

PART A

Report to: Cabinet

Date of meeting: 18th January 2016

Report of: Director of Finance

Title: Irrecoverable Write Offs for National Non-Domestic Rates (NNDR)

1.0 **SUMMARY**

1.1 The purpose of this report is for Members to consider agreeing to write-off individual/business debts of £3,000.00 or more. The council seeks to recover all the debt it is owed by residents and businesses, using all recovery methods.

2.0 **RECOMMENDATIONS**

2.1 That Members approve writing-off 21 accounts for National Non-Domestic Rates (NNDR) debts, covering the period 2007 though to 2015, amounting to £97,211.90 listed in the table at appendix 1. This represents 0.16% of the £510,000,000 invoiced over the same period (see Appendix 1).

Contact Officer:

For further information on this report please contact:
Nick Smith, Revenues Manager (Telephone Ext 8134)

Report approved by: Robert Della-Sala, Head of Revenues & Benefits
Joanne Wagstaffe, Director of Finance

3.0 **DETAILED PROPOSAL**

- 3.1 The Director of Finance has the power to approve the write off of irrecoverable debts up to an approved limit. The approved limit is £3,001 for council tax, business rate, housing benefit overpayment and sundry debts.
- 3.2 Where an irrecoverable debt requiring write off, is in excess of the approved limit, and the debt can still legally be recovered, the approval of Cabinet is required.
- 3.3 Revenues and Benefits Services have a policy and procedure document for writing-off debts (for all funds) as approved by Council on the 13 June 2011. All write offs are implemented in accordance with this document.
- 3.4 The writing off of irrecoverable monies owed to the Council in respect of business rates should be done on a regular basis, as cases arise. This is so that efforts can be focused on debts that are more likely to be recovered. There are a variety of

recovery methods that the council can rely on to secure debts and in each case listed, all recovery methods have been attempted.

- 3.5 Recovery of NNDR includes reminders being issued, summonses having been obtained and debts passed to bailiffs, court action, bankruptcy, as well as using tracing agents. In all the proposed write offs, the individuals cannot be traced despite numerous checks with other agencies and external checks. Whilst the debts are written off to ensure financial probity, debts can be written back, where debtors come to light or new information is received that would make recovery an option again.
- 3.6 The table at Appendix 1 relates to outstanding NNDR broken down by year. Fuller details of each account that is proposed to be written off, are shown at Appendix 2.
- 3.7 Members should note that there are approximately 3,218 rateable properties in Watford. The total value of debts for write-offs amounts to 0.160% of the total net collectable debt (£510 million) for the period between 2007/8 and 2014/15. Appendix 1 shows a breakdown by year.

4.0 **IMPLICATIONS.**

4.1 **Financial**

- 4.1.1 Provision for bad debts has already been made in the councils' bad debt provision.

4.2 **Legal Issues** (Monitoring Officer)

- 4.2.1 Debts are only written off when all means of recovery have been exhausted

4.3 **Equalities**

- 4.3.1 None identified

4.4 **Potential Risks**

- 4.4.1 None identified

4.5 **Staffing**

- 4.5.1 None identified

4.6 **Accommodation**

- 4.6.1 None identified

4.7 **Community Safety**

- 4.7.1 None identified

4.8 **Sustainability**

4.8.1 None identified

Appendices

Appendix A Summary of NNDR write-offs by year

Appendix B Watford Borough Council - NNDR Write Offs in detail – PART B

Background Papers

None.

File reference:

Head of Revenues and Benefits Services records