

**NORTH LANARKSHIRE COUNCIL
REPORT**

To: HOUSING & PROPERTY SERVICES COMMITTEE		Subject: FORMER TENANT ARREARS WRITE-OFF TO 31 MARCH 2003
From: DIRECTOR OF HOUSING & PROPERTY SERVICES		
Date: 15 February 2005	Ref: TMCK/DWS	

1. Introduction

1.1 The purpose of this report is to obtain approval to write-off the sum of £581,964.99 being the current balance outstanding in respect of Former Tenant Arrears relating to financial year 2002/2003 and including balances outstanding prior to 1st April 2002.

2. Background

2.1 The arrears write-off is made up as follows:

	No of Cases	%	Amount £	%
Abandoned	543	33.9	301,042.33	42.2
Eviction	130	8.1	142,193.47	19.9
No Forwarding Address etc.	465	29.1	164,198.59	23.0
Deceased	463	28.9	105,895.71	14.9
Total	1601	100	713,330.10	100

2.2 In addition to the above debit balances there are also credit balances totalling £131,365.11. These credits reduce the overall write-off to £581,964.99, which, when compared to the total annual rental income of £91.3m equates to only 0.6% in overall terms.

- 2.3 The above write-off can be offset against provision held within the Council's Balance Sheet at 31 March 2004.
- 2.4 In bringing forward this report, the Council should be aware of the proactive measures that are being taken to collect rental income. A recent report by the Accounts Commission identified North Lanarkshire Council's housing services as one of only three City and Urban Scottish local authorities to meet set rent arrears targets, with rent arrears representing 5.29% of net rent income, which was well below the 7% target. The level of this write off should therefore be viewed in the context of the Council's overall performance as highlighted by the Accounts Commission.
- 2.5 Although the above sums will be written-off through the Council's final accounts, Committee should note that, where possible and practicable, efforts will continue to secure payment of outstanding rent balances from former tenants. This will involve the pursuit of debt in a formalised manner, using staff from within the department, Sheriff Officers and other external debt agencies, incorporating a variety of legal options open to the department.

3. Recommendation

- 3.1 It is recommended that Committee:
- a) Approves the write-off of Former Tenant Arrears totalling £581,964.99, in relation to the period ending 31 March 2003; and
 - b) Refers this report to the Policy and Resources (Finance) Sub Committee for approval.

4. Background Information

- 4.1 Background information is available from the Housing and Property Services Department.



T McKenzie
Director of Housing & Property Services