



Hincley & Bosworth
Borough Council

A Borough to be proud of

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

FINANCE & PERFORMANCE SCRUTINY 5 November 2018

WARDS AFFECTED: ALL WARDS

SUNDRY DEBTS – Q2 2018/2019

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 30th September 2018.

2. RECOMMENDATION

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

2.2 That the committee note that a report will follow at the next meeting on the action being taken on recovery of estates debt.

3. BACKGROUND TO THE REPORT

3.1 As at 30th September 2018 there were sundry debts with a value of £1,625,296. This balance can be broken down by age as follows:

Credits and Refunds and	Not Yet Due	< 30 Days	30 - 59 Days	60 - 89 Days	90 - 119 Days	> 120 Days	Total Debt
£	£	£	£	£	£	£	£
-4,117	344,429	326,146	111,626	576,598	37,513	451,908	1,839,328

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 June 2018 was 18.10 percent. The current percentage is 16.94% for the end of September, this is after amendment for items that are known to be covered by agreement, council policy or are to be written off. The total number of invoices over 90 days is 1021, with an average value of £407.51.

	£	Description
Total debt	1,839,328	
	-145,538	Homelessness
	-68,628	Installment Plans

	1,625,162	(A)
Over 90 days	489,421	
	-145,538	Homelessness
	-68,628	Installment Plans
	275,254	(B)
Performance	16.94%	Over 90 days/Total debt (amended) B/A
Target	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 for 2017/18 is £59,010.
- 3.4 The split of the current debt position over 90 days by type of debt is detailed below. The largest element is for “Estates” debts (18.63%, £91k). Action is being taken to recover the debts where possible. Homelessness Bonds have increased marginally by 1.72%. The provision of these bonds is funded by the Council’s Homelessness Prevention Grant which is provided by the DCLG annually. 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 also to uphold the “sentiment” of the Council’s Anti-Poverty Strategy.

Sum of Total Outstanding over 90 days	2018/19	2018/19	2018/19	Q1 to Q2	
	Q4	Q1	Q2	Mvt £	Mvt %
Building Control	£1,102.75	£1,102.75	£13,235.18	£12,132.43	1100.20%
Environmental Health	£6,663.60	£6,483.60	£6,867.67	£384.07	5.92%
Estates	£109,793.11	£143,571.67	£91,183.38	-£52,388.29	-36.49%
Green Spaces	£679.90	£917.87	£2,866.66	£1,948.79	212.32%
Grounds Maintenance	£2,238.06	£3,763.13	£3,741.13	-£22.00	-0.58%
Homeless	£142,805.61	£143,083.11	£145,538.21	£2,455.10	1.72%
Housing	£56,935.30	£59,555.84	£56,215.12	-£3,340.72	-5.61%
Markets	£5,249.80	£7,103.76	£7,275.87	£172.11	2.42%
Other	£12,712.44	£3,432.75	£2,966.08	-£466.67	-13.59%
Refuse/ Recycling	£12,248.66	£26,857.18	£43,989.83	£17,132.65	63.79%
Other LA	£225,318.28	£77,830.29	£71,622.87	-£6,207.42	-7.98%
Licensing	£320.00	£500.00	£140.00	-£360.00	-72.00%
Pest Control	£411.14	£100.42	£0.00	-£100.42	-100.00%
Planning	£0.00	£7,505.99	£262.99	-£7,243.00	-96.50%
Housing Repairs	£0.00	£10,938.67	£11,689.37	£750.70	6.86%
Finance	£0.00	£9,372.52	£0.00	-£9,372.52	-100.00%

Atkins Building	£0.00	£0.00	£31,322.17	£31,322.17	100.00%
Waste Services	£0.00	£1,128.00	£504.00	-£625.00	-55.32%
	£576,478.65	£503,247.55	£489,420.53	-£73,231.10	-2.75%

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 Report is taken in an open session.

5. FINANCIAL IMPLICATIONS AW

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. CORPORATE IMPLICATIONS

11.1 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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