

**Debt write offs 2017/18**

- 1 The finance procedures rules require the chief financial officer to report details of debt amounts over £10k written off to Cabinet for information purposes annually.
- 2 The table below sets out individual debts written off exceeding £10k for 2017/18 and 2016/17 for comparison:

<b>2017/18</b>				
<b>Date of original invoice</b>	<b>Date debt written off</b>	<b>Amount £000</b>	<b>Income type</b>	<b>Reason for write off</b>
11.03.2016	07.03.2018	11	Business Rates	Liquidation
09.03.2017	23.02.2018	13	Business Rates	Bankruptcy
Demands on 07.08.14, 06.03.15 and 11.03.16	10.03.2018	16	Business rates	Liquidation
06.03.2015	22.03.2018	11	Business rates	Bankruptcy
Demands on 12.04.2016 & 30.03.2017	07.03.2018	20	Business Rates	Bankruptcy
28.03.2018	29.03.2018	16	Business rates	Liquidation
27.04.2016	29.03.2018	25	Overpayment of Housing Benefit	Deceased / Unrecoverable
<b>TOTAL</b>		<b>112</b>		
<b>2016/17</b>				
<b>Date of original invoice</b>	<b>Date debt written off</b>	<b>Amount £000</b>	<b>Income type</b>	<b>Reason for write off</b>
2016/17 demand	31/03/2017	15	Business Rates	Company voluntary arrangement (CVA)
2016/17 demand	31/03/2017	18	Business	Liquidation

			Rates	
2014/15 & 2015/16 demand	13/01/2017	23	Business Rates	Liquidation
2016/17 demand	31/03/2017	11	Business Rates	Company voluntary arrangement (CVA)
2016/17 demand	31/03/2017	12	Business Rates	Liquidation
2009/10, 2010/11, 2011/12, 2012/13, 2013/14, 2014/15, 2015/16 & 2016/17 demands	20/03/2017	13	Council Tax	Moved abroad / unrecoverable
<b>TOTAL</b>		<b>92</b>		

- 3 Individual debts under £10k written off in 2017/18 totalled £793k (£400k for 2016/17) giving a total amount written off of £905k (£492k for 2016/17). Debts are only written off once full debt recovery processes are completed, occasionally debt previously written off becomes payable if the debtors circumstances change. The council works closely with statutory bodies when deciding to write off debt. Legislative processes can take many months, or even years if the debtor is on low income, to conclude before a write off is sanctioned.
- 4 Debts written-off represent a very low proportion of income collected per annum as shown in the table below:

	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>
Total amount written off	1,245	492	905
Council tax charged	87,022	92,097	96,876
Business rates charged	48,526	47,610	48,970
General debtors charged	62,314	50,842	59,228

- 5 The finance procedure rules stipulate that the chief financial officer must approve the writing off debt exceeding £20k. For 2017/18 there was one case exceeding £20k (one case for 2016/17) as follows;
- a write off of £25,415.90 relating to an overpayment of housing benefit where the customer had passed away and the amount was not recoverable.