

Report to	-	Cabinet
Date	-	4 September 2017
Report of the	-	Executive Director of Resources
Subject	-	Irrecoverable Debts

Recommendation: It be **RESOLVED:** That the debts shown in Appendix 1 be approved for writing out of the accounts.

Service Manager: Robin Vennard

Lead Cabinet Member: Councillor Lord Ampthill

1. Any debt in excess of £4,000 can only be written out of the accounts with the consent of the Cabinet. This treatment of the debt does not mean that the Council cannot take action in the future if information is received indicating that the amount can then be recovered. Where it is apparent, however, that the debts are not going to be recovered, then it is financially prudent to exclude them from the accounts.
2. Cabinet is asked to agree to write off seven cases relating to monies owed to the authority as attached at Appendix 1. The following table summaries the total value to be written out of the accounts.

Type of Debt	Total to be written off
Business Rates	£34,720.79
Council Tax	£1158.71
Housing Benefit Overpayment	£6,801.96
Total	£42,681.46

3. Members will be aware of the robust recovery processes that are in place before debts are written off. Debt recovery work is undertaken in line with current Council policy and the Council's work around debt recovery performs extremely well.
4. Details of all the cases are available on request.

Malcolm Johnston
Executive Director of Resources

Risk Assessment Statement

The Council is a non-preferential debtor in bankruptcy and winding-up procedures, and the likelihood of a dividend in these circumstances is remote. Writing the amounts out of the accounts leaves a true picture of the size of debt where recovery is still likely.

Appendix 1

	Type of Debt	Amount £
	Business Rates	
1	The Company was dissolved on 21 March 2017 leaving no realistic prospect of recovery.	£14,298.80
2	The Company was dissolved on 12 July 2017 leaving no realistic prospect of recovery.	£4,110.09
3	The liable person was made bankrupt on 13 April 2016 leaving no realistic prospect of recovery.	£9,175.95
4	The liable person was made bankrupt on 17 February 2017 leaving no realistic prospect of recovery.	£7,135.95
	Total	£34,720.79
	Council Tax	
5	The liable person was made bankrupt on 13 April 2016 leaving no realistic prospect of recovery (linked business rate account 3 above).	£1,158.71
	Housing Benefit Overpayment	
6	The debtor was made bankrupt on the 14 March 2017 leaving no realistic prospect of recovery.	£5,329.16
7	The liable person was made bankrupt on 13 April 2016 leaving no realistic prospect of recovery (linked to business rate accounts 3 above).	£1,472.80
	Total	£6,801.96
	Total to be written off	£42,681.46