

Report of: Financial and Asset Management Business Manager

To: Executive Board

Date: 19th February 2007

Item No:

Title of Report: Write Off Report Of Uncollectable Debts - Housing Revenue Account

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.

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.



1. Introduction

Oxford City Homes used a bespoke jobbing and debtors system called Whizz, until June 2006. This has now become obsolete. Some problems were presented by this system. For example having to record payments twice ie once on the Agresso system and then back into Whizz, allocations not being done in a timely manner or done on one system not on the other.

We believe that the invoices outstanding on the whizz system have actually been paid. However, due to the age of some of the invoices and lack of resources both at Oxford City Homes and the Cash Office they cannot be traced back through the systems. This was recognised at year-end March 2006 and the provision was set up.

Oxford City Homes, now uses Agresso for recording all invoices and payments. We have a member of staff who is responsible for debt collection and do not expect to have this problem in the future. Once this write off has been approved, the majority of the outstanding invoices on the Whizz system will be cleared.

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

2. Accounts Submitted for Write-Off

No Legal Power To Recover – Statute Barred	Account: 3N401660B Period 11/02/2000	Amount <u>£14,934.04</u>
Insolvency – Administrative Receiver	Account 3N404126G Period 19/04/2004	Amount <u>£4,500.00</u>
Other – Technical Errors	Account 3N403436G Period 02/02/03 Account 3N403504E Period 31/03/03 Account 3N403610H Period 02/07/03 Account 3N403902F Period 12/12/03 Account 3N404170N	Amount

	Period 05/05/04 Account 3N404171E Period 07/05/04	<u>£85,520.43</u>
	Total	<u>£ 104,954.47</u>

3. Provisions for Bad Debts

The information below gives details, by category, the provisions for bad debt within the HRA Sundry Debtors 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:

Housing Revenue Account

Debt Type	Provision at 1/4/06	Written-off to date	Additional provision	Remaining Provision	Amount Requested	Projected Balance
Sundry Debts	£111,646	£13,757.06	£7,065.53	£104,954.47	£104,954.47	Nil

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Background papers: None