

<b>Notice of:</b>	<b>EXECUTIVE</b>
<b>Decision Number:</b>	EX26/2016
<b>Relevant Officer:</b>	Steve Thompson, Director of Resources
<b>Relevant Cabinet Member:</b>	Councillor Simon Blackburn, Leader of the Council
<b>Date of Meeting:</b>	23 May 2016

## **SUNDRY DEBT WRITE OFF- LOAN TO VIA PARTNERSHIP**

### **1.0 Purpose of the report:**

1.1 This report outlines an application to write off the outstanding balance of a Sundry Debt where there is no prospect of recovery. The Corporate Write Off Policy states that all individual debt over £5,000 must be authorised by Executive.

### **2.0 Recommendation(s):**

2.1 That the account detailed in this report totalling £296,939.78 is authorised for write off.

### **3.0 Reasons for recommendation(s):**

3.1 To ensure correct accounting practices and adherence to the Corporate Write Off Policy.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None

### **4.0 Council Priority:**

4.1 The relevant Council Priority is "The economy: Maximising growth and opportunity across Blackpool"

## **5.0 Background Information**

5.1 This debt relates to a business loan granted by the three shareholder companies, Lancashire County Council, Blackburn with Darwen Council and Blackpool Council. Blackpool Council's contribution was £300,000 and the loan was approved by Cabinet Member Decision PH31/2014 on the 10 March 2014. The amount proposed for write off is £296,939.78 and relates to invoice reference 30096153 raised in April 2015.

5.2 The VIA Partnership provided training to young people in the Lancashire area. Interest was invoiced and paid until the company entered administration following an inadequate Ofsted inspection rating. Due to the inadequate rating the company lost a number of contracts and was unable to operate. A number of outstanding invoices have been offset against the outstanding debt reducing it slightly. The debt is therefore put forward for write off due to the debtor entering administration.

5.3 Does the information submitted include any exempt information? No

## **5.4 List of Appendices:**

None

## **6.0 Legal considerations:**

6.1 None

## **7.0 Human Resources considerations:**

7.1 None

## **8.0 Equalities considerations:**

8.1 None

## **9.0 Financial considerations:**

9.1 The debts are written back to the services budget but there is bad debt provision set aside for writing off uncollectable debts.

9.2 Sums which remain uncollectable and not written off reduce the Council's collection performance which is monitored on a monthly basis.

**10.0 Risk management considerations:**

10.1 None

**11.0 Ethical considerations:**

11.1 None

**12.0 Internal/ External Consultation undertaken:**

12.1 None

**13.0 Background papers:**

13.1 Authorised write-off form from relevant departments.

**14.0 Key decision information:**

14.1 Is this a key decision? Yes

14.2 If so, Forward Plan reference number: 10/2016

14.3 If a key decision, is the decision required in less than five days? No

14.4 If **yes**, please describe the reason for urgency:

**15.0 Call-in information:**

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

**TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE**

**16.0 Scrutiny Committee Chairman (where appropriate):**

Date informed: 13 May 2016 Date approved:

**17.0 Declarations of interest (if applicable):**

17.1 None

**18.0 Executive decision:**

18.1 The Executive agreed the recommendation as outlined above namely:

That the account detailed in this report totalling £296,939.78 is authorised for write off.

**18.2 Date of Decision:**

23 May 2016

**19.0 Reason(s) for decision:**

To ensure correct accounting practices and adherence to the Corporate Write Off Policy.

**19.1 Date Decision published:**

24 May 2016

**20.0 Executive Members in attendance:**

20.1 Councillor Blackburn, in the Chair

Councillors Cain, Campbell, Cross, Jackson, Kirkland, Smith, I Taylor and Mrs Wright

**21.0 Call-in:**

21.1

**22.0 Notes:**

22.1 The following non-Executive member was in attendance: Councillor D Coleman