

Appendix 3

Debt Management

1. Sundry debt includes all invoiced income due to the Council except for statutory taxes (Council Tax and Non-Domestic Rates). The balance of outstanding debt has increased by £464,000 since third quarter.
2. Annually, the Council raises invoices with a total value of over £70m. 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.
3. 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.
4. 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 2019/20 the team collected £3m on behalf of services.
5. After allowing for debt still within the payment terms, the amount of outstanding service debt at the end of March 2020 was £8.9m.

6. The total amount of service debt over six months old is £4.8m; provision of £5.5m has been made to cover doubtful debt in the event that it needs to be written off.

DEBT SUMMARY

	Outstanding Debt £000	Over 6 months old £000	Debt Provision £000
People			
Adults, Public Health and Communities	5,467	3,262	4,261
Children's Social Care (Incl. Directorate)	156	41	41
Education and 14-19 Skills	40	2	2
Prevention and Early Help	34	-	-
Schools	41	7	-
Place			
Highways and Infrastructure	1,554	1,024	1,024
Growth and Enterprise	585	211	211
Environment and Neighbourhood Services	356	280	280
Corporate			
Finance and Customer Services	6	4	4
Governance and Compliance	8	-	-
Transformation	663	1	1
Adjustment for IFRS 9			(288)
	8,910	4,832	5,536