

WIRRAL COUNCIL

PENSIONS COMMITTEE

20 JANUARY 2014

SUBJECT:	PROPERTY PORTFOLIO RENT ARREARS AND WRITE OFFS
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF RESOURCES
KEY DECISION	NO

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to request that Members agree to the write off of £1,033,550.67 of unrecoverable rent arrears from the Fund's property portfolio.
- 1.2 Appendix 1 to the report, (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).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 As Members will be aware, CBRE are the managing agents for the Fund's property portfolio. Amongst other functions, they have responsibility for the collection of rent and management of arrears. On an annual basis they produce a report on uncollectable arrears which is attached as an appendix to this report.

3.0 RELEVANT RISKS

- 3.1 Not relevant for this report.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 CBRE considers a number of actions for the recovery of rental arrears before any write off is recommended.

5.0 CONSULTATION

- 5.1 Not relevant for this report

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 There are no implications arising directly from this report.

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

- 7.1 The total amount recommended for write off in this report is £1,033,550.67 representing 5.14% of the total annual rental income of £20.1m for 2013/14.

8.0 LEGAL IMPLICATIONS

8.1 There are no implications arising directly from this report.

9.0 EQUALITIES IMPLICATIONS

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

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

10.0 CARBON REDUCTION IMPLICATIONS

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

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

12.0 RECOMMENDATION/S

12.1 That Pensions Committee approves the write-off of uncollectable property rental income of £1,033,550.67.

13.0 REASON/S FOR RECOMMENDATION

13.1 CBRE considers 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.

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APPENDICES

The report from CBRE is attached as an exempt appendix to this 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	15 th January 2013
Write off of property Rental Arrears	17 th January 2012
Write off of property Rental Arrears	11 th January 2011

