

Members' Library Service Request Form

Date of Document	14/01/20
Originator	Kenny Christie
Originator's Ref (if any)	
Document Title	Bad Debt & Credit Balance Write Offs (under £50k in value)

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Cabinet

Additional information:

Authorised By	Sarah Fortune
Designation	Chief Operating Officer Finance
Date	15/01/20

For Office Use Only:	
Library Reference	8/20
Date Received	15/01/20
Bulletin	Jan 20

REPORT TO: Members' Library Service

MEETING DATE:

BY: Head of Council Resources

SUBJECT: Bad Debt Write Offs (under £50k in value)

1 PURPOSE

- 1.1 To notify Members of individual debts, each under £50,000 in value which, for a variety of reasons, could not be collected and have been written off by the Council.

2 RECOMMENDATIONS

- 2.1 That Members note the decision of the Head of Council Resources to write off the unrecoverable debts summarised at Appendix 1.

3 BACKGROUND

- 3.1 The Head of Council Resources is responsible for the collection of all debt owed to the Council. A regular assessment of the outstanding debt is made and a list of debt that is not considered collectable is prepared. In making this assessment, account is taken of the Council's approved Bad Debt and Credit Balance Write Off Policy.
- 3.2 Write off of individual debts under £50,000 is approved under delegated powers by the Head of Council Resources as the Section 95 Officer of the Council. Debts of over £50,000 require Cabinet approval prior to write off.

4 POLICY IMPLICATIONS

- 4.1 None, the actions taken in this report are in accordance with approved Council policy as set out in Section 3.1.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The report is not applicable to the wellbeing of equalities groups and an Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial - any bad debts are written off against a bad & doubtful debt provision which is reflected within the annual accounts and is used to recognise the value of debts which are deemed to be irrecoverable. This is based on an estimate of income which is unlikely to be realised based on previous experience. The total value of the bad debt provision which was reflected within the 2018/19 accounts was £10.236m and is reviewed on an annual basis. Scottish Water write offs will be borne by the water authority.
- 6.2 Personnel - none
- 6.3 Other - none

7 BACKGROUND PAPERS

- 7.1 Bad Debt and Credit Balance Write Off Policy – Cabinet 13th March 2018.

AUTHOR'S NAME	Kenny Christie
DESIGNATION	Service Manager – Revenues & Welfare Support
CONTACT INFO	kchristie@eastlothian.gov.uk
DATE	14 January 2020

Appendix 1

Bad Debt Written Off

April - September 2019/20

	No. of write off accounts	No. of write on accounts	Amount to be written off	Amount to be written on
Council Tax including Scottish Water	227	4	£274,441.10*	£0.05
Business Rates	13	42	£166,271.46	£24,130.97
Council House Rent - Current Tenants	30	0	£50,307.51	
Council House Rent - Former Tenants	143	0	£110,312.88	
Sundry Accounts (inc. VAT)	840	29	£303,156.74	£923.21
Housing Benefit Overpayments	869	0	£544,794.03	
Total	2122	75	£1,449,283.72	£25,054.23

* The Council Tax debt submitted and approved for write off was £274,441.10. Due to adjustments made between submitting recommendations and receiving approval, the actual amount written off was £274,336.52. The difference of £104.58 relates to cases where payment was received following sequestration.