

**BRIDGEND COUNTY BOROUGH COUNCIL**  
**CATALOGUE SUPPLIES SERVICE JOINT COMMITTEE**

**24 JANUARY 2013**

**REPORT OF THE ASSISTANT CHIEF EXECUTIVE - PERFORMANCE**

**WRITE OFF OF UNRECOVERABLE DEBT**

**1. Purpose of the Report**

- 1.1 The purpose of the report is to inform the Joint Committee of the unrecoverable debts over £1,000 which have been written off during the 2012/13 financial year.

**2. Connection to Corporate Improvement Objectives/Other Corporate Priorities**

- 2.1 The Joint Supplies Service (JSS) provides a purchasing and supply function which secures savings to corporate customers and schools through economies of scale and thereby contributes to the financial prudence of the Authority.

**3. Background**

- 3.1 The bad debt provision for debts greater than a year old was increased in the 2010/11 Statement of Accounts in recognition of the age of outstanding debt. A provision of £14k was regarded as adequate to cover all long-standing debt and a proportion of recent debt, which is generally collected in total within six weeks.
- 3.2 A formal write off procedure process was agreed by the Manager at County Borough Supplies and Bridgend County Borough Council's (BCBC) internal auditors in November 2011, which would address aged debt.
- 3.3 A write-off of debt is only considered once all debt recovery processes possible relative to the debt value have been completed.
- 3.4 The process for the authorisation of write-offs is dependent on the value of debt as follows:

- Values less than £50 are approved by County Borough Supplies Joint Services Manager (JSM).
- Values more than £50 and less than £1,000, are initially authorised by the JSM and countersigned by the BCBC Accountant supporting the service.
- Values more than £1,000 are initially authorised by the JSM and countersigned by the Chief Accountant at BCBC. All debts greater than £1,000 are reported to the next available Joint Committee.

#### **4. Current situation / proposal**

- 4.1 A review of the achievability of the payment of aged outstanding debts greater than £1,000 has been undertaken. Appendix A attached provides details of the debts greater than £1,000 which have been approved for write off during 2012/13.

#### **5. Effect upon Policy Framework and Procedure Rules**

- 5.1 There is none.

#### **6. Equality Impact Assessment**

- 6.1 There are no equality implications attached to this report.

#### **7. Financial Implications**

- 7.1 There are no financial implications regarding this report, as a provision was made in the 2011/12 accounts for aged outstanding debts.

#### **8. Recommendation:**

- 8.1 It is recommended that Cabinet note the bad debts written off in the 2012/13 financial year.

**Ness Young**  
**Assistant Chief Executive – Performance**  
 Telephone: 01656 643307  
 E-mail: [Ness.Young@bridgend.gov.uk](mailto:Ness.Young@bridgend.gov.uk)

**24<sup>th</sup> January 2013**

#### **Contact Officers:**

Frances Mantle, CPFA

Principal Accountant  
Telephone: 01656 643286  
E-mail [frances.mantle@bridgend.gov.uk](mailto:frances.mantle@bridgend.gov.uk)

Phil Hughes  
Joint Supplies Service Manager  
Telephone: 01656 664505  
**E-mail:** [Phil.Hughes@bridgend.gov.uk](mailto:Phil.Hughes@bridgend.gov.uk)

**Background Documents:** None other than identified in the report.