

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 £1.9m since the end of August.
2. Annually, the Council raises invoices with a total value of over £90m. 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. Longer-term, the Council is looking to streamline the collection of all debt by bringing all debt streams together into a 'single view of debt'. This would provide internal efficiencies in addition to supporting residents with multiple debts to manage them more effectively.
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).
5. After allowing for debt still within the payment terms, the amount of outstanding service debt at the end of March 2022 was £12.7m.
6. The total amount of service debt over six months old is £5.7m; provision of £7.8m 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 |
|--|--------------------------|---------------------------|
| Adults, Health and Integration | | |
| Adults, Health and Integration | 9,902 | 4,752 |
| Children and Families | | |
| Children's Social Care (Incl. Directorate) | 38 | 7 |
| Education and 14-19 Skills | 51 | 5 |
| Prevention and Early Help | 54 | - |
| Schools | 8 | - |
| Place | | |
| Highways and Infrastructure | 989 | 534 |
| Growth and Enterprise | 615 | 170 |
| Environment and Neighbourhood Services | 277 | 239 |
| Corporate | | |
| Finance and Customer Services | 242 | 22 |
| Governance and Compliance | 165 | - |
| Human Resources | 57 | - |
| ICT | 290 | 6 |
| Policy & Change | - | - |
| | 12,688 | 5,735 |