

Report to	-	Cabinet
Date	-	12 March 2018
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 cases relating to monies owed to the authority as attached at Appendix 1. The following table summarises the total value to be written out of the accounts.

Type of Debt	Total to be written off
Housing Benefit Overpayments	£59,453.04
Council Tax	£3,922.92
Non-Domestic Rates	£19,831.07
Sundry Debts	£4,760.00
<b>Total</b>	<b>£87,967.03</b>

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 £
	<b>HOUSING BENEFIT OVERPAYMENTS</b>	
1.	The liable person was made bankrupt on 13 July 2017. The Official Receiver has stated that there is no prospect of any money being returned to creditors.	£8,178.47
2.	Overpayment covers the period 04/07/11 – 28/05/12. All available options for recovery have been exhausted.	£4,450.25
3.	The liable person was granted a debt relief order on 14 August 2017 leaving no realistic prospect of recovery. Linked to item 8	£3,970.02
4.	Liable person deceased 22/07/17, no money in the estate.	£8,730.84
5.	Overpayment covers the period 10/08/04 – 07/04/16. All available options for recovery have been exhausted.	£11,451.04
6.	The liable person was made bankrupt on 17 October 2017. The Official Receiver has stated that there is no prospect of any money being returned to creditors. Linked to item 9	£7,259.86
7.	All available avenues have been exhausted in trying to recover this debt.	15,412.56
	<b>TOTAL</b>	<b>£59,453.04</b>
	<b>COUNCIL TAX</b>	
8.	The liable person was granted a debt relief order on 14 August 2017 leaving no realistic prospect of recovery. Linked to item 3	£2,023.56
9.	The liable person was made bankrupt on 17 October 2017. The Official Receiver has stated that there is no prospect of any money being returned to creditors. Linked to item 6	£727.17
10.	The liable person has absconded. All available options for tracing and recovery have been exhausted. Linked to item 11	£1,172.19
	<b>TOTAL</b>	<b>£3,922.92</b>
	<b>NON-DOMESTIC RATES</b>	
11.	The liable person has absconded. All available options for tracing and recovery have been exhausted. Linked to item 10	£3,809.62
12.	The liable person was granted a Company Voluntary Agreement on 14 November 2017 leaving no realistic prospect of recovery.	£16,21.45
	<b>TOTAL</b>	<b>£19,831.07</b>
	<b>SUNDRY DEBTS</b>	
13.	Costs arising from provision of temporary accommodation in 2015. Debtor absconded and cannot be located.	£4,760.00
	<b>TOTAL TO BE WRITTEN OFF</b>	<b>£87,967.03</b>