

Appendix 3

Council Tax

Currently, bad debt provisions (BDP) of £4.93m exist [**£4.996m**- £0.063k; [w/offs done 01/04/16-31/06/16] for Council Tax against a potential BDP of £4.071m for debts accrued to 31 March 2016.

COUNCIL TAX	Arrears as at 1 st of April	Arrears as at Qtr 1	BDP	BDP as at Qtr 1
	£000	£000	%	£000
Pre 2012-2013	445	377	100	377
2012-2013	488	464	100	464
2013-2014	850	786	100	786
2014-2015	1,439	1,303	75	977
2015-2016	3,393	2,257	65	1,467
Total	6,615	5,187		4,071

National Non Domestic Rates (NNDR)

Currently, bad debt provisions of £2.49m [**£2.702m**- £205k; w/offs done 01/04/16 to 31/06/16] exist for business rates (NNDR) against a potential BDP of £2.108m. Under Business Rates retention, the effect on the local authority is 30% of any surplus or deficit.

NATIONAL NON DOMESTIC RATES (NNDR)	Arrears as at 1 st of April	Arrears as at Qtr 1	BDP	BDP as at Qtr 1
	£000	£000	%	£000
Pre 2014-2015	585	546	100	546
2014-2015	836	715	100	715
2015-2016	2,564	1,693	50	847
Total	3,985	2,954		2,108

Council Tax and Business Rates Court Cost

Currently, bad debt provisions (BDP) of £1.176m (**CT £1052k+ NDR £124k**) exists for Court Costs against a potential BDP of £917k. From previous years trends, this amount of provision appears to be adequate and in line with our overall provisions policy.

Court Cost	Arrears as at 1 st of April	Arrears as at Qtr 1	BDP	BDP as at Qtr 1
	£000	£000	%	£000
Pre 2015-2016	612	542	100	542
2015-2016	538	439	75	220
2016-2017	0	310	50	155
Total	1,150	0		917

Housing Benefits

Currently, bad debt provisions of £6.22m [**£6.584m** - £360k w/off's 1/4/16 to 31/06/16] exist for Housing Benefit overpayment debt against a potential BDP of £6.24m (£3.788m = £2.459m).

Housing Benefit DEBTORS	Outstand as at 1 st of April	Outstand as at Qtr 1	BDP	BDP as at Qtr 1
	£000	£000	%	£000
Pre 2014-2015	1,435	1,357	100	1,357
2014-2015	1,385	1,281	100	1,281
2015-2016	2,485	1,918	50	959
2016-2017	0	635	30	191
Totals	5,305	5,191		3,788

Housing Benefit LIVE CASES	Outstand as at 1 st of April	Outstand as at Qtr 1	BDP	BDP as at Qtr 1
	£000	£000	%	£000
Pre 2014-2015	544	426	100	426
2014-2015	908	771	75	578
2015-2016	3,056	2,336	50	1,168
2016-2017	0	957	30	287
Totals	4,508	4,490		2,459

Over the last year initiatives from the DWP have continued, specifically the Real Time Information Bulk Data Matching exercise (RTI), which means the DWP is now providing retrospective information to the authority about claimant changes not previously known to Harrow. This has resulted in a higher than normal increase in the raising of Housing Benefit overpayment debts which in turn has led to higher bad debt provision being required. This will continue as it is now part of the on-going processes for the DWP.