

## **HOUSING BENEFIT , COUNCIL TAX, BUSINESS RATES, FORMER TENANT ARREARS AND SUNDRY DEBTORS – WRITE-OFFS**

### **1 SUMMARY**

This report sets out cases written off under delegated authority and proposes the writing off of cases.

### **2 INTRODUCTION**

- 2.1 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 acknowledge that, in certain circumstances, for all practical purposes, some debts must be deemed uncollectable.
- 2.2 Appendix A to this report lists, in summary form, cases of write-off executed by the Corporate Director (Finance and External Services) under his delegated authority. Appendix B lists cases which fall outside such authority and which need this Committee's approval.
- 2.3 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 Corporate Director is, however, pleased to inform Members that 11 business rate and council tax cases with a total value of £1,655.75 which had previously been written off have now been reinstated as a result of new information.

### **3 RESOURCE IMPLICATIONS**

- 3.1 As detailed in Appendices A and B.

### **4 RECOMMENDATION**

- 1 It is proposed that the 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)

Roger Crofts

Corporate Director (Finance & External Services)

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**APPENDIX A**

**1. National Non-Domestic Rating**

10 Cases totalling £1,467.11 (average debt 146.71)

**2. Benefits**

324 Cases totalling £48,736.70 (average debt £150.42)

**3. Council Tax**

38 Cases totalling £1,985.57 (average debt £52.25)

**4. Former Tenant Housing Rents**

33 Cases totalling £2,268.44 (average debt £68.74)

**5. Sundry Debtors**

None.

**APPENDIX B**

**National Non-Domestic Rating**

<b>CASE NO.</b>	<b>AMOUNT</b>	<b>REASON FOR WRITE-OFF</b>
	£	
708	1,226.60	Company dissolved.
701	571.50	Debtor absconded – unable to trace.
700	3,551.95	UK operations ceased, debtor resides in Ireland – no powers to recover
693	7,165.00	Debtor absconded – unable to trace.
691	575.28	Company in liquidation, dividend to unsecured creditors unlikely.
689	703.72	Debtor absconded, company dissolved.
687	4,270.00	Company in liquidation, no chance of distribution to creditors.
686	4,141.03	Company dissolved.
685	729.68	Company in administration.
684	1,264.33	Company ceased to trade – no funds available.
683	11,618.22	Debt arose as a result of a change in assessment by the Valuation Office and transitional relief not being awarded. Recent court case set the precedent allowing debts arising in these circumstances to be written off.
11 Cases	35,817.31	

**Council Tax**

<b>CASE NO.</b>	<b>AMOUNT</b>	<b>REASON FOR WRITE-OFF</b>
	£	
717	1,226.11	Debtor had been held in police cells for the equivalent period to the sentence would receive from Magistrates.
656	517.70	Debt to be written off by order of Magistrates.
652	1,308.83	Debtor deceased, unfair to next of kin to pursue debt.
648	1,678.10	Debt to be written off by order of Magistrates.
647	680.39	Debt to be written off by order of Magistrates.
646	516.64	Debt to be written off by order of Magistrates.
638	677.53	Debtor absconded – unable to trace.
609	559.59	Debtor's income wrongly assessed for benefit purposes.
569	727.25	Debtor's income wrongly assessed for benefit purposes.
9 Cases	7,892.14	

**Housing Benefit**

<b>CASE NO.</b>	<b>AMOUNT</b>	<b>REASON FOR WRITE-OFF</b>
1	1,311.95	Debt dates back to 1992. Recovery action taken by Benefits and Legal, debtor moved out of District – unable to trace.
2	884.00	Debt dates back to 1992. Recovery action taken by Benefits and Legal, debtor moved out of District – unable to trace.
3	540.00	Debt dates back to 1992. Recovery action taken by Benefits and Legal, debtor moved out of District – unable to trace.
4*	607.06	Debt dates back to 1994. Recovery action taken by Benefits and Legal, debtor moved out of District – unable to trace.
5	552.66	Debt dates back to 1994. Recovery action taken by Benefits and Legal, unable to trace.
6*	837.70	Debt dates back to 1994. Recovery action taken by Benefits and Legal, debtor moved out of District – unable to trace.
7	814.92	Debt dates back to 1995. Recovery action taken by Benefits and Legal, debtor moved out of District – unable to trace.
8	584.00	Debt dates back to 1996. Recovery action taken by Benefits and Legal, debtor moved out of District – unable to trace.
9*	910.71	Debt dates back to 1996. Recovery action taken by Benefits and Legal, debtor moved out of District – unable to trace.
10*	658.20	Debt dates back to 1996. Landlord no longer trading – unable to trace.
11	675.00	Debt dates back to 1996. Recovery action taken by Benefits and Legal, debtor moved out of District – unable to trace.
12*	3,790.29	Debt dates back to 1996. Recovery action taken by Benefits and Legal – unable to trace.
13*	801.16	Debt dates back to 1996. Recovery action taken by Benefits and Legal – unable to trace.
14	715.85	Debt dates back to 1997. Recovery action taken by Benefits and Legal – unable to trace.
16	2,708.27	Debt dates back to 1997. Recovery action taken by Benefits but unable to trace debtor.
17*	1,749.99	Debt dates back to 1997. Recovery action taken by Benefits but unable to trace debtor.
19*	1,597.45	Debt dates back to 1998. Recovery action taken by Benefits but debtor has moved out of the District – unable to trace.

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<b>CASE NO.</b>	<b>AMOUNT</b>	<b>REASON FOR WRITE-OFF</b>
20	1,611.84	Debt dates back to 1998. Recovery action taken by Benefits but debtor has moved – unable to trace.
21	1,840.00	Debt dates back to 1998. Recovery action taken by Benefits – unable to trace debtor.
22*	2,080.00	Debt dates back to 1999. Recovery action taken by Benefits – debtor has moved out of District - unable to trace.
24*	624.29	Debt dates back to 1994. Recovery action taken by Benefits – unable to trace debtor.
25	550.00	Debt dates back to 1997. Recovery action taken by Benefits and Legal – debtor has moved out of District - unable to trace debtor.
26*	1,847.79	Debt dates back to 1997. Recovery action taken by Benefits and Legal – debtor has moved out of District - unable to trace.
27*	1,103.30	Debt dates back to 1998. Recovery action taken by Benefits – unable to trace debtor.
28*	674.52	Debt dates back to 1998. Recovery action taken by Benefits – unable to trace debtor.
29*	605.36	Debt dates back to 1998. Recovery action taken by Benefits – unable to trace debtor.
30*	1,242.72	Debt dates back to 1998. Recovery action taken by Benefits – unable to trace debtor.
31	525.00	Debt dates back to 1999. Debtor has moved out of the District, payments were made to the landlord who has ceased trading, therefore recovery not possible.
32	599.40	Debt dates back to 1999. Recovery action taken by Benefits – no response.
33	828.74	Debt dates back to 1999. Recovery action taken by Benefits. Debtor has moved away – unable to trace.
34*	1,302.12	Debt dates back to 1999. Recovery action taken by Benefits – unable to trace.
36	795.91	Debt dates back to 2000. Recovery action taken by Benefits. Debtor has moved out of District – unable to trace.
37	604.62	Debt dates back to 2000. Recovery action taken by Benefits – unable to trace debtor.
38*	522.97	Debt dates back to 2000. Recovery action taken by Benefits. Debtor has moved out of District – unable to trace.
39*	920.50	Debt dates back to 2000. Recovery action taken by Benefits – unable to trace debtor.
40	1,202.76	Earnings incorrectly assessed.
41	973.56	Rent incorrectly assessed.

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<b>CASE NO.</b>	<b>AMOUNT</b>	<b>REASON FOR WRITE-OFF</b>
42	702.00	Overpayment arose due to incorrect assessment of income support, partly as a result of lack of information from Benefits Agency.
38 cases $\phi$	40,896.61	

\*These are fraud cases which, by definition are more difficult to recovery. A large proportion of the debt (up to 95%) has been paid to the Council in subsidy.

$\phi$  Case No. 15, 18, 23 and withdrawn.

**Former Tenant Arrears**

<b>CASE NO.</b>	<b>AMOUNT</b>	<b>REASON FOR WRITE-OFF</b>
1	767.74	Tenant died leaving unauthorised lodger in property who paid no rent. Lodger evicted and has since absconded – unable to trace.

**Sundry Debtors**

None