

EAST RENFREWSHIRE COUNCILCABINET19th February 2015Report by Deputy Chief ExecutiveWRITE-OFF OF IRRECOVERABLE COUNCIL TAX**PURPOSE OF REPORT**

1. The purpose of this report is to seek approval to write-off as irrecoverable Council Tax and Water Charges up to the value of £465,778.88

RECOMMENDATION

2. It is recommended that the Cabinet notes the report and approves the write off £351,997.06 of Council tax arrears and £113,163.27 of Water and Sewerage charges without prejudice to subsequent recovery procedure.

BACKGROUND

3. The Council debt recovery policy lists situations where write-off debts will be considered when all viable means of collection are exhausted. These include the following:

- Debtor is deceased and has left no estate.
- Debtor has been sequestrated.
- Recommended by Sheriff Officer.

REPORT

4 A recent trawl of outstanding Council Tax accounts shows by reason of write-off:

	<u>Number of Accounts</u>	<u>Council Tax Total</u>	<u>Water & Sewerage</u>
		£	£
Deceased	179	40,549.79	13,016.64
Sequestrated	430	209,537.43	67,262.35
Recommended by Sheriff Officer	1,196	101,909.84	32,884.28
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	1,805	351,997.06	113,163.27
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5. The comparative write-off which the Cabinet approved last year at this time was Council tax of £438,426.08 and Water and Sewerage charges of £146,142.03 In addition to these accounts 2 old Strathclyde Council accounts have been flagged for write off as a reconciliation has shown that some balances are incorrect because of processes which the council tax system has actioned over a number of years since 1998.

6. Water and Sewerage charges are collected on behalf of Scottish Water but the Council retains none of the income. The proposed write-off of these charges is purely administrative.

7. In the period since 1st April 1996 over £920 million of Council Tax and Water charges have been collected. The sum to be written-off represents less than 1% of the sum collected in the current year and can be met from existing bad debt provision.

RECOMMENDATION

8. It is recommended that the Cabinet notes the report and approves the write off £351,997.06 of Council tax arrears and £113,163.27 of Water and Sewerage charges without prejudice to subsequent recovery procedure.

Further information is available from D.Miller, Head of Revenue Services, telephone 0141 577 3203.

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BACKGROUND PAPERS

Evidence is provided by both the Council Tax system and reports from the Sherriff Officers

KEY WORDS

Write-off and irrecoverable