

Notice of:	LEADER OF THE COUNCIL
Decision Number:	PH33/2021
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Lynn Williams, Leader of the Council
Date of Decision:	12 March 2021

SUNDRY DEBT, COUNCIL TAX, HOUSING BENEFIT OVERPAYMENTS AND BUSINESS RATES WRITE OFFS

1.0 Purpose of the report:

1.1 This report lists applications to write off outstanding balances of Sundry Debts and Council Tax where there is no prospect of recovery or recovery of the debt is inappropriate.

The Corporate Write Off Policy states that all Sundry Debts over £5,000 and Council Tax over £5,000 must be authorised by Executive decision.

2.0 Recommendation(s):

2.1 To write off the Sundry Debt for Social Care totaling £14,575.73 outlined in paragraph 6.1.

2.2 To write off the Sundry Debt for Social Care totaling £5,562.30 outlined in paragraph 6.2.

2.3 To write off the Council Tax debt totalling £5,291.83 outlined in paragraph 6.3.

3.0 Reasons for recommendation(s):

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

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

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

4.0 Other alternative options to be considered:

4.1 There is no alternative option available that is in line with the Corporate Write Off Policy.

5.0 Council Priority:

5.1 The relevant Council priority is: "Communities: Creating stronger communities and increasing resilience".

6.0 Background Information

6.1 Social Care Benefits Division

The Sundry debt submitted for write off relates to invoice 30133635 for £14,575.73 raised January 2019 regarding unpaid client contributions. The client died in July 2018, but the Power of Attorney said that the outstanding debt would be paid once the property was sold. Subsequently, the property was sold for £68k but the Power of Attorney then advised that there was no money available to pay the debts. As such the Council reported them for financial abuse which the police investigated resulting in a 30-month prison sentence. The court established that there were no assets left and therefore the debt is submitted for write off, as there is no prospect of recovery of this debt.

6.2 Social Care Benefits Division

This debt relates to unpaid client contributions regarding invoices 30142090 for £1,336.09 raised October 2019, 30144024 for £1,708.20 raised December 2019 and 30148920 for £2,518.01 raised May 2020, totaling £5,562.30. The client died April 2020 with no estate. Therefore, the debt is submitted for write off, as there is no prospect of recovery.

6.3 Council Tax

The debt relates to unpaid council tax from April 2014 to March 2021, totalling £5,291.83, which has been subject to a Debt Relief Order and in compliance with legal stipulations the debt is submitted for write off with no prospect of recovery.

6.4 Does the information submitted include any exempt information? No

7.0 List of Appendices:

None.

8.0 Financial considerations:

8.1 Sundry Debts are written back to the services' budgets, but there are bad debt provisions set aside for writing off uncollectable debts.

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

8.3 The Council Tax debt for which write-off is requested within this report relates to the period prior to April 2021. The cost of writing off this debt will be met from the provision for losses on collection (the bad debt provision) in respect of Council Tax. The provision is funded by contributions by all the recipients of Council Tax income according to the proportionate share of Council Tax income that each receive (approximately - Blackpool Council 85%, Police and Crime Commissioner 11% and Lancashire Combined Fire Authority 4%).

8.4 It is good practice for the Council to write legitimate Council Tax debt off, however, any debt written-off can be reinstated at a later date should there be an unforeseen opportunity to recover part or all of the debt.

9.0 Legal considerations:

9.1 None.

10.0 Risk management considerations:

10.1 None.

11.0 Equalities considerations:

11.1 None.

12.0 Sustainability, climate change and environmental considerations:

12.1 None.

13.0 Internal/ External Consultation undertaken:

13.1 None

14.0 Background papers:

14.1 Authorised write-off forms from relevant departments.

ONLY APPLICABLE FOR REPORTS WHICH WILL EVENTUALLY BE CONSIDERED BY THE EXECUTIVE/ CABINET MEMBER

15.0 Key decision information:

15.1 Is this a key decision? No

15.2 If so, Forward Plan reference number:

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

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

16.0 Call-in information:

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

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

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

17.0 Scrutiny Committee Chairman (where appropriate):

Date informed:

Date approved:

18.0 Declarations of interest (if applicable):

18.1 None.

19.0 Executive decision:

19.1 The Leader of the Council agreed the recommendations as outlined above namely:

1. To write off the Sundry Debt for Social Care totaling £14,575.73 outlined in paragraph 6.1.
2. To write off the Sundry Debt for Social Care totaling £5,562.30 outlined in paragraph 6.2.
3. To write off the Council Tax debt totalling £5,291.83 outlined in paragraph 6.3.

20.0 Date of Decision:

20.1 12 March 2021

21.0 Reason(s) for decision:

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

22.0 Date Decision published:

22.1 12 March 2021

23.0 Executive Members in attendance:

23.1

24.0 Call-in:

24.1

25.0 Notes:

25.1