

**EAST AYRSHIRE COUNCIL**

**HOUSING COMMITTEE – 22 MAY 2002**

**PROPOSED FORMER TENANT BALANCES WRITE-OFFS**

**Report by Director of Finance**

**1 PURPOSE OF REPORT**

- 1.1 To recommend that Former Tenants balances prior to 31 March 2001 be written-off within the financial year 2001/02.

**2 BACKGROUND**

- 2.1 The financial accounts of the authority include debts relating to Former Tenants balances and an amount of Bad Debt provision in respect of these debts. The Accounts Commission have indicated that, in their opinion, it is good accounting practice to write such amounts off within the accounts on a regular basis.

**3 PROPOSAL**

- 3.1 It is requested that this Committee approve writing the value of £733,169.23 out of the accounts for the 2001/02 financial year.
- 3.2 These debts will continue to be held by the Finance Department and will be provided to and pursued by the external collection agencies recently appointed. In addition they will be taken into account should any of the debtors make application for Council Housing in the future.

**4 FINANCIAL IMPLICATIONS**

- 4.1 This is an accounting entry only and will have no effect on the projected outturn financial position of the Council. Wherever possible, the individual debts are being and will continue to be pursued.

**5 LEGAL IMPLICATIONS**

- 5.1 Nil.

## 6 RECOMMENDATIONS

It is recommended that Members:

- 6.1 approve the write-off in the 2001/02 financial year of the sum indicated above;  
and
- 6.2 otherwise note the contents of this report.

Alex McPhee  
**Director of Finance**

AMCP/DMW  
7 May 2002

### LIST OF BACKGROUND PAPERS NIL

Any person who wishes any further information on this report should contact Alex McPhee, Director of Finance, Tel 01563 576300.

**AGENDA**