

**CABINET**  
**25 JULY 2019**

**WRITE-OFF OF COUNCIL TAX**

1. Summary

- 1.1 To consider writing-off Council Tax where it has not been possible to obtain payment because the taxpayer cannot be traced or the debt is otherwise irrecoverable.

2. RECOMMENDATION

- 1.2 That the sums shown on Appendix A of the report, in the closed part of the agenda, amounting to £14,468.64 be written off as uncollectible.

3. Background and Discussion

- 3.1. In each of the cases shown in Appendix A, efforts to collect the charges raised have been made but the debts are considered irrecoverable for the reasons set out in this report.

Case 1

- 3.2. The taxpayer was registered on 18 June 2007 effective from 7 May 2007 as per information from the landlord.
- 3.3. Throughout the course of the tenancy although the taxpayer leased the property there has been no concrete evidence that he actually resided there. Information has been received about potential sub-letting but nothing has been proven.
- 3.4. Liability orders were obtained on 26 September 2007, 3 September 2008, 27 May 2009, 26 May 2010 and 31 May 2012 covering the years 2007/08 to 2011/12.
- 3.5. Extensive efforts to locate the taxpayer have been made by both officers and enforcement agents. Various addresses have provided links but none have elicited contact. The debts for the above years were written off as uncollectible on 27 July 2016 and 12 July 2017.
- 3.6. Debts from 2012/13 onwards were still being pursued until it was ascertained that the taxpayer had been made bankrupt on 5 March 2019.
- 3.7. The Official Receiver has indicated that there is no prospect of a dividend to any creditors and therefore the debts from 2012/13 to 2018/19 are submitted for write-off.

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Case 2

- 3.8. The taxpayer became liable for the property on 29 September 2008 and moved in 5 November 2008. She was registered on 5 January 2009.
- 3.9. The taxpayer was in receipt of full Council Tax Benefit until it was cancelled on 7 July 2014, effective from 6 September 2010. This was due to a decision by the Department for Work and Pensions (DWP) that the taxpayer was living with a partner.
- 3.10. Liability orders were obtained on 25 July 2013, 22 May 2014 and 25 September 2014 covering the balances.
- 3.11. The debt was initially being recovered by deductions from Income Support but deductions ceased when the DWP stopped payment.
- 3.12. The taxpayer vacated the property on 10 November 2014 and recovery continued at her forwarding address via Enforcement Agents. However, they returned the case together with a certificate of 'nil effects'.
- 3.13. Recovery had to cease when the taxpayer entered in to an Individual Voluntary Arrangement (IVA) on 26 March 2019. Proof of debt has been submitted to the Supervisor and the debt is submitted for write-off pending receipt of any dividends.
4. Relationship to the Corporate Plan
- Not applicable.
5. Financial, legal, staffing and other administrative implications and risk assessments

Financial Implications	The costs of writing-off uncollectible Council Tax debts are met from provisions made in the Collection Fund. There is no direct cost to the Council.
Legal Implications	As set out in the body of the report.
Staffing Implications	None
Administrative Implications	None
Risk Assessment	No uncertainties and/or constraints

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6. Details of Exempt Information Category

The main report and Appendix A have been placed on the closed part of the agenda because they contain exempt information within Standing Order 46(1) (b) and Annex 1, paragraph 3, namely, information relating to the financial or business affairs of any particular person (including the authority holding the information) and in all the circumstances of the case, the public interest in not disclosing the information outweighs the public interest in disclosing the information.

7. Appendices

Appendix A      Council Tax debts submitted for write-off.

BACKGROUND PAPERS

<u>Documents consulted</u>	<u>Date</u>	<u>File Ref</u>	<u>Report Author</u>	<u>Section and Directorate</u>	<u>Exempt Information Category</u>
CTAX Write-off papers	Various		Sue Cressall 01732 227041	Revenues	Appendix A SO46 (1) (b) Annex 1 Para. 3