



Hincley & Bosworth Borough Council

Forward timetable of consultation and decision making

Finance & Performance Scrutiny 2 September 2024

Wards affected: All Wards

SUNDRY DEBTS – Q1 2024/2025

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 30 June 2024.

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 30 June 2024, the overall sundry debt was £2,407,305. The current balance can be broken down by age as follows:

Description	
Credits, Refunds and Payments	-£100,174
Not Yet Due	£386,134
< 30 Days	£256,182
30 - 59 Days	£330,494
60 - 89 Days	£256,885
90 - 119 Days	£294,332
> 120 Days	£983,182
Total Debt	£2,407,035

- 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 2024 was 29.7%, 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 1,961 with an average value of £651.46. This has decreased from 1,976 since the last quarter.

	£	Description
Total debt	2,407,035	
	-387,548	Homelessness
	-403,723	Installment Plans
	-118,006	In Dispute
	1,497,758	(A)
Over 90 days	1,277,514	
	-367,394	Homelessness
	-347,077	Installment Plans
	-118,006	In Dispute
	445,037	(B)
Performance	29.7%	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 is £131,000 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.
- 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 2024.

Sum of Total Outstanding over 90 days	Q2 £	Q3 £	Q4 £	Q1 £	Q4 to Q1 £	%
Building Control	19,320	16,780	16,780	16,780	0	0
Environmental Health	2,945	903	494	201	-293	-59.29
Estates	488,680	487,343	248,632	313,623	64,991	26.14
Green Spaces	1,588	601	516	2,853	2,338	453.29
Grounds Maintenance	2,989	1,914	1,914	1,034	-880	-45.99
Homeless	343,454	351,558	355,931	367,394	11,463	3.22
Housing	263,774	270,330	261,762	277,245	15,483	5.91
Markets	649	952	262	0	-262	-100
Other	14,402	2,042	0	0	0	0
Refuse/ Recycling	20,202	25,556	23,034	22,216	-818	-3.55
Other LA	79,166	417,844	229,196	143,651	-85,545	-37.32
Licensing	3,189	2,635	3,870	4,050	180	4.65
Pest Control	0	0	0	0	0	0
Planning	37,385	28,185	23,985	45,891	21,906	91.33
Housing Repairs	41,494	48,379	54,142	62,825	8,683	16.04
Finance	10,441	9,241	31,117	11,337	-19,780	-63.57
Atkins Building	19,464	17,845	5,966	6,257	291	4.88
Waste Services	0	0	37	0	-37	-100
Leisure	3,004	0	0	0	0	0
Street Scene	638	2,088	1,552	1,521	-31	-2.01
Communications		700	500	0	-500	-100
Cultural Services		28,583	0	0	0	0
Legal			2,200	0	-2,200	-100
HR				636	636	100
Total	1,352,784	1,713,479	1,261,889	1,277,514	15,625	1.24

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 [ST]

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:

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Executive Member:

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