

Arun District Council

REPORT TO:	Corporate Support Committee – 12 October 2023
SUBJECT:	Sundry Debts Write Offs 2022/23
LEAD OFFICER:	Antony Baden – Group Head of Finance and Section 151 Officer
LEAD MEMBER:	Councillor Francis Oppler, Chair of Corporate Support
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION: The report supports all of the Council's Corporate Priorities.	
DIRECTORATE POLICY CONTEXT: Recovery of sundry debts is one of the functions carried out in the Directorate. There are a number of reasons why debts cannot be recovered. These are covered in the report.	
FINANCIAL SUMMARY: The report requests the Committee to note debts written off in 2022/23 under delegated powers of £39,521.56 and that at year end a bad debt provision of £228,247.35 was provided in the year end accounts.	

1. PURPOSE OF REPORT

The Council's constitution as set out in Part 7, Section 2, paragraph 1.1.9 requires the Group Head of Finance to submit a report to the Corporate Support Committee about the sundry debts written off in accordance with their delegated powers. The delegation is set out in Part 7, Section 2 of the constitution and under that delegated authority, £39,521.38 of sundry debt was written off in respect of 81 cases (contained in appendix 1) during 2022/23. (The previous year was £67,250.77 in respect of 116 cases.)

At the end of 2022/23 a bad debt provision of £228,247.35 was provided in the year end accounts. This is largely made up of outstanding debts over 12 months old and includes property leases, £110,619.84, and general fund housing, £60,611.35.

2. RECOMMENDATIONS

It is recommended that Corporate Support Committee note that £39,521.38 of sundry debt has been written off in respect of 81 debts under delegated authority during 2022/23 shown in appendix 1.

3. EXECUTIVE SUMMARY

Appendix 1 provides, for information, a summary of cases where delegation has been used to write off debts.

4. DETAIL

Where a sundry debt is issued, most debtors pay the amount outstanding promptly. However, there are a number of instances where this does not happen.

Whilst every effort is made to recover all debts, it is not always possible to recover for a variety of reasons including Insolvency, Deceased, Absconds, Remitted by Court and Uneconomic to pursue further.

This report asks Members to note that under delegated authority £39,521.56 of sundry debt has been written off in respect of 81 cases, shown in appendix 1.

5. CONSULTATION

No consultation has been undertaken with external bodies.

6. OPTIONS / ALTERNATIVES CONSIDERED

No alternatives have been considered.

7. COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER

All write offs are made in accordance with the Council's approved recovery policy. Where a debt is written off, income to the Council is reduced by the amount written off.

8. RISK ASSESSMENT CONSIDERATIONS

The main risks to the Council in recovery and write off of debts are:

- Financial – if income due to the Council is not collected then budgets may be over committed leading to overspend.
- Legal – in recovering debts, the Council must ensure it acts within its policies and relevant legislation. Failure to do so will cause problems for the Council.
- Reputational – although it is correct to recover outstanding monies, failure to act legally and where appropriate, sympathetically could cause reputational damage to the Council.

9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

To be advised

10. HUMAN RESOURCES IMPACT

None.

11. HEALTH & SAFETY IMPACT

None.

12. PROPERTY & ESTATES IMPACT

None.

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

None.

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

None.

15. CRIME AND DISORDER REDUCTION IMPACT

None.

16. HUMAN RIGHTS IMPACT

None.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

None.

CONTACT OFFICER:

Name: Antony Baden

Job Title: Group Head of Finance and Section 151 Officer

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BACKGROUND DOCUMENTS:

Appendix 1

	Insolvency		Deceased		Miscellaneous		Absconds		Remitted by Court		Uneconomic		Total	
Month	Number	£	Number	£	Number	£	Number	£	Number	£	Number	£	Number	£
April													0	0
May											20	8,649.93	20	8,649.93
June	2	2,852.07	1	265.00			1	580.00			6	4,070.04	10	7,767.11
July			1	26.68			1	504.82			8	3,870.00	10	4,401.50
August													0	0
September											1	600.00	1	600.00
October					4	2,590.21					7	727.85	11	3,318.06
November			1	583.79	1	320.00	2	1,486.00			5	3,874.96	9	6,264.75
December					1	826.56	1	2,070.00			2	16.26	4	2,912.82
January							1	1,326.00			4	1,936.45	5	3,262.45
February											4	1,722.79	4	1,722.79
March			2	75.63							5	546.34	7	621.97
Total													81	39,521.38