



Hinckley & Bosworth Borough Council

Forward timetable of consultation and decision making

Finance & Performance Scrutiny 18 December 2023

Wards affected: All Wards

Sundry Debts – Q2 2023/2024

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 September 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 30 June 2023, the overall sundry debt was £3,110,229. The current balance can be broken down by age as follows:

Description	
Credits, Refunds and Payments	-£246,637
Not Yet Due	£186,405
< 30 Days	£1,507,317
30 - 59 Days	£158,691
60 - 89 Days	£151,670
90 - 119 Days	£74,938
> 120 Days	£1,277,845
Total Debt	£3,110,229

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 Sept 2023 was 22.90%, 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 1571 with an average value of £861. This has decreased from 1,836 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
Total debt	3,110,229	
	-343,454	Homelessness
	-369,698	Installment Plans
	-117,783	In Dispute
	2,279,314	(A)
Over 90 days	1,352,783	
	-343,454	Homelessness
	-369,698	Installment Plans
	-117,783	In Dispute
	521,868	(B)
Performance	22.90%	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 £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	Q3 £	Q4 £	Q1 £	Q2 £	Q2 to Q1 £	%
Building Control	19,320	19,320	19,320	19,320	0	0
Environmental Health	2,741	2,648	2,538	2,945	406	0.16
Estates	472,177	431,389	491,253	488,680	-2,573	-0.01
Green Spaces	1,581	1,327	1,874	1,588	-286	-0.15
Grounds Maintenance	6,847	6,847	6,847	2,989	-3,857	-0.56
Homeless	285,101	310,742	330,004	343,454	13,450	0.04
Housing	209,298	269,442	267,119	263,774	-3,344	-0.01
Markets	3,726	3,594	491	649	158	0.32
Other	24,945	21,130	19,540	14,402	-5,138	-0.26
Refuse/ Recycling	23,498	13,514	22,382	20,202	-2,180	-0.10
Other LA	47,369	47,369	93,679	79,166	-14,514	-0.15
Licensing	1,414	2,049	2,719	3,189	470	0.17
Pest Control	0	0	0	0	0	0
Planning	533,577	378,427	37,385	37,385	0	0
Housing Repairs	34,594	35,031	37,159	41,494	4,336	0.12
Finance	7,741	8,641	10,771	10,441	-330	-0.03
Atkins Building	14,899	12,356	17,586	19,464	1,878	0.11
Waste Services	2,566	0	0	0	0	0
Leisure	3,004	3,004	3,004	3,004	0	0
Street Scene	5,552	1075	937	638	-299	-0.32
Total	1,699,950	1,567,904	1,364,608	1,352,784	-11,823	-0.87%

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

Background papers:
Contact Officer:
Executive Member:

Civica Reports
Ashley Wilson, Head of Finance, Ext 5609
Councillor K. Lynch