adjusted.
	8,320.14	

Former Tenant Rent Arrears

CASE NO.	AMOUNT	REASON FOR WRITE-OFF
	£	
1	1,434.01	Eviction warrant originally issued November 1995, and, after several appeals and non-compliance with court orders, the keys were returned in August 1996. The debt is for work required to the property when tenant vacated. No funds have been paid from the forwarding address in Scotland and it is not now considered that the debt will not be paid.
2	1,155.50	Tenant vacated in October 1997 before eviction warrant could be executed. No forwarding address available.
3	1,707.72	Tenant had always been a bad payer and, although a forwarding address was available, no payments have been made since June 1997.
4	985.43	Tenant's rent was adjusted when it was discovered that a private pension had not been declared on the benefit claim form. The tenant claimed she could not afford the rent and an absolute order was granted in September 1997. Recovery was not proceeded with due to the tenant's health and financial problems and she is now believed to be in Part 3 accommodation. There seems no likelihood of recovering the money.
5	539.26	The tenant abandoned the property in July 1996 prior to his eviction. Considerable damage had been done but, despite letters addressed to a member of the family, no money has been forthcoming.
6	1,232.05	The tenants had built up considerable rent arrears and a suspended order was granted in June 1998, after which payments ceased. The property was abandoned in August 1998 and repossessed. No forwarding address has been traced.
6 cases	7,053.97	