

**Proposed Decision to be taken by the
Portfolio Holder (Adult Social Care) on or after 23 November 2012**

Irrecoverable Debts

Recommendation

It is recommended that the 40 debts, accruing to £245,909.62 as detailed in Appendix A, are written-off as irrecoverable.

1. Introduction

- 1.1 Warwickshire County Council are currently pursuing a number of outstanding debts and in the case of the 40 debtors listed at Appendix A it is uneconomical to pursue further. It is therefore proposed that these debts totalling £245,909.62 be written-off.

The total value of these debts exceeds the previous years total submitted for write-off, this is explained by to a longer time span between submissions.

- 1.2 In context, the write-off total (£245,910) when compared to the value of Social Care income invoiced in 2011/12 (£37,089,231) is 0.7%.

The cost of writing-off would be set against the provision for bad debts that the County Council sets aside each year.

- 1.3 Where a debt has been incurred by a customer or their representative, all reasonable means are used to recover the debt. The statutory duty of care towards people assessed as needing services remains.

Attempts are undertaken, including contact with the customer/representative, and to ascertain any extenuating circumstances for the accrual of a debt. Instalment plans are agreed and reviewed regularly.

Sustained efforts over the years have been partially successful in recovering outstanding sums, however these amounts are now proposed for write-off on the grounds of no available funds, unable to trace debtors and the non-viability of further follow up if the debt. The majority of these debts relate to Residential charges for admissions to care for the period 2004 to 2010.

- 1.4 Where CAB / Community Law Service / Independent verification occurs, we request copies of final bank statements, funeral bills and any other supporting documentation which can prove there are no monies to pay outstanding charges. Where we are unsure of a person's finances, we write to the Probate Registry to see if Probate has been granted.

The information collected at the time of the financial assessment gives details of any property, savings or bonds that a person has so we usually know at the start of a package if a customer has any savings and so we rarely have concerns if there is no money at the time of death as the information provided at the relevant time satisfies us that the person has no money left

Independent verification is sought where someone asks to pay a debt by instalments, when they are offering minimal payments.

2. Summary

- 2.1 Every endeavour is made to prevent debt arising and all suitable action is taken to recover outstanding monies due to the County Council. This includes issuing Court proceedings where necessary and negotiating with customers to pay by instalments. It is only as a last resort that a request for a write-off is made.

Clear financial arrangements and agreements are discussed at the start to ensure roles and responsibilities for customers and their families are understood.

- 2.2 Work is constantly undertaken to update and review procedures and guidance, e.g. 3rd party top-ups and Individual Placement Agreements. Alongside, we arrange services and work with customers and their families to discuss any financial implications and ensure contractual arrangements are carried out in a timely way.

All processes are reviewed to ensure improvements can be made wherever possible to keep debt levels to a minimum however it has to be accepted that there are circumstances whereby some debt becomes irrecoverable.

3. List of Cases

- 3.1 Mrs A was admitted to a Nursing Home in January 2005. Statements were sent to her daughter who signed the financial assessment form as Power of Attorney. She also signed the Contract as the authorised representative and the third party contributor.

Arrears began to accrue in 2007 and following arrears action, Mrs A's daughter contacted us informing us of the death of her partner. There were some family arguments that were going on at the time and she was in some financial difficulty. As a result of this a request was made to end the third party, which was actioned.

As a result of continued non-payment further correspondence was sent. This resulted in Mrs A's daughter disputing the charges, claiming she thought the care was free. The charges were explained to her and an offer of payment was made.

Several letters were sent as payments were sporadic and the arrears continued to increase further and resulted in a referral to Law and

Governance.

The daughter was adamant she wanted to deal with finances, however as no real effort was made to pay, a request was made for benefits to be suspended.

It became apparent that there were financial problems and Mrs A's daughter was left paying off considerable debts following the death of her husband. A financial statement confirmed that she was in receipt of a state pension and although she had a part time job this money went direct to a debt company.

An independent agency took on dealing with Mrs A's benefits until she died in June 2010. Accumulated arrears of £10,967.78 remain outstanding.

Mrs A's daughter is a pensioner and has limited income. She did not accept liability for the debt and there are no funds in the estate to clear the balance outstanding.

- 3.2 Mrs B entered Residential accommodation in August 2009 and remained there until she died in September 2010. Invoices were sent to the son who made contact following correspondence sent regarding non-payment of charges. He stated he was having difficulty accessing his mother's account and he was also trying to sort out an issue relating to an overpayment made by the Department for Work and Pensions. He also raised concerns about the amount his mother was spending for personal items at the home, which he had to reimburse.

A safeguarding investigation was initiated; however following the death of Mrs B this was closed.

The son dealt with the funeral and it was clear that Mrs B left no money due to accumulated debts. Following several letters to the son he made contact in March 2011 stating he had made an appointment with the solicitors as his mother's estate was insolvent. The solicitors explained the circumstances around Mrs B's placement. Her dementia became so advanced that she lacked capacity to deal with her late husband's estate, and her son was therefore appointed as Attorney. The solicitors confirmed that both Mrs B and her late husband were jointly liable for many debts. They provided full details regarding the estate with confirmation that there were no funds available to clear the balance outstanding of £6,873.61. All attempts to recover the debt have been in vain and the debt is irrecoverable.

- 3.3 Mrs C's son assisted with the finances for his mother who entered Residential accommodation in May 2009 due to the arrears that accumulated from the start of the placement. Subsequently an agreement was reached to commence payment of any on-going charges.

Background checks suggested that Mrs C's daughter held appointeeship; however we were not aware of this as the son had taken over responsibility. He agreed to speak to his sister about repaying the arrears.

Following communication with the daughter she claimed her brother was accessing the account. Independent advice was sought to assist with the finances. It came to light that there were some issues between the brother and sister, and attempts had been made to stop the brother accessing the account, however the bank took some time in getting this sorted. Attempts were made to meet with the family to establish what was going on, but these failed. Claims that both Mr C's son and daughter held joint responsibility were made, however Mr C's son was declared bankrupt.

Payments were made for the period February 2010 until September 2011 when Mrs C died at which point a balance of £4,837.84 remained outstanding. There was no contractual agreement with either the son or daughter with regards to finances, leaving Mrs C herself liable for any outstanding charges, and we are clear that Mrs C died leaving no assets.

- 3.4 Mr D entered Residential accommodation in January 2007 and remained there until he died in August 2007. Statements were sent to his son who had Power of Attorney.

Many letters were sent to the son about payment of both the main residential charges and the third party contribution which the son had agreed to. The son eventually entered into communication with us in March 2008 when we were able to receive evidence from the Department for Work and Pensions that payment of benefits was made into his account.

Several letters were sent after this informing of the charges and assessment and details of how the debt of £4,205.54 for the main account, and £3,372.28 had accrued at the time of death.

In April 2011 Mr D's son agreed to pay the main account in instalments; however he raised concerns about his third party contribution. Having investigated this further there appears to be lack of clarity as to whether he was informed clearly that by signing the contract he would be liable to pay the third party charges.

Mr D's son accepted the debt for the main account, and his last payment in October 2011 cleared these charges. He did not accept liability for the third party charges making it difficult to enforce. The fact that he cleared the main account appeared to be a satisfactory resolution the matter leaving a debt of £3,372.28 outstanding.

- 3.5 Mr E's placement for the period September 2009 to July 2010 incurred charges totalling £3,169.23. However Mr E was a residential student at a College which required additional support in the 3rd and final year. It was not expected that charges would apply and therefore these were not discussed with Mr E at the time and no financial assessment was requested.

All further Domiciliary services and Respite stays have been charged for and Mr E's parents have paid them on receipt of each statement. The Team Manager requested for the charges at the educational college not to be

pursued.

- 3.6 Mrs F went into Residential accommodation in December 2003. Her sister was the named appointee and was responsible for outstanding charges up until April 2005 when a new appointee was sought.

All further charges were paid by the newly appointed person until November 2009 when Mrs F died.

Agreements were made by Mrs F's sister to repay the accrued arrears of over £7,000 and small payments were received from November 2005 until June 2011 when a letter was sent to her following default on her agreement to pay by instalments. In response to this contact was made by her stating she was seeking a debt relief order due to financial hardship.

Further correspondence was sent requesting information about this and asking for independent verification of the circumstances, however no response was received. It was clear from the payment history that Mrs E's sister made attempts to repay the debt, however a balance of £2,943.88 remains outstanding. Recovery of this debt appears unlikely.

- 3.7 A debt accumulated for Mr G's stay at a Nursing Home for the period July 2009 to September 2009 as an emergency placement. The family queried the charges as they were not aware that a charge would apply due to the circumstances surrounding the admission. They were under the impression that the stay was WCC funded. No request for a financial assessment was made and therefore the charges were raised at full cost totalling £3,042.88.

In light of these circumstances, recovery of this debt is very unlikely.

- 3.8 Mrs H died in April 2005 after residing in a Residential home since December 2004. Her niece was responsible for dealing with the finances, however she allowed for arrears to accrue.

Since 2006 the niece entered into a voluntary arrangement to pay the arrears by instalments and small payments continued to be made until January 2011 when she made contact stating because of her financial difficulties she was unable to make regular payments. A debt of £4,492.18 remains outstanding which is deemed to be uneconomical to pursue further.

- 3.9 Mrs I entered Residential accommodation in May 2004. Her daughter took over responsibility of assisting with finances in June 2005 following problems with a previous appointee.

Unfortunately, due to non-payment of charges a request was made for benefits to be suspended until an independent agency could take over, making Mrs I's daughter responsible for any arrears for the period June 2005 to January 2007. Many letters have been sent to Mrs I but no response or offer of payment was received.

Every attempt has been made for many years to enter into an agreement with

the daughter, as we are unable to proceed further against her as she is a third party making the debt the responsibility of Mrs I, who we know does not have the funds to clear the remaining balance of £3,355.54. The onus was on Mrs I to report the matter to the Police if benefits were being misused which she did not want to do.

- 3.10 Mrs J went into Residential care in July 2009 until her death in July 2010. Correspondence was sent to her daughter as she informed us she would be dealing with the finances.

Arrears accrued at the start of the placement; however Mrs J's daughter offered to make payment towards the on-going charges and a further sum was agreed which she would pay towards the arrears. Despite correspondence being sent, no payments were received.

Further investigations showed that Mrs J's daughter was not the named appointee and the matter was referred so that any safeguarding concerns could be investigated. A meeting was held with the daughter who agreed to commence payments, however other debts were identified. A discussion around an independent agency taking over the finances was held, but in the meantime Mrs J died so this could not be progressed further.

Mrs J's daughter made contact stating she was unable to make payment of the accumulated arrears of £5,131.00. She stated there was no estate and other debts in excess of £20,000 remained outstanding. Several letters were sent requesting confirmation. This was eventually received in February 2011 with advice from Legal that as the deceased had no savings and other creditors the debt was irrecoverable.

- 3.11 Mrs K entered into a Nursing Home in June 2005. Her finances were originally dealt with by her daughter; however she passed away in March 2006, with the last payment being made by her in January 2006.

As a result of this benefits were suspended and in October 2006 the grandson made contact to inform us he in the process of dealing with these himself. The Department for Work and Pensions appeared to be taking some time in getting this arranged and communication was taking place with the grandson to see why this was taking so long.

Mr K's grandson contacted us again in April 2007 to inform us of the death of Mrs K. Arrears of £6,906.61 had accrued.

Investigations took place to see where payment of accumulated benefits was made. The Department for Work and Pensions confirmed that they had not made payment to the grandson and an application for death benefits payee was made by us. This matter was continually pursued with the DWP who eventually stated Mrs K's records had all been archived and no information could be found.

- 3.12 Mrs L entered Residential accommodation in January 2006. Her daughter dealt with her finances as her appointee.

Arrears accrued from the onset; however these were addressed with an agreement to pay by instalments. No payments were received, but promises to pay were continually made.

A meeting took place with the daughter to try and understand the circumstances. Mrs L's daughter explained she had assisted in paying off some of her mother's debts prior to her residential placement. She was going through a separation from her husband and was residing at a women's refuge. She stated her own property was to be sold at which point she would repay the amount due.

Due to the concerns we had, a request was made for benefits to be suspended in September 2006. Unfortunately this request was not actioned by the Department for Work and Pensions and it became apparent that the daughter continued to receive these; however she was making payments of an agreed amount as though the benefits had been suspended. An independent agency did eventually take over with the dealing of finances in June 2007 and on-going charges were made up until the death of Mrs L.

As the daughter accepted liability of the debt we continued to pursue, and minimal payments were received throughout November 2006 to June 2010. Charges for the period benefits were not suspended were reapplied to the account, resulting in substantial arrears.

Contact was received from the Citizens Advice Bureau informing us that Mrs L's daughter was applying for a debt relief order and was no longer in a position to make further payments. A debt of £5,412.99 remains outstanding.

- 3.13 Mrs M's son dealt with her finances and so correspondence was sent to him following Mrs M's nursing placement in May 2009.

Arrears accumulated early on, however the son was in contact stating he would make attempts to clear them. Payments were made following letters but these were insufficient to clear the debt.

Mrs M died in June 2010 with a balance outstanding of £3,696.58. The financial assessment showed Mrs M had no property or savings and taking into account the funeral expenses the estate would have been insolvent.

- 3.14 Mrs N entered residential accommodation in May 2008. Her daughter assisted with finances and was contacted when arrears began to accrue in January 2009.

It became evident that Mrs N had existing debts prior to her admission to the Home. Her daughter was trying to clear these debts as well as make payments towards the charges.

Once the debts were cleared, regular payments, including payment towards the arrears were made; however in December 2009 it came to light that there were further loans that had been taken out, and as the daughter signed as

guarantor, she felt responsible for ensuring these were paid. Payments continued to be made and in April 2010 we began to receive regular payments with a further amount towards the arrears.

These payments continued to be made until Mrs N passed away in April 2011, at which time Mrs N's daughter evidenced in July 2011 that the last payment of benefit was used to pay for the funeral.

The financial information suggested that the daughter was Power of Attorney however this was never confirmed. There is no money in the estate, and the majority of the arrears accrued when there were other outstanding debts.

Mrs N's daughter never accepted personal responsibility for the debt and a balance of £5,300.05 remains outstanding.

- 3.15 Mr O was admitted to residential accommodation on a temporary basis in November 2009 until March 2010. Statements were sent to him; however in April 2010 we received an unsigned note stating the invoices were sent in error and that no fees had been agreed.

The recorded notes confirm discussions around the charges had taken place with Mr O. It was unclear, however, where Mr O resided once his temporary stay ended. Investigations confirmed that Mr O was separating from his wife, and she had refused to let him return to the property. We were aware that an independent agency were assisting as advocates, however their involvement was minimal.

Contact was made with the District Council to see if they could provide any further information. A further address was provided and correspondence was sent to the new address, to pursue the outstanding charges of £3,374.10. No response was received. Letters were returned marked 'not known at the address'. We soon became aware (from other sources) that Mr O died. The financial information that was collected did not confirm whether Mr O had any savings, but it was unlikely. The difficulties in locating Mr O presented difficulties in establishing any details of any estate; however we do know that he did not own his property. All avenues have been exhausted and this debt is now irrecoverable.

- 3.16 Mrs P went into residential accommodation in May 2007. At the time her daughter-in-law was dealing with her finances as appointee, however concerns were raised as arrears began to accrue in September 2008. It came to light that Mrs P's daughter-in-law was not well and had asked for her son to assist in payment of charges. Although payments were being made regularly these were not always covering the charges so a request was made for the appointeeship to be relinquished so that an independent agency could take over.

The daughter-in-law accepted responsibility for the debt and an agreement was reached for her to pay the balance for which she was responsible by instalments.

Several letters were sent chasing these; however she made contact in September 2010 stating she was unable to pay the remaining balance of £3,755.40 due to her own financial problems.

All attempts to recover the debt have been in vain and it is now irrecoverable.

- 3.17 Mrs Q's grandson dealt with her finances as appointee when she went into residential accommodation in October 2007. She remained there until she died in November 2010.

A safeguarding investigation was instigated following concerns of non-payment. A request for benefits to be suspended was also made, which was actioned in November 2009. Contact was made from a close family friend as they were looking at carrying out this role; however this took some time to progress and in the meantime Mrs Q died.

Safeguarding concluded there were no concerns of financial abuse and the grandson made no further contact with us to address the arrears of £15,262.66. The financial assessment confirmed Mrs Q had no property or savings so there was no estate.

A request was made to the Department for Work and Pensions for any payment of benefit to be made to Warwickshire County Council for the period benefits were suspended. A sum of £7,755.80 was received in July 2011 leaving a balance outstanding of £7,506.86.

- 3.18 Mr R's resided with his daughter prior to entering a Nursing Home in August 2005.

The financial assessment was calculated as full cost as no information was received by his daughter who was named as the person assisting with finances. However there was conflicting evidence as to whether she was, in fact, responsible for his finances as the Department for Work and Pensions had no record of this.

Due to these concerns, and the fact that payment of charges was not being made, a request for benefits to be suspended was made in January 2006. Contact was also made with the Home who confirmed Mr R was not able to deal with his finances and his daughter assisted him. Unfortunately the DWP did not suspend benefits as they were requested to do so until some months later, resulting in benefits continuing to be made.

Mr R died in June 2006. The Department for Work and Pensions gave details of benefits in payment and the account was reassessed based on this information, leaving a balance outstanding of £4,464.38. Judgement was obtained in February 2008 but no contact or payments have been made despite several letters being sent out.

A search with the Probate Registry confirmed no grant of representation had been made. All attempts to secure payment of the outstanding charges have been vain leaving the debt irrecoverable.

- 3.19 A debt accrued for Mrs S's stay in a Nursing Home when she entered in February 2009. This accrued as a result of full cost charges due to savings; however her husband disputed this as he claimed the savings were his as Mrs S never worked.

Mrs S's husband appealed against a decision that Mrs S was eligible for Continuing Health Care as this had been refused. Three further appeals were made.

Mrs S died in June 2010 leaving arrears of £25,821.06. Her husband refused to enter into any dialogue until a decision about CHC funding was reached. We received confirmation of this in April 2011 stating this was backdated to October 2009 at which point the charges were reassessed reducing the balance to £12,092.44.

Mrs S's husband proposed, in order to settle the matter, to pay the late Mrs S's income for the period 16/02/09 to 30/09/09 which totalled £3,954.40. The view of Legal Services was to accept this offer as the savings continued to be disputed. Payment of this amount was received, leaving a balance outstanding of £8,138.04.

- 3.20 Mrs T was admitted to Residential care in November 2004 following a hospital admission and was discharged in July 2005. Mrs T had an alcohol addiction and a Residential placement was arranged for her in November 2004 due to self-neglect.

During her stay her health greatly improved, however she felt very restricted at the Home and she complained that she was not able to do as she pleased, therefore the placement broke down and she was given notice to leave. A home care package was put in place and a financial assessment was carried out which showed Mrs T had no available income to make a contribution towards the charges.

During her Residential placement, her daughter signed the contract to act as her representative and as third party contributor.

Benefits were paid direct to Mrs T however her daughter was contacted due to non-payment of charges. Contact with the daughter was made difficult as she lived in America, however when she did respond she claimed she was unaware that she was liable for any debt and that her mother's estate would pay for any charges. Total charges for the third party amounted to £8,201.79. Charges for the main account also accrued. The Department for Work and Pensions were contacted, however they confirmed they, too, were experiencing difficulty in contacting the daughter.

There were concerns regarding Mrs T's alcohol dependency problems and other significant debts that had accrued and she was not happy with the fact that her daughter was assisting with her finances. She refused to let anyone discuss or agree how her money should be spent.

Several attempts were made to try and contact the daughter whilst she was on holiday to visit her mother in England, however she was uncooperative. She did inform the Social Worker at the time that her mother had taken away her responsibility to deal with her finances.

Mrs T died in September 2008. A probate search showed that her daughter was named as sole Executor of the estate, however the address details differed from the one held on file. It was apparent that Mrs T had a property which was sold in 2009.

Many attempts have been made to communicate with the daughter to obtain payment of charges of £8,201.79 and £3,279.09 but these have all been in vain and hampered by the fact that she lives in the US.

- 3.21 Mr U required Nursing care in January 2004. Correspondence was sent to his son, although he was not the named appointee.

Irregular payments were received throughout, however arrears accrued from May 2009. Several letters were sent to the son, and these result in payment, however these never cleared the arrears. Contact was made with the Home who confirmed Mr U's son had not visited him for many months. A new address was found and letters were sent to this address.

A response was received with an agreement to pay by instalments and payments began to be made until June 2010. Mr U died in August 2010 leaving accrued arrears of £5,599.40.

The son made contact in November 2010 informing us that he had moved to Slovakia in June 2010 and that he had paid for the cost of the funeral. He confirmed that no solicitor had been appointed as there was no estate and he agreed to make payment of any balance in Mr U's account once the account had been finalised.

In February 2011 the son informed us that he was coming to the UK and would get information from the bank about any balance. A letter from the bank was received in March 2011 showing funds of £309.73. Mr U paid this sum in July 2011 leaving a balance of £5,289.40 outstanding.

- 3.22 Mrs V's daughter accepted liability for a debt outstanding for Mrs V's Residential placement. She stated she experienced difficulty in accessing the account which resulted in arrears accruing, however after not following this through a County Court Judgement was obtained in June 1998 for minimal instalments of £4 per month.

The CAB became involved in November 2008 and produced a financial statement which showed the daughter had considerable other debts.

Sporadic payments have been received over the years with the last payment received in January 2011. The monies have paid off court costs and interest but have not significantly reduced the original debt.

Bearing in mind the age of the debt, the fact that judgement was obtained and that any further action would be uneconomical as the situation of the debtor has not improved the debt of £14,512.01 is now irrecoverable.

- 3.23 Mr W died in November 2009. He moved into a Residential Home in April 2009. The background as to who assisted with his financial matters was unclear. Despite investigations there was no trace of an appointee or relatives although an independent advocate was involved at some stage.

The Home confirmed that the deceased did not have any personal possessions that required collection after his death and they believed that an advocate arranged his funeral.

A Probate search was carried out which confirmed that no grant of representation was made. A balance of £3,289.32 remains outstanding.

- 3.24 Mrs X entered a Residential Home in May 2004. Correspondence was sent to her daughter as named appointee, and small payments would be made on receipt of these letters. Arrears accrued in January 2006, however payments did not stop altogether and large sums continued to be paid although these did not clear the arrears.

Benefits were suspended in March 2008, and it took some time to arrange for an Independent Agency to take over, but when they did, they made payment of backdated benefits and on-going charges up until Mrs X died in February 2010. They also dealt with the funeral.

Once financial issues were resolved it was confirmed that the final amount outstanding was £6,575.84. Further investigations showed that Mrs X's daughter became estranged from her husband and despite many attempts to make contact with her regarding the debt no response was received. Correspondence to the last known address was returned by the post office in June 2011 so an inquiry agent was instructed. Unfortunately UK Tracer was unable to provide a further address.

All attempts to locate Mrs X's daughter and secure payment of the outstanding debt have been in vain.

- 3.25 Mrs Y's son received statements for her Residential placement which commenced in June 2005 as we were informed he would be dealing with the finances.

The Department for Work and Pensions were contacted to ascertain whether there was a named appointee, who confirmed they held no record of an appointee.

Initially charges were raised as full cost as no financial information could be obtained, however investigations concluded that Mrs Y had no property or savings and the account was reassessed.

Mrs Y died in April 2008 leaving accrued arrears of £14,227.75. A letter

before action was sent to the son, who then made contact in January 2011 stating he assisted with some financial matters, he was not executor of the estate and that probate had not been applied for. A probate search was carried out, and at the time no grant of representation had been made. A further.

The son was not formally responsible for dealing with finances and therefore accepted no liability. A further probate search was carried out in October 2011 which again confirmed no grant made.

- 3.26 Mrs Z entered a Residential Home in December 2002 and remained there until she died in August 2005. At the time of death a balance of £5,608.63 remained outstanding. Correspondence was sent to a third party who we understood was dealing with matters on behalf of Mrs Z. He signed the declaration page of the financial assessment as legal advisor. We are aware at the time of the assessment Mrs Z had little savings and lived with her daughter.

This was a complex case where the basis of non-payment of the balance was due to the fact that Mrs Z was awaiting a settlement from South West NHS Trust. Mr Z continued to communicate with us regarding this matter, however his role remained unclear.

Several letters were sent to the third party in respect of the settlement and any estate. The last contact received from the third party was in February 2012 where he reiterated this was a complicated matter.

Court action was referred to however as the 6 year limitation has now passed this is not an option. So much has been done to try and recover the balance due, but all attempts have been unsuccessful.

- 3.27 Mrs AA stay in a Nursing Home was in January 2002. Her son agreed to pay the third party contribution for the first few months. He states he was informed that a review would take place and assumed this would include a review of the charges.

The third party agreement ended in February 2005 and a review of the care took place. Charges for the main account were paid up until the death of Mrs AA in January 2009 but a balance of £2,765.41 remains outstanding. A credit of the charges was applied due to the overcharge on the third party account, but due to the length of time this took it was difficult to ascertain the amount owed by the son. Over £6,000 was paid towards the third party charge, leaving a balance outstanding of £3,231.12. No claim can be made due to the time lapse and there was no estate. Total debt outstanding for both the main and third party account amounts to £5,996.53.

- 3.28 Mr BB's daughter held Power of Attorney for her father. In September 2003, Mr BB's property was sold and the balance due was paid. Following on charges were applied at full cost, however payments were sporadic and the arrears increased.

In November 2004 the daughter wrote to apologise for the debt and agreed to make payment including an additional amount towards the arrears.

In May 2005 the daughter made contact again stating she had revoked the Power of Attorney as she wanted no further responsibility and she agreed to make monthly payments towards the arrears. She stated she had instructed a Solicitor to act on her behalf; however there was a large delay in them making contact.

Regular payments then commenced, albeit small, until August 2009. The matter was chased many times. The husband of the debtor made contact stating she was seriously ill and in November 2011 a further offer was made to pay by instalments. Payments were received in December, January and February, however a death certificate was received in February 2012 to show that the daughter died in December 2011.

A payment of £40 was received in July 2012; however the debt of £12,987.67 is the responsibility of the deceased and can therefore no longer be pursued.

- 3.29 Mr CC went into a Nursing Home in October 2006. Arrears accrued in May 2007. Mr CC's ex-wife was appointee and did make an agreement to reduce the arrears by paying by instalments, but payments were not often enough to cover the charges, and on occasions no payments were made.

Promises continued to be made up until May 2009, however these didn't materialise. Concerns were raised with the Team and discussions eventually took place in January 2010 when she agreed to enter into conversation. She confirmed she was appointee and had set out a plan to deal with the debt. Unfortunately no payments were made and a request for benefits to be suspended was made. This was actioned by the Department for Work and Pensions in June 2010. An independent agency took over responsibility, as the son refused and payments of on-going charges continue to be made to date.

The ex-wife moved out of the area to live with one of her sons as he was very ill, however we were not given a forwarding address. Letters were sent to her last known address but no response was received. A search with the land registry confirmed that she was not the owner of this property.

A trace agent was instructed to try and find the whereabouts of the ex-wife, and an address was found in August 2012. A reply to our correspondence was received confirming she was declared bankrupt in November 2011 and she now lives off her pension only. A debt of £23,046.66 remains outstanding.

- 3.30 Mrs DD received a home care package which ended in November 2010 when she died. Correspondence was sent to her daughter who made an agreement in September 2009 to pay by instalments of an amount that covered the weekly charge with a further amount towards the arrears. Payments were made throughout September 2009 to October 2010 however accrued arrears of £4,263.46 remained outstanding at the time of death.

A check with the Department for Work and Pensions confirmed that Mrs DD had no named appointee. She lived alone and did not own her property. At the time of death Mrs DD had no assets, and evidence from bank statements after her death established that she was overdrawn.

- 3.31 Mr EE was in receipt of a home care package for many years and payments were made.

Mr EE's charges increased in January 2007 when arrears began to accrue. As a result of this his daughter began to assist. She made contact stating the accrued arrears could not be paid in one go and a payment plan was agreed. It is clear that she tried to assist, however there were issues with finances.

Following the death of Mr EE his daughter made contact stating any money he had was used to pay for the funeral and there were no further funds. His daughter stated she was a full-time student and unable to pay the balance outstanding of £2,255.43 on his behalf.

- 3.32 Mr FF received a home care package from between November 2004 and December 2009. Mr FF was severely disabled who had no family other than a sister who lived in Australia and there was very little, if any, contact between them. He kept himself very much to himself and was very reluctant to receive help, especially on financial matters, though he did have capacity and understanding of all aspects of his care, health and finances.

His financial assessment did determine a contribution; however he also had verified debts which are not taken into consideration as part of the assessment.

Despite many, many attempts to recover the arrears, including a number of visits made to try and resolve the issue, no payments were made, although promises to pay were made.

On his death Mr FF had no savings. He did not own his property and investigations showed that his funeral was paid by the state. We were never able to find out how he spent his money bearing in mind his rather reclusive lifestyle. A balance of £5,770.49 remains outstanding.

- 3.33 Many problems were experienced when dealing with the husband of Mrs GG who constantly refused to accept the charges that were applied for the care she received following the increase to the charges in 2007.

Meetings were arranged to explain the charges and the Charging Policy, however her husband wrote to us on receipt of each statement refusing to pay the increase which was quite substantial due to the high package of care that was provided. Prior to the increase in charges Mrs GG's charges were always paid from when care started in 2002.

Care charges ended in December 2008 when Continuing Health Care was agreed. At this time arrears of £9,605.94 remained outstanding. Mrs GG's

husband continued to make contact and dispute the charges. He also stated money was in a savings bond account which could not be accessed.

Mrs GG moved into a Nursing Home and remained there until she died in August 2011. Advice from Legal was to try and negotiate a reasonable settlement due to the issues surrounding this matter. Mrs GG's charges were recalculated based on previous assessments and in May 2012 a payment of £4,059.23 was received in full and final settlement. This has left a balance of £5,546.71 outstanding.

- 3.34 Mrs HH received a home care package from February 2005 until January 2011 when she went into Residential Care as a self-funder. She dealt with her own finances; however her son made a complaint about the increase in her charges following a change in the policy in 2009. Part of the complaint was around the fact that no care review was undertaken.

As part of the complaint was not resolved, payments stopped in December 2009, however following negotiations with the family, a payment of £3,030.01 was made in full and final settlement of the matter leaving a balance of £2,326.57 outstanding.

The family were not happy that no review had been undertaken and therefore the change in the minimum charge to the charge from 15 minutes to half an hour were not explained. Mrs HH was required to pay the maximum charge for the service; however the care provided was minimal. She therefore refused to pay the increase for the amount of care and time undertaken to carry out the task of assisting with her stocking due to her bad leg.

- 3.35 Mrs II received care over a long period of time. Her finances were managed by her son who was her named appointee.

Safeguarding was instigated, however there were no real concerns regarding Mrs II's welfare, although payment of charges was not made.

Investigation into the matter showed other substantial debts, and due to non-payment of rent, Mrs II was evicted from her property. Mrs II was moved into sheltered accommodation and she eventually agreed to let an independent agency take over dealing with the finances. A debt of £5,831.32 remains outstanding. Mrs II has no assets, as confirmed by the independent agency. It appears her son was dealing with a failing business which is now in liquidation.

- 3.36 Mrs JJ entered residential accommodation in June 2005. Initially she was responsible for dealing with her own finances. Her daughter-in-law was responsible for the third party agreement.

Due to difficulties experienced in payment of the third party charges the agreement ended, however arrears of £2,960.57 remain outstanding. The daughter-in-law paid for many years, and it is evident that due to a change in circumstances she was unable to meet this cost.

Correspondence was sent to Mrs JJ in 2007 as arrears accrued and as a result of this her daughter-in-law began to assist until a new appointee was found to deal with on-going charges. Mrs JJ now resides in a Nursing Home and payments of on-going charges are continuing to be made by her grandson who has stated there are no funds to clear the arrears of £3,481.94. Mrs JJ is responsible for the accrued arrears. We know all her income is used to pay for the current charges and we know she has no property or savings.

- 3.37 An invoice was raised in respect of an overpayment to a former foster carer. As a result of non-payment and no agreement to repay the debt, the matter was pursued through the County Court in 2007 when Judgement was obtained.

As no payment or contact was received by the debtor, consideration was given to instruct Bailiffs, however this was deemed as uneconomical as the former foster carer was on the verge of bankruptcy. A debt of £2,794.77 remains outstanding.

- 3.38 An overpayment to a Residential Home occurred in 2007. Many attempts to recover the amount due of £3,350.70 were made. It came to light that the Home was owned by two individuals, had ceased trading and had gone into liquidation.

Searches have been carried out on the English and Scottish Insolvency registers but no trace of the individuals can be found.

- 3.39 An invoice was raised in respect of a Direct Payment that was given to an individual to purchase their own care. Due to concerns raised this agreement ended, however it became apparent that the individual's partner was managing the account and paying for the private home care service, but some payments could not be verified which resulted in an invoice for the sum of £1,884.53 being raised.

The family are adamant that the funds were used to purchase care, but this has been difficult to prove. The balance remains outstanding.

- 3.40 An invoice for an amount of £5,687.13 was raised to a residential provider, for an overpayment of fees. This was queried by the provider who claims she was unable to give the room to anyone else due to the fact that the previous resident did not clear the room until many months later.

It was evident that there were many problems with the placement and it is also evident that, in fact, the room was not cleared for many months; therefore the claims by the Home owner stating the room was being kept open can be seen as valid. It is not clear why the room was not emptied and why the placement broke down, however the room that was occupied by the resident was the only source of income and she was unable to pay for charges that she disputed.

4. Future Reporting

In future a report on Irrecoverable Debts will be produced on a quarterly basis. This will take effect from February 2013.

	Name	Contact Information
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Portfolio Holder	Cllr Mrs Izzi Seccombe	01295 680668

Appendix A		
Account Number		
305031	£10,967.78	Mrs A
P12758	£6,873.61	Mrs B
P105677	£4,837.84	Mrs C
9193288/01	£3,372.28	Mr D
50001340	£3,169.23	Mr E
306480	£2,943.88	Mrs F
308167	£3,042.88	Mr G
71489919	£4,492.18	Mrs H
91120039A	£3,355.54	Mrs I
205951	£5,131.00	Mrs J
71488620	£6,906.51	Mrs K
P53974XX	£5,412.99	Mrs L
9195059	£3,696.58	Mrs M
1001116	£5,300.05	Mrs N
9195262	£3,374.10	Mr O
1003296A	£3,755.40	Mrs P
P305122	£7,506.86	Mrs Q
7124778	£4,464.38	Mr R
9193274	£8,138.04	Mrs S
108063/01	£3,279.09	Mrs T
108063	£8,201.79	Mrs T
71426452	£5,289.40	Mr U
93530630	£14,512.01	Mrs V
91326248	£3,289.32	Mr W
804114	£6,575.84	Mrs X
112623	£14,227.75	Mrs Y
91557867	£5,608.63	Mrs Z
93577032	£2,765.41	Mrs AA
93577032/01	£3,231.12	Mrs AA
103699	£12,987.67	Mr BB
P267282A	£23,046.66	Mr CC
60004114	£4,263.46	Mrs DD
P200211	£2,255.43	Mr EE
30005485	£5,770.49	Mr FF
P132874	£5,546.71	Mrs GG
P125778	£2,326.57	Mrs HH
P390714A	£5,831.32	Mrs II
P73205	£3,481.94	Mrs JJ
P73205/01	£2,960.57	Mrs JJ
Total	£232,192.31	

Agresso Inv Number		
143868	£2,794.77	3.37
144374		
144177	£3,350.70	3.38
10002209	£1,884.53	3.39

149666	£5,687.31	3.4
Total	£13,717.31	

Grand Total	£245,909.62	
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