



OFFICER DECISION RECORD

For staff restructures, please also complete an RA1 form to update the HR Portal. (See Annex 2 on Intranet.)

Decision Ref. No:

CR/301/10/02

Box 1

DIRECTORATE: St Leger Homes Of
Doncaster – Corporate Services –
Finance & Performance

DATE: 22nd August 2018

Contact Name: Susan Cook

Tel. No.: 34712

Subject Matter: Former Tenants Arrears Proposed Write Offs over £2,500

Box 2

DECISION TAKEN:

To write off the following Former Tenants Arrears (FTAs) as set out in Appendix A. At the end of Quarter 1 2018/19, there were 1,332 accounts totalling £1,122,876.

100 (£314,327) of these accounts were over £2,500.

23 (£72,409) of these accounts are now being put forward for write off in this ODR. The remaining accounts are being actively pursued through the policy.

These accounts are for former tenants who no longer live in St Leger Homes properties.

Box 3

REASON FOR THE DECISION:

Former Tenants Arrears (FTAs) are managed by one FTE in the Income Management Team. The processes undertaken are driven by a workflow within the Universal Housing (UH) System. The UH process follows the Rent Collection and Arrears Recovery Policy and the Former Tenants Arrears Procedure.

Letters are sent to former tenants in line with the procedure along with telephone calls and text messages. If the account remains unpaid, dependant on the nature of the arrears, it is either sent to DMBC Legal Services for legal action to commence, referred to a debt collection agency who chase the debt on our behalf, or held for further information to be gathered, such as a forwarding address, next of kin or details of the tenant's estate in the event of a death. If the account is uneconomical to pursue, i.e. under 1 weeks rent debit, the account is put forward for write off.

The Income Management Team has access to tools to search for the tenants forwarding addresses. Until recently, we used two tracing companies to locate a forwarding address when one hasn't been provided. After discussions with DMBC, we have started to only use the same provider as DMBC – the National Anti-Fraud Network (NAFN). This uses data from other local authorities, DVLA, credit reference agencies etc.

The debt collection company pursue the accounts through letters / telephone calls / door collection. Accounts are referred back from our debt collection agency when they are unsuccessful on a periodic basis.

DMBC Legal Services refer accounts back to us when court action has not been successful.

The accounts are put forward for write off when all collection methods have been exhausted.

The write off of FTAs have the following approval limits:

Up to £1,000 – Head of Finance and Business Assurance

Over £1,000 to £2,500 – Director of Corporate Services

Over £2,500 – DMBC Section 151 Officer

The above accounts fall outside the approval structure of St Leger Homes. The accounts have been through the FTA Recovery procedures to no avail. FTA accounts can be reinstated at any time. If a former tenant makes contact with St Leger Homes to apply to bid on any of our properties, the account will be reinstated and recovery action will commence again. No further recovery action can be taken on the accounts attached at this time.

The management agreement between St Leger Homes and DMBC states the following for write off of Former Tenant Arrears –

10. Write Offs

10.1 DMBC Director of Finance and Corporate Services (Section 151 officer) delegates to SLHD Director of Corporate Services the authority to write off Former Tenants Arrears up to a value of £2,500 per individual case.

10.2 The level of these approved write offs will be reported to DMBC on a quarterly basis.

Box 4

OPTIONS CONSIDERED & REASONS FOR RECOMMENDED OPTION:

1. Leave the accounts within the suite of Former Tenants Arrears Accounts. No further recovery action can be taken on the accounts.
2. Write off the accounts (**recommended option**). The accounts can be reinstated if the tenant makes contact with SLHD and collection activity would commence.

Box 5**LEGAL IMPLICATIONS:**

Section 1 of the Localism Act 2011 gives Local Authorities a general power of competence, allowing them to do anything an individual can do, unless prohibited by law and subject to public law principles.

As described within the report the management agreement between St Leger Homes and DMBC allows the Director of Corporate Services at St Leger Homes to write off former tenants arrears up to the value of £2,500 per individual case.

The 70 former tenant's arrears being put forwards for write off are over the value of £2,500 per individual case.

Financial Procedure Rule D9 states that only the CFO has the legal authority to write-off bad debts and will delegate responsibilities as necessary for smaller items (such as referred to in the management agreement with St Leger Homes) For bad and doubtful debts can be authorised for write off by the CFO up to the sum of £50,000.

In all cases, debts will not be written-off unless processes for collection have proved fruitless. All write-offs should be properly recorded and such records retained, with due explanation for non-collection.

Name: _H Potts **Signature:** H Potts_ **Date:** 11.9.18__

Signature of Assistant Director of Legal and Democratic Services (or representative)

Box 6**FINANCIAL IMPLICATIONS:****Housing Revenue Account (HRA) - Former Tenant Arrears (FTA's)**

A bad debt provision is held within the HRA for housing rents. For former tenant arrears a 100% provision of the arrears balance is made for all accounts over 1 year old. For the remainder of FTA accounts a 95% provision is made.

The HRA currently has a FTA provision of £1.2m which was calculated as at the 31/03/2018. As at 2018/19 quarter 1 revenue monitoring reporting the HRA is forecast to require a provision of £1.5m at the 31/03/2019. The writing off of the accounts detailed in appendix A will reduce the level of former tenants arrears and the provision by £72,409 (the aggregate arrears balance).

Name: A Whiteley **Signature:**  **Date:** 28/08/2018

Signature of Assistant Director of Finance & Performance (or representative)

Box 7

HUMAN RESOURCE IMPLICATIONS:

There are no HR implications.

Name: David Knapp

Signature: 

Date: 28/08/2018

Signature of Assistant Director of Human Resources and Communications (or representative)

Box 8

PROCUREMENT IMPLICATIONS:

There are no procurement implications associated with this.

Name: Andrea Gater_

Signature: 

Date: 23.08.18

Signature of Assistant Director of Finance & Performance (or representative)

Box 9

ICT IMPLICATIONS:

There are no ICT implications associated with this decision.

Name: Peter Ward (Technology Governance & Support Manager)

Signature: 

Date: 23/08/18

Signature of Assistant Director of Customers, Digital & ICT (or representative)

Box 10

ASSET IMPLICATIONS:

There are no implications arising from the recommendations of this report that impact on the use of DMBC assets.

Name: Gillian Fairbrother (Principal Property Surveyor)

Signature: By email

Date: 31st August, 2018

Signature of Assistant Director of Trading & Property Services (or representative)

Box 11

RISK IMPLICATIONS:

There are no risk implications in making this decision.

Box 12**EQUALITY IMPLICATIONS:**

There are no equality implications in making this decision.

Name: Susan Cook Signature: S Cook
(Report author)

Date: 20/08/2018

Box 13**CONSULTATION****Officers**

(In addition to Finance, Legal and Human Resource implications and Procurement implications where necessary, please list below any other teams consulted on this decision, together with their comments)

Members

Under the Scheme of delegation, officers are responsible for day to day operational matters as well as implementing decisions that have been taken by Council, Cabinet, Committee or individual Cabinet members. Further consultation with Members is not ordinarily required. However, where an ODR relates to a matter which has significant policy, service or operational implications or is known to be politically sensitive, the officer shall first consult with the appropriate Cabinet Member before exercising the delegated powers. In appropriate cases, officers will also need to consult with the Chair of Council, Committee Chairs or the Chair of an Overview and Scrutiny Panel as required. Officers shall also ensure that local Members are kept informed of matters affecting their Wards.

Please list any comments from Members below:

Box 14**INFORMATION NOT FOR PUBLICATION:**

There is no information within this report that cannot be published.

Name: _Louise Robson

Signature: 

Date: __28.08.18

Signature of FOI Lead Officer for service area where ODR originates

Box 15

Signed: _____

Julie Crook, Director of Corporate Services

Date: 17.09.18

Signed: _____

Steve Mawson, Chief Financial Officer & Assistant Director Finance

Date: 02/10/18

Signed: _____

Signature of Mayor or relevant Cabinet Member consulted on the above decision (if required).

Date: _____

- This decision can be implemented immediately unless it relates to a Capital Scheme that requires the approval of Cabinet. All Cabinet decisions are subject to call in.
- A record of this decision should be kept by the relevant Director's PA for accountability and published on the Council's website.
- A copy of this decision should be sent to the originating Directorate's FOI Lead Officer to consider 'information not for publication' prior to being published on the Council's website.
- A PDF copy of the signed decision record should be e-mailed to the LA Democratic Services mailbox

Write Off Reason	Reason for Termination	Termination Date	Weekly Rent at Termination Date	Outstanding Balance
<u>Housing Revenue Account</u>				
Referred back from Debt Collection Agency	Evicted for Arrears	18/08/2013	76.78	3,921.68
	Evicted for Arrears	14/01/2014	71.21	3,757.90
	Evicted for Arrears	14/04/2015	71.17	3,024.75
	Evicted for Arrears	24/04/2016	60.70	3,106.55
	Evicted for Arrears	09/10/2016	68.89	2,632.54
	Evicted for Arrears	12/12/2016	77.05	3,431.34
	Evicted for Arrears	26/02/2017	83.43	4,271.98
	Evicted for Arrears	20/03/2017	72.50	3,122.30
	Evicted for Arrears	12/04/2017	61.15	2,596.30
	Evicted for Arrears	09/05/2017	74.74	2,706.03
	Evicted for Arrears	26/06/2017	74.12	3,224.12
	Evicted for Arrears	06/08/2017	72.99	3,013.23
	Evicted for Arrears	18/08/2017	62.53	2,752.45
Tenant in prison	In Custody	04/06/2014	60.74	3,579.28
				3,579.28
Unable to locate a forwarding address	Moving nearer family & friends	24/03/2013	67.97	2,512.42
	Evicted for Arrears	03/11/2013	67.23	3,003.16
	Abandoned	11/11/2014	59.35	2,549.74
	Evicted for Arrears	02/12/2014	72.80	2,816.04
	Evicted for Arrears	25/02/2015	62.81	3,544.75
	Evicted for Arrears	20/02/2017	67.80	3,297.88
	Evicted for Arrears	08/03/2017	65.51	3,059.47
	Evicted for Arrears	04/04/2017	71.11	3,589.83
	Evicted for Arrears	13/08/2017	78.11	2,895.18
				27,268.47
Total	HRA FTA Total			72,408.92
	Write Off Total			72,408.92