

**AGENDA MANAGEMENT SHEET**

**Name of Committee**

**The Cabinet**

**Date of Committee**

**2<sup>nd</sup> February 2006**

**Report Title**

**Irrecoverable debts**

**Summary**

Authority is requested to write off two irrecoverable debts. The Strategic Director of Performance and Development has advised that these debts cannot be pursued further or it would be uneconomical to do so.

**For further information please contact:**

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**Would the recommended decision be contrary to the Budget and Policy Framework? [please identify relevant plan/budget provision]**

No

**Background papers**

Working papers

**CONSULTATION ALREADY UNDERTAKEN:-**

Details to be specified

Other Committees  .....

Local Member(s)  .....

Other Elected Members  O&S Spokespersons for information:  
Cllr Helen McCarthy – “no point in sending good money chasing after bad”  
Cllr Richard Grant – “agree proposed action”  
Cllr Jill Dill-Russell – “no comment”

Cabinet Member  Cllr John Burton – “noted”

Other Cabinet Members consulted  Cllr Alan Cockburn – “approved for consideration”

- Chief Executive  .....
- Legal  Jane Pollard / Richard Freeth – comments incorporated in the report
- Finance  David Clarke, Strategic Director of Resources – “no comment”
- Other Chief Officers  .....
- District Councils  .....
- Health Authority  .....
- Police  .....
- Other Bodies/Individuals  .....

**FINAL DECISION** **YES**

**SUGGESTED NEXT STEPS:**

Details to be specified

- Further consideration by this Committee  .....
- To Council  .....
- To Cabinet  .....
- To an O & S Committee  .....
- To an Area Committee  .....
- Further Consultation  .....

## The Cabinet – 2<sup>nd</sup> February 2006

### Irrecoverable debts

#### Report of the Strategic Director for Children, Young People and Families

##### **Recommendation:**

That the two debts outlined in the report of the Strategic Director for Children, Young People and Families amounting to £7,306.28 be written off as irrecoverable.

#### **1. Introduction**

The Strategic Director of Performance and Development has advised that the debts detailed below cannot be pursued any further or it would be uneconomical to do so. Therefore, it is proposed that they are written off as irrecoverable

#### **2. Organisation A – Hire of WCC buildings**

A local organisation had hired a WCC building for pre-school facilities. After exhaustive chasing, the invoices for the hires remained outstanding. Individuals representing the group were subsequently subject to a wider ranging investigation into financial aspects surrounding the running of the pre-school. After consultation with Legal Services, WCC Internal Audit, WCC Early Years and Warwickshire Police it has been concluded that there is no likelihood of recovery of the monies. The individuals involved in the group are currently awaiting a criminal trial on charges of fraud.

Total value of debt – £3,554.51.

#### **3. Company B – Contract charges**

The company jointly delivered information technology support services to schools in conjunction with a unit within the Education Department. The Authority originally invoiced the company for some of the support services provided by the unit. The company subsequently disputed the invoice, as it was unclear if the service and its related charges were a part of a contract.

Negotiations then took place over a number of years over the validity of the charge. The unit within the Education Department that originally provided the support no longer exists (so supporting documentation is difficult to find). The company has since changed its management and the current management refuse to acknowledge this as a valid invoice. Due to the length of time, the debt is now technically passed the period of limitation.

Total value of debt – £3,751.77.

MARION DAVIS  
Strategic Director for Children, Young  
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18<sup>th</sup> January 2006