

# Cabinet



St Edmundsbury  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Revenues Collection Performance and Write-offs</b>	
<b>Report No:</b>	<b>CAB/SE/14/016</b> [to be completed by Democratic Services]	
<b>Report to and date/s:</b>	<b>Cabinet</b>	2 December 2014
<b>Portfolio holder:</b>	David Ray Portfolio Holder for Resources and Performance <b>Tel:</b> 01359 250912 <b>Email:</b> david.ray@stedsbc.gov.uk	
<b>Lead officer:</b>	Rachael Mann Head of Resources and Performance <b>Tel:</b> 01638 719245 <b>Email:</b> rachael.mann@westsuffolk.gov.uk	
<b>Purpose of report:</b>	To consider the current revenue collection performance and to consider writing off outstanding debts, as detailed in the exempt appendices.	
<b>Recommendation:</b>	<p>It is <b>RECOMMENDED</b> that the write-off of the amounts detailed in the exempt appendices to Report No: CAB/SE/14/016 be approved, as follows:</p> <p>(1) <b>Exempt Appendix 1: Council Tax totalling £13,945.63; and</b></p> <p>(2) <b>Exempt Appendix 2: Business Rates totalling £17,736.82.</b></p>	
<p><b>Key Decision:</b></p> <p>(Check the appropriate box and delete all those that <b>do not</b> apply.)</p>	<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p> <p>Although published on the Decisions Plan as a Key Decision, given the amounts recommended to be written off, this is not now the case.</p>	
<p><i>The key decision made as a result of this report will be published within <b>48 hours</b> and cannot be actioned until <b>seven working days</b> have elapsed. This item is included on the Decisions Plan.</i></p>		

<b>Consultation:</b>	Leadership Team and the Portfolio Holder for Resources and Performance have been consulted with on the proposed write-offs.		
<b>Alternative option(s):</b>	See paragraphs 2.1 and 2.2		
<b>Implications:</b>			
Are there any <b>financial</b> implications? If yes, please give details	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> • See paragraphs 3.1 to 3.3		
Are there any <b>staffing</b> implications? If yes, please give details	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •		
Are there any <b>ICT</b> implications? If yes, please give details	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •		
Are there any <b>legal and/or policy</b> implications? If yes, please give details	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> • The recovery procedures followed have been previously agreed; writing off uncollectable debt allows staff to focus recovery action on debt which is recoverable.		
Are there any <b>equality</b> implications? If yes, please give details	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> • The application of predetermined recovery procedures ensures that everybody is treated consistently.  • 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.  • The provision of services by the Council applies to everyone in the area.		
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
This has been identified as a low risk as there are resources allocated to meet items as detailed.			
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
Debts are written off which could have been collected.	Medium	Extensive recovery procedures are in place to ensure that all possible mechanisms are exhausted before a debt is written off.	Low
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b>		None.	
<b>Documents attached:</b>		<b>Exempt Appendix 1:</b> Council Tax <b>Exempt Appendix 2:</b> NNDR	

## **1. Key issues and reasons for recommendation(s)**

- 1.1 The Revenues Section collects outstanding debts in accordance with either statutory guidelines or Council agreed procedures.
- 1.2 When all these procedures have been exhausted the outstanding debt is written off using the delegated authority of the Head of Resources and Performance for debts up to £2,499.99 or by Cabinet for debts over £2,500.00.
- 1.3 It is best practice to monitor the recovery procedures for outstanding debts regularly and, when appropriate, write off irrecoverable debts.
- 1.4 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.

## **2. Alternative options**

- 2.1 The Council has appointed a firm of bailiffs to assist in the collection of business rates and Council Tax and also has on line tracing facilities. It is not considered appropriate to pass the debts on to another agency.
- 2.2 It should be noted that in the event that a written-off debt become 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.

## **3. Financial implications and collection performance**

- 3.1 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 and 2.
- 3.2 As at 31 October 2014, the total National Non Domestic Rates (NNDR) billed by Anglia Revenues Partnership on behalf of St Edmundsbury Borough Council (as the billing Authority) is nearly £47.3 million per annum. The collection rate as at 31 October 2014 was 66.67% against a profile of 66.75%.
- 3.3 As at 31 October 2014, the total Council Tax billed by Anglia Revenues Partnership on behalf of St Edmundsbury Borough Council (includes the County, Police and Parish precept elements) is just under £53.8 million per annum. The collection rate as at 31 October was 67.87% against a profiled target of 68.31%.