

	<p style="text-align: center;">ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER 1st October 2015</p>
<p style="text-align: center;">Title</p>	<p style="text-align: center;">Former Tenant Arrears Debt Write offs under £5000</p>
<p style="text-align: center;">Report of</p>	<p>John Hooton; Chief Operating Officer, Commissioning Group</p>
<p style="text-align: center;">Wards</p>	<p>All</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">Enclosures</p>	<p>Appendix One: Former Tenant Arrears Write Offs (under £5,000) – General Fund Appendix Two: Former Tenant Arrears Write Offs (under £5,000) – HRA</p>
<p style="text-align: center;">Officer Contact Details</p>	<p>John Hooton; Chief Operating Officer 020 8359 2460, John.Hooton@barnet.gov.uk</p>

Summary

This report proposes the write off of individual debts which relate to former secure and non-secure Council Tenant rent arrears less than £5000, which are uncollectable for reasons provided in this report. The total write off sum requested is £1,187,548.13.

Recommendations

To approve the write off of individual debts relating to former council tenant rent arrears of up to £5,000 as detailed in the appendices of this report.

1. WHY THIS REPORT IS NEEDED

- 1.1 The debts listed in appendices one and two represent former Council Tenant rent arrears of £1,187,548.13 which are considered irrecoverable and are recommended for write off. The debts are irrecoverable because they are

either uneconomical to recover or because we are unable to recover them. The individual debts are all under £5000 and cover the financial years from 1996/1997 to 2014/2015. Details of the individual debts are listed in the appendices.

- 1.2 All of the debts relate to closed accounts. The majority of the debts are considered 'statute barred' which means the Council is legally unable to recover any monies from the tenants as the time period allowed by law for such recovery has passed. The debts which are not 'statute barred' are irrecoverable because the debtor is either unable to be traced, deceased with no estate, or the debt is low and uneconomical to recover.
- 1.3 Attempts to recover the monies owed by former tenants include various methods of contact using all known contact details, referring cases to external expert agencies, such as search and debt recovery agencies and working with other local authorities/ housing agencies. Low level debts (£20 or under) have also been included as the recovery of these monies are deemed uneconomical.
- 1.4 The collection process used for the recovery of former Council Tenant arrears include contacting the former tenant using contact details we have, carrying out probate checks and referral to search or debt recovery agencies.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The proposed write off of these debts is in line with good accounting practice, which requires that debit balances accurately reflect realisable income and it removes uncollectable debt from the system.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 All avenues of recovery where economical and practical have been considered before this course of action. There are no further alternative options as the majority of the debts are considered 'statute barred' which means the Council is legally unable to recover any monies from the former tenants as the time period allowed by law for such recovery has passed.

4. POST DECISION IMPLEMENTATION

- 4.1 If the recommendation is approved the accounts are then updated and the data is reconciled to reflect the information in this report. The accounts are then annotated to reflect that a write off has taken place and the account is then closed. This information is retained on the database.

5. Legal and Constitutional References

- 5.1 The Council has a fiduciary duty to its council tax payers to recover monies owing to it, where it would be acting reasonable in doing so. However in the cases listed in this report and for the reasons given, it is either not possible due to statutory limitations or not reasonable or economical to pursue recovery of the debts.

5.2 In accordance with the Council's constitution part 15 Annex B Responsibility of Functions, Scheme of Delegated Authority to Officers, The Chief Operating Officer/ Director of Finance has authority to write off debt amounts up to and including £5,000 in consultation with HB Public Law.

6. IMPLICATIONS OF DECISION

6.1 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

6.1.1 The debts are provided for in Barnet's existing bad debt provision.

6.2 Risk Management

6.2.1 It is not considered that the issues involved are likely to raise significant levels of public concern or give rise to policy considerations as the decision to write off these debts has been based on the fact that all appropriate avenues for recovery have been explored. There is no longer a realistic or legal possibility of their economic recovery.

6.3 Equalities and Diversity

6.4 It is considered unlikely that the write off of debts within this report will have an adverse impact on the protected groups under the Equality Act 2010 or that it raises any concerns under Equality and Diversity policies.

7. BACKGROUND PAPERS

7.1 None

8. DECISION TAKER'S STATEMENT

8.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.*

9. OFFICER'S DECISION

I authorise the following action

9.1

Signed John Hooton

1 October 2015

Date
