

BRIDGEND COUNTY BOROUGH COUNCIL
CATALOGUE SUPPLIES SERVICE JOINT COMMITTEE
REPORT OF THE TREASURER

25 SEPTEMBER 2014

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 2013-14 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 Joint Committee's accounts include a provision sufficient to cover all long-standing debt and a proportion of recent debt, which is generally collected in total within six weeks. The level of provision is reviewed on an annual basis to ensure it is maintained at a sufficient level.

3.2 A formal write off procedure process is in place which has been agreed with Bridgend County Borough Council's (BCBC) internal auditors.

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 a responsible JSS officer.
- Values more than £50 and less than £1,000, are initially authorised by a responsible JSS officer and countersigned by the BCBC Accountant supporting the service.
- Values more than £1,000 are initially authorised by a responsible JSS officer 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.
- 4.2 Only one account which meets this criteria was approved for write off during 2013-14. A debt raised in March 2009 for a gross amount of £2,875 in respect of 'catalogue sponsorship' which is no longer recoverable has been written off. The debtor has gone into liquidation and as such County Borough Supplies has been advised by the Administrators that payment will not be made.

5. Effect upon Policy Framework and Procedure Rules

- 5.1 There is no impact on the Policy Framework and Procedure Rules.

6. Equality Impact Assessment

- 6.1 There are no equality implications arising from this report.

7. Financial Implications

- 7.1 There are no financial implications regarding this report, as a provision is held for aged outstanding debts.

8. Recommendation:

- 8.1 It is recommended that Cabinet note the bad debts written off in the 2013-14 financial year.

Gill Lewis
Interim Corporate Director Resources, S151 Officer

25 September 2014

Contact Officers:

Contact Officer: Frances Mantle CPFA Tel No (01656) 643286
Finance Manager – Technical & Corporate
Frances.Mantle@bridgend.gov.uk
Steve Evans Tel No 01656 664552
Business Operations Manager, County Borough Supplies
Steve.Evans@bridgend.gov.uk

Background Documents: None other than identified in the report.