

Appendix 5 Debt Management

1. The balance of outstanding debt has reduced by £0.5m since third quarter review mainly due to the decrease in Adults Social Care outstanding debt.
2. Sundry debt includes all invoiced income due to the Council except for statutory taxes (Council Tax and Non-Domestic Rates).
3. Annually, the Council raises invoices with a total value of over £75m. Around a quarter of the Council's overall sundry debt portfolio relates to charges for Adult Social Care, the remainder being spread across a range of functions including Highways, Property Services, Licensing and Building Control.
4. The Council's standard collection terms require payment within 28 days of the invoice date, however, services receive immediate credit in their accounts for income due. The Council uses a combination of methods to ensure prompt payment of invoices. Recovery action against unpaid invoices may result in the use of debt collectors, court action or the securing of debts against property.
5. The Revenue Recovery team (using their experience gained in collecting Council Tax and Non-Domestic Rates) engage with services to offer advice and assistance in all aspects of debt management, including facilitating access to debt collection/enforcement agent services (currently provided by Bristow & Sutor). In 2015/16 the team collected £1.8m on behalf of services.
6. After allowing for debt still within the payment terms, the amount of outstanding service debt at the end of March 2017 was £7.3m. This is a reduction of £0.5m since third quarter review mainly due to the decrease in Adults Social Care outstanding debt.
7. The total amount of service debt over 6 months old is £3.6m; provision of £3.5m has been made to cover doubtful debt in the event that it needs to be written off.

	Outstanding Debt £000	Over 6 months old £000	Debt Provision £000
People			
Adults, Public Health and Communities	4,183	2,764	2,636
Children's Social Care (Incl. Directorate)	138	21	21
Education and 14-19 Skills	73	0	0
Prevention and Support	59	1	1
Schools	34	19	23
Place			
Planning and Sustainable Development	65	39	39
Infrastructure and Highways (inc Car Parking)	531	274	274
Growth and Regeneration	597	232	232
Rural and Green Infrastructure	42	4	4
Corporate			
Customer Operations	4	3	3
Legal Services	6	0	0
Democratic Services	9	0	0
Human Resources	15	8	8
Finance and Performance	85	19	19
Professional Services	19	1	1
ICT	1,121	0	0
Communications	0	0	0
Client Commissioning - Environmental	268	236	236
Client Commissioning - Leisure	11	11	11
	7,260	3,632	3,508