

Subject:	Council Tax, Non-Domestic Rate & Housing Benefit Overpayment Write Offs	Status:	For Publication
Report to:	Cabinet	Date:	16 th October 2024
Report of:	Head of Finance	Lead Member:	Resources
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required: No	Attached:	No
Biodiversity Impact Assessment:	Required: No	Attached:	No
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1. RECOMMENDATIONS

- 1.1 Members are recommended to approve the write off of £63,202.22 in respect of irrecoverable Council Tax debt. Direct cost to Rossendale BC is £8,437.50
- 1.2 Members are recommended to approve the write off of £6,152.21 in respect of irrecoverable Housing Benefit Overpayments. Direct cost to Rossendale BC is nil.

2. EXECUTIVE SUMMARY

- The purpose of the report is to request member authority to write off bad debts of Housing Benefit Overpayment and Council Tax which are above the delegated limit of £5000 (see appendix).
- The sums to be written off are the amounts unpaid by the customer. Due to funding and precepting arrangements, the amounts borne by Rossendale in income foregone are lower than the totals written off.
- In each case, there are no more recovery options available to collect monies owed and therefore no prospect of collection in these cases.
- Appropriate Recovery action has been attempted, but the remaining balances are now irrecoverable.

3. BACKGROUND

- 3.1 It is prudent practice to clear any debts from the ledgers which are now deemed to be irrecoverable. There is no delegated authority to write off debts in excess of £5,000, and so member authorisation is required.

4. DETAILS

- 4.1 The sum of £63,202.22 is regarded as irrecoverable in respect of Council Tax; it relates to individuals whose debts are now covered by Individual Voluntary Arrangements, Debt Relief Orders or who are now deceased. As such, no further collection activity is possible. The write off amount is the total unpaid tax. Due to the split between precepts, Rossendale will bear £8,437.50 of this sum directly.
- 4.2 The sum of £6,152.21 is regarded as irrecoverable in respect of Housing Benefit Overpayments; the case was due to local authority error. The write off amount is the total overpayment. Due to subsidy arrangements, there is no direct cost to Rossendale.
- 4.3 Housing Benefit subsidy arrangements are that provided total overpayment caused by local authority error is less than 0.48% of all payments, then 40% subsidy is retained. Therefore where overpayments are fully recovered, Rossendale could potentially receive 140% of the

Council Tax

Ref No	Name of Debtor	Address of Property	Period	Reason	Amount	Total
225*****	*****	BB4	2019/20	Various attempts to collect via enforcement. IVA approved June 2023 . Anything realised from IVA would be written back on.	£859.11	£5,268.07
			2020/21		£1,744.19	
			2021/22		£1,813.37	
			2022/23		£851.40	
225*****	Exors of *****	BL9	2015/16	Various attempts to collect via enforcement. CP passed away June 2021. Confirmed there is no money in esstate to clear debt. The property was identified in 2019 with backdated banding. The occupier apparently had not been aware that there would be council tax liability a Moved out without ever having paid and subsequently deceased.	£1,071.40	£7,413.55
			2016/17		£1,103.99	
			2017/18		£1,140.75	
			2018/19		£1,204.00	
			2019/20		£1,261.10	
			2020/21		£1,308.14	
			2021/22		£324.17	
217*****	Exors of *****	BB4	2008/09	Various attempts to collect via enforcement. CP was evicted from property March 2019 and has since passed away. No funds in estate to clear debt	£29.14	£5,209.20
			2010/11		£475.78	
			2011/12		£36.50	
			2012/13		£453.16	
			2013/14		£778.05	
			2014/15		£750.52	
			2015/16		£598.05	
			2015/16		£129.97	
			2016/17		£827.99	
			2017/18		£501.15	
			2018/19		£628.89	
224*****	*****	OL13	2016/17	Various attempts to collect via Enforcement. IVA approved February 2024. Anything realised from IVA would be written back on	£11.88	£6,560.63
			2017/18		£855.56	
			2019/20		£619.11	
			2020/21		£1,308.14	
			2021/22		£1,360.03	
			2022/23		£1,412.54	
			2023/24		£993.37	
228*****	*****	BB4	2017/18	Various attempt to collect via enforcement agents. Charge payer entered into IVA. Anything realised from IVA would be written back on	£855.56	£945.82
			2018/19		£903.00	
			2019/20		£945.82	

			2020/21		£981.10	
			2021/22		£1,020.02	
			2022/23		£1,151.90	£5,857.40
218*****	*****	BB4	2010/11	Various attempts to collect via Enforcement. CP went to prison and is since untraceable.	£231.13	
			2011/12		£785.80	
			2012/13		£787.63	
			2013/14		£590.25	
			2014/15		£746.11	
			2015/16		£777.83	
			2016/17		£827.99	
			2017/18		£119.54	
			2018/19		£446.21	
			2019/20			£5,312.49
222*****	*****	OL12	2015/16	Various methods of recovery attempted including attachment of earnings & enforcement. Became a trace in 2021 and no success in tracing new address	£576.77	
			2016/17		£839.50	
			2017/18		£867.26	
			2018/19		£915.05	
			2019/20		305.02	
			2020/21		1277.65	
					769.79	£5,551.04
223*****	*****	OL13	2018/19	Debt Relief Order approved 18/12/23 unable to recover. Partial payment of 2018 & 2020, steadily falling further behind until DRO	£693.83	
			2019/20		£1,471.27	
			2020/21		£956.15	
			2021/22		£1,554.20	
			2022/23		£1,740.47	
			2023/24		£1,717.27	£8,133.19
225*****	*****	BB4	2020/21	Empty property charges. No address other than property address (as shown on Land Registry) Recovery action failed and property sold	£941.18	
			2021/22		£1,360.03	
			2022/23		£1,199.15	
					£2,917.58	
					£1,540.32	£7,958.26
216*****	*****	BB4	2010/11	Charge payer always made arrangements with RBC & EA's which eventually failed left property without forwarding address and we have not been able to trace a new address	£296.55	
			2012/13		£410.00	
			2016/17		£198.00	
			2017/18		£665.75	
			2018/19		£1,175.00	

2019/20	£1,200.00	
2020/21	£1,308.14	
2021/22	£684.95	£5,938.39

Council Tax for write off **£63,202.22**

Housing Benefit Overpayments

1****	*****	BB4	22/04/13 - 14/01/24	Bedroom rate not amended when the non dependant moved out in 2013 claimant successfully appealed and the overpayment made non recoverable.	£6,152.21
				HB Overpayment Total	£6,152.21
				TOTAL AMOUNT FOR WRITE OFF	£69,354.43