

Annex 1

Write Off Policy: Housing Service Debts

1. General

- 1.1. Reigate & Banstead Borough Council aims to collect all charges due for accommodation and other services from debtors wherever it is possible and cost effective to do so. In some circumstances this may not be possible for one or more reasons, as detailed below.

2. Purpose of this Policy

- 2.1. To describe the circumstances when debts are considered as irrecoverable and to set out the levels of authority to approve a write off.

3. Types of Debts Covered by the Policy:

- (i) Housing accommodation rent and service charges, including court costs;
- (ii) Re-charges for damage to property and loss of keys.

4. Circumstances where a Debt may be considered to be non-recoverable:

- The debtor has absconded;
 - The debtor is insolvent;
 - The debtor is deceased and there is no estate;
 - The physical or mental condition of the debtor prevents recovery;
 - Small debts under a specified value;
 - Debts which are uneconomical to collect and where all avenues for collection have been exhausted;
 - Debts which cannot be legally enforced; and
 - Debts where all or part have been remitted by an order of the Magistrates Court due to hardship.
- 4.1. In some cases, further action may be required before a debt is written off, such as referring the debt to a Tracing or Recovery Agent.

5. Irrecoverable Debt Write Off, Approval and Reporting

- 5.1. Irrecoverable debt write-offs will be processed in line with the relevant Finance Procedure Rule in the Council's Constitution.

- 5.2. Debts written off will be charged to Housing Service budgets. Only in exceptional cases will the Chief Finance Officer authorise the write off directly against the Council's general bad debt provisions.
- 5.3. Approval of debt write off will be in accordance with the following limits:
- (i) For debts up to £1,000 - Head of Housing
 - (ii) For debts between £1,000 and £10,000 - Chief Finance Officer in consultation with the Head of Housing
 - (iii) For debts over £10,000 Chief Finance Officer in consultation with the Head of Housing and the Portfolio Holders for Finance & Governance and Housing.
- 5.4. A summary of all debts written off under delegated authority will be included in the Chief Finance Officer's annual Debt Write Off report that is presented to Executive in March each year.
- 5.5. Should a debtor be traced subsequently the debt will be re-instated to enable recovery action to continue.

6. Commitment

- 6.1. All of customers will be treated in a fair and equitable manner having particular regard to human rights and equalities legislation and any other legislation or Council policies, which may have an impact on the application of this Policy.

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