

Financial Procedure Rules – Tracked changes for Council Report for 13.12.2017

Debtors

12.13 Wherever possible, payment should be obtained in advance or at the time of provision of a service, goods, letting or works.

12.14 Where credit is given, Heads of Service must ensure that the credit status of each customer is satisfactory. Heads of Service are responsible for arranging for staff to raise debtor accounts using the financial ledger approved by the Director of Finance immediately a debt falls due. Each Head of Service, in conjunction with the Director of Finance must maintain adequate records to ensure that all credit income due to the Council is promptly recovered. Where services are proposed through the years accounts, they should be raised on a monthly basis to the body in receipt of the service.

12.15 Each Executive Director's own Scheme of Delegation must identify employees authorised to act on that Executive Director's behalf, or on behalf of the Cabinet, in respect of: income collection, together with the limits of each person's authority

Debts including Council Tax, Business Rates, Sundry Debt and, Housing Benefit Overpayments and NNDR

12.16 Heads of Service must regularly consider debts due and ensure adequate year end provisions for bad and doubtful debts. Authorisation of write off of individual bad debts is as follows at this stage

(a) Individual debts less than or equal to £2,500 – Head of Service (b) Individual debts less than or equal to £5,000 – Executive Director subject to documented consultation with the Director of Finance.

(c) Individual debts in excess of £5,000 – Cabinet.

Council Tax Bad Debts

12.17 The Head of Service responsible for managing the contract to administer housing benefits and collect Council Tax, NNDR, Business Rates, Sundry Debt and Housing Benefit Overpayments shall regularly review the level of debts due and ensure in conjunction with the Director of Finance the adequate provisions required for bad and doubtful debts. Authorisation of write off for individual debts is as follows at this stage.

a) Individual debts less than £15060 by The Unity Partnership Ltd as the agreed Council contractor. Each month-quarter, The Unity Partnership Ltd they shall submit a report to the Director of Finance detailing these write offs.

b) Individual debts up to £1,000- 2,500 by the - Head of Service.

c) Individual debts up to £2,500- 5,000 by the – Executive Director subject to documented consultation with the Director of Finance.

d) Individual debts over £2,500- 5,000 by – Cabinet

12.18 As part of the closure of the final accounts the Director of Finance shall undertake a detailed review of the outstanding debts owed to the Council and write off amounts deemed irrecoverable prior to the draft annual accounts being submitted to the Audit Committee for approval. The individual debts written off as part of this process shall be reported to the Cabinet Member Finance and HR

12.19 The 'writing off' of a debt does not absolve a Head of Service of the responsibility to collect such debts, and the position in relation to such debtors is to be monitored by the Head of Service.

12.20 Where the Director of Finance considers that individual services have not raised debtors accounts in a prompt manner the officer may circulate the interest lost to the Council and charge this amount to the service budget.

12.21 On an annual basis Heads of Service will review the level of debtors accounts in their particular area which remain unpaid. This will be discussed with the Director of

Finance and/or their representative and provision made for any amounts which require a provision to be made for bad debts at the end of the financial year.

12.22 The amount of income to be credited in respect of sundry debts to individual Directorate accounts shall be determined by the Director of Finance with a clear reference to the actual cash amount received by the Council.