

Subject:	Write Offs of Council Tax, Non-Domestic Rate, Housing Benefit Overpayment and Sundry Debts	Status:	For Publication
Report to:	Cabinet	Date:	15 th February 2017
Report of:	Head of Customer Services	Portfolio Holder:	Customer Services & Health
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Ian Walker	Telephone:	01706 252592
Email:	ianwalker@rossendalebc.gov.uk		

1.	RECOMMENDATION(S)
1.1	Members are recommended to approve the write off of:- £106,509.54 in respect of irrecoverable Non-Domestic Rate debt. £25,060.78 in respect of irrecoverable Council Tax debt £25,889.63 in respect of irrecoverable Housing Benefit overpayment debt £13,812.64 in respect of Sundry Invoice debts

2. PURPOSE OF REPORT

- 2.1 The purpose of the report is to request member authority to write off bad debts of Non-Domestic Rates which are above the delegated limit of £5000 (see appendix)

3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following corporate priorities:

- **Responsive Value for Money Services:** This priority is about the Council working collaboratively, being a provider, procurer and a commissioner of services that are efficient and that meet the needs of local people.

4. RISK ASSESSMENT IMPLICATIONS

- 4.1 There are no specific risk issues for members to consider arising from this report.

5. BACKGROUND AND OPTIONS

- 5.1 It is prudent practice to clear any debts from the ledgers which are now deemed to be irrecoverable.
- 5.2 The sum of £106,509.54 is regarded as irrecoverable in respect of NNDR; In the majority of cases this is because the companies in question have liquidated. In one case it has been necessary to re-bill and re-commence recovery action for unpaid rates. However the earliest years of liability are now statute barred.
- 5.3 The sum of £25,060.78 is regarded as irrecoverable in respect of Council Tax. In these cases the indebted parties are variously deceased, absconded abroad or bankrupt.

- 5.4 The sum of £42,748.55 is regarded as irrecoverable in respect of Housing benefit overpayments. In these cases all possible recovery action has been exhausted.
- 5.5 The sum of £13,812.64 is regarded as irrecoverable in respect of property rentals. In both cases the companies involved have ceased trading and all possible recovery action has been exhausted.
- 5.6 A record of all debts written off is maintained in the event that there is an opportunity for future collections

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

- 6.1 Financial matters are noted in the report

7. MONITORING OFFICER

- 7.1 There are no specific implications arising from the report as all means of recovery have presently been exhausted.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

- 8.1 The proposed write offs set out in this report are recommended in accordance with the Council's agreed write off policies and procedures.

All write-offs are considered with due regard on their own merit as required. This report is not proposing new services, policies, strategies, or plans (or significant changes to or reviews of them). It does not propose decisions about budget cuts or service changes/reductions. It is determined therefore, that this report is unlikely to have any adverse impacts under the Council's Equality Policy or associated equality duties, and has not been assessed for equalities impacts.

No HR implications arising from this report.

9. CONCLUSION

- 9.1 The write-offs are within the provisions available and recommendation to write off is made within the grounds of prudence before the financial year end.

No background papers

NON RECOVERABLE COUNCIL TAX BAD DEBTS FOR WRITE OFF

Appendix 1

Ref No	Name of Debtor	Address of Property	Reason	Period	Total
21*****	*** ****	Haslingden	Irrecoverable	2006/07	881.30
			No trace & property has been repossessed.	2007/08	1142.49
			Debtor believed to be in New Zealand	2008/09	1181.79
				2009/10	542.33
				2010/11	916.78
				2011/12	916.78
				2012/13	12.58
					5594.05
21*****	*** ****	Crawshawbooth	Irrecoverable debtor moved to South Africa	2011/12	785.26
				2012/13	674.00
			Written off in June without approval	2013/14	1901.89
				2014/15	2898.03
				2015/16	2141.34
				total	8400.52
21*****	*** **** (Deceased)	Bacup	***** died in May 2012 & property was repossessed April 2014.	2004/05	754.18
				2005/06	668.83
			Comital action attempted however all avenues of recovery proved unsuccessful	2006/07	698.61
				2007/08	734.45
				2008/09	759.72
				2009/10	783.10
				2010/11	785.80
				2011/12	785.80
				2012/13	116.53
					6087.02
22*****	*** ****	*** **** Bacup	***** landlord with various properties in the North West. Awaiting charging order proceedings when made bankrupt	2013/14	1195.65
				2014/15	991.75
				2015/16	1135.8
				2016/17	1655.99
					4979.19

£25,060.78

NON RECOVERABLE NNDR BAD DEBTS FOR WRITE OFF

Name of Debtor	Address of Property	Period	Reason	Amount	Total
**** *	Rossendale	2007/08 2008/09	Amount due is statute barred for 2007-09, recovery continues in respect of subsequent years charges.	826.89 4,735.50	£5,562.39
Sigma Soap Enterprises Ltd	Ramsbottom	2015/16	Company placed into Liquidation January 2016	5430.02	£5,430.02
Rossendale Inns Ltd	Waterfoot	2015/16 2016/17	Company placed into voluntary administration	6,504.00 8,107.00	£14,611.00
Rgs (Rossendale) Ltd	Crawshawbooth	2014/2015 2015/2016	Company dissolved March 2016 no further recovery action available	5,097.28 325.25	£5,422.53
Powerplay Glogal Ltd	Waterfoot	2012/13	Company placed into liquidation March 2016	7,079.29	
Powerplay Global Ltd	Waterfoot	2015/2016		12496.63	
Powerplay Global Ltd	Waterfoot	2014/15 2015/16		8730.75 11198.74	£39,505.41
Bear Buddies Ltd	Rawtenstall	2014/15 2015/16 2016/17	Company dissolved July 2016 no further recovery action available	11505 12910.75 3880.68	£28,296.43
Mast Ltd	Ramsbottom	2009/2010 2013/2014 2014/2015	Company dissolved March 2016 no further recovery action available	40 1905 5736.76	£7,681.76
Total amount over £5000 written off					£106,509.54

HB CASES FOR OVERPAYMENT WRITE OFF OVER £5,000.00

CLAIM	NAME	ADDRESS	O/P	PERIOD	DATE CREATED	REASON FOR WRITE OFF
40**	**** *	Haslingden	£6,139.63	18/03/13 - 12/07/15	10/07/2015	Debt Relief Order granted 18/05/16
51**	**** *	Rawtenstall	£6,750.00	01/04/13 - 07/09/14	30/10/2014	Rossendales returned collection activity exhausted & no benefit in payment
50**	**** *	Rawtenstall	£13,000.00	08/02/10 - 04/10/15	23/12/2015	Claimant declared Bankrupt

Total £25,889.63

Sundry Invoices accounts over £5,000 submitted for write-off as bad debts February 2017
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Debtor	Invoice	Date	Name of Debtor	Details of Charge	Period	Amount	Net	VAT
3663	various		**	Rent of Ski Lodge, Rawtenstall	2015/16	7,256.70	7,256.70	0.00
					2016/17	265.10	265.10	
						<u>7,521.80</u>	<u>7,521.80</u>	<u>0.00</u>
4541	various		**	Utilities and other running costs at OSS	2014/15	6,290.84	6,290.84	0.00
						13,812.64	13,812.64	0.00