
Income Collection Outturn 2024/25

Overview Select Committee

Date of Meeting: 9th July 2025

Lead director: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Mick Weaver, Accountant
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- Report version number: V3

1. Summary

This report details progress made in collecting debts raised by the Council during the year 2024-25 together with debts outstanding and brought forward from the previous year. It also sets out details of debts written off under delegated authority that have not been possible to collect at reasonable effort and expense.

This is a routine report made to members twice each year.

Figures included in this report need to be seen in the context of the total amount of income collected by the Council each year: in 2024/25 the total amount raised from the areas covered in this report was £560m. Whilst some debt is difficult to collect, and some people find it difficult to pay, ultimately, we collect nearly all the money due to us.

The key issues in the report are as follows:

- (a) Improvements to processes for collecting local taxation (council tax and business rates) are continuing, and have led to encouraging increases in collection performance;
- (b) Rent arrears remain higher than two years ago, due to economic conditions facing our tenants;
- (c) There has been an increase in older debt in the “other income” category, largely due to an increase in the debt which was raised. The report outlines steps being taken to reduce this.

2. Recommended actions/decision

2.1 The OSC is recommended to:

- Consider the overall position presented within this report and make any observations.

3. Scrutiny / stakeholder engagement

N/A

4. Background and options with supporting evidence

Appendix A provides a summary of all debt.

Appendix B provides more detailed information and narrative for each main category of debt

Appendix C provides a summary of all the write-offs during the period.

Appendix D provides a summary of Write Offs Over £5k for 2024/25

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

The report details the Council's performance in collecting debts and amounts which have had to be written off.

Signed: Mark Noble, Head of Finance

Dated: 3 May 2025

5.2 Legal implications

There are no specific legal implications arising from this report, which is for information purposes.

Signed: Kevin Carter– Head of Law - Commercial, Property & Planning

Dated: 13 May 20256 November 2024

5.3 Equalities implications

This report details progress made in collecting debts raised by the Council during the year 2024-25. The Council must make every effort to collect its due debts. The Council aims to collect debt in a fair, proportionate and respectful manner.

Communications with residents are designed to prompt timely payment from residents who can pay, and early engagement from those who may have difficulties in making payments.

Copies of the Council's debt policy is available on the website

<https://www.leicester.gov.uk/your-council/how-we-work/debt-enforcement/if-you-are-struggling-to-pay>

Recovery action needs to strike a fair balance between sensitivity to debtors who are struggling to pay and the interests of the public as a whole (the income expected is part of our budget).

Effective communications are central to maximising income collection. Timely and accessible communications will help customers make the required payments. It is important to provide information clearly and transparently to debtors on what/how to pay, what to do if they can't pay and what actions we may take; assist them in understanding the situation, their options and what is required of them as individuals before further recovery progression.

Signed: Equalities Officer, Surinder Singh, Ext 37 4148

Dated: 8 May 2025

5.5 Climate Emergency implications

There are no significant climate emergency implications directly associated with this report.

Phil Ball, Sustainability Officer, Ext 372246

30 June 2025

5.6 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

No other implications are noted as this is an income collection report, and therefore no policy changes are proposed.

6. Background information and other papers:

Finance Procedure Rules

Debt Policy

7. Summary of appendices:

Appendix A provides a summary of all debt.

Appendix B provides more detailed information and narrative for each main category of debt

Appendix C provides a summary of all the write-offs during the period.

Appendix D provides a summary of Write Offs Over £5k for 2024/25

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”? If so, why?

No

Summary of all Debt

Income Type	Debts brought forward @ 1/4/2024 £m	Debt raised £m	Collected £m	Written off £m	Debts outstanding @ 31/03/2025 £m
Business Rates (including Costs)	14.21	101.64	(98.81)	(2.15)	14.89
Council Tax (including Costs)	37.76	185.13	(181.19)	(3.28)	38.42
Housing Benefit Overpayments	7.64	2.28	(2.90)	(0.34)	6.68
Council House Rents	3.52	95.32	(94.92)	(0.06)	3.86
On and Off-Street Car Parking fines	3.10	6.25	(4.09)	(1.28)	3.98
Moving Traffic Enforcement	1.01	1.60	(1.17)	(0.49)	0.95
Other Income	20.11	167.68	(152.36)	(1.18)	34.25
Totals	87.35	559.90	(535.44)	(8.78)	103.03

1. Business Rates

1.1 Headline Figures for period under review including costs

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
14.21	101.64	(98.81)	(2.15)	14.89

1.2 Background and comparator information

Background Information

Business Rates are a national tax paid by just over 12,600 businesses in Leicester.

Comparator Information

Below shows the in-year collection rate over the last two years:

- Collection to 31st March 2024 – 95.00%
- Collection to 31st March 2025 – 95.36%

It should be noted that unpaid debt at 31st March continues to be collected in the following year. To 31st March 2025 we had collected £5.0m of the £14.21m prior years' debt due. However, adding the uncollected debt for the 2024/25 year increases the overall starting position at 1st April 2025 to £14.89m

As mentioned in the 6 monthly progress report, arrears have been impacted by the unoccupied property debt owed by Highcross Shopping Centre Ltd. This amounts to £2m of arrears and is being actively pursued.

As at 31st March 2025, our collection performance places us 10th out of 13 authorities with comparable populations, up two places from last year.

1.3 Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	53	42
Deceased – No Assets	9	1
Insolvent / Bankrupt/ Liquidated	598	1,588
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	719	518
Totals	1,379	2,149

1.4 Volume/policy/statutory changes that have occurred during the period and their impact

Changes

The retail, hospitality, and leisure business rates relief scheme continued to apply in 2024/25 to provide eligible, occupied properties with 75% relief, up to a cash cap of £110,000 per business.

From 1st April 2025, this relief has been reduced to 25%.

1.5 Summary of measures taken to recover debt

Debt recovery measures

Economic conditions continue to impact collection of business rates.

Our normal recovery process is:

- A reminder will be sent if an instalment is missed.
- If the instalment is paid within 7 days of the reminder, the right to pay by instalments is maintained; if a subsequent instalment is missed a final notice will be issued stating that the right to pay by instalments has been lost and the full charge has become payable.
- If the instalment is not paid within 7 days of the reminder, the full charge becomes payable.

If the full charge becomes payable and is not paid within 7 days, a summons will be issued, and a liability order sought at the Magistrates' Court. Costs become payable at this stage.

Our collection processes are continuously reviewed to improve in-year and arrears collection. As part of this, we are issuing a SMS message to businesses prior to issuing summonses and focusing recovery action on rate payers with high levels of arrears with the help of external solicitors.

At the start of the year we worked with two enforcement agencies, and added a third in September, with a view to improving methods of collection, whilst assisting those businesses facing difficulties by promoting eligibility for reliefs and extended payment arrangements.

Payment arrangement can be made online or over the phone.

We are also ensuring that customers struggling to pay can speak to a business rates officer through a call back service to discuss payment of the outstanding debt and any other support that may be available.

Looking Forward

Looking ahead to 2025/26, we will continue to focus on strengthening our approach to business rates collection in a way that balances firm recovery with support for local businesses. The improvement in our in-year collection rate to 95.36% delivered in the face of ongoing economic headwinds and sector-specific

pressures reflects the positive impact of targeted interventions and proactive engagement with ratepayers.

To further develop this approach, we will introduce a more formal system of debt segmentation, allowing us to group outstanding business rates debt by factors such as value, age, and recovery potential. This will enable more precise targeting of recovery action, ensuring we apply the right level of resource and support to each case. For example, high-value commercial arrears can be escalated appropriately, while businesses facing temporary cashflow issues can be offered tailored payment plans.

We are also taking steps to build on this year's improvement in in-year collection by:

- Expanding the use of pre-summons communications—such as SMS and email to encourage early resolution.
- Enhancing our data-driven targeting of accounts.
- Working closely with external recovery agents and legal partners to pursue complex or higher-risk debts more effectively.
- Promoting digital self-service options for payment plans and relief applications, to reduce frustration for compliant businesses.

These changes will help ensure our recovery strategy remains efficient and fair, supporting collection performance while recognising the wider pressures businesses may be facing.

2. Council Tax

2.1 Headline Figures for period under review including costs

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
37.76	185.13	(181.19)	(3.28)	38.42

2.2 Background and comparator information

Background information

Council tax is a national tax, charged to over 145,400 properties in Leicester. The amount we collect includes sums charged by the fire authority and the police and crime commissioner.

The Council continues to work with households struggling to pay and would encourage anyone in this situation to contact us early.

Comparator information

The following shows the percentage debt collection in the year it is raised over the last two years:

- Collection to 31st March 2024 – 92.60%
- Collection to 31st March 2025 – 93.37%

The debt collected has improved from the previous year, despite the increase in the overall level of council tax and the general cost of living pressures.

As at 31st March 2025, our collection performance places us 9th out of 13 authorities with comparable populations, up two places from last year.

It should be noted that unpaid debt on 31st March continues to be collected in the following year. To 31st March 2025 we had reduced the arrears by £13.0m gross of the £37.76m prior years' debt due. However, adding the uncollected debt for the 2024/25 year increases the overall starting position at 1st April 2025 to £38.28m.

2.3 Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	4,459	1,546
Deceased – No Assets	615	174
Insolvent / Bankrupt/ Liquidated	2,592	680
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	12,471	875
Totals	20,137	3,275

2.4 Volume/policy/statutory changes that have occurred during the period and their impact

Changes

From 1st April 2024, unfurnished properties that have been empty for one year or more are charged a premium of up to 100%. This premium was previously charged after two years.

The 100% discount for one calendar month from when a property first became vacant was reviewed and no longer applies from 1st April 2025.

From 1st April 2025, dwellings that are occupied periodically (often referred to as second homes), are also subject to a 100% premium. However, the Government issued regulations which allows exceptions to these premiums.

Changes have also been introduced for the council tax support scheme from the same date. As the new scheme will be less generous, we will need to monitor the impact closely to help us target the hardship support fund effectively.

2.5 Summary of measures taken to recover debt

Debt recovery measures

As of 31st March 2025, council tax support has been credited to 25,868 accounts, at a cost of £26.1m to the Council.

The council tax discretionary relief scheme also provides support to households experiencing extreme financial hardship. As at 31st March 2025, just over £0.6m was paid to eligible households to make their council tax payments affordable. This is funded by the Council.

The usual recovery process after a reminder instalment has been missed is:

- If the instalment is paid within 7 days of the reminder, the right to pay by instalments is maintained; if a further instalment is missed, another reminder can be issued; if a third instalment is missed, a final notice will be issued stating that the right to pay by instalments is lost and the full balance becomes payable.
- If the instalment is not paid within 7 days of the first /second reminder, the right to pay by instalments is lost and the full balance becomes payable.
- If the full balance becomes payable and is not paid within 7 days, a summons will be issued, and a liability order sought at the Magistrates Court.

As with business rates, collection processes are continuously being reviewed to improve in-year and arrears collection. As part of this, we are issuing SMS message prior to issuing summonses, focusing recovery action on charge payers with high level of arrears and making greater use of charging orders to secure outstanding debts.

We are also engaging with our external enforcement agents to improve methods of collection, whilst protecting the most vulnerable.

At every stage of the recovery process, the council taxpayer is offered a formal payment arrangement. Within the recovery process, safeguards have been put in place to protect the most vulnerable.

Understanding the struggles households and businesses may be experiencing, we continue to encourage residents and ratepayers to contact the Council as soon as possible so that a suitable payment arrangement or any entitlement to discounts, exemptions and discretionary relief can be discussed.

From August 2024, council taxpayers are also able to request a payment arrangement through their online Revenues and Benefits account.

Furthermore, any customer contacting us with regards to their council tax payments, continues to be referred to the Council's cost of living support on our website, where they can receive help with benefits and other advice and support.

We are also ensuring that customers struggling to pay can speak to a council tax officer to discuss payment of the outstanding debt and any other support that may be available.

Looking Forward

Looking ahead to 2025/26, we are committed to building on the progress achieved this year, particularly the improvement in our in-year collection rate, which rose to 93.37% despite continued cost-of-living challenges. This improvement reflects our investment in proactive engagement, use of digital tools, and focus on early intervention, all of which we will continue to expand and refine.

A key development in our approach will be the implementation of debt segregation. By categorising outstanding debts based on characteristics such as age, amount, and collectability, we can apply more targeted and appropriate recovery strategies. This segmentation will allow us to better prioritise resource allocation, improve recovery of older or more complex arrears, and reduce the overall debt burden.

We are also taking steps to further improve our in-year collection performance. These include:

- Expanding the use of predictive analytics to identify customers at risk of falling into arrears.
- Enhancing our digital self-service channels, making it easier for residents to set up or amend payment arrangements.
- Continuing to work closely with enforcement agents to ensure effective collection practices, with a focus on protecting vulnerable residents.
- Increasing our use of SMS and email communications to provide timely reminders and reduce escalation to formal recovery stages.

These actions support our wider ambition to deliver a fair, efficient, and customer-focused service that balances strong financial management with support for those who need it most

3. Overpaid Housing Benefit

3.1 Headline Figures for period under review including costs

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
7.64	2.28	(2.90)	(0.34)	6.68

3.2 Background and comparator information

Background information

Housing benefit overpayments arise from delays in claimants reporting changes in circumstances. This is particularly true with respect to income and household composition and the retrospective impact of DWP and HMRC data matching. Furthermore, there are complexities around UC interactions together with processing delays in both supported and temporary accommodation. To minimise overpayments, we are increasing the use of automation, targeted compliance checks and improved data sharing with DWP.

Overall, housing benefit debt continues to reduce from £7.64m at 31/03/2024 to £6.68m at 31/03/2025.

Comparator information

Debt outstanding at:

- 31/03/2020 £13.74m
- 31/03/2021 £11.02m
- 31/03/2022 £9.45m
- 31/03/2023 £8.66m
- 31/03/2024 £7.64m
- 31/03/2025 £6.68m

3.3 Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	24	44
Deceased – No Assets	6	47
Insolvent / Bankrupt/ Liquidated	27	41
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	436	210
Totals	493	341

3.4 Volume/policy/statutory changes that have occurred during the period and their impact

Changes

There are no changes to report on overpaid housing benefit.

3.5 Summary of measures taken to recover debt

Debt recovery measures

Debt is collected by means of deduction from ongoing benefit payments if there is a current entitlement to housing benefit.

Legislation permits us to deduct overpayments from other state benefits. However, when people transfer to universal credit our ability to collect weakens as we are 19th on the priority of creditors list. (A maximum of 3 deductions are allowed at any one time – if rent, council tax & utility bills are owed – the Council would not receive any monies in relation to the housing benefit debt).

If there is no current housing benefit entitlement, payment is requested from the customer in the first instance before an invoice is raised.

Where no benefits are in payment, but the debtor is in employment we seek to obtain a Direct Earnings Attachment.

The Council continues to work with those struggling to pay on a case-by-case basis, offering payment arrangements. Debt is not waived.

The workload associated with this income category continues to diminish as claimants transfer to universal benefit.

4. Housing Rent

4.1. Headline Figures for period under review

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
3.52	95.32	(94.92)	(0.06)	3.86

4.2 Background and comparator information

Background information

The authority currently collects rent from approximately 18,900 tenancies across the City. Approximately, 4,500 of our tenants (24%) are on full or partial Housing Benefit and 9,300 (49%) on Universal Credit. The debt raised & collected includes the element paid by Housing Benefit

Comparator information

Current tenant rent arrears have stayed consistent with last year, remaining at a level of £2.3m. Like many social landlords nationally, the team faced significant challenges in collecting rent and service charges, including managing changes to welfare benefits and the ongoing migration of Universal Credit. Due to the timing of the HRA period, 6 days following this report, current tenant debtors had fallen to £1.7m which highlights the hard work and resilience of the Income Collection Team. Furthermore, cash collected increased by 7.7% which is positive given the challenges being faced.

Since last year, total arrears have increased by £0.3m, relating to District Heating and Hostel Debt. However, a significant proportion of this debt is less than 90 days old and is also partially due to timing differences in housing benefit claims being processed.

Rent arrears usually from former tenants for previous years are baked into the overall debt and will take time to recover, if at all. We do not write off rent arrears unless the tenant is deceased or no longer a resident in the country, this leads to a “stagnant” pool of debt that remains unpaid, and inflates the debt carried forward year on year.

4.3. Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	0	0
Deceased – No Assets	0	0
Insolvent / Bankrupt/ Liquidated	0	0
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	128	56
Totals	128	56

4.4. Volume/policy/statutory changes that have occurred during the period and their impact

Changes

It is now over 8 years since the implementation of UC, and the roll out of the full UC commenced at the beginning of 2024. Under the latest plans, it is anticipated the managed migration of the final group of legacy benefit claimants will be completed by 2028/29.

Tenants in receipt of Housing Benefit can have it paid directly into their rent account. However, under UC money is paid directly to the claimant rather than the Council. Vulnerable tenants and those with a history of rent arrears or homelessness may be able to have their rent paid directly to the Council, as landlord, by applying for an Alternative Payment Arrangement (APA).

The continuing expectation is that tenants should be paying their rent and abiding by all terms of their tenancy agreement to the best of their ability. Various support is available to assist tenants to pay their rent as normal.

4.5 Summary of measures taken to recover debt

Debt recovery measures

The Income Management Team are working with the Department for Work & Pensions (DWP) to minimise any impact of UC roll out. Tenants continue to be supported with income maximisation and claims for HB and UC, which can assist with rent payments. The team provide support to claim Discretionary Housing Payments (DHP), when available and this year so far, have distributed the £1.1m allocation of the Household Support Fund (HSF) to help secure tenants and those in temporary accommodation, who were in rent arrears and met the criteria.

Appendix B

Rent Management Advisors are supporting vulnerable tenants to claim and maintain UC and other welfare benefit streams, including disability related benefits.

5. Parking Fines (Penalty Charge Notice)

5.1 Headline Figures for period under review

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
3.10	6.25	(4.09)	(1.28)	3.98

5.2 Background and comparator information

Background information

The Council issues penalty notices for both on-street and off-street parking charge evasion, as well as illegal parking. There are two nationally set rates based on the seriousness of the offence, details below.

- £25 or £35 if paid within 14 days.
- £50 or £70 if paid after 14 days.

When the penalty notices are written off, they are done so at the full rate plus any costs incurred.

Comparator information

The percentage of tickets issued during the year, paid at 31st March:

- 2023/2024 – 75%
- 2024/2025 – 76%

5.3. Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	4,989	518
Deceased – No Assets	34	4
Insolvent / Bankrupt/ Liquidated	443	48
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	6,277	712
Totals	11,743	1,282

5.4 Volume/policy/statutory changes that have occurred during the period and their impact

Changes

Although, the number of CEOs (excluding seniors and supervisors) has decreased to 55 in March '25 compared with 60 in March '24, the number of PCN's issued continues to increase compared with 23/24. Last year 109,534 tickets were issued and 120,886 this year, an increase of 10.4%. This has been facilitated by the new system and handheld devices used by CEOs since they were introduced in April 2023.

The increase can also be attributed to staff becoming more proficient and experienced with the systems and equipment used. The Parking Enforcement Team are continuing to recruit new staff to carry out enforcement of existing, as well as new parking restrictions being introduced around the city.

Income generated by parking PCNs has steadily increased but is still limited somewhat by changes in working behaviour and patterns, shopping behaviour and changes and reductions to on-street parking availability in the city.

The number of no-trace cases continues to affect the recovery of debt as vehicles can be registered without proof of identity being provided.

5.5. Summary of measures taken to recover debt

Usual Debt recovery measures

- Reminder letters
- Legal action
- Enforcement action (bailiffs)
- Staff training and general discussions and improvements

6. Moving Traffic Enforcement Fines

6.1 Headline Figures for period under review

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off £m	Uncollected debt c/f £m
1.01	1.60	(1.17)	(0.49)	0.95

6.2 Background and comparator information

Background information

The Council issues penalty notices to motorists for driving in Bus Lanes/Gates or Bus Stop Clearways (red routes) and Moving Traffic Offences for stopping in a box junction and school streets.

These are levied at £70, discounted to £35 if paid within 21 days.

When the penalty notices are written off, they are done so at the full rate plus any costs incurred.

In November 2024, we started to enforce yellow box junctions at Vaughan Way/Causeway Lane junction and Gravel St/Abbey Street Junction. In January 2025, we started camera enforcement for School Streets at Overdale School, with cameras on Eastcourt Road and Northfold Road. Access is restricted during school hours, from 8 AM to 9 AM and 2:30 PM to 4 PM. Initially, the council will issue warning notices for first-time offenders. Continued violations will result in a live Penalty Charge Notice (PCN), with fines consistent across all Moving Traffic Contraventions.

Comparator information

The percentage of tickets issued during the year, paid at 31st March:

- 2023/2024 – 76%
- 2024/2025 – 72%

6.3 Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	1,857	126
Deceased – No Assets	29	3
Insolvent / Bankrupt/ Liquidated	173	20
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	3,599	344
Totals	5,658	493

6.4 Volume/policy/statutory changes that have occurred during the period and their impact

Changes

Four new cameras were installed in the second half of 2023/24 and have been operational for the whole of 2024/25: two at Abbey Park Road and one at each of Melton Road and Anstey Lane.

The Abbey Street camera is now active since June 2024 and will enforce the new bus-only street, following the opening of the new St Margaret's bus station and completion of associated junction works.

In November 2024 we implemented camera enforcement for two yellow box junctions for Vaughan Way/ Causeway Lane Junction and on the Junction of Gravel St/Abbey St.

In January 2025 we have introduced Camera enforcement for School Street for Overdale School.

Income raised has increased from £1.4m in 23/24 to £1.6m in 24/25.

6.5 Summary of measures taken to recover debt

Usual Debt recovery measures

- Reminder letters
- Legal action
- Enforcement action (bailiffs)

7. Other Income

7.1 Headline Figures for period under review including costs*

Uncollected debt b/f £m	Debt raised £m	Debt collected £m	Debt written off/back £m	Uncollected debt c/f £m
20.11	167.68	(152.36)	(1.18)	34.25

7.2 Background and comparator information

Background information

“Other Income” includes all income other than the sources described above. It covers a wide variety of income from various individuals and organisations. Examples include commercial property rent, adult social care costs relating to residential and non-residential care, and repairs and maintenance charges relating to Council property.

Unlike other sources of debt, the total debt value can fluctuate based on the type and timing of income being collected. Therefore, when reviewing this type of debt, we continue to focus on aged debt as the main measure of performance rather than value.

Comparator information

Debt over 12 months old (aged debt) has increased in the past year:

- 31/03/2019 £3.59m
- 31/03/2020 £3.48m
- 31/03/2021 £4.33m
- 31/03/2022 £4.48m
- 31/03/2023 £5.25m
- 31/03/2024 £5.05m
- 31/03/2025 £7.43m

The increase is significant and is largely explained by a huge increase in the value of invoices issued (from £125m in 2024/25 to £168m in 2025/26). However, collection of debt can require support from a number of disciplines, and performance has also been affected by resource shortages leading to bottlenecks in the collection process.

In response, the team is undertaking a comprehensive analysis of the aged debt portfolio, to identify key areas of concern, understand the underlying causes of debt accumulation, and assess the effectiveness of current recovery

mechanisms. This will enhance visibility and inform targeted recovery strategies. The analysis is expected to be completed ahead of the next reporting cycle, at which point a plan will be presented to your committee.

In addition, steps are being taken to equip service areas with the necessary tools and information to enhance debt collection efforts. This includes improving data collection processes when debts are first raised, to obtain critical debtor information such as email addresses and mobile phone numbers which we can then use for reminder purposes.

We have also provided dedicated resources in Adult Social Care, which – for obvious reasons - is where much of the “difficult to collect” debt lies. This will focus on:

- Maintaining regular contact with debtors.
- Establishing payment agreements tailored to individual circumstances.
- Monitoring adherence to repayment schedules.

This integrated approach aims to significantly improve recovery rates within ASC and set a framework for best practices across other service areas.

7.3 Debt write-off

Reason for Write Off ↓	No.	Value £000
Unable to Trace	106	54
Deceased – No Assets	789	356
Insolvent / Bankrupt/ Liquidated	371	344
All recovery options exhausted / irrecoverable at reasonable expense, including adjustments for costs and write on	2,170	429
Totals	3,436	1,182

7.4 Volume/policy/statutory changes that have occurred during the period and their impact

Changes

None

7.5 Summary of measures taken to recover debt

Debt recovery measures

The debt recovery measures detailed below are part of our normal process, but the Council continues to offer support where required for those suffering financial hardship.

Normally, a first reminder is issued at 14 days when an invoice remains unpaid. Seven days later a second reminder is issued.

A variety of different recovery actions may then follow depending on the particular debt type as each have different processes and considerations.

A letter before action, known as a letter of claim, follows if the case is suitable for enforcement in the county court. If the Council obtains a judgement or an order for recovery of an award and if payment is still not forthcoming, the next actions can include:

- Referral to an enforcement agent
- Third party debt order
- Attachment to earnings
- Charging Order

Cases not suitable for enforcement through county court procedures are referred to enforcement agents for collection. Debtors are encouraged to engage with our support offers.

Some debt types including Adult Social Care residential care contributions, EBS commercial rents and Leaseholder service charges are referred to legal services for further action.

Appendix C

Summary of all Write Offs

The table below provides detail on the reasons why debt is written off during the year.

Income Type	Unable to trace £000	Deceased - no assets £000	Insolvent/ Bankrupt/ Liquidated £000	Irrecoverable at reasonable effort and expense £000	Total Write offs at 31/03/2025 £000
Business Rates (including Costs)	42	1	1,588	518	2,149
Council Tax (including Costs)	1,546	174	680	875	3,275
Housing Benefit Overpayments	44	47	41	210	341
Council House Rents	0	0	0	56	56
On and Off-Street Car Parking fines	518	4	48	712	1,282
Moving Traffic Enforcement	126	3	20	344	493
Other Income	54	356	344	429	1,182
Totals	2,330	585	2,720	3,143	8,778

Appendix D

Write Offs Over £5k for 2024/25

Income Type	No. of Write Offs	Value £000
Non-Domestic Rates (including Costs)	99	1,889
Council Tax (including Costs)	58	720
Housing Benefit Overpayments	9	149
Council House Rents	0	0
On and Off-Street Car Parking fines	0	0
Bus Lane Enforcement	0	0
Other Income	49	706
Totals	215	3,464

- Financial procedure rules require me to itemise any individual write-offs in excess of £100,000. There have been no such write-offs since the last monitoring report at period 6.