

Decision Record – Irrecoverable Debts

Cabinet Portfolio Holder taking decision

Councillor Izzi Seccombe – Adult Social Care

Date of Decision:

(NOT BEFORE – 23rd November 2012)

23 NOVEMBER 2012

Decision taken

That I, as Portfolio Holder for Adult Social Care, approve that the 40 debts, accruing to £245,909.62 as detailed in **Appendix A**, are written-off as irrecoverable.

Reasons for Decisions

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.

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.

Background Information/ factors considered in arriving at these decisions - (set out below and in the officer report):

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 year's total submitted for write-off, this is explained by to a longer time span between submissions.

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.

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.

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.

Report Author: Paul Walsh
Head of Service: John Betts
Strategic Director: Monica Fogarty
Portfolio Holder: Councillor Alan Cockburn

Checklist

Urgent matter: yes/no*

No

Confidential or Exempt (state category of exempt information)

No

Is the decision contrary to the budget and policy framework?

No

List of Reports considered [please attach or forward a copy]

Report from author.

List of Background Papers [please include directorate contact names and numbers for access to background papers]

None

Any members and officers consulted or informed and any comments given.

Cllr Izzi Seccombe (Portfolio Holder)
Cllr Claire Watson
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