

BENEFIT, COUNCIL TAX, BUSINESS RATES AND SUNDRY DEBTORS – WRITE-OFFS

1 INTRODUCTION

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 uncollectible.

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 Corporate⁴ Director is, however, pleased to inform Members that 1 NNDR case with a value of £173.96 which had previously been written off, has now been reinstated as a result of new information.

2 RESOURCE IMPLICATIONS

As detailed in Appendices A and B

3 RECOMMENDATION

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)

Steve Clarkson

Head of Revenues and Housing Management

Background Papers:

None.

For further information please contact Lissa Higby (01702) 546366

APPENDIX A

1 National Non-Domestic Rating

7 Cases value £1,210.71 (average debt £172.95)

2 Benefits

4 Cases value £191.91 (average debt £47.97)

3 Council Tax

49 Cases value £6,613.61 (average debt £134.97)

4 Former Tenant Housing Rents

61 Cases value £3,115.77 (average debt £51.08)

5 Sundry Debtors

None.

APPENDIX B

National Non-Domestic Rating

CASE NO.	AMOUNT	REASON FOR WRITE-OFF
	£	
254	728.60	Company in voluntary liquidation – dividend to unsecured creditors unlikely.
255	2,812.63	Company being wound up – no possibility of distribution to creditors.
257	924.66	Debtor absconded – unable to trace.
3 Cases	4,465.89	

Council Tax

CASE NO.	AMOUNT	REASON FOR WRITE-OFF
	£	
266	642.71	Debtor absconded – unable to trace.
267	657.74	Debt remitted by Magistrates Court.
268	900.09	Debtor absconded – unable to trace.
269	850.74	Debtor absconded – unable to trace.
270	500.33	Debtor absconded – unable to trace.
280	684.71	Debtor absconded – unable to trace.
6 Cases	4,236.32	

Sundry Debtors

CASE NO.	AMOUNT	REASON FOR WRITE-OFF
	£	
None		

FINANCE & GENERAL PURPOSES COMMITTEE -
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Benefits

CASE NO.	AMOUNT	REASON FOR WRITE-OFF
	£	
None		

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	