

Debt write offs for the period 1 October 2020 to 31 March 2021

- 1 The finance procedure rules stipulate that the chief financial officer must approve the writing off of debt exceeding £20k. For the period 1 October 2020 to 31 March 2021 there were 2 cases exceeding £20k (no cases for the period 1 April 2020 to 30 September 2020) as follows:
 - A write off of £48k relating to Business Rates due to bankruptcy
 - A write off totalling £21k relating to a combination of £2k for Council Tax plus £19k for Business Rates due to the business being dissolved

- 2 Individual debts written off in the period 1 October 2020 to 31 March 2021 totalled £468k (£103k for the period 1 April 2020 to 30 September 2020). 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.

- 3 Debts written-off represent a very low proportion of income collected per annum as shown in the table below. The amount written off in 2020/21 is lower than previous years due to reduced recovery work carried out because of the pandemic. The amount of Business Rates charged in 2020/21 is lower than previous years due to the increased relief awarded by Central Government in reaction to COVID-19 restrictions.

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Total amount written off	905	1,026	772	571
Council tax charged	96,876	123,323	131,598	137,175
Business rates charged	48,970	48,641	48,134	19,963
General debtors charged	59,228	60,147	60,004	72,635