

WIRRAL COUNCIL
PENSIONS COMMITTEE
17 JANUARY 2012

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| SUBJECT: | PROPERTY RENT ARREARS |
| WARD/S AFFECTED: | ALL |
| REPORT OF: | DIRECTOR OF FINANCE |
| KEY DECISION | NO |

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to write off £30,112.39 of unrecoverable rent arrears from the property portfolio.
- 1.2 A report from CBRE detailing property rent arrears, contains exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972, i.e. Information relating to the financial or business affairs of any particular person (including the authority holding that information). This is included on the exempt part of this agenda.

2.0 RECOMMENDATION

- 2.1 That Pensions Committee approves the write-off of uncollectable property rental income of £30,112.39.

3.0 REASON FOR RECOMMENDATION

- 3.1 CBRE consider these rental arrears to be irrecoverable. The approval of the write off of irrecoverable rent arrears by Pensions Committee forms part of the governance arrangements of Merseyside Pension Fund. These arrangements were approved by Pensions Committee as part of the Statement of Investment Principles on 16 November 2010.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 CBRE is the managing agent for the property portfolio, and amongst other functions, they have responsibility for the collection of rent and management of arrears. On an annual basis CBRE produce a report on arrears which forms an exempt report on this agenda.

5.0 RELEVANT RISKS

- 5.1 Not relevant for this report.

6.0 OTHER OPTIONS CONSIDERED

- 6.1 CBRE has considered a number of actions for the recovery of rental arrears before any write off is recommended.

7.0 CONSULTATION

7.1 Not relevant for this report

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 There are no implications arising directly from this report.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

9.1 There total amount recommended for write off in this report is £30,112.39 representing 0.16% of the total current annual rental income of £18,472,249.

10.0 LEGAL IMPLICATIONS

10.1 There are no implications arising directly from this report.

11.0 EQUALITIES IMPLICATIONS

11.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(b) No because there is no relevance to equality.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are no carbon usage implications, nor any other relevant environmental issues arising from this report.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are no planning or community safety implications arising from this report.

FNCE/7/12

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APPENDICES

The report from CBRE is an exempt report.

REFERENCE MATERIAL

No reference material used in the production of this report.

SUBJECT HISTORY (last 3 years)

| Council Meeting | Date |
|---|------------------------|
| Pensions Committee : | |
| Write off of property Rental Arrears | 11 January 2011 |
| Write off of property Rental Arrears | 13 January 2010 |
| Write off of property Rental Arrears | 14 January 2009 |