

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 11 December 2019	<b>Decision:</b> Cabinet Member for Finance, Performance and Brexit
<b>Report Title:</b>		Rent Arrears Debt Write-Off - Over £5k and under £50,000	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Director of Exchequer	

## RECOMMENDATIONS

1. That approval is given for write off of **£8342.50** of debt set out in Appendix 1
2. That the Cabinet Member advises of any further action she requires on any write-off not agreed within this report.

## BACKGROUND INFORMATION

3. Under the Council's constitution write-off of debts above £5,000 but below £50,000 has been delegated to individual cabinet members within their own service area. Debt write-off under £5,000 can be authorised by chief officers. Write off of any debt over £50,000 must be referred to Cabinet for authorisation.
4. There are a number of key reasons why the council may wish to write-off a debt. These are:
  - The debt is uneconomical to collect i.e. the cost of collection including substantiation, is greater than the value of the debt
  - The debt is time barred, where the statute of limitation applies. Generally this means that if a period of six years has elapsed since the debt was last demanded the debt cannot be enforced by legal action
  - The debtor is deceased and there is no likely settlement from the estate or next of kin
  - Hardship, where permitted, on the grounds that recovery of the debt is likely to cause the debtor serious financial difficulty
  - Insolvency where the organisation or person has gone into bankruptcy and there are no assets to claim against.

## KEY ISSUES FOR CONSIDERATION

### Policy implications

5. Under the council's write-off policies and procedures it is possible to reinstate the debt if the debtor is traced and it is economical and reasonable to pursue the debt.

### Financial implications

6. The total debt recommended for write-off in Appendix 1 is £8,342.50 relating to the deceased tenant arrears will be contained within the Housing Revenue Account bad debt provisions.

7. Appendix 2 (set out in closed report) provides a summary of the debt passed for write-off. This includes a synopsis of the write-off.

### Resource implications

8. The debt recommended for write off in Appendix 1 will be contained within the Housing Revenue Account bad debt provisions.
9. The debt to be written off has been compiled in accordance with the council's agreed policy and procedures.

### Community impact statement

10. All write-offs are considered with due regard to any potential community impact and on their own merits. This decision has been judged to have no or a very small impact on local people and communities.

### SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

#### Legal implications

11. This report recommends that the debt as set out in Appendix 1 and 2 will be contained within the Housing Revenue Account bad debt provisions and falls within the council's key reasons for write off.
12. The write off request is in accordance with the council's procedures where one or more of the circumstances in paragraph 4 or 5 apply it is lawful and reasonable for the council to write off a debt.

### BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Request to write off arrears	Former Tenant's Arrears Team, 1 <sup>st</sup> Floor 160 Tooley Street, London SE1 2TZ	Leo Stanislaus, Operations Manager Tel: 020 7525 1416
Current Tenants Arrears Policy and Procedure	Income Operations Team, 1 <sup>st</sup> Floor 160 Tooley Street, London SE1 2TZ	

### APPENDICES

No.	Title
Appendix 1	Overview of write offs

**AUDIT TRAIL:**

<b>Lead Officer</b>	Dominic Cain, Director of Exchequer	
<b>Report Author</b>	Norman Lockie, Head of Income Operations	
<b>Version</b>	Final	
<b>Dated</b>	11 December 2019	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Director of Law and Democracy	No	No
Strategic Director of Finance and Governance	No	No
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Officer</b>	27 November 2019	

**APPENDIX 1****OVERVIEW OF WRITEOFF**

<b>Rent account Reference</b>	<b>Current Balance</b>	<b>W/O reason</b>	<b>RTL Comments</b>
6101207857	8342.50	Discretionary	The debt is irrecoverable as the original tenant deceased with no estate leaving minors in property