

NON-CONFIDENTIAL
BOROUGH OF TAMWORTH



CABINET

12 July 2017

A meeting of the CABINET will be held on Thursday, 20th July, 2017, 6.00 pm in Committee Room 1, Marmion House, Lichfield Street, Tamworth, B79 7BZ

A G E N D A

NON CONFIDENTIAL

- 1 Apologies for Absence**
- 2 Minutes of the Previous Meeting** (Pages 1 - 4)
- 3 Declarations of Interest**
To receive any declarations of Members' interests (pecuniary and non-pecuniary) in any matters which are to be considered at this meeting.

When Members are declaring a pecuniary or non-pecuniary interest in respect of which they have dispensation, they should specify the nature of such interest. Members should leave the room if they have a pecuniary or non-pecuniary interest in respect of which they do not have a dispensation.
- 4 Question Time:**
To answer questions from members of the public pursuant to Executive Procedure Rule No. 13
- 5 Matters Referred to the Cabinet in Accordance with the Overview and Scrutiny Procedure Rules**
- 6 Budget and Medium Term Financial Planning Process 2018/19** (Pages 5 - 18)
(The Report of the Leader of the Council)
- 7 Write Offs 01/04/17 - 30/06/17** (Pages 19 - 26)
(The Report of the Portfolio Holder for Assets and Finance)

Yours faithfully

A handwritten signature in black ink, appearing to be 'A. D. D.', written over a circular stamp or mark.

Chief Executive

People who have a disability and who would like to attend the meeting should contact Democratic Services on 01827 709264 or e-mail committees@tamworth.gov.uk preferably 24 hours prior to the meeting. We can then endeavour to ensure that any particular requirements you may have are catered for.

To Councillors: D Cook, R Pritchard, S Claymore, S Doyle, J Goodall and M Thurgood.



MINUTES OF A MEETING OF THE CABINET HELD ON 6th JULY 2017

PRESENT: Councillors D Cook (Chair), R Pritchard (Vice-Chair), S Claymore, S Doyle, J Goodall and M Thurgood

The following officers were present: Anthony E Goodwin (Chief Executive), Rob Barnes (Corporate Director Communities, Partnerships and Housing), Anica Goodwin (Director - Transformation and Corporate Performance) and Zoe Wolicki (HR Adviser)

1 APOLOGIES FOR ABSENCE

There were no apologies

2 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 15 June 2017 were approved and signed as a correct record.

(Moved by Councillor R Pritchard and seconded by Councillor M Thurgood)

3 DECLARATIONS OF INTEREST

There were no Declarations of Interest.

4 QUESTION TIME:

None

5 MATTERS REFERRED TO THE CABINET IN ACCORDANCE WITH THE OVERVIEW AND SCRUTINY PROCEDURE RULES

None

6 DIVERSITY AND EQUALITIES UPDATE

The Portfolio Holder for Assets and Finance updated Members on the annual progress with regards to equality activities within Tamworth Borough Council and for Members to approve the revised Diversity and Equality Scheme and supporting action plan for 2017-2019

- RESOLVED:** That Members
- 1 endorsed the achievements
 - 2 approved the revised Diversity and Equality Scheme and supporting action plan

(Moved by Councillor R Pritchard and seconded by Councillor D Cook)

7 AGAINST HATE CAMPAIGN

The Report of the Portfolio Holder for Communities and Wellbeing informed Members of the Amnesty International UK's 'Against Hate Campaign' and to seek Council endorsement of Amnesty International UK's campaign and the adoption of the Amnesty International motion to condemn racism, xenophobia and hate crimes.

- RESOLVED:** That Members endorsed the Amnesty International UK motion as follows:

"We are proud to live in a diverse and tolerant society. Racism, xenophobia and hate crimes have no place in our country. Our Council condemns racism, xenophobia and hate crimes unequivocally. We will not allow hate to become acceptable.

We will work to ensure that local bodies and programmes have the support and resources they need to fight and prevent racism and xenophobia.

We reassure all people living in this area that they are valued members of our community."

(Moved by Councillor S Claymore and seconded by Councillor D Cook)

Leader

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CABINET

THURSDAY, 20th July 2017

REPORT OF THE LEADER OF THE COUNCIL

BUDGET AND MEDIUM TERM FINANCIAL PLANNING PROCESS 2018/19

EXEMPT INFORMATION

None

PURPOSE

To seek agreement to the Proposed Budget and Medium Term Financial Planning Process for General Fund and the Housing Revenue Account for 2018/19.

RECOMMENDATION

That the proposed process for the General Fund and Housing Revenue Account Budget and Medium Term Financial Planning Process for 2018/19 be adopted.

EXECUTIVE SUMMARY

The budget setting process has faced significant constraints in Government funding in recent years - over 50% in real terms since 2010. The 4 year Local Government Finance Settlement confirmed that austerity measures are to continue with Revenue Support Grant (RSG) all but eradicated for most Councils by 2020 – and suggests that the key challenges that the Council is currently addressing are likely to become greater.

Last year, the Council adopted a route-map designed to position the Council so it could be Perfectly Placed to take advantage of every opportunity it either created or identified.

“From Surviving To Thriving” set out a number of opportunities based upon the principle that by focusing upon the growth of the economy, both the “people” and the “place” would benefit. The Council remains committed to promoting and stimulating economic growth and regeneration; meeting our housing needs; creating a vibrant town centre economy and protecting those most vulnerable in our communities. To this end, we pledge to explore and invest in viable and sustainable methods of generating income and moving towards financial independence.

It is this tried and tested approach that has enabled this Council to navigate its way through the recession, extended periods of austerity and the uncertainties and complexities brought about by ‘devolution’, elected Mayors, Combined Authorities et al. With many of the challenges of previous years still facing the Council and the uncertainties surrounding issues such as BREXIT, NNDR retention, the future of the NHS and Care Services, our local clarity of Vision and purpose has never been so important.

In addition, the adoption of 'Demand Management' as the primary operating model and the targeting of resources via locality based commissioning and delivery has enabled greater effectiveness in service delivery as evidenced by customer satisfaction, award winning services and of course, the management of the Council's finances. Through its implementation, the Council will have far greater control upon the alignment of services or 'supply' to the increased needs and expectations of the public or 'demand'.

Key to this will be the application of existing and new technology to capture, collate and analyse customer insight, intelligence and data so as to understand not just the 'need' but the cause, behaviours or decisions creating the need. Then by the application of locality based commissioning for example, it can commission services that either intervene or prevent future need thereby reducing demand. The report entitled 'Creating Opportunities from an Uncertain Future' is available to all Members and is available to the public.

This approach will change the organisation and how it works; will require Members to take difficult decisions and adhere to them; will involve managed risks and will sustain essential services critical in supporting the most vulnerable in our communities at a time when demand is increasing and resources reducing.

Accurate forecasting, strong leadership and an innovative, risk aware approach have resulted in the organisation being able, in the main, to sustain a full suite of essential services albeit not without implications for the public, local politicians and the entire workforce.

Significantly, this is as much a testament to the skills and commitment of our workforce and our partners' collaboration as it is to the actions and decisions of the Joint Executive Management Team (EMT). This period, considered one of the most challenging in post war times, coincided with the Council recording one of its most successful periods of achievement in terms of Customer Satisfaction; measured performance; project delivery and financial management. What makes these achievements 'special' is that they were delivered in parallel with the largest and most complex Transformation programme which in itself, resulted in multi-million pound efficiencies.

Work is continuing on a number of actions to address the financial position in future years:

- Delivering Quality Services project – the demand management approach to shift demand to more efficient methods of service delivery – online and automation (Interactive Voice Response). A savings target of £100k p.a. has already been included within the MTFs together with reduced CRM costs of £62k p.a. from 2019/20;
- Recruitment freeze – temporary 12 month appointments are now only being made; there is a robust challenge / re-justification process in place for all vacant posts with a requirement to investigate alternative options including restructuring to fill vacancies / looking at what we can stop doing. This means we have the opportunity to increase the vacancy allowance from 5% to 7.5% over the next 5 years – c. £45k p.a. year on year for the General Fund (£14k p.a. – HRA);

- Spend freeze – Managers have previously been required to restrict / limit spending to essential spend only (there was a £1.6m underspend in 2016/17 – although the majority was windfall income, c. £0.75m was lower level underspend);
- Alternative investment options arising from the Commercial Investment and Regeneration Strategy (as well as the Treasury Management Investment Strategy, including any prudential borrowing opportunities) to generate improved returns of c. 5% p.a. (plus asset growth) including:
 - Set up of trading company to develop new income streams;
 - Local investment options – Lower Gungate / Solway Close development including the potential to drawdown funding from the Local Growth Fund / Local Enterprise Partnerships (GBS and Staffordshire);
 - Investments in a Diversified Property Fund;
 - Investments in a Diversified Investment Vehicle (property, shares etc.);
- Review of reserves / creation of fund for transformation costs (if needed), and
- Targeted Savings – to identify potential areas for review in future years

As part of the budget process Policy Changes are required in order to amend base budget provision. As grant and other income levels are reducing, where increased costs are unavoidable then managers should identify compensatory savings. Where savings are identified they must be accompanied by a robust implementation plan. Robust business case templates will have to be submitted to Cabinet and CMT for all Policy Change submissions (Revenue and Capital).

The attached Project Plan at **Appendix A** lists the stages, deadlines and the responsible officers for the production of the budget and medium term financial plan. **Appendix B** contains an outline of the process whilst **Appendix C** shows the flow of key stages over the process period.

Budget Consultation

In addition to the activity planned for the Tamworth Listens process, consultation has been planned to gauge residents', businesses' and other core stakeholders' views on the Council's priorities to achieve the 'Vision' considering areas of spending or where savings could potentially be made.

The consultation, detailed at **Appendix D**, will be carried out through 3 online surveys. A survey that is tailored for businesses, a full survey aimed at residents and a survey that is tailored for the voluntary and community sector.

The online residents survey will be promoted using social networking/media sites and through email contact databases. The business survey will be promoted through business social networking sites and business email contact databases. The voluntary and community sector survey will be promoted through email contact databases.

Timetable

Significant milestones in the process, detailed at **Appendix A**, are planned as:

- a) Consultation process - results to Cabinet 2nd November;
- b) Base budget and technical adjustments to Cabinet 30th November;
- c) Cabinet to consider Council Taxbase calculation on 30th November and Business Rates Forecast on 25th January;
- d) Cabinet proposals to a Leaders Budget Workshop 7th December;
- e) Provisional RSG settlement assessment to Corporate Management Team and EMT in December;
- f) Joint Scrutiny Committee (Budget) to be held on 30th January 2018;
- g) Final Budget and Medium Term Plan reports to Cabinet 22nd February 2018;
- h) Budgets set at Council 27th February 2018.

It should be noted that the complexity of some of the issues and the reliance on the Government for Business Rates Retention and RSG data to report might mean that some reports have to be treated as urgent items and/or are considered at a later meeting.

Members are asked to endorse the process to be followed.

OPTIONS CONSIDERED

None

RESOURCE IMPLICATIONS

There are no financial or resource implications arising from the implementation of the Budget and Medium Term Planning Process.

LEGAL/RISK IMPLICATIONS

It is considered that a Medium Risk to the achievement of the planned timetable exists due to the potential for a delay in the:

- Provision of information from managers; and
- Publication of the Local Government Finance Settlement information for each individual authority by the Department for Communities & Local Government (DCLG).

There also remains a high degree of uncertainty arising from the most significant changes in Local Government funding for a generation arising from the Business Rates Retention System, changes in Support for Council Tax and Technical Reforms to Council Tax - as well as other changes arising from the Government's Welfare Reform Agenda.

The Key Risks are:

- The impact of uncertain economic conditions, following the decision to leave the EU – there is a higher level of uncertainty than in previous budget setting processes. It is suggested that, given the uncertainty, there should be a clear plan to focus on balancing the next 3 years' budget position for the General Fund (5 years for the HRA);
- Achievement of the anticipated growth in business rates income – in line with the assumed baseline and tariff levels set;
- Uncertainty remains over the work progressing on the system for Councils to keep 100% of the business rates collected by 2020 (and the associated impact on the Council's business rates income and associated baseline and tariff levels);
- Delivery of the planned Commercial Investment and Regeneration Strategy actions and associated improved investment returns of 5% p.a. arising from the investment of £24m from the capital receipt due to be received over the period 2016 – 2018 from the sale of the former golf course (to support the MTFs in the long term);
- The work continuing on a number of actions to address the longer term financial position;
- Achievement of anticipated growth in new homes within the Borough and the associated dependency on the New Homes Bonus income to address / reduce the funding shortfall for the General Fund; and
- The challenge to continue to achieve high collection rates for council tax, business rates and housing rents – in light of further austerity, economic conditions and uncertainty.

REPORT AUTHOR

Stefan Garner, Director of Finance, Telephone: 01827 709242

LIST OF BACKGROUND PAPERS

'Planning for a Sustainable Future' (Meeting the Challenges to MTFs) – Cabinet 22nd August 2013

'Creating Opportunities From An Uncertain Future' (Proposed Strategic & Operational Model For Tamworth Borough Council) - Cabinet 19th February 2015

'Corporate Review of Strategic Framework' (Route Map from Surviving to Thriving) - Cabinet 14th January 2016

'Investing in the Future of Tamworth' (Tamworth Commercial Investment Strategy to Promote Growth and Regeneration) - Cabinet 16th June 2016

Corporate Vision, Priorities Plan, Budget & Medium Term Financial Strategy 2017/18, Council 21st February 2017

APPENDICES

Appendix A

Project Plan for the Budget and Medium Term Financial Planning Process for the year 2018/19

Appendix B

Outline of the Budget and Medium Term Financial Planning Process

Appendix C

Flowchart of the Budget & Medium Term Financial Planning Process

Appendix D

2018/19 Budget Consultation

Budget and Medium Term Financial Planning Process for 2018/19			
	Project Plan	Deadline	Responsible Officer/s
1	Review of the 2017/18 process, formulation of 2018/19 process and report, to Cabinet 20 th July, including:	31/07/2017	DOF
	<ul style="list-style-type: none"> Review of potential budget issues; 	31/07/2017	EDCS / DOF
	<ul style="list-style-type: none"> The Budget Consultation process. 	31/07/2017	DOF / Knowledge & Performance Manager
2	Policy Changes		
	<ul style="list-style-type: none"> Circulation to Directors of provisionally approved policy changes for 2017/18 onwards - for confirmation or otherwise; 	31/08/2017	Accountants
Page 11	<ul style="list-style-type: none"> Any unavoidable cost increases arising from, for example, legislative or demand led changes (e.g. reduced income), be identified and included together with completion of 2016/17 outturn review; 	30/09/2017	CMT/Accountants
	<ul style="list-style-type: none"> Return of responses with Business Cases completed for new proposals, to Corporate Accountancy for collation; 	30/09/2017	CMT/Accountants
	<ul style="list-style-type: none"> Meeting of CMT to review all Revenue Policy Changes proposals on 16th October; 	16/10/2017	DOF / Accountants
	<ul style="list-style-type: none"> Responses to be presented to Executive Management Team 6th November for initial consideration. 	16/10/2017	DOF / Accountants
3	Capital Programme		
	<ul style="list-style-type: none"> Directors to review & confirm the provisionally approved capital schemes already contained within the 5 year capital programme (including a 'block allocation' for Cabinet approval of new schemes during the year); 	30/09/2017	CMT/Accountants
	<ul style="list-style-type: none"> Impact of any updated Stock Condition data assessed 	30/09/2017	DOA/Head of Property Services
	<ul style="list-style-type: none"> Formulation of new 5 year programme including appraisal forms to be submitted to the Asset Strategy Group (ASG) prior to submission to Executive Management Team; 	30/09/2017	CMT/Accountants
	<ul style="list-style-type: none"> Capital Programme report to CMT 16th October, Executive Management Team 6th November. 	16/10/2017	CMT/Accountants

	Project Plan	Deadline	Responsible Officer/s
4	Charges for Services – Updated recharges basis adjusted for any structural issues, proposals to be discussed at CMT 16 th October, base recharges to be completed by 16 th October to allow consultation period (to December 2017).	16/10/2017	CMT/Accountants
5	Consideration of responses – including an analysis of the impact of such on the overall financial position of the Council at CMT 16 th October, Executive Management Team 6 th November and Cabinet 30 th November, to formulate/consider budget proposals in detail prior to Leaders Budget Workshop review 7 th December.	16/10/2017	CMT/Accountants
6	Consideration of the adjusted base budget, at CMT 16 th October / Executive Management Team 6 th November / Cabinet 30 th November.	16/10/2017	EDCS/DOF/Accountants
7	Budget Consultation – Cabinet receive 2 nd November, the results of the consultation process,	20/10/2017	Knowledge & Performance Manager
8	Approval of the Council Tax Base Calculation for 2018/19 - to Cabinet 30 th November	17/11/2017	Head of Revenues
Page 12	A meeting of Cabinet on 30 th November to receive/confirm budget proposals for Budget Workshop consideration.	30/11/2017	EDCS/DOF
	Leaders Budget Workshop 7 th December.	07/12/2017	Leader
11	Local Government Finance Settlement (LGFS) implications - to CMT / Executive Management Team 18 th December.	18/12/2017	DOF/Accountants
12	Draft Budget & MTFs Report to Executive Management Team 15 th January / Cabinet 25 th January and Joint Scrutiny Committee (Budget) 30 th January.	08/01/2018	EDCS/DOF
13	Final Business Rates forecast for 2018/19 - to Cabinet 25 th January.	17/01/2018	EDCS/DOF/ Head of Revenues
14	Implications of the final Business Rates forecast & LGFS information to be considered/built into the budget proposals (as soon as available).	January 2018	EDCS/DOF/Accountants
15	Final Budget & MTFs Report to CMT on 5 th February / Executive Management Team 12 th February.	31/01/2018	EDCS/DOF
16	Final budget reports considered by Cabinet on 22 nd February who would recommend a budget to the Council meeting on 27 th February.	14/02/2018	EDCS/DOF

Outline of the Budget and Medium Term Financial Planning Process

Reasons for Producing Budgets

Budgets are required to plan for forthcoming activities in meeting the objectives of the Council as a whole. Legally, the Council is required by legislation to set its budget (balanced funding/spend) and the associated Council Tax by 11th March each year.

The budget represents the Council's plans in financial terms and acts as a method of measuring performance against the achievement of these objectives. Variances from the budget are highlighted to Senior Management on a monthly basis and Members Quarterly.

Budgets assist in bringing together views, opinions and decisions of all stakeholders such as Members, Local Residents, Focus Groups and the Business Community.

The Budget Process

The budgets for the next financial year are compiled in the 'budget process' that runs mainly from September to March each year (some preparatory work / forecasts are prepared from July).

Day to day responsibility for setting budgets and financial performance monitoring may be delegated to appropriate line managers/senior officers, as appropriate.

A brief summary of the stages involved in the budget process are as follows:

- **Review / Formulation of Budget Process**

Following a review of the previous year's process, the outline process to be followed is formulated / agreed by the Corporate Management Team and Cabinet.

- **Consideration of Policy Changes**

Planned changes to services (provisionally approved during the previous budget process) are issued for confirmation. Budget Managers are also required to consider any unavoidable increased costs (arising from, for example, legislative or demand led changes e.g. reduced income) and targets for budget savings. They will be aware of the objectives of the Council as a whole within the Corporate Plan and should therefore be looking to incorporate changes or additions into their future plans.

As grant and other income levels are reducing, where increased costs are unavoidable then managers should identify compensatory savings. Where savings are identified they must be accompanied by a robust implementation plan. Robust business case templates will have to be submitted to Cabinet and CMT for all Policy Change submissions (Revenue and Capital).

- **Capital Programme**

Managers are asked to review provisionally approved schemes (within the medium term capital programme) and submit new / revised capital appraisal forms for consideration, and prioritisation within available resources, by CMT, Directors, the Asset Strategy Group and Cabinet.

- **Budget Consultation**

In addition to the activity planned for the Tamworth Listens process, consultation has been planned to gauge residents', business and other core stakeholders' views on the Council's priorities to achieve the 'Vision' considering areas of spending or where savings could potentially be made.

The consultation will be carried out through three online surveys. A survey that is tailored for businesses, a full survey aimed at residents and a survey that is tailored for the voluntary and community sector. The online residents survey will be promoted using social networking/media sites and through email contact databases. The business survey will be promoted through business social networking sites and business email contact databases. The voluntary and community sector survey will be promoted through email contact databases.

- **Formulation of Budget Forecast & Base Budgets**

Managers should consider their future activities and spending requirements before discussions with their Accountant. Managers should identify any minor changes in expenditure or income or highlight other areas of concern with their Accountant prior to the finalisation of the base budget working papers. Regular review / monitoring during the year assist in this process.

It is important that managers assess budget figures carefully and do not merely increase the original budgets by the given inflation percentage. Managers should consider the previous year's level of expenditure when looking at budgets and decide if this is to be a normal level or an exception. A zero based budgeting approach to deliver service needs is required especially in a period of resource constraints.

In the main, the recalculation of the base budget involves changes that have already been approved or are outside the control of managers (e.g. inflation, pay award etc). Major alterations to budgets or proposals involving significant changes in service delivery need to be raised and submitted for approval through the policy changes process.

It should be borne in mind that financial guidance requires Budget Managers to be consulted (by the relevant Accountant) in the preparation of the budgets for which they will be held responsible and that they are required to accept accountability for their budgets and the service to be delivered.

As part of the Governance process, there is a responsibility for Budget Managers to ensure that they are consulted and confirm that their budgets are accurate, complete and acceptable.

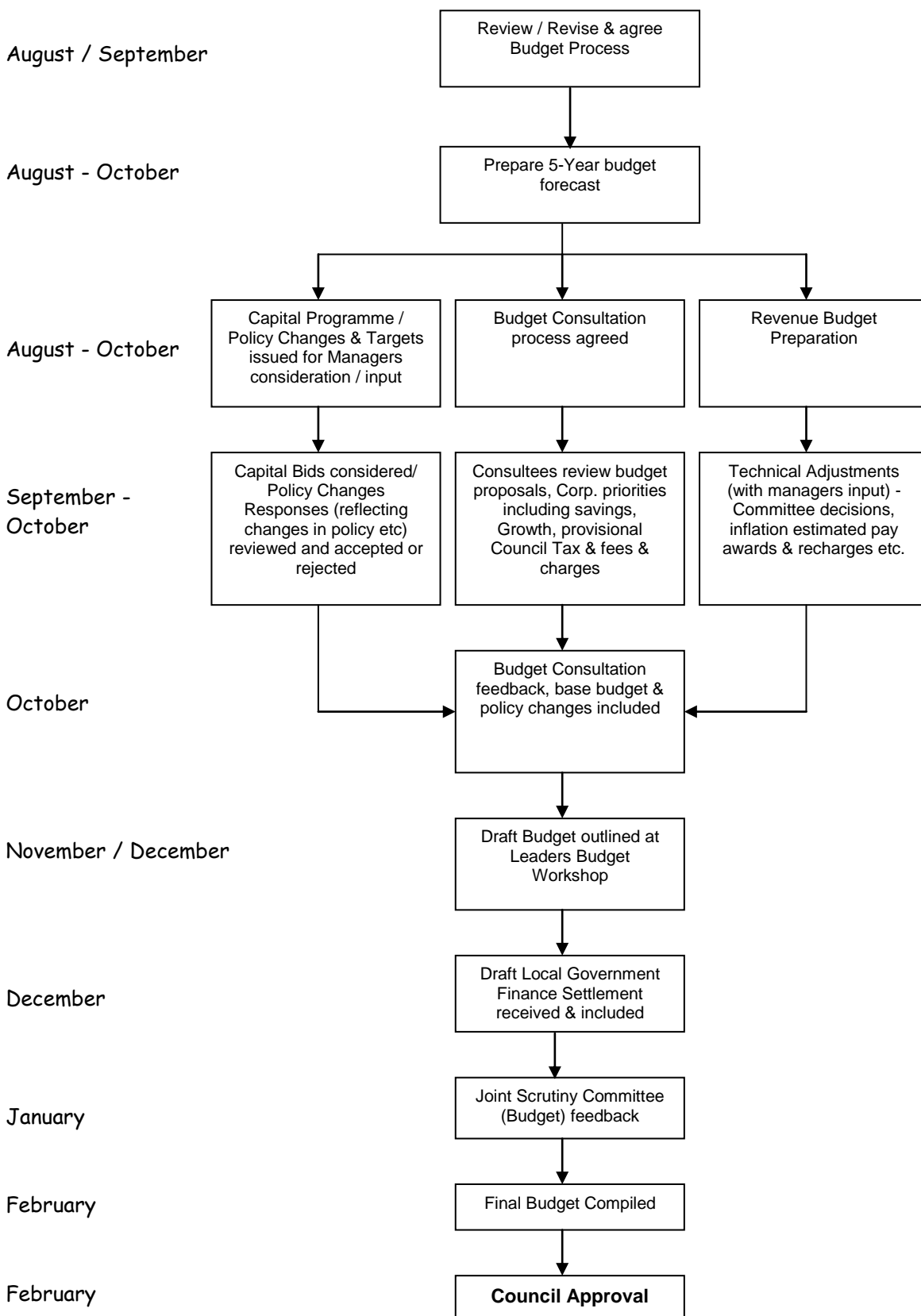
- **Compilation of Overall Budget figures**

Once all the budget working papers have been prepared, an overall net expenditure figure for the Council can be assessed in terms of affordability and whether funding for these levels of expenditure is available. It may be that Managers would be required to identify savings in their budgets, dependent on guidance from Senior Managers and Members.

- **Final Budget Approved by the Council in February**

The final budgets are approved by Members at the Cabinet meeting, usually in February. No further amendments can be made after this point. The full Council approves the budget at its meeting in February.

The Budget & Medium Term Financial Planning Process 2018/23



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Tamworth Borough Council 2017 Budget Consultation

Background

As part of a regular annual process Tamworth Borough Council reviews its Council Tax and Charges Strategy for the development of the budget. This process ensures that funding is put into areas of highest priority. An important element of this process is to understand the views of residents, tenants, businesses, and local voluntary groups on what these priorities are.

Overview

Consultation on the key issues affecting the 2018/19 budget consultation will be carried out through three surveys;

- A residents survey – on line and postal, promoted using social networking/media sites and through email contact databases
- A business survey – on line, promoted through business social networking sites and business email contact databases
- A voluntary and community sector survey – on line, promoted through email contact databases at the CVS

Time Table

Planning	from 1 st June 2017,
Postal survey posted (Residents)	from 31 st July 2017,
Online survey (Residents)	launched 1 st August 2017,
Online survey (Businesses)	launched 1 st August 2017,
Online survey (V&CS)	launched 1 st August 2017,
Surveys closes and taken offline	15 th September 2017,
Report at Corporate Management Team	16 th October 2017,
Report signed off in Democratic Services	23 rd October 2017,
Budget Consultation report at Cabinet	2 nd November 2017.

Objectives

- Identify important priorities to target for savings,
- Advise on acceptable levels of fees, charges and council tax,
- Obtain views on the corporate priorities.

A small budget has been set aside within the Corporate Consultation budget to undertake this work.

Tamworth Listens

In addition, the activity scheduled for 'Tamworth Listens' includes:

Tamworth Listens Question Time Event	TBA
Tamworth Listens Report at State of Borough Debate	TBA

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20 JULY 2017

REPORT OF THE PORTFOLIO HOLDER FOR ASSETS AND FINANCE

WRITE OFFS 01/04/17 - 30/06/17

EXEMPT INFORMATION

None

PURPOSE

To provide Members with details of write offs from 01 April 2017 to 30 June 2017.

RECOMMENDATIONS

That Members endorse the amount of debt written off for the period 01 April 2017 to 30 June 2017.

EXECUTIVE SUMMARY

The Heads of Service are responsible for the regular review of debts and consider the need for write off and authorise where necessary appropriate write offs in line with the Corporate Credit Policy.

Type	01/04/17 – 30/06/17 £ p
Council Tax	£27,500.67
Business Rates	£3,637.46
Sundry Income	£0.00
Housing Benefit Overpayments	£36,148.51

A revised approach to the calculation of Business Rates bad debt has been developed which involves a review of all of the outstanding debts to ascertain whether they are likely to be collectable. This has then been used to determine the balance to apply the usual aged debtor percentage.

Business Rates	01/04/17 – 30/06/17 £ p
Bad Debt provision	£1,026,827.66
Less amount written off under delegated powers	£3,637.46
Amount remaining	£1,023,190.20

OPTIONS CONSIDERED

Not applicable

RESOURCE IMPLICATIONS

There are no new financial implications arising from this report. As the write offs detailed have already been approved in line with the Corporate Credit Policy/Financial regulations and have been reported to members where appropriate.

LEGAL/RISK IMPLICATIONS BACKGROUND

Not applicable

SUSTAINABILITY IMPLICATIONS

Not applicable

BACKGROUND INFORMATION

This forms part of the Council's Corporate Credit Policy and effective management of debt. The Council is committed to ensuring that debt write offs are kept to a minimum by taking all reasonable steps to collect monies due. There will be situations where the debt recovery process fails to recover some or all of the debt and will need to be considered for write off in accordance with the schemes of delegation prescribed in the Corporate Credit Policy.

The Council views such cases very much as exceptions. Before writing off debt, the Council will satisfy itself that all reasonable steps have been taken to collect it and that no further recovery action is possible or practicable. It will take into account the age, size and types of debt together with any factors that it feels are relevant to the individual case.

Debt Write Off

Authorisations are needed to write off debt:

Authority	Account Value
Head of Revenues	up to £1,000
Chief Officer (or authorised delegated officer)	£1,001 - £5,000
Executive Director Corporate Services	£5,001 - £10,000
Cabinet	over £10,000

These limits apply to each transaction.

Bad Debt Provision

The level of the provision must be reviewed jointly by the unit and Accountancy on at least a quarterly basis as part of the management performance review, and the table below gives the mandatory calculation.

Where the debt is less than 6 months old it will be written back to the service unit.

Debt Outstanding Provision (net of VAT)	
Between 6 and 12 months old	50%
Between 12 and 24 months old	75%
Over 24 months old	100%

The financial effects of providing for Bad Debts will be reflected in the Council's accounts

at Service Unit level.

REPORT AUTHOR

Michael Buckland, Head of Revenues, Tel 709523
e-mail michael-buckland@tamworth.gov.uk

LIST OF BACKGROUND PAPERS

Corporate Credit Policy - effective management of debt

APPENDICES

Appendices **A to D** give details of write offs completed for Revenues and Benefits Services for 01 April 2017 to 30 June 2017.

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Appendix A- Council Tax

Summary of Council Tax Write Offs 01/04/2017-30/06/2017

Date of Write Off	Head of Revenues			Director of Finance	Executive Director Corporate Services	Cabinet	Remitted	Credit Write Off	Reversed Write Off	Total	No. of Accounts (Write Off Only)	Reason(s)
	(£0.00-£75.00)	(£75.01-£500.00)	(£500.01-£1,000.00)	(£1,000.01-£5,000)	(£5,000.01-£10,000.00)	(£10,000.01 and Over)						
10/04/2017									(£6.30)	(£6.30)		Dividend received
11/04/2017									(£0.22)	(£0.22)		Dividend received
27/04/2017								(£445.25)		(£445.25)		Unallocated suspense over 2 yr old
15/05/2017									(£6.11)	(£6.11)		Dividend received
16/05/2017		£1,679.60		£2,213.10						£3,892.70	10	No trace
"		£450.20		£819.22						£1,269.42	3	Deceased
"		£677.30		£856.38						£1,533.68	3	Insolvent
"		£1,597.68		£1,333.05						£2,930.73	6	Uneconomic to collect
"		£357.92								£357.92	1	Irrecoverable
18/05/2017									(£0.02)	(£0.02)		Dividend received
24/05/2017		£4,606.54		£12,273.73						£16,880.27	32	No trace
26/05/2017	£340.27									£340.27	35	Small balance
12/06/2017									(£5.83)	(£5.83)		Dividend received
21/06/2017									(£42.47)	(£42.47)		Dividend received
22/06/2017	£813.08									£813.08	35	Small balance
26/06/2017									(£11.20)	(£11.20)		Dividend received
Q1 Totals	£1,153.35	£9,369.24	£17,495.48	£0.00	£0.00	£0.00	£0.00	(£445.25)	(£72.15)	£27,500.67	125	

Appendix B- Business Rates

Summary of NNDR Write Offs 01/04/2017-30/06/2017												
Date of Write Off	Head of Revenues			Director of Finance (£1,000.01-£5,000)	Executive Director Corporate Services (£5,000.01-£10,000.00)	Cabinet (£10,000.01 and Over)	Remitted	Credit Write Off	Reversed Write Off	Total	No. of Accounts (Write Off Only)	Reason(s)
	(£0.00-£75.00)	(£75.01-£500.00)	(£500.01-£1,000.00)									
05/06/2017	£59.33 £3.84	£874.65	£2,699.64						£933.98 £2,703.48	3 5	Insolvency/ ceased trading Unable to trace	
Q1 Totals	£63.17	£874.65	£2,699.64	£0.00	£0.00	£0.00	£0.00	£0.00	£3,637.46	8		

Appendix C- Sundry Income

Summary of Sundry Income Write Offs 01/04/2017-30/06/2017											
Date of Write Off	Corporate Director Growth, Assets & Environment (£0.00-£999.99) (£1,000.00-£5,000.00)	Director of Transformation & Corporate Finance (up to £5,000.00)	Head of Revenues (£0.01-£999.99)	Director of Finance (£1,000.00-£5,000.00)	Director Communities, Planning & Partnerships (up to £5,000.00)	Director Housing & Health (up to £5,000.00)	Executive Director Corporate Services (£5,000.01-£10,000.00)	Cabinet (£10,000.01 +)	Total	No. of Accounts	Reason(s)

No Sundry Income write offs for Q1 of 2017/18

Appendix D- Housing Benefit Overpayments

Summary of Benefit Overpayment Write Offs 01/04/2017-30/06/2017									
Date of Write Off	Head of Benefits				Executive Director Corporate Services (£2,000.01-£10,000.00)	Cabinet (£10,000.01 and Over)	Total	No. of Accounts	Reason(s)
	(£0.00-£75.00)	(£75.01-£500.00)	(£500.01-£1,000.00)	(£1,000.01-£2,000)					
30/04/2017	£8.85					£8.85	2	uneconomical to pursue (2017)	
"	£72.04					£72.04	3	deceased (2015)	
"	£55.16					£55.16	2	<£40 outstanding (2016)	
"		£448.16				£448.16	2	not financially viable (2015)	
"		£234.68				£234.68	2	<2 wks o/s due to death (2017)	
"		£75.06				£75.06	1	absconded (2015)	
"	£100.46		£634.14			£734.60	3	HB Reg 100 compliant - not recoverable	
31/05/2017	£31.58					£31.58	1	<2 wks o/s due to death (2017)	
"	£8.18					£8.18	1	<£40 outstanding (2017)	
"	£4.68					£4.68	2	uneconomical to pursue (2017)	
"	£12.88	£270.48				£283.36	2	HB Reg 100 compliant - not recoverable (2017)	
15/06/2017						£20,849.75	1	Bankruptcy	
"						£10,765.95	1	Deceased	
30/06/2017	£139.12	£454.89	£678.93			£1,272.94	7	not financially viable (2011)	
"	£30.85					£30.85	6	uneconomical to pursue (2017)	
"	£81.46					£81.46	2	HB Reg 100 compliant - not recoverable (2017)	
"		£1,191.21				£1,191.21	10	<2 wks o/s due to death (2017)	
Q1 Totals	£545.26	£2,674.48	£1,313.07	£0.00	£0.00	£31,615.70	48		