

Report to	-	Cabinet
Date	-	2 July 2018
Report of the	-	Executive Director
Subject	-	Irrecoverable Debts

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

Head of Service: 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 summaries the total value to be written out of the accounts.

Type of Debt	Total to be written off
Housing Benefit Overpayment	£76,000.16
Council Tax	£9,790.10
Business Rates	£47,776.88
Total	£133,567.14

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

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 £
	Housing Benefit Overpayments	
1.	The liable person was made bankrupt on 24 November 2017. The Official Receiver has stated that there is no prospect of any money being returned to creditors. Linked to item 7.	£1,394.77
2.	The liable person was made bankrupt on 20 March 2018. The Official Receiver has stated that there is no prospect of any money being returned to creditors. Linked to item 9.	£4,569.52
3.	Liable person deceased 6 July 2017. A charging order was in place but the lease on property was determinable upon death. Therefore no value in property. Counsel's advice received, no realistic prospect of legal action being successful to recover the debt.	£44,272.78
4.	The liable person was granted a debt relief order on 29 March 2018 leaving no realistic prospect of recovery. Linked to item 10.	£2,355.25
5.	Liable person deceased 21 February 2018, no money in the estate.	£12,416.17
6.	Overpayment covers the period 30/01/12 – 03/02/14. All available options for recovery have been exhausted.	£10,991.67
	Total Housing Benefit Overpayments	£76,000.16
	Council Tax	
7.	The liable person was made bankrupt on 24 November 2017. The Official Receiver has stated that there is no prospect of any money being returned to creditors. Linked to item 1.	£4,137.88
8.	The Company (residential/commercial premises) was dissolved on 20 March 2018 leaving no realistic prospect of recovery. Linked to item 15.	£946.97
9.	The liable person was made bankrupt on 20 March 2018. The Official Receiver has stated that there is no prospect of any money being returned to creditors. Linked to item 2.	£3,006.56
10.	The liable person was granted a debt relief order on 29 March 2018 leaving no realistic prospect of recovery. Linked to item 4.	£1,698.69

	Total Council Tax	£9,790.10
	Non-Domestic Rates	
11.	The liable person has absconded. All available options for tracing and recovery have been exhausted.	£7,738.31
12.	The Company was dissolved on 29 September 2016 leaving no realistic prospect of recovery.	£8,502.35
13.	The Company was dissolved on 19 September 2017 leaving no realistic prospect of recovery.	£10,065.23
14.	The liable person has absconded. All available options for tracing and recovery have been exhausted.	£7,636.73
15.	The Company was dissolved on 20 March 2018 leaving no realistic prospect of recovery. Linked to item 8.	£4,355.12
16.	All available options for recovery have been exhausted.	£9,479.14
	Total Non-Domestic Rates	£47,776.88
	Total to be written off	£133,567.14