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| Committee(s): | Date(s): | Item no. |
| Barbican Residential Committee Finance Committee | 12 December 2011 | 14.2 |
| Subject: Former Barbican Tenant - Arrears Write Off | | Non-Public |
| Report of: Director of Community and Children's Services | | For Decision |
| <h1 style="text-align: center;">NOT FOR PUBLICATION</h1> <p style="text-align: center;">By virtue of paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972.</p> | | |
| <p style="text-align: center;"><u>Executive Summary</u></p> <p>This report, which is for decision, seeks approval under Standing Order 53, to write off a debt of £5,694.73. The debt, which is considered uneconomic to pursue, is in respect of a former Barbican tenant's rent arrears.</p> <p>A provision of £188,000 is included in the City Fund accounts for bad and doubtful debts relating to services covered by the Barbican Residential Committee. Should Members agree to the proposed write off, the debt may be charged against this provision. This will not affect service charges for leaseholders.</p> <p>Recommendation: That, subject to the concurrence of the Finance Committee, the Barbican Residential Committee agrees to write off this debt.</p> | | |

Main Report

BACKGROUND

1. The total for which write –off approval is sought is £5,694.73. The debt is in respect of arrears of rent and dilapidations which arose under a quarterly secure tenancy over a period of 3 months from June 2010 to September 2010. Rent accounts for £2,288.63 of the total debt and the balance of £3,406.10 is in respect of dilapidations.

2. The former resident, a single man, had lived at the property for over 30 years and was in receipt of Housing Benefit.
3. He moved to a care home in July 2010. In August he decided that he would remain in the care home and consequently his Housing Benefit for the flat was stopped. His prognosis was very poor and he had been told he only had a short time to live.
4. He was in receipt of a small pension which was being put towards his care home fees and had no savings.
5. The tenancy was surrendered with effect from 25 September 2010. The City of London Corporation waived the formal three month notice period in order to minimise the debt.
6. The former tenant died just before Christmas.

FINANCIAL IMPLICATIONS

7. The total debt recommended for write off is £5,694.73. Bad and doubtful debts are reviewed annually to ensure that adequate provision is made for any debt that is unlikely to be recovered. The current provision for services overseen by the Barbican Residential Committee is £188,000. This includes 100% provision for this debt. Should members agree to the write off, the debt may be charged against this provision. This will not affect service charges for leaseholders.

CONSULTEES

8. The Comptroller and City Solicitor and the Chamberlain have been consulted in the preparation of this report and their comments have been incorporated.

CONCLUSION

9. In view of the fact the former tenant has died and had been in receipt of Housing Benefit I would recommend that the arrears are written off.

Joy Hollister
Director of Community and Children's Services

