

South Ayrshire Council

Report by Head of Finance, ICT and Procurement  
to Cabinet  
of 20 June 2023

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**Subject: Write-offs: Council Tax, Non-Domestic Rates, Customer Invoicing and Housing Benefit Overpayments**

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**1. Purpose**

- 1.1 The purpose of this report is to seek the approval of Members to write-off Council Tax, Non-Domestic Rates, Housing Benefit Overpayments and Customer Invoicing Accounts in accordance with Council policy.

**2. Recommendation**

**2.1 It is recommended that the Cabinet:**

- 2.1.1 approves the write-off of Council Tax amounting to £26,250.34;**
- 2.1.2 approves the write-off of Non-Domestic Rates amounting to £176,053.08;**
- 2.1.3 approves the write-off of Housing Benefit Overpayments amounting to £103,113.20; and**
- 2.1.4 notes the write-off of Customer Invoicing amounting to £31,539.37 previously approved by the Head of Finance, ICT and Procurement in accordance with Section 7 (FIP10) of the Council's Scheme of Delegation**

**3. Background**

- 3.1 Current approved procedures allow for the write-off of Council Tax, Non-Domestic Rates, Customer Invoicing and Housing Benefit Overpayments once all attempts to recover such debts have been exhausted.

**4. Proposals**

**4.1 Council Tax**

- 4.1.1 The total amount submitted to Cabinet for write-off for cases above £10,000 is £26,250.34.
- 4.1.2 In addition, write-offs of Council Tax accounts amounting to £119,765.70 in respect of cases under £10,000 have been approved by the Head of

Finance, ICT and Procurement in accordance with section 7 (FIP10) of the Council's Scheme of Delegation.

4.1.3 A total of £352,284.58 was approved for write off in 2021/22.

#### 4.2 ***Non-Domestic Rates***

4.2.1 The total amount submitted to Cabinet for write-off for cases above £10,000 is £176,053.08.

4.2.2 In addition, write-offs of Non-Domestic Rates amounting to £78,738.38 in respect of cases under £10,000 have been approved by the Head of Finance, ICT and Procurement in accordance with section 7 (FIP10) of the Council's Scheme of Delegation.

4.2.3 A total of £142,605.57 was written off in 2021/22.

#### 4.3 ***Housing Benefit Overpayments***

4.3.1 The total amount submitted to Cabinet for write-off for cases above £10,000 is £103,113.20.

4.3.2 In addition, write-offs for Housing Benefit Overpayments amounting to £495,269.08 in respect of cases under £10,000 have been approved by the Head of Finance, ICT and Procurement in accordance with section 7 (FIP10) of the Council's Scheme of Delegation.

4.3.3 A total of £501,419.87 was approved for write off in 2021/22.

#### 4.4 ***Customer Invoicing***

4.4.1 There were no cases above £10,000 requiring write-off in 2022/23.

4.4.2 Write-offs for Customer Invoicing accounts amounting to £31,539.37 in respect of cases under £10,000 have been approved by the Head of Finance, ICT and Procurement in accordance with section 7 (FIP10) of the Council's Scheme of Delegation.

4.4.3 A total of £57,118.73 was approved for write off in 2021/22.

4.5 A full list of all write-offs is available for Members' only consideration, on the Elected Members' Portal.

4.6 The write-offs are fully provided for in the existing bad debt provision. Members should note, however, that debts will continue to be pursued, where claims have been lodged with the Trustee in relation to debtors in liquidation or subject to sequestration.

### 5. **Legal and Procurement Implications**

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

## **6. Financial Implications**

- 6.1 The write-offs will be contained within the existing bad debt provision, which will be reviewed to take account of likely levels of bad debt write-offs and the potential for any recovery of debt previously written off. In addition, Non-Domestic Rates income is part of the Council's total revenue funding 'envelope', which is guaranteed by the Scottish Government.

## **7. Human Resources Implications**

- 7.1 Not Applicable.

## **8. Risk**

### **8.1 *Risk Implications of Adopting the Recommendations***

- 8.1.1 There are no risks associated with adopting the recommendations.

### **8.2 *Risk Implications of Rejecting the Recommendations***

- 8.2.1 If the recommendations are rejected there is a risk that additional costs would be incurred to pursue debt recovery with very limited income generated.

## **9. Equalities**

- 9.1 The proposals in this report have been assessed through the Equalities Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations, and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as [Appendix 1](#).

## **10. Sustainable Development Implications**

- 10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

## **11. Options Appraisal**

- 11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

## **12. Link to Council Plan**

- 12.1 The matters referred to in this report contribute to Priority 4 of the Council Plan: Efficient and effective enabling services.

## **13. Results of Consultation**

- 13.1 There has been no public consultation on the contents of this paper.

13.2 Consultation has taken place with Councillor Ian Davis, Portfolio Holder for Finance, Human Resources and ICT, and the contents of this report reflect any feedback provided.

#### 14. Next Steps for Decision Tracking Purposes

14.1 If the recommendations above are approved by Members, the Head of Finance, ICT and Procurement will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such times as the decision is fully implemented:

| <i>Implementation</i>                        | <i>Due date</i> | <i>Managed by</i>                    |
|--|-----------------|--------------------------------------|
| Debt will be written off and systems updated | 31 July 2023    | Service Lead – Revenues and Benefits |

**Background Papers**    [Full list of specific write-offs](#) (Members only)

[Further full list of specific write-offs](#) (Members only)

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**Date:** 12 June 2023

**South Ayrshire Council  
Equality Impact Assessment  
Scoping Template**

Equality Impact Assessment is a legal requirement under the Public Sector Duty to promote equality of the Equality Act 2010. Separate guidance has been developed on Equality Impact Assessment's which will guide you through the process and is available to view here: <https://www.south-ayrshire.gov.uk/equalities/impact-assessment.aspx>

Further guidance is available here: <https://www.equalityhumanrights.com/en/publication-download/assessing-impact-and-public-sector-equality-duty-guide-public-authorities/>

The Fairer Scotland Duty ('the Duty'), Part 1 of the Equality Act 2010, came into force in Scotland from 1 April 2018. It places a legal responsibility on Councils to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. [FSD Guidance for Public Bodies](#) in respect of the Duty, was published by the Scottish Government in March 2018 and revised in October 2021. See information here: <https://www.gov.scot/publications/fairer-scotland-duty-guidance-public-bodies/>

## 1. Policy details

|                                    |  |
|------------------------------------|--|
| Policy Title                       | Write-offs: Non-Domestic Rates (Specific), Customer Invoicing and Housing Benefit Overpayments |
| Lead Officer (Name/Position/Email) | Nicola Gemmell, Service Lead – Revenues and Benefits – nicola.gemmell@south-ayrshire.gov.uk    |

**2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this policy? Please indicate whether these would be positive or negative impacts**

| Community or Groups of People  | Negative Impacts | Positive impacts |
|--|------------------|------------------|
| Age – men and women, girls & boys  | -                | -                |
| Disability   | -                | -                |
| Gender Reassignment (Trans/Transgender Identity)   | -                | -                |
| Marriage or Civil Partnership  | -                | -                |
| Pregnancy and Maternity  | -                | -                |
| Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers | -                | -                |
| Religion or Belief (including lack of belief)  | -                | -                |
| Sex – (issues specific to women & men or girls & boys)                                   | -                | -                |

| Community or Groups of People   | Negative Impacts | Positive impacts |
|---|------------------|------------------|
| Sexual Orientation – person’s sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight | -                | -                |
| Thematic Groups: Health, Human Rights & Children’s Rights   | -                | -                |

**3. What likely impact will this policy have on people experiencing different kinds of social disadvantage i.e. The Fairer Scotland Duty (This section to be completed for any Strategic Decisions). Consideration must be given particularly to children and families.**

| Socio-Economic Disadvantage  | Negative Impacts | Positive impacts |
|--|------------------|------------------|
| Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing   | -                | -                |
| Low and/or no wealth – enough money to meet Basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future                    | -                | -                |
| Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure/hobbies | -                | -                |
| Area Deprivation – where you live (rural areas), where you work (accessibility of transport)   | -                | -                |
| Socio-economic Background – social class i.e. parent’s education, employment and income  | -                | -                |

**4. Do you have evidence or reason to believe that the policy will support the Council to:**

| General Duty and other Equality Themes<br>Consider the ‘Three Key Needs’ of the Equality Duty  | Level of Negative and/or Positive Impact<br>(High, Medium or Low) |
|--|---|
| <b>Eliminate unlawful discrimination, harassment and victimisation</b>   | Low   |
| <b>Advance equality of opportunity</b> between people who share a protected characteristic and those who do not  | Low   |
| <b>Foster good relations</b> between people who share a protected characteristic and those who do not. (Does it tackle prejudice and promote a better understanding of equality issues?) | Low   |
| Increase participation of particular communities or groups in public life  | Low   |
| Improve the health and wellbeing of particular communities or groups   | Low   |
| Promote the human rights of particular communities or groups   | Low   |
| Tackle deprivation faced by particular communities or groups   | Low   |

## 5. Summary Assessment

|   |                                 |
|---|---------------------------------|
| <b>Is a full Equality Impact Assessment required?</b><br>(A full Equality Impact Assessment must be carried out if impacts identified as <b>Medium and/or High</b> )  | <del>YES</del><br><br><b>NO</b> |
| <b>Rationale for decision:</b><br><br><b>The report asks Members to approve the write-off of specific Council Tax, Non-Domestic Rates, Customer Invoicing and Housing Benefit Overpayments, in line with Council Policy. Their decision on this has no specific equality implications</b> |                                 |
| <b>Signed :</b> Tim Baulk   | <b>Head of Service</b>          |
| <b>Date:</b> 15 May 2023  |                                 |