

North Somerset Council Decision

Decision Of: Executive Member for Corporate Services

With Advice From: Section 151 Officer

Directorate: Corporate Services



Decision No: CSD113 2022/23

Subject: Write off of Sundry Debts >£10,000 February 2023

Key Decision: Yes

Reason: The council's current debt recovery and write-off policy states that all write off proposals in excess of £10,000 are to be approved by the Executive Member. All Executive Member decisions are key decisions.

Background:

Each month the Council reviews the balances held on its sundry debt ledger following an extensive process of recovery related actions. In accordance with the Debt Recovery and Write-Off policy the Council may identify a series of invoices or accounts that have been deemed as unrecoverable for various reasons, and seek to write these off, so that they are no longer retained and showing as debtors within the Council's accounts. Examples of potential write-off categories are noted below;

1. Debt balance is non-material and uneconomical to recover
2. Debt not recoverable as customer has entered bankruptcy proceedings
3. Debt not recoverable as Executor has notified of no money within estate
4. Customer gone away and unable to locate
5. Debt over 6 years old and uneconomical to recover
6. Social care related assessment processes

The accounts within this specific decision are all in excess of £10,000 and so have been subject to additional scrutiny in accordance with the debt recovery process. Invoices to be written off include sums linked to the provision of social care services for service users who have since passed away. Efforts were made to collect these sums although this proved challenging as in one case, no next of kin were able to be located and in another, there was a dispute in relation to the agreed level of contribution payable towards care costs which remained unresolved at the time of their passing. Additional probate related reviews enabled some sums to be recovered in one case, although there were insufficient funds remaining within the estate to cover all of the outstanding debts.

Decision:

To cease recovery actions associated with these debts and approve write-offs within Agresso for the accounts totalling **£52,239.38**

Reasons:

All steps within the council's debt recovery policies have been taken and there are no further options available. It is therefore appropriate to write these sums off in accordance with good financial governance principles.

Options Considered:

None - all recovery options have been exhausted prior to the write off requested and recommendations are in line with the Council's debt, recovery and write-off policy and other financial strategies.

Financial Implications:

Costs: £52,239.38

Funding

The write off values have been accounted for in relevant revenue budgets and are also supported through credit loss allowance or bad debt considerations.

Legal Powers and Implications:

All legal recovery options have been exhausted. The proposals are in line with financial regulations.

Climate Change and Environmental Implications:

N/A

Consultation:

In consultation with the relevant service managers within the Social Care directorate, debt recovery teams in Liberata and the Finance teams

Risk Management:

Financial risks have been assessed as part of the Council's integrated financial strategies and the residents' needs have also been considered and taken into account within this proposal.

Equality Implications:

Have you undertaken an Equality Impact Assessment? N/A

Corporate Implications:

This decision aligns to the requirements of the Council's Constitution and Financial Regulations.

Appendices:

None

Background Papers:

None

Signatories:

Decision Maker:

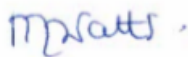


Signed:

Title: Executive Member for Corporate Services

Date: 31 March 2023

With Advice From:



Signed:

Title: Head of Finance and Deputy S151 Officer

Date: 31 March 2023