Appendix 5

# Oldham Council Audit and Counter Fraud Team

## 2025/26 Fundamental Financial Systems

## Debt Recovery

## Audit Report

## 17 June 2026

**Prepared by:**

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**Reviewed by:**

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**Issued to:**

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# 2025/26 Fundamental Financial Systems

# Debt Recovery

## 1 Background

1.1 In line with Annual Internal Audit Plan, a review of the Council's Debt Recovery systems has taken place. Audit and Counter Fraud will collaborate with our External Auditors, Forvis Mazars, to support their year-end audit planning to ensure that the agreed audit programme for each financial system reflects key risks, internal controls, and is delivered in accordance with Public Sector Internal Audit Standards.

1.2 The systems examined in this review relate to Sundry Debtors, Council Tax and Non-Domestic Rates (NDR). Council Tax, NDR and Sundry debts are reviewed as part of their own separate system audits, but the recommendations relating to debt in those areas have been summarised within this report, which attempts to provide a Council wide view of debt and assurance opinion in relation to the Council's overall levels of debt, and its systems and processes in place to address this issue.

## 2 Objectives and Scope

2.1 The objective of the audit was to review and test the operation of the system, including controls, to ensure that appropriate procedures and controls are in place and operating effectively. This review has been conducted in accordance with the Global Internal Audit Standards (GIAS) 2024, and the Chartered Institute of Public Finance (CIPFA) Local Government Application Note (LGAN) 2024.

2.2 The key system controls examined relate to follow-up and recovery of outstanding debts in line with agreed procedures.

2.3 Our approach involved:

- Follow up of previous recommendations made in the 2024/25 review.
- Walkthrough testing to ensure that processes and controls are operating as expected.
- Compliance testing of key controls.

## 3 2025/26 Draft Audit Opinion

3.1 The overall audit opinion is that the controls in place provide **Limited** assurance. The findings leading to this opinion are discussed below.

# 4 Findings

## Total outstanding debt

4.1 A summary of the outstanding levels of debt for Council Tax, NNDR and Sundry Debts is as follows:

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|---|---|---|---|---|---|
| **Council Tax** | £32.889m | £33.56m | £34.40m | £38.24m | £43.12m | £49.15m |
| **NNDR** | £9.236m | £9.384m | £8.51m | £7.80m | £10.02m | £12.71m |
| **Sundry Debtors (inc. ASC debtors)** | £18.161m | £23.57m | £23.44m | £27.46m | £29.4m | £36.60m |
| **Total** | **£51.80m** | **£60.29m** | **£66.51m** | **£66.35m** | **£73.50m** | **£98.46** |
| **Number outstanding invoices (Sundry Debtors)** | 17,334 | 20,654 | 23,177 | 25,337 | 29,134 | 32,805 |

## Adult Social Care Debt

4.2 In respect of Adult Social Care debt, which forms part of the Sundry Debtors figures in the table above, on 31 March 2020 the total service debt outstanding was £7.752m. By 31 March 2026 the total debt in connection with the Community Health and Adults Social Care has increased to £22.465m.

| | 31-Mar-22 | 31-Mar-23 | 31-Mar-24 | 31-Mar-25 | 31-Mar-26 |
|---|---|---|---|---|---|
| Debt by Type | £ | £ | £ | £ | £ |
| Companies | 433,044 | 2,693,211 | 2,869,734 | 3,362,3985 | 2,774,536 |
| Individuals | 8,776,775 | 10,330,708 | 12,462,060 | 15,363,485 | 19,636,828 |
| Public Bodies | 1,414,507 | 53,614 | 101,044 | 118,842 | 53,429 |
| Total Debt | 10,624,326 | 13,077,533 | 15,432,838 | 18,844,722 | 22,464,793 |

**See Recommendation 1 in Section 6 below.**

## Council Tax Debt

4.3 **Bad Debts**

As with previous reviews, a sample of longstanding debts were monitored to ensure all were being followed up in line with agreed procedures and in a timely manner. Some of these debts had been monitored in previous reviews. The sample chosen are detailed in Appendix 1 below. From the debts selected during this review, it was found:

- One company had been dissolved. A consequence of which meant that under the six-year statutory restoration period rules no company restoration was possible, and a possible sale could be agreed with the Duchy of Lancaster.
- Five debts had been sent to Legal in order to update the Charging Order debt, with a view to progressing three cases to an Order for Sale, while the other two cases were being pursued by agreed follow-up procedures, in one case via bailiffs.

- Two bankrupt cases were included within the sample, with one case being sent to Weightmans Solicitors for bankruptcy proceedings to recover both Council Tax and Business Rates, while another was being dealt with by Horsefield's Insolvency Practice. This case had been declared bankrupt in 2025, but to date there had been no feedback from Horsefields.
- One debt was being pursued through agreed follow-up procedures, and a further debt which had been passed to enforcement agents who had declared the debt as uncollectable but further action appeared to have stalled.

A copy of the revised spreadsheet used to administer those cases being referred to the Debt Panel was reviewed. The spreadsheet was used as the basis for monitoring cases that had been referred to the Panel. Some of the dates showing when the Liability Orders went from and to showed the 'to'' date as being 'present', so it could not be ascertained when that debt was secured to.

Other cases showed one date, presumably the start date, but no end date. Another column showing the balance of Liability Orders was only partially complete. The tabs attaching to the spreadsheet detailed the cases referred to the Panel at each of the Panel sittings, and the follow-up actions agreed. Incorporating these tabs to the main spreadsheet may be beneficial to providing a better picture of the recovery status of each case.

**Please refer to Recommendations 2 below.**

**<u>Orders for Sale</u>**

4.4 It was agreed in the 2023/24 review that, in order to formalise better monitoring and review processes to help ensure progression of Charging Orders to Orders for Sale, there would be more active involvement in this area by the Debt Panel.

Despite the success in progressing two of the three previous Orders for Sale, only one further order for sale appeared to be progressing through the Debt Panel. Following the Panels meeting on 02/12/2025, it was agreed a total of six cases would be progressed to Orders for Sale following an inspector's visit to ensure the properties were empty. A further eight cases were referred for visits following the Panel meeting on 29/01/2025. At the time of this review, these visits had not been undertaken.

**Please refer to Recommendations 3 below.**

**<u>Attachment of Earnings / Benefit</u>**

4.5 A sample of ten Council Taxpayers with an Attachment of Earnings was reviewed to ensure payments were being received in a timely manner in line with the terms of the respective attachments. No Council Taxpayers were making payments via an Attachment of Benefits. This year's sample is shown in Appendix 3 below, while the debts selected for the final report for 2024/25 are shown in Appendix 4.

Attachment of earnings:

- Of the ten debts reviewed with Attachment of Earnings, three only recently had the Attachment of Earnings served and no payments had yet been received, whilst five showed that payments were being received.

- Two cases had not been reviewed as they should have been, and payments had ceased.

- The total debt for the ten debts reviewed was £73,749.77.

**Please refer to Recommendation 4 below.**

**Write-Offs Council Tax**

4.6 In respect of Council Tax debts, the only write-offs that had been undertaken were in respect of debts below £100.00. The total amount for submitted for write-off as per the accompanying spreadsheet totalled £1,267.15, but these could not be tracked back to the four approvals for write-offs under £100.00 that had been provided. There was no reconciliation on file between the amounts approved for write-off, and the actual write-offs undertaken.

**Please refer to Recommendation 5 below.**

## NDR Debt

**Bad Debt Follow - Up and Enforcement**

4.7 In line with previous reviews, a selection of ten longstanding debts were reviewed to ensure they were being followed up proactively in line with agreed follow-up procedures (see Appendix 2):

- Two debts had been passed to enforcement agents in July 2025, but there had been no feedback from the agents in the previous twelve months as to how this enforcement was progressing.
- Six debts (£619,401.95) were awaiting Cabinet approval for write-off. The last action on one of those was in 2025, whilst two others were flagged as waiting for approval in the 2024/25 review. A fourth case went into liquidation in 2024 with Cabinet approval still outstanding, whilst a fifth case had gone bankrupt, and approval was still outstanding from 2023.
- One debt was awaiting the outcome of an application for Discretionary Rate Relief.
- One debt was awaiting a trace enquiry.

The total amount for the debts reviewed was £1,087,979.58.

**Please refer to Recommendation 6 & 7 below.**

**Write-Offs NDR**

4.8 Four batches of write-offs for NNDR in two different bandings had been submitted for write-off. These were as follows:

- £17.94
- £76.34
- £12,394.78
- £19,941.81

Whilst the spreadsheets detailing the individual accounts making up each batch detailed the individual, and total amounts written-off, there was no confirmation that the amounts written-off in the Agresso System matched the debts submitted for write-off.

**Please refer to Recommendation 8 below.**

## Sundry Debt

**Debts in Legal**

4.9 A review was also undertaken of a sample of ten debts that had been previously passed to Legal for debt follow-up through the Legal System. Of those ten reviewed, seven had been subject of a similar review last year. The total value of the ten debts was £328.1k.

Two of the debts were awaiting feedback from the Council's external solicitors Weightmans, but the follow-up of these debts had not progressed since they had been subject of review in the audit reviews for 2023/24 and 2024/25.

Two of the debts also reviewed last year had received no further payments and emails were sent by Legal Services requesting payments re-commence. Of the other six cases, a County Court Judgment had been obtained on one, a Charging Order was obtained on another and one was in dispute. Two had regular payments being made, and another had been paid in full.

A review of the debts currently being processed by the Legal Services section as of March 2026 was reviewed. The total debt of cases being progressed in Legal was £772k, which was slightly lower than the amount held in the 2024/25 review which totalled £796.5k. Of this debt £279.8k related to debts that were over 10 years old, which compared favourably with the comparable debt taken in the previous review of £380.3k. The oldest debt had its invoice raised in 2008.

VAT on bad debts can be reclaimed once the debt is over six months old (from the date the payment was due) and is less than four years and six months old. In order to reclaim the VAT must have been paid over to HMRC and the debt must have been written off in the accounts. The total amount of invoices for which VAT could not be reclaimed (if applicable) to the debt being over four years and six months old was £511.6k.

**Please refer to Recommendations 9, & 10 below.**

**Time Bound Debts**

4.10 For most debts there is a six-year time limit for recovery from when the last correspondence was sent or the last payment received. After that time the debt becomes time bound, and debt follow-up is no longer a legal option. In the absence of any spreadsheet monitoring of cases in Legal it was not possible to ascertain if any cases had become time bound, and what value these cases would be. The total value of cases that were being progressed in Legal over six years old totaled £401.9k.

**Please refer to Recommendation 11 below**.

4.11 **Write-Offs -Finance Procedure Rules**

The Finance Procedure Rules embodied within the Council's Constitution state that debts within each of the five categories of write-offs should be submitted to the Director of Finance for approval and onward progression for the write-off itself. At the time of the review, no write-offs had been processed in the 2025/26 financial year.

**Please refer to Recommendation 12 below.**

## 5 Way Forward

5.1 An Action Plan is included in **Section 6.** The table contains recommendations identified as part of other Fundamental Systems reviews which are included in order to provide an overall view of the Council's Debt Recovery Processes.

Progress against the agreed recommendations will be reviewed as part of an agreed timetable.

5.2 We would like to thank officers in the department for their help in this review. In the meantime, once the report has been finalised, we would be grateful if you would complete the Customer Service Questionnaire so that we can continuously review our service delivery.

5.3 **Disclaimer**

This report is made solely as an internal management report to the Officers of the Council identified on the report distribution list as an aid to the effective management of Council resources, and for no other purpose. Our audit work has been undertaken in accordance with the Global Internal Audit Standards (GIAS) 2024, and the Chartered Institute of Public Finance (CIPFA) Local Government Application Note (LGAN) 2024. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than those Officers for whom the report was produced, for our audit work, for this report, or for the opinions we have formed.

## 6 2025/26 Final Action Plan

The table below shows the recommendations for the findings arising from our audit review. We have prioritised the recommendations to provide you with an indication of the importance for each nominated officer. If an officer disagrees with the prioritisation, they should discuss this with the auditor as part of the finalisation process.

**High Priority** - Significant risk to the Council or Service, the recommendation is essential for sound or effective control.
**Medium Priority** - Moderate risk to the Service it is important that the recommendation is completed
**Low Priority** - Small risk to the Service it would improve control if the recommendation were to be completed.

| No | Recommendation | Priority | 2023/2024 & 2024/25 Management Comments | 2025/26 Management Comments | Who / When |
|---|---|---|---|---|---|
| 1 | **Proposed ASC Debt Recovery Process**<br><br>The action plan to address outstanding debt presented to DMT in July 2021 should be progressed.<br><br>**Brought forward from previous years.** | High | **Complete.**<br><br>The Adult Social Care Debt policy continues to provide guidance and support to officers in decision-making, helping to endure consistency and transparency. Following the end of the Income and Prevention Officer post in December 2024, casework has been absorbed into the wider service.<br><br>The 2025/26 review of Revenues and Benefits including the Accounts Receivable, and Client Finance teams are now underway. This review will assess current processes, resourcing and governance arrangements. | Complete<br><br>Regular debt panel meetings continue but the restructure of the Revenues and Benefits service is yet to be approved.<br><br>The fundamental issue with ASC Debt has been the delays in dealing with Financial Assessments and the lack of resources in Accounts Receivable, both of which are addressed in the restructure.<br><br>The Financial assessment Recovery Plan has been successful in reducing the backlog of Financial Assessments and support from the Benefits team to complete the FABU for 2026/27 has meant that it was substantively | Assistant Director Revenues and Benefits |

| No | Recommendation | Priority | 2023/2024 & 2024/25 Management Comments | 2025/26 Management Comments | Who / When |
|---|---|---|---|---|---|
| | | | This work has commenced already. Regular debt panel meetings are in progress where cases are reviewed and decisions regarding recovery action are being taken. | complete several months sooner than in 2025/26.<br><br>The approval of additional resources for debt recovery will also allow progress to be made when the staff are in post. NB interviews are taking place in July 2026 with staff to be in place by August 2026. | |
| 2 | **Bad Debts:**<br>The Panel Spreadsheet should be updated for all columns including dates when the liability has been claimed to, and how much the of the liability has been secured. Debts progressing through bankruptcy or Orders for Sale should be clearly identified with the monitoring undertaken for those cases detailed. | Medium | **No previous comments received.** | Agreed in part.<br><br>The Debt Panel spreadsheet is used as a management tool to help identify and prioritise complex cases for review. The full case history and recovery position are held on the MRI system, which remain the main record for each account.<br><br>The spreadsheet has been reviewed to ensure it clearly identifies the current recovery stage of each case, however the MRI system is where detailed notes are recorded. | Interim Head of Revenues – June 2026 |
| 3 | **Orders for Sale:**<br>A process should be implemented to ensure there is continuous monitoring and progression of Charging Orders to Orders for Sale where this is | Medium | **Agreed:** The Process has been implemented and embedded within business-as-usual debt panel reviews. | Agreed In part.<br><br>The review identified that visit outcomes had not been updated on the system and this has been corrected. | Interim Head of Revenues – June 2026 |

| No | Recommendation | Priority | 2023/2024 & 2024/25 Management Comments | 2025/26 Management Comments | Who / When |
|---|---|---|---|---|---|
| | appropriate. Visits to properties relating to debts should be undertaken. | | Monthly Debt Panel Meetings are scheduled in line with the requirements of the Councils Charging Order and Insolvency Policy. Monthly reviews are also in place to monitor ongoing cases with solicitors acting on the Councils behalf.<br><br>Three new Order for Sale cases have been sent for enforcement in 2025/26, and a number of cases with secured arrears are under review. These instances include where owner occupiers are asset rich but cash poor, and others where owners have tenanted their properties. Careful consideration is being given to avoid action that could lead to making residents homeless.<br><br>The review of potential charging orders and Order for Sales are now treated as business as usual.<br><br>Learning from the three initial order for sale cases have highlighted that disposal is a costly and length process, with additional risks such as disputed ownership, undisclosed occupation, and property | Order for sale action is not an automatic next step in every case where a charging order is held. A charging order secures the arrears and accrues interest against the equity in the property.<br><br>An order for sale is complex and can involve significant legal cost, length timescales and wider risk.<br><br>The Council does use order for sales and has enforced sales on a number of properties when appropriate.<br><br>The review has ensured a clear position for each case has been recorded and there is an agreed next steps in place for each case.<br><br>In relation to the cases Further checks have confirmed that the 14 cases are at different stages.<br><br>5 cases are being progressed by external solicitors on behalf of the Council for Order for Sale action. | |

| No | Recommendation | Priority | 2023/2024 & 2024/25 Management Comments | 2025/26 Management Comments | Who / When |
|---|---|---|---|---|---|
| | | | disrepair. While costs have been recovered, this experience is being used to refine case selection.<br><br>It is anticipated that legal action on occupied properties would be significantly more costly, and the Council would seek to enforce a payment arrangement in the first instance there is the courts would be required to enforce an order for sale increasing the risk of homelessness for any potential debtors. | Several have been passed for updated charging orders, one has paid in full, one is subject to a payment arrangement, two are subject to liability disputes, one is now occupied.<br><br>The remaining cases have ongoing charges, and a new liability order has been obtained for the 2026/27 charge. These cases will be brought back to the debt panel to determine the next course of action. | |
| 4 | **Attachment of Earnings / Benefits:** All existing Attachment of Earnings / Benefits should be monitored on an ongoing basis. In addition to pursuing those debtors where the relevant attachments are not being applied, those with existing debts should be reviewed to ensure they don't fall into further arrears. | Medium | **Agreed:** The Process has been implemented and embedded within business-as-usual processes<br><br>This area continues to be managed as business as usual, with reports generated from the Council Tax administration system and reviewed by the debt recovery team.<br><br>National issues remain with attachment of benefits, including significant delays with the DWP and cases where insufficient | Agreed in part<br><br>Attachment of earnings cases are already monitored through reports from the Council Tax system and reviewed by the debt recovery team.<br><br>The audit sample shows that payments were being received in several cases, and that some cases had only recently been served so no payments were yet due. | Interim Head of Revenues – June 2026 |

| No | Recommendation | Priority | 2023/2024 & 2024/25 Management Comments | 2025/26 Management Comments | Who / When |
|---|---|---|---|---|---|
| | | | benefit remains following other deductions already in place to allow any further deductions. There remain instances where employers are slow to commence deductions from attachment to earnings. Where delays or barriers arise, cases are escalated quickly to alternative recovery methods.<br><br>It is also recognised that deductions rarely clear Council Tax arrears within the financial year, which means debt often increases when a new year bill isn't paid. Council policy prevents the use of enforcement agents in Council Tax Reduction cases, which restricts the range of recovery options available. | The sample identified two cases where reviews had not taken place as expected. We have therefore strengthened our exception monitoring to ensure where payments have stopped, have not started or where arrears continue to increase, they are prioritised for review.<br><br>It should be noted that opportunities to recover outstanding amounts can be reduced where deductions are unsuccessful and there is limited engagement from the taxpayer. This is especially relevant for Council tax Reduction cases, as current Council policy does not provide for referral to enforcement agents for these cases.<br><br>Progression can also depend on employer responses, DWP timescales, existing deduction and the level of deduction available. Where an attachment is not effective or cannot be applied, alternative recovery action will be considered in line with policy and debtor considerations. | |

| No | Recommendation | Priority | 2023/2024 & 2024/25 Management Comments | 2025/26 Management Comments | Who / When |
|---|---|---|---|---|---|
| 5 | **Write-Offs: Council Tax:**<br>All batches of write-offs should be reconciled between the write-offs actually posted in the Agresso System and those debts authorised for write-off. These should be signed off by an authorised signatory. | Medium | **No previous comments received.** | Agreed.<br><br>The service recognises that debts approved for write-off should be reconciled to the amounts posted in Agresso and signed off by an authorised officer.<br><br>A regular write off review process has been put in place to ensure approved write off offs are processed, reconciled and evidenced. | Interim Head of Revenues – June 2026 |
| 6 | **Bad Debt Follow-Up and Enforcement:**<br>All bad debts should be routinely monitored and actioned promptly when arrangements are not maintained. Bad debts passed to Enforcement Agents should be monitored periodically to ensure follow-up was still progressing. | Medium | **Agreed:** Full implementation will take time to complete due to the scale of historic debt and limited review capacity. Current focus is on prioritising debts that remain recoverable and progressing these through appropriate enforcement.<br><br>Automations within the administration system continue to help identify cases where payments have stagnated or defaulted moving them onto the next stage of recovery. Monthly records are maintained to track arrears, costs and fees, amounts collected, and amounts written off. | Agreed<br><br>Automations within the MRI system continue to help identify cases where payments have stagnated or defaulted enabling them to move to the next stage of recovery<br><br>The appointment of 5 temporary Debt Recovery Officers and the Revenues and Benefits Service restructure will allow progress regarding the implementation of this recommendation to be accelerated. | Interim Head of Revenues – June 2026 |

| No | Recommendation | Priority | 2023/2024 & 2024/25 Management Comments | 2025/26 Management Comments | Who / When |
|---|---|---|---|---|---|
| | | | Authority has been gained to recruit 5 additional debt recovery staff on an 18 month temporary spend to save basis. In addition, authority has also been given for the AD Revenues and Benefits to explore with the Procurement Service a market testing exercise to identify a third party partner to assist in this work on an income sharing basis. This will also enable us to identify cases that need to be written off. | Procedures have been put in place to ensure debts referred to Enforcement Agents are monitored. | |
| 7 | **Bad Debt Follow-Up and Enforcement:**<br>Bad debts passed through to Cabinet for write-off should be monitored to ensure those write-offs are being progressed. | Low | **No previous comments received.** | Agreed<br><br>It is acknowledged that reports have not been taken to Cabinet for a number of years., but as part of a fundamental debt review reports will be brought forward to Cabinet in future.<br><br>At the same time, it is important that officer resources remain focused on current recovery activity and the effective collection of income.<br><br>Cases will be taken forward, with care taken to ensure that reports are fully evidenced, | Interim Head of Revenues – June 2026 |

| No | Recommendation | Priority | 2023/2024 & 2024/25 Management Comments | 2025/26 Management Comments | Who / When |
|---|---|---|---|---|---|
| | | | | accurate and appropriately prepared for determination.<br><br>The service is exploring the procurement of a third-party provider to review older debt across Council Tax, Business Rates, and sundry debt. This would include data analysis propensity to pay assessment, and recommendation on the most appropriate next steps for recovery or write off. | |
| 8 | **Bad Debt Write-Offs NDR:** Following all write-offs, an authorised signatory should reconcile the debts written off in the Academy System with the debts for which write-offs had been approved. | Medium | **Agreed:** Write offs are now being actioned on a quarterly. Identified cases are passed to the Exchequer Client Team to undertake due diligence checks and then forwarded for authorisation.<br><br>The authorisation will be retained by the Exchequer Client Team. | Agreed.<br><br>The service recognises that debts approved for write-off should be reconciled to the amounts posted in Agresso and signed off by an authorised officer.<br><br>A regular write off review process has been put in place to ensure approved write offs are processed, reconciled and evidenced. | Interim Head of Revenues – June 2026 |

| No | Recommendation | Priority | 2023/2024 & 2024/25 Management Comments | 2025/26 Management Comments | Who / When |
|---|---|---|---|---|---|
| 9 | **Debts in Legal:**<br>All debts currently with Legal Services should be reviewed on a continuous basis to ensure follow-up on each debt is progressing in line with debt recovery policy. | Medium | The legal service have one member of staff (legal assistant) who is responsible for progressing charging order applications for council tax as well as issuing all sundry debts and managing the process and progressing all debt recovery for any other service. The member of staff is continuing with business as normal but has created a spread sheet of all new debts sent to legal and is working on adding historical debts which unfortunately requires manual data entry. | The legal service now has two members of staff (Legal Assistant and Group Solicitor - Litigation) who are responsible for progressing charging order applications for council tax as well as issuing all sundry debts and managing the process and progressing all debt recovery for any other service. These members of staff are continuing with business as normal but have also created a spread sheet of all new debts sent to Legal and are working on adding historical debts which unfortunately requires manual data entry.<br><br>The Group Solicitor – Litigation now has a revised work focus on debt. | Director of Legal Services |
| 10 | **Debts in Legal:**<br>Debts in Legal that are inclusive of VAT should be reviewed prior to the ability to claim VAT expiring, and, where applicable, written off. | Medium | **Agreed:** All new debts are added to a spreadsheet and this is updated and being added to on a regular basis. This is now in effect.<br><br>Senior officers from Council tax, business rates and adult social care client finance and commissioning have formed a working group to establish how the debt levels can start | **Agreed:** All new debts are added to a spreadsheet and this is updated and being added to on a regular basis. This is now in effect.<br><br>Senior officers from Council tax, business rates and adult social care client finance and commissioning have formed a working group to establish how the debt levels can start | Director of Legal Services |

| No | Recommendation | Priority | 2023/2024 & 2024/25 Management Comments | 2025/26 Management Comments | Who / When |
|---|---|---|---|---|---|
| | | | reducing. Legal Services monitor and pursue debts under £10k, with larger debts outsourced, on a cost neutral basis, to third party recovery agents. Another debt recovery legal assistant may be required to take the lead on tackling the backlog as a spend to save appointment. | reducing. Legal Services monitor and pursue all debts, with some larger debts above £10k outsourced, on a cost neutral basis, to third party recovery agents. | |
| 11 | **Time Bound Cases:**<br>All cases approaching becoming time-bound should be prioritised and progressed in order to prevent this happening. | High | **No previous management comments.** | We will review the feasibility of further action in cases over 6 years old and either take appropriate further recovery action or take these cases forward for write-off where irrecoverable, or uneconomic to pursue. | Director of Legal Services |
| 12 | **Write-Offs -Finance Procedure Rules**<br>Write-offs should be continually processed throughout each financial year. | Low | **No previous management comments.** | Agreed<br><br>The write-off process has not progressed at the level required due to service capacity and the need to prioritise live recovery activity and income collection.<br><br>The service is exploring the procurement of a third-party provider to review older debt across Council Tax, Business Rates, and sundry debt. This would include data analysis propensity to pay assessment, | Assistant Director Revenues and Benefits |

| No | Recommendation | Priority | 2023/2024 & 2024/25 Management Comments | 2025/26 Management Comments | Who / When |
| --- | --- | --- | --- | --- | --- |
| | | | | and recommendation on the most appropriate next steps for recovery or write off.<br><br>This will be managed alongside recovery priorities with focus remaining on collectable debt and cases where further recovery action is no longer viable. | |