

**NORTH LANARKSHIRE COUNCIL
REPORT**

To: HOUSING & TECHNICAL SERVICES COMMITTEE		Subject: FORMER TENANTS ARREARS WRITE OFF TO 31 MARCH 2004
From: DIRECTOR OF HOUSING & PROPERTY SERVICES		
Date: 16 FEBRUARY 2006	Ref: TMcK/DS	

1. Introduction

1.1 The purpose of this report is to obtain approval to write-off the sum of £633,370.38, being the current balance outstanding in respect of Former Tenants Arrears relating to financial year 2003/2004, and including balances outstanding prior to 1st April 2003

2. Background

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

Reasons	No of Cases	%	Amount £	%
Abandoned	318	18.2	239,717.52	32.4
Eviction	92	5.3	103,227.92	14.0
No Forwarding Address, etc	910	52.1	312,411.14	42.2
Deceased	426	24.4	84,781.72	11.4
Totals	1,746	100.0	740,138.30	100.0

2.2 In addition to the above debit balances there are also credit balances totalling £106,768.00. These credits reduce the overall write-off to £633,370.30, which, when compared to the total annual rental income of £91.7m equates to only 0.7% in overall terms.

2.3 The above write off can be offset against provision held within the Council's Balance Sheet at 31 March 2005.

- 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 Audit Scotland identified North Lanarkshire Council's housing service as one of only 4 City and Urban Scottish local authorities to meet set rent arrears targets. The department's figure of 4.9% of net rental income was well below both the group average of 8.6% and the target set of 7%. This level of write off should therefore be viewed in the context of the Council's overall performance.
- 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 debts 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 £633,370.30 in relation to the period ending 31 March 2004; and
- b) Refers the report to the Policy and Resources (Finance) Sub Committee for approval.

4. Background Information

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



T McKenzie
DIRECTOR OF HOUSING AND PROPERTY SERVICES