

Report of: Revenues and Benefits Business Manager

To: Executive Board

Date: 19th February 2007

Item No

Title of Report: Write Off Report Of Uncollectable Debts (General Fund)

Summary and Recommendations

Purpose of report: To agree write-off of debts in excess of £10,000 for Business debt and £5,000 for non-Business debts. The cases submitted for write off are presented in accordance with the debt write off policy agreed by Executive Board on 5th April 2004.

Key decision: No

Portfolio Holder: Stephen Tall

Scrutiny Responsibility: Finance

Ward(s) affected: None

Report Approved by

Portfolio Holder: Stephen Tall

Legal: Jeremy Thomas

Finance: Sarah Fogden

Strategic Director: Mark Luntley

Policy Framework: The report supports the Council vision as it will contribute to maintaining Financial stability.

Recommendation(s):

The board is asked to approve the writing-off of the amounts shown. If new information, or any payments are received, the debts previously written-off will be resurrected and credits applied.



1. Introduction

In an average year Oxford collects £170m of income. This total includes £70m in business rates, £55m in council tax and £25m in housing related rents. Benefit overpayments, commercial rents and day-to-day debts make up the rest of this total.

Some people and organisations do not pay what they owe and, though we chase these accounts, some debts will not be recoverable. Officers have gone back over aged debts and worked out which cannot be realistically recovered. This report recommends those irrecoverable debts are written off - in line with normal commercial practice. The debts will be written off against provisions that have been set aside over the years for this specific purpose.

The cases submitted for write off are shown below, indicating the type of write off, the reason and the amount.

2. Business Rates – Accounts Submitted for Write-Off.

Insolvency – Compulsory Liquidation	Account no. 711828565 Period – 01/07/02 to 05/04/06	Amount: <u>£ 21,418.88</u>
Insolvency – Compulsory Liquidation	Account no. 711811461 Period – 15/12/00 to 03/02/03	Amount: <u>£ 20,221.40</u>
Insolvency – Administrative Receiver	Account no. 711847617 Period – 03/09/04 to 21/02/05	Amount <u>£ 39,604.46</u>
	Account no. 711817203 Period – 18/06/01 to 03/09/04	Amount <u>£ 10,740.69</u>
Debtor Absconded	Account no. 710176016 Period – 01/04/03 to 13/05/04	Amount <u>£ 1,496.83</u>
	Account no. 71083111X Period – 01/04/01 to 20/12/04	Amount <u>£ 1,354.53</u>
	Total	<u>£ 94,836.79</u>

3. Periodic Rent - Accounts Submitted for Write-Off

<p>Other – No means to recover</p>	<p>Customer no. 36006664. Account no. 51053437, 51057343, 51062433, 51066985, 51074216, 51078949, 51078950, 51079378 Period – 24/06/04 to 07/07/05.</p>	<p>Amount</p> <p style="text-align: right;"><u>£ 6,449.72</u></p>
<p>Insolvency – Liquidation</p>	<p>Customer no. 36010347/8/9. Account no. 51076101, 51080739, 51091408, 51098028, 51098027 Period 29/09/05 to 24/11/06</p>	<p>Amount</p> <p style="text-align: right;"><u>£ 15,744.91</u></p>
<p>Other – Forfeiture and possession of the premises obtained. No means to recover arrears.</p>	<p>36011602. Account no's 51070996, 51071064, 51071551, 51075723, 51075724, 51075857, 51076119. <i>Total indebtedness to Oxford City Council = £19,697.77. Sundry invoices = £337.00 are listed in this report under customer no. 36011466.</i></p>	<p>Amount</p> <p style="text-align: right;"><u>£ 19,360.77</u></p>
<p>Other – Forfeiture and possession of the premises obtained. Company had no means to repay arrears and has since been dissolved.</p>	<p>Customer no. 36003041 Account no.'s 5819364, 51014327, 51018727, 51022956, 51027549, 51031855, 51036209, 51040028, 51044871, 51049645, 51053378, 51057266, 51062460, 51066887, 51074167, 51075725, 51077773, 51077774. Period 25/12/01 to 06/09/05.</p>	<p>Amount</p> <p style="text-align: right;"><u>£ 16,952.26</u></p>

5.Overpaid Housing Benefit –Accounts Submitted for Write-Off

Insolvency – Bankrupt	Account no.'s. 26411055, 26411068, 26412672 Period 21.02.05 to 19.06.06	Amount <u>£ 6,111.23</u>
Other – Debtor has no means to repay debt.	Account no. 26375117, 26375120. Period 02/04/01 to 06/10/03.	Amount <u>£ 12,461.52</u>
Other – Debtor has no means to repay debt.	Account no. 26309950. Period 05/04/93 to 20/12/04.	Amount <u>£ 15,310.16</u>
Debtor Absconded	Account no. 26422594. Period 18.05.05 to 27.02.06	Amount <u>£ 10,191.19</u>
Insolvency – Bankrupt	Account no. 26093758, 26076814, 26188948, 26229001, 26372929, 26372932, 26372945. Period 24.09.01 to 23.12.02	Amount <u>£ 5,300.58</u>
No Legal Power To Recover – Statute Barred	Amount no. 26080240, 26080237, 26079730, 26097901, 26079714, 26079675, 26079662, 26097646, 26097633. Period 07.03.94 to 09.03.98	Amount <u>£ 11,590.87</u>

Debtor Absconded	Account no. 26314275, 26314288, 26085669, 26091284. Period 20.03.00 to 12.07.04	Amount <u>£ 8,542.49</u>
Debtor Absconded	Account no. 26248503. Period 30.10.00 to 11.11.02.	Amount <u>£ 5,506.50</u>
No Legal Power To Recover – Statute Barred	Account no's 26000628, 26000534, 26000453, 26000440, 26000301, 26000288, 26000275, 26000262, 26000233, 26000217, 26000178, 26000165, 26000152, 26000136, 4861876 (Cost acc)	Amount <u>£ 8,658.28</u>
Debtor Absconded	Account no. 26360724, 26340948, 26179669, 26177182 Period 11.12.01 to 14.02.05.	Amount <u>£ 6,981.50</u>
Debtor Absconded	Account no. 26245030. Period 01.04.01 to 15.12.03.	Amount <u>£ 6,668.50</u>
	Total	<u>£ 97,322.82</u>

6. Resurrection of Debts

6.1 If new information, or other payments are received, the debts previously written-off will be resurrected and credits will be applied. An additional column has been added into the Provision for Bad Debt table in 7.1 of this report to show the amount of payments that have been received in this financial year in respect of debts that have been previously written off.

7. Provisions for Bad Debts

7.1 The information below gives details, by category, the provisions for bad debt within the General Fund at the beginning of the financial year, write-offs approved to date in 2006/2007 and what provisions will remain if the write-offs listed above are approved:

General Fund

Debt Type	Provision at 1/4/06	Written-off to date	Credits written back to date	Remaining Provision	Amount Requested	Projected Balance
Overpaid Housing Benefit	£2,413,000	£92,764.97	£23,412.53	£2,343,647.56	£97,322.82	£2,246,324.74
Sundry and Periodic	£196,000	£52,504.14	£1,109.00	144,604.86	£112,887.94	£31,716.92
Business Rates	£963,000	£44,605.01	£22,804.59	£941,199.58	£94,836.79	£846,362.79

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Background papers: None.