

## Irrecoverable Debts – Sundry Debts

### Report by the Director Digital & Resources

#### 1. SUMMARY

- 1.1. This report details outstanding housing rents, which have been the subject of lengthy recovery action and enquiries. The associated debts are now deemed to be irrecoverable and are therefore recommended for write-off.
- 1.2. This is the first report detailing individual debts of over £2500 to be written off in this financial year.

#### 2. BACKGROUND

- 2.1. Paragraph 8.4 of the Council's Financial Regulations require that irrecoverable debts of Sundry Debtors, Commercial Rents and Homeless Accounts and Housing Rents over £2,500 are to be submitted to the Cabinet Member for Resources for write-off.
- 2.2. All outstanding arrears are regularly reviewed and an assessment made as to the likelihood of recovery. The scale of the effort made to collect each debt varies in proportion to the amount outstanding.
- 2.3. Any debt that is written off may subsequently be recovered due to various reasons including a dividend being received in an insolvency case or a debtor being traced.

#### 3. FINANCIAL IMPLICATIONS

##### A. Sundry Debts

- 3.A.1 **Irrecoverable debts totalling £18,890.11 covering 3 accounts are submitted for write-off within this report**

Schedule attached.

#### **4. LEGAL**

- 4.1 Section 151 of the Local Government Act, 1972 provides that every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs.

#### **5. CONCLUSIONS**

- 5.1 Considerable resources have already been expended in the effort to collect these outstanding debts. Any further enforcement action would not be cost effective.

#### **6. RECOMMENDATIONS**

- 6.1 That the Cabinet Member should approve the write-off of the debts referred to in paragraph 3.A.1.

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**Background Papers**

**Held in Finance and Legal Services**