ITEM	NO.		

WRITE OFF OF FORMER TENANT ARREARS

Responsible Cabinet Member(s) - Councillor Bill Dixon, Community and Public Protection Portfolio

Responsible Director - Cliff Brown, Director of Community Services

Purpose of Report

1. This report gives an update on the current position on former tenant arrears and seeks approval for a total of £60,942 to be written off.

Summary

2. Approval is being sought to write off £60,942 of rent arrears from the housing debit including 44 cases of former tenant arrears where arrears exceed £500. The report highlights that as at 27 January, 2006, a total of £69,916.65 has been received in income from former tenants towards arrears.

Information and Analysis

Proposed Write Offs

3. A summary of former tenant arrears recommended for write off, compared to the amount previously written off is given in Table 1:-

Table 1: Proposed Arrears to be Written Off

Reason for Write Off	2005/06		2004/05		2003/04		2002/03	
	No	Amount	No	Amount	No	Amount	Number of Cases	Amount £
Death	3	3,373	2	1,680	3	3,562	7	7,783
No forwarding Address	30	41,844	55	74,136	58	69,402	61	75,134
Statute Barred (1)	-	-	1	626	1	1,011	-	-
Miscellaneous	-	-	-	-	-	-	2	1,354
Cases referred for Debt Recovery action and/or legal action but not financially viable to proceed	11	15,725	41	51,351	22	24,324	36	42,123
Total	44	60,942	99	127,793	84	98,299	106	126,394

Statute barred – Debts outstanding over six years, where it is had not been possible to obtain an acknowledgement to the debt, are statute barred from recovery by sections 5 or 24(1) Limitation Act 1980.

4. It is Council policy not to rehouse any applicant until former tenant arrears or other outstanding debts such as rechargeable repairs have been cleared, unless there are exceptional circumstances. If a former tenant applies for rehousing any arrears which may have been written off are recovered.

Financial Implications

5. Financial regulations require authorities to make an annual assessment of the extent to which any money owed to the Council is likely to prove irrecoverable and to make adequate provision in their accounts. The financial implications of writing off the proposed former tenants arrears debt of £60,942 has therefore, already been taken into account. At the 27 January, 2006, £69,916.65 has been received in income from the recovery of former tenant arrears, compared with £57,898 on 28 January 2005.

Outcome of Consultation

6. No consultation has taken place.

Legal Implications

7. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

8. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

Council Policy Framework

9. The issues contained within this report do not represent change to Council policy or the Council's policy framework.

Decision Deadline

10. For the purpose of the 'call-in' procedure this does represent an urgent matter.

Recommendation

11. It is recommended that a total amount of £60,942 for former tenant arrears be written off subject to steps for recovery being taken, wherever possible, if and when contact is made, or the former tenant wishes to be rehoused.

Reason

12. The reason for the recommendation is that regular arrangements for writing off debts are in accordance with Audit Commission best practice for good financial management.

Cliff Brown Director of Community Services

Background Papers

No Background papers were used in the preparation of this report.

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JW/SL