



Cabinet 25 July 2012

Revenues Collection Performance and Write-Offs (Aug12/18)

1. Summary and Reasons for Recommendations
1.1 The Revenues Section collects outstanding debts in accordance with either statutory guidelines or Council agreed procedures. When all these procedures have been exhausted the outstanding debt is written off using the delegated authority of the Chief Finance Officer (for debts up to £1,500) or by Cabinet (for debts over £1,500).
1.2 The specific reasons for recommending each write off are included in Exempt Appendices 1, 2, and 3.
1.3 The Collection Data in respect of Council Tax and National Non Domestic Rates is shown in Section 8 of the report.
2. Recommendations
2.1 It is RECOMMENDED that the write off of the amounts detailed in the exempt appendices to Report D87 be approved, as follows:- Exempt Appendix 1: 6 accounts for Council Tax totalling £20,005.75; Exempt Appendix 2: 14 accounts for Business Rates totalling £244,214.25; and Exempt Appendix 3: 1 Housing Benefit overpayment totalling £2,711.70.
3. Corporate Objectives
3.1 The recommendations meet the following, as contained within the Corporate Plan:- (a) Corporate Priority: <i>'Working together for an efficient Council'</i> .

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<p>4. Key Issues</p> <p>4.1 The Revenues Section collects outstanding debts in accordance with either statutory guidelines or Council agreed procedures.</p> <p>4.2 When all these procedures have been exhausted the outstanding debt is written off using the delegated authority of the Chief Finance Officer for debts up to £1,500.00 or by Cabinet for debts over £1,500.00.</p> <p>4.3 It is best practice to monitor the recovery procedures for outstanding debts regularly and, when appropriate, write off irrecoverable debts.</p> <p>4.4 Provision for irrecoverable debts is included both in the Collection Fund and the General Fund and writing off debts that are known to be irrecoverable ensures that staff are focussed on achieving good collection levels in respect of the recoverable debt.</p> <p>4.5 Housing Benefit Overpayments</p> <p>4.5.1 Where an overpayment of Housing Benefit has occurred as a result of an error made by the local authority, it may be recovered if the authority can show that the recipient of the overpayment could reasonably have been expected to know that they had been overpaid at the time the overpayment was made.</p> <p>4.5.2 Officers consider that in the write-off case, attached as Exempt Appendix 3, the claimant would not have been aware of the overpayment at the time the payments were made and that the overpayments should therefore, be written off.</p>
<p>5. Other Options considered</p> <p>5.1 The Council has appointed a firm of bailiffs to assist in the collection of business rates and council tax and also has online tracing facilities. It is not considered appropriate to pass the debts on to another agency.</p> <p>5.2 In terms of overpayment of Housing Benefits, the only other option is to attempt to recover the overpayments from the claimants, which could have included involving the full appeal rights contained within benefits administration law. Officers consider that on balance, if the cases were heard by the Appeals Tribunal, the authority would lose the appeals.</p> <p>5.3 It should be noted that in the event that a written-off debt becomes recoverable, the amount is written back on, and enforcement procedures are re-established. This might happen, for example, if someone has gone away with no trace, and then they are unexpectedly 'found' again, through whatever route.</p>
<p>6. Community impact</p> <p>6.1 Crime and Disorder Impact None.</p> <p>6.2 Diversity and Equality Impact</p> <p>6.2.1 The application of predetermined recovery procedures ensures that everybody is treated consistently.</p> <p>6.2.2 Failure to collect any debt impacts on either the levels of service provision or the levels of charges. All available remedies are used to recover the debt before write off is considered.</p> <p>6.2.3 The provision of services by the Council applies to everyone in the area.</p>

6.3	Sustainability Impact None.																																				
7.	Consultation																																				
7.1	Management Team and Portfolio Holder for Performance and Resources.																																				
8.	Resource implications <i>(including asset management implications)</i>																																				
8.1	Provision is made in the accounts for non recovery but the total amounts to be written off are as follows with full details shown in Exempt Appendices 1, 2 and 3.																																				
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9.	Risk Assessment <i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>																																				
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10. Legal or policy implications
 10.1 The recovery procedures followed have been previously agreed; writing off uncollectable debt allows staff to focus recovery action on debt which is recoverable.

Wards affected	All	Portfolio Holder	Performance and Resources
Background Papers		Subject Area	Finance