

**North East Derbyshire District Council**

**Audit and Corporate Governance Scrutiny Committee**

**18 April 2019**

<b><u>Corporate Debt – Quarter 4</u></b>
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**Report of the Chief Accountant and S151 Officer**

This report is public

**Purpose of the Report**

- The purpose of this report is to present to Members of the Audit and Corporate Governance Scrutiny Committee a summary of the corporate debt position as at 30 April 2019

**1 Report Details**

- 1.1 To update Members of the Audit and Corporate Governance Scrutiny Committee on the position regarding corporate debt.
- 1.2 Appendix 1 of this report details the debt position with regard to sundry debtors, overpaid housing benefit and rents as at 30 April 2019.

**2 Conclusions and Reasons for Recommendation**

- 2.1 To ensure that the Audit and Corporate Governance Scrutiny Committee are informed of the latest position concerning the Council's debt.

**3 Consultation and Equality Impact**

- 3.1 There are no consultation and equality impact implications from this report.

**4 Alternative Options and Reasons for Rejection**

- 4.1 This report is for information only.

**5 Implications**

**5.1 Finance and Risk Implications**

Appendix 1 details the current position regarding corporate debt. Failure to collect this debt would have a detrimental impact on the Council's financial position and may result in some of the debt being written off.

## 5.2 **Legal Implications including Data Protection**

These are none arising directly from this report.

## 5.3 **Human Resources Implications**

These are none arising directly from this report.

## 6 **Recommendations**

- 6.1 That the Audit and Corporate Governance Scrutiny Committee note the report concerning the Council's Corporate Debt as at 30 April 2019.

## 7 **Decision Information**

<b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC:</i> <i>Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC:</i> <i>Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	No
<b>Has relevant Portfolio Member been informed?</b>	Yes
<b>District Wards Affected</b>	None directly.
<b>Links to Corporate Plan priorities or Policy Framework</b>	All

## 8 **Document Information**

Appendix No	Title
1	Corporate Debt – Quarter 4
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Jayne Dethick – Chief Accountant	01246 217078

# APPENDIX 1: TABLE 1

## Aged Debt Reporting – Sundry Debtors

Debt Outstanding as at	Current Debt	90 – 365 Days	1 to 2 years	2 – 3 years	3 – 4 years	4 – 5 years	5+ years	Total	Write Offs in Year
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Average Debt 2013/14</b>	<b>825</b>	<b>99</b>	<b>35</b>	<b>36</b>	<b>8</b>	<b>5</b>	<b>18</b>	<b>1,026</b>	<b>21</b>
<b>Average Debt 2014/15</b>	<b>1,330</b>	<b>180</b>	<b>42</b>	<b>27</b>	<b>34</b>	<b>5</b>	<b>24</b>	<b>1,642</b>	<b>7</b>
<b>Average Debt 2015/16</b>	<b>972</b>	<b>201</b>	<b>76</b>	<b>27</b>	<b>23</b>	<b>33</b>	<b>25</b>	<b>1,357</b>	<b>14</b>
30 June 2016	1,616	108	67	52	13	50	19	1,925	
30 September 2016	1,779	130	65	59	13	12	59	2,117	
31 December 2016	1,714	115	87	35	19	12	26	2,008	
31 March 2017 – none LA's	442	48	28	30	19	9	23	599	
31 March 2017 – other LA's	651	13	23	19	0	0	0	706	
<b>Average Debt 2016/17</b>	<b>1,551</b>	<b>104</b>	<b>68</b>	<b>49</b>	<b>16</b>	<b>21</b>	<b>32</b>	<b>1,839</b>	<b>58</b>
30 June 2017 – none LA's	378	50	37	23	14	9	31	542	
30 June 2017 – other LA's	137	0	26	3	0	0	0	166	
30 Sept 2017 – none LA's	825	99	30	23	21	9	31	1,038	
30 Sept 2017 – other LA's	186	32	0	0	3	0	0	221	
31 Dec 2017 – none LA's	395	56	31	21	14	8	22	547	
31 Dec 2017 – other LA's	138	1	0	0	3	0	0	142	
31 March 2018 – none LA's	728	44	47	12	20	9	22	882	
31 March 2018 – other LA's	339	1	0	0	3	0	0	343	
<b>Average Debt 2017/18</b>	<b>781</b>	<b>71</b>	<b>43</b>	<b>21</b>	<b>19</b>	<b>9</b>	<b>26</b>	<b>970</b>	<b>11</b>
30 June 2018 – none LA's	438	39	45	20	21	7	23	593	
30 June 2018 – other LA's	822	82	0	0	0	3	0	904	
30 Sept 2018 – none LA's	630	47	29	14	6	3	22	751	
30 Sept 2018 – other LA's	750	5	0	0	0	3	0	758	
31 Dec 2018 – none LA's	417	47	24	17	6	2	23	536	
31 Dec 2018 – other LA's	55	1	0	0	0	3	0	59	
31 March 2019 – none LA's	132	34	14	26	5	15	27	253	
31 March 2019 – other LA's	164	0	0	0	0	3	0	167	
<b>Average Debt 2018/19</b>	<b>852</b>	<b>64</b>	<b>112</b>	<b>19</b>	<b>9</b>	<b>10</b>	<b>24</b>	<b>1,090</b>	<b>41</b>

## APPENDIX 1: TABLE 2

### Aged Debt Reporting – Overpaid Housing Benefits

Debt Outstanding as at	Current Debt	90 to 365 days	1 to 2 years	2 – 3 years	3 – 4 years	4 – 5 years	Over 5 years	Total	Write offs
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Average Debt 2013/14</b>	<b>105</b>	<b>194</b>	<b>219</b>	<b>166</b>	<b>98</b>	<b>60</b>	<b>110</b>	<b>952</b>	<b>34</b>
<b>Average Debt 2014/15</b>	<b>137</b>	<b>211</b>	<b>201</b>	<b>191</b>	<b>145</b>	<b>81</b>	<b>150</b>	<b>1,116</b>	<b>19</b>
<b>Average Debt 2015/16</b>	<b>182</b>	<b>336</b>	<b>263</b>	<b>172</b>	<b>160</b>	<b>133</b>	<b>209</b>	<b>1,445</b>	<b>76</b>
30 June 2016	141	362	310	173	130	139	215	1,470	
30 September 2017	157	328	332	188	116	149	248	1,518	
31 December 2016	193	299	364	232	112	118	250	1,568	
31 March 2017	199	340	379	217	133	108	252	1,629	
<b>Average Debt 2016/17</b>	<b>173</b>	<b>332</b>	<b>346</b>	<b>203</b>	<b>123</b>	<b>128</b>	<b>241</b>	<b>1,546</b>	<b>144</b>
30 June 2017	134	355	357	232	140	112	255	1,585	
30 September 2017	153	321	333	242	149	96	294	1,588	
31 December 2017	132	303	292	270	174	95	291	1,557	
31 March 2018	144	292	307	280	165	118	291	1,597	
<b>Average Debt 2017/18</b>	<b>141</b>	<b>318</b>	<b>322</b>	<b>256</b>	<b>157</b>	<b>105</b>	<b>283</b>	<b>1,582</b>	<b>89</b>
30 June 2018	125	285	293	275	184	122	313	1,597	
30 September 2018	138	267	288	256	189	132	338	1,608	
31 December 2018	98	261	299	228	209	154	340	1,589	
31 March 2019	56	237	285	251	223	143	367	1,561	
<b>Average Debt 2018/19</b>	<b>104</b>	<b>263</b>	<b>291</b>	<b>253</b>	<b>201</b>	<b>138</b>	<b>340</b>	<b>1,589</b>	<b>38</b>

# APPENDIX 1: TABLE 3

## HRA total Indebtedness

Debt Outstanding as at	Total	Write Offs in Year
	£000	£000
<b>Average Debt 2013/14</b>	<b>2,322</b>	<b>231</b>
<b>Average Debt 2014/15</b>	<b>2,359</b>	<b>143</b>
<b>Average Debt 2015/16</b>	<b>2,203</b>	<b>266</b>
30 June 2016	2,157	
30 September 2016	2,284	
31 December 2016	1,975	
31 March 2017	1,679	
<b>Average Debt 2016/17</b>	<b>2,023</b>	<b>178</b>
30 June 2017	2,171	
30 September 2017	2,227	
31 December 2017	2,139	
31 March 2018	1,577	
<b>Average Debt 2017/18</b>	<b>2,028</b>	<b>203</b>
30 June 2018	1,921	
30 September 2018	2,118	
31 December 2018	1,715	
31 March 2019	1,474	
<b>Average Debt 2018/19</b>	<b>1,807</b>	<b>162</b>

**APPENDIX 1: TABLE 4****SUMMARY OF PROVISION FOR DOUBTFUL DEBTS 2018/19**

	<b>General Fund Sundry Debtors</b>	<b>Over Paid Housing Benefit</b>	<b>HRA Rents</b>	<b>Total</b>
	£000's	£000's	£000's	£000's
Balance B/Fwd	(170)	(1,225)	(883)	(2,278)
Write offs in current financial year	41	38	162	241
Actual increase in provision	(40)	(0)	(0)	(40)
<b>Provision C/fwd</b>	<b>(169)</b>	<b>(1,187)</b>	<b>(721)</b>	<b>(2,077)</b>
Current Debt position	420	1,561	1,474	3,457
Percentage Coverage	40%	76%	49%	55%