



## EXECUTIVE 12<sup>th</sup> October 2023

<b>Report Title</b>	<b>National Non-Domestic Rates and Housing Benefit Overpayment Write-Offs</b>
<b>Report Author</b>	Janice Gotts, Executive Director of Finance and Performance (Section 151 Officer)  Lucy Hogston, Assistant Director of Revenues and Benefits
<b>Lead Member</b>	Cllr Lloyd Bunday, Executive Member for Finance and Transformation

<b>Key Decision</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Is the decision eligible for call-in by Scrutiny?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Are there public sector equality duty implications?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Does the report contain confidential or exempt information (whether in appendices or not)?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972</b>	1 & 3

### List of Appendices

#### Appendix A – Proposed Write-Offs (Exempt Item)

##### **1. Purpose of Report**

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- 1.1. To provide Members with a summary of the accounts proposed for write-off and to request approval for the write-offs.

##### **2. Executive Summary**

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- 2.1. The report details eight accounts that are proposed for write-off. Due to the outstanding balance of each account being in excess of £25,000, committee approval is required in line with the Council's Financial Procedure Rules.

### **3. Recommendations**

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- 3.1. It is recommended that the Executive review and approve the proposed write-off of outstanding debts as summarised in **Appendix A**.
- 3.2. Reason for Recommendation –The Council’s Constitution (Financial Procedure Rules) requires the approval of Executive to write off debt in excess of £25,000. It is considered that this debt cannot be recovered.
- 3.3. Alternative Option Considered – The alternative option would be to periodically review and pursue the debt. However, following the action already undertaken and the status of the organisations, it is considered irrecoverable at this time and would not be economical to continue to pursue.

### **4. Report Background**

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- 4.1. The Authority has a duty to maximise revenue collection. However, circumstances may arise in which amounts due must, for all practical or legal purposes, be deemed uncollectable.
- 4.2. The Accounts and Audit Regulations 2015 require that, in such circumstances, a decision to write-off an amount must be taken with the authority of the Chief Finance Officer, whether exercised personally or properly delegated to a member of staff. The amounts involved, and approval granted, should be recorded in the accounting records.
- 4.3. The Executive is responsible for approving debt write-off in excess of £25,000. The delegated debt write-off limits for officers are set out in within section 17 of the Financial Procedure Rules as part of the Council’s Constitution.

### **5. Issues and Choices**

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- 5.1. **Appendix A** details eight accounts (six Business Rates accounts and two Housing Benefit Overpayment accounts) totalling £405,702.76 that are being recommended for write-off.
- 5.2. This debt is considered to be irrecoverable despite numerous attempts.
- 5.3. The Council could choose to not write off the debt however, these old and/or irrecoverable debts will require administration on the team as periodically, it is required to be reviewed and pursued.
- 5.4. The Council does hold a provision for bad debt and the debt write off will be charged against this account.

### **6. Next Steps**

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- 6.1. The Executive are requested to decide on the proposed write offs detailed in **Appendix A**.

## **7. Implications (including financial implications)**

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### **7.1. Resources, Financial and Transformation**

7.1.1 The financial implications are set out in the report and detailed in **Appendix A**. Provisions are created and reviewed each year to ensure resource has been set aside for debts that are deemed to be no longer collectable. This bad debt provision will be released to cover the cost of these debt write-offs.

### **7.2. Legal and Governance**

7.2.1. **Appendix A** details each debt. Even if the debt is written off it does not preclude the Council from seeking recovery should it become feasible in the future, subject to the period of limitation which is generally six years.

### **7.3. Relevant Policies and Plans**

7.3.1. The review of debt owed to the Council is a part of the arrangements for ensuring robust financial management and as such aligns with the Council's priorities as set out within the Corporate Plan as part of the delivery of modern public services.

### **7.4. Risk**

7.4.1. The write-offs are being considered in accordance with the Council's Financial Procedure Rules therefore there are no significant risks arising from this report.

### **7.5. Consultation**

7.5.1. No consultation has taken place.

### **7.6. Consideration by Executive Advisory Panel**

7.6.1. This report has not been considered by an Executive Advisory Panel.

### **7.7. Consideration by Scrutiny**

7.7.1. This report has not been considered by Scrutiny.

### **7.8. Equality Implications**

7.8.1. There are no equality implications arising from this report.

## **7.9. Climate and Environment Impact**

7.9.1. There are no climate and environment impacts arising from this report.

## **7.10. Community Impact**

7.10.1. No community impacts have been identified.

## **7.11. Crime and Disorder Impact**

7.11.1. No crime and disorder impacts have been identified.

## **8. Background Papers**

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8.1. North Northamptonshire Council's Financial Procedure Rules

<https://northnorthants.moderngov.co.uk/documents/s17554/09.%20Part%207%20-%20Financial%20Procedure%20Rules.pdf>