

AUDIT COMMITTEE	AGENDA ITEM No. 14
11 FEBRUARY 2019	PUBLIC REPORT

Report of:	Peter Carpenter – Acting Director of Corporate Resources	
Cabinet Member(s) responsible:	Cllr Seaton - Resources	
Contact Officer(s):	Peter Carpenter – Acting Director of Corporate Resources	Tel: 384564

UNCOLLECTABLE DEBTS IN EXCESS OF £10,000

RECOMMENDATIONS	
FROM: Peter Carpenter – Acting Director of Corporate Resources	Deadline date: N/A
<p>It is recommended that Audit Committee:</p> <ol style="list-style-type: none"> Note the Uncollectable Debts in excess of £10,000 report. 	

1. ORIGIN OF REPORT

1.1 This report is submitted to the Audit Committee for information from Cllr Seaton (Cabinet Member for Resources) following the publication of a Cabinet Member Decision Notice (CMDN).

2. PURPOSE AND REASON FOR REPORT

2.1 This report is for information following the Cabinet Member for Resources exercising delegated authority under paragraph 3.4.3 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (n).

2.2 This report is for the Audit Committee to consider under its Terms of Reference No. 2.2.2.12
To review any issue referred to it by the Chief Executive or a Director, or any Council body.

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	
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4. BACKGROUND AND KEY ISSUES

4.1 The attached CMDN report details the Cabinet Member's approval to write-off uncollectable debts that exceed £10,000 in relation to non-domestic (business) rates and accounts receivable (sundry debt). The aggregate total value of these debts is £1,359,599.

4.2 All cases requested for write-off follow a lengthy process to recover the outstanding money, sometimes dating back many years. Only once all avenues have been exhausted will the council consider writing off debt.

4.3 It is acknowledged that given the high volume and value of invoices and bills issued there will

always be a requirement to write off an element of debt as uncollectable, however, a number of the debts included within the report are historic and should have been considered for write off a number of years ago.

4.4 The largest type of debt raised each year is non-domestic rates at approximately £100 million per annum. When the sum recommended for write off is expressed as a percentage of the total debt raised over the period, it represents only 0.135% for business rates and only 0.016% for sundry debt accounts.

4.5 The debt to be written off has been provided for in the council's debt provisions. As a result, there will be no adverse impact on the Council's revenue position as a result of this write off exercise, and no adverse financial impact as a result of not writing these debts off sooner.

5. CONSULTATION

5.1 Information concerning the consultation undertaken is detailed within the attached CMDN report.

6. ANTICIPATED OUTCOMES OR IMPACT

6.1 It is anticipated that the Committee will note the attached 'Uncollectable Debts in Excess of £10,000' Cabinet Member Decision Notice.

7. REASON FOR THE RECOMMENDATION

7.1 Reasons for recommendation are detailed within the attached CMDN report.

8. ALTERNATIVE OPTIONS CONSIDERED

8.1 Alternative options are detailed within the attached CMDN report.

9. IMPLICATIONS

Financial Implications

9.1 Financial implications are detailed within the attached CMDN report.

Legal Implications

9.2 Financial implications are detailed within the attached CMDN report.

Equalities Implications

9.3 There are no significant equalities implications.

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

10.1 Cabinet Member Decision Notice: To approve the write-off of any uncollectable debts in excess of £10,000.

11. APPENDICES

11.1 Cabinet Member Decision Notice: To approve the write-off of any uncollectable debts in excess of £10,000.