



## Hincley & Bosworth Borough Council

Forward timetable of consultation and decision making

Finance & Performance Scrutiny                      18 March 2024

Wards affected:    All Wards

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### Sundry Debts – Quarter 3 2023/2024

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Report of Head of Finance (Section 151 Officer)

#### 1. Purpose of report

1.1 To inform members of the position on sundry debts as at 31 December 2023.

#### 2. Recommendation

2.1 That the committee note the current aged debt position for sundry debts.

#### 3. Background to the report

3.1 As at 31 December 2023, the overall sundry debt was £3,687,947. The current balance can be broken down by age as follows:

Description	
Credits, Refunds and Payments	-£274,169
Not Yet Due	£56,838
< 30 Days	£1,153,267
30 - 59 Days	£927,718
60 - 89 Days	£110,814
90 - 119 Days	£491,058
> 120 Days	£1,222,421
<b>Total Debt</b>	<b>£3,687,947</b>

3.2 The Council has a KPI for debt over 90 days old as a percentage of aged debt, not exceeding 25%. The performance for the end of Dec 2023 was 30.12%, this is after amendment for items that are known to be covered by agreement, council policy, are in dispute or are to be written off. The total number of invoices over 90 days is 1,983 with an average value of £864.08. This has increased from 1,571 since the last quarter. The other primary reason for better performance although overall debt is higher there has been a slight reduction in 90 day debt.

	£	Description
<b>Total debt</b>	3,687,947	
	-351,558	Homelessness
	-392,163	Installment Plans
	-118,563	In Dispute
	<b>2,825,663</b>	(A)
<b>Over 90 days</b>	1,713,479	
	-351,558	Homelessness
	-392,163	Installment Plans
	-118,563	In Dispute
	<b>851,195</b>	(B)
<b>Performance</b>	30.12%	Over 90 days/Total debt (amended) B/A
<b>Target</b>	25%	

3.3 In order to ensure that the Council adopts a prudent approach to accounting for debt that might not be due, a “provision for doubtful debts” is made against the year-end balance. The value of this provision is £94,000 based on the review as part of the closedown procedure.

3.4 The split of the current debt position over 90 days by type of debt is detailed below. Homelessness Bonds continue to increase. The provision of these bonds is funded by the Council’s Homelessness Prevention Grant which is provided by the DLUPHC. The element relating to other Local Authorities primary relate to charges for shared services. Most of this income has been received in July.

3.5 Action is being taken to recover the debts where possible. Whilst efforts are made to recover these amounts through ongoing contact with tenants by housing and revenues and benefits officers, legal action is not generally taken in these cases. This is on the basis that it is unlikely that the debtor will also be able to pay the additional charges levied and to uphold the “sentiment” of the Council’s Anti-Poverty Strategy.

3.6 The table below gives the breakdown of debt over 90 days as at the June 2023.

Sum of Total Outstanding over 90 days	Q4 £	Q1 £	Q2 £	Q3 £	Q2 to Q3 £	%
Building Control	19,320	19,320	19,320	16,780	-2,539	-13.14
Environmental Health	2,648	2,538	2,945	903	-2,041	-69.32
Estates	431,389	491,253	488,680	487,343	-1,337	-0.27
Green Spaces	1,327	1,874	1,588	601	-988	-62.18
Grounds Maintenance	6,847	6,847	2,989	1,914	-1,075	-35.98
Homeless	310,742	330,004	343,454	351,558	8,104	2.36
Housing	269,442	267,119	263,774	270,330	6,556	2.49
Markets	3,594	491	649	952	303	46.69
Other	21,130	19,540	14,402	2,042	-12,360	-85.82
Refuse/ Recycling	13,514	22,382	20,202	25,556	5,353	26.50
Other LA	47,369	93,679	79,166	417,844	338,678	427.81
Licensing	2,049	2,719	3,189	2,635	-554	-17.37
Pest Control	0	0	0	0	0	0
Planning	378,427	37,385	37,385	28,185	-9,200	-24.61
Housing Repairs	35,031	37,159	41,494	48,379	6,884	12.69
Finance	8,641	10,771	10,441	9,241	-1,200	-11.49
Atkins Building	12,356	17,586	19,464	17,845	-1619	2.22
Waste Services	0	0	0	0	0	0
Leisure	3,004	3,004	3,004	0	-3,004	-100
Street Scene	1075	937	638	2,088	1,450	227.38
Communications				700	700	100
Cultural Services				28,583	28,583	100
<b>Total</b>	<b>1,567,904</b>	<b>1,364,608</b>	<b>1,352,784</b>	<b>1,713,479</b>	<b>360,696</b>	<b>26.66%</b>

#### 4. Exemptions in accordance with the Access to Information procedure rules

4.1 Report is taken in an open session.

#### 5. Financial implications [IB]

5.1 Contained within the body of the report.

#### 6. Legal implications [MR]

6.1 The legal implications are contained within the report.

## **7. Corporate Plan implications**

7.1 Sundry Debts contributes to delivery of all Corporate Plan objectives.

## **8. Consultation**

8.1 None

## **9. Risk implications**

9.1 It is the council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) risks		
Risk description	Mitigating actions	Owner
Failure to recover debt owed to the Council	Robust recovery methods and monitoring.	A Wilson

## **10. Knowing your community – equality and rural implications**

10.1 Any future reviews of the Debt Recovery Strategy will be impact assessed to understand any impacts on our community (i.e., ability for those on lower incomes to pay).

## **11. Climate implications**

11.1 Climate implications are considered by services, therefore where applicable will be reflected when individual debts are raised.

## **12. Corporate implications**

12.1 By submitting this report, the report author has taken the following into account:

- Community safety implications
- Environmental implications
- ICT implications
- Asset management implications
- Procurement implications
- Human resources implications

- Planning implications
  - Data protection implications
  - Voluntary sector
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Background papers: Civica Reports  
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