

Sundry Income and Debt Collection Policy

1 Introduction

- 1.1 This Policy sets out the approach to collecting sundry income and debt .
- 1.2 The Authority is responsible for collecting income and debts for a number of different areas and effective income management is key to the delivery of services and effective, efficient income collection releases resources to be used in other aspects of service delivery.
- 1.3 It is the Authority's policy to recover all collectable debt owed to it. With this overall objective in mind this policy aims to:
 - a) Maximise the Authority's income.
 - b) Ensure the time taken to raise invoices is within the appropriate number of days of the provision of service being provided.
 - c) Reduce the time taken to collect fees and charges.
 - d) Reduce the level of debt owed to the Authority and its provision for bad debts.
 - e) Reduce the incidence of debt that cannot be collected.
 - f) Focus the attention and improve education of Service areas as to the importance of prompt debt recovery.
 - g) Tackle any non-payment culture amongst customers.
 - h) Recover debts in an economic, effective, and efficient manner in accordance with legislation.
 - i) Treat all debtors fairly, so no-one receives less favourable treatment including those with protected characteristics.

- 1.4 This policy supports these aims by:
- a) Promoting ownership of debts by service providers.
 - b) Ensuring whenever possible that collection of the fee or charge involved takes place prior to the service being provided so that credit is only given when essential to do so.
 - c) Promoting a system of credit control.
 - d) Ensuring invoicing procedures are carried out on an accurate and timely basis.
 - e) Requiring that evidence to support the invoice exists in the form of an official purchase order or other written agreement.
 - f) Encouraging debtors to pay promptly.
 - g) Making collection and enforcement activity more efficient by prioritising collection of larger debts.

2 Exclusions

- 2.1 The following areas are excluded from this policy
- a) Council Tax
 - b) National Non-Domestic Rates
 - c) Housing and Council Tax Support Overpayments
 - d) Parking
 - e) Housing rent income

3 Variations to this Policy

- 3.1 Due to the nature of some service areas business needs, there are a small number of specific differences for certain service areas.
- Income due from North Tyneside schools Appendix A
 - Recovery of commercial rents, Appendix B
 - Recovery of Adult Social Care charges Appendix C
 - Recovery of income for school meals Appendix D

4 Key objectives of fees and charges

- 4.1 Please refer to the policy on Fees and Charges.

5 Responsibilities

- 5.1 Directors of service areas must ensure that:
- a) Financial Regulations and the Scheme of Delegation in relation to the collection of customer accounts are adhered to.
 - b) The principals of fees and charges are adhered to.
 - c) The parts of this policy that applies to their service areas are

correctly followed.

- d) Specific attention is paid to prohibit the poor practice of raising large value invoices at the end of the financial year.
- e) They proactively support the achievement of any corporate targets for debt collection.
- f) Budget managers are fully aware of their responsibilities.
- g) Relevant systems and procedures are in place.
- h) Officers involved in the debt collection process are appropriately trained and aware of this Policy and local practices reflect it.

- 5.2 The Director of Resources (in partnership with appropriate officers from the Authority and any Strategic Partners) has the responsibility of providing central technical support and the relevant electronic processes needed to ensure this Policy can be adhered to. Help and Support is available at <http://intra.northtyneside.gov.uk/page/3733/help-and-support> where guidance and training manuals are held.
- 5.3 The Revenues Team has the responsibility of providing a central collections service recovery, and enforcement unless other recovery arrangements are in place by service areas.
- 5.4 Internal Audit will provide assurance that this policy is being adhered to.
- 5.5 The Director of Resources (in partnership with the appropriate officers from the Authority and any Strategic Partner) has the responsibility of ensuring all those responsible for raising invoices do so in accordance with the timescales and accuracy levels stipulated in the policy. Reminders will be issued where any non-compliance is identified. Where there is continued non-compliance this will be escalated through the appropriate management channels.
- 5.6 All users with responsibility for raising invoices must, in all cases, raise invoices in a timely manner in accordance with the timescales stipulated, to ensure all monies owed to the Council are collected promptly.

6 Validation

- 6.1 The service area responsible for raising the invoice must ensure that the evidence of the service or goods provided are fully validated and that the invoice is accurate and contains sufficient detail for both billing and recovery purposes.
- 6.2 The Revenues Team validate new customers name and address details prior to invoices being raised, to reduce errors and avoid duplication. It is the responsibility of the originating service area to ensure that the correct billing details are collected. If incorrect details are entered for validation the request will be referred back to the originator and deleted from the system until correct details are supplied. (Contours Staff and Adult Social Care have ability to validate new customer at sign up stage)

7 Invoicing

- 7.1 An invoice must be raised within 10 working days of the goods and/or services being supplied, and the supply field should be completed accurately (i.e., date the goods were supplied, or services provided). This ensures meaningful performance information to be extracted from the ASH debtor's system between the Supply Date and Invoice Date fields to check invoices are being raised in line with this policy.
- 7.2 Variations to this are held at Appendix A, B, C and D.
- 7.3 An invoice should not be raised:
- a) Where the charge can be collected in advance at point of service provision.
 - b) For less than £25, unless via an interface. Fees and charges below this level should be collected in advance by other methods.
 - c) Where the charge is not known in advance.
 - d) If a purchase order or written agreement (where required) has not been received.
 - e) When it cannot be proven that the goods and/or services have been supplied.

- e) When the amount due is not still owed.
- f) If a debt is already bad or doubtful (where a prior check of budget code shows the customer is already a late/non payer).
- g) To artificially meet specific income targets especially at year end.

7.4 A Direct Debit should, wherever possible, be set up against an invoice in advance of the service being provided.

7.5 Where it is highlighted that invoices are not being raised in accordance with this section, the Director of Resources (in partnership with the appropriate officers from the Authority and Strategic Partner) will issue reminders to those individuals.

7.6 Where additional training is required, this will be provided. Where there is continued misuse the Director of Resources will escalate this through the appropriate management channels.

7.7 When creating invoices, the following must be completed in full:

- Customer's full name(s)
- Customer's full address(es), including postcode(s)
- Date of supply
- Purchase order number (where applicable)
- Full description of the service/goods provided
- Amount due
- VAT amount
- Total due

7.8 Where possible invoices should be emailed to the customer.

7.9 All invoices must be raised to a correctly named legal entity. In the event of non-payment, legal action cannot be taken against a non-legal entity. Legal entities are:

1. Individuals
2. Sole Traders
3. Partnerships
4. Limited companies

5. Charities limited by guarantee
6. Clubs run by a committee
7. Trustees
8. Executors or Personal Representatives

8 Quality Assurance of invoicing

- 8.1 It is the requirement of service areas raising invoices to carry out a sample check of invoices being raised to ensure that the invoice and relevant system notes contains enough information for the debt to be pursued and that correct dates are used for supply field.

9 Payment methods

- 9.1 Invoices should be able to be paid by all the following methods with Direct Debit being the preferred option of payment:

- Direct Debit
- BACS
- Standing order
- Via the internet/ or telephone payment
- Debit card
- Credit card
- At a Post Office or PayPoint outlet
- Payment card at a payment kiosk located at Customer First Centres

10 Credit limits

- 10.1 For goods and/or services being supplied and costing over £5,000 a credit check must be run on all customers where the Authority is providing a service that is not paid for in advance.
- 10.2 Credit/Service provision should not be given to customers who previously have been consistently late payers or have not paid at all where appropriate. The budget holder giving credit should check their budget code to ensure the customer does not have a previous history of nonpayment and local practices within service areas should reflect this step before an invoice is raised. The appropriate Heads of Service/ manager can approve credit facilities where customers have been late/nonpayers previously

where it is appropriate to do so.

10.3 Preferential credit limits must not be agreed for any customer.

11 Credit terms

11.1 The Authority will collect monies owing to it fully and promptly.

11.2 Payment terms will only be granted where the customer is not able to settle the debt in full in one payment. On receipt of an invoice a customer can arrange to clear the amount outstanding by way of weekly, fortnightly, or monthly instalments. Payment should be made by direct debit wherever possible.

11.3 All requests from customers to make arrangements for payment must be referred to the Revenues Team regardless of the amount. The Revenues Team will set up and monitor all payment arrangements.

11.4 The Revenues Team will withdraw payment terms if a debtor fails to honour the agreement agreed.

12 Accounting arrangements

12.1 Service areas will receive the credit when an invoice is raised.

12.2 Where there are additional costs involved to secure payment of an overdue debt, service areas will be required to meet these costs.

12.3 Where debts cannot be recovered, write offs will be submitted against the central bad debt provision. However, important to note all budget holders who have debt raised against their budget code and who have outstanding debt should ensure that all steps are being taken to recover that debt in a timely manner.

12.4 Collection performance against each service areas debts will be made available to the Senior Leadership Team for discussion when required as part of the financial management reporting process.

12.5 If it is determined by the Director of Resources that actions of a

service area are resulting in poor collection of their Sundry Debt raised, then any debts written off, as a result of those actions, will be written off against the service areas budget code and not the central bad debt provision. This will be discussed with the relevant Director of Service at that time.

12.6 In certain circumstances, following discussions with individual service areas, alternative arrangements to raise credit bills will be put in place. This provision will be utilised where a service area specifically indicates that the debt is irrecoverable due to a safeguarding or welfare issue. The service may still continue to be provided but at a direct cost to that individual service area.

12.7 Refunds of any overpayments will be given, when requested on a refund request proforma forwarded to the Revenues Team where appropriate.

12.8 Direct debit administration is carried out by the Revenues Team except for those input by the Contours Team. All rejections and cancellations are carried out by the Revenues Team who will arrange to notify the Income Management Team and the appropriate individual service areas.

13 Collection

13.1 A written reminder will be sent for all invoices unpaid after 12 days of the invoice issue date .

13.2 If after a further 12 days of the reminder issue date, the invoice is still unpaid, a final notice will be issued.

13.3 After a further 12 days of the final notice issue date, if the invoice is still unpaid, it will be passed to an external debt collection agency or referred for county court action depending on the level of debts outlined in 13.5 below.

13.4 Local authorities, Heath Authorities and North Tyneside schools will be contacted by telephone and will not be passed for collection to an external debt agency.

- 13.5 Debts between £25.00 and £4,000 will be passed to an external debt collection agency. Debts between £4,000.01 and £9,999.99 will automatically be passed to the Revenues Officer to pursue through the small claims' courts. When requested, evidence to substantiate the debt must be provided by the originating service area within 7 days for this action to be pursued. Debts in excess of £10,000.00 must be referred with substantiating evidence within 14 days to Legal Services to pursue, with notification being sent to the Revenues Team to update the debtors system.
- 13.6 The commission fee and any other charges incurred by any debt collection agency or bailiff will be charged back to the income code the original invoice was raised against. This will also include all the fees and charges for cases which are subsequently withdrawn.
- 13.7 Once a case has been referred to a debt collection agency or enforcement agent any payment arrangement the debtor enters into must be made directly with that agency.
- 13.8 The Revenues Team must attempt to trace any debtors who have absconded with debts over £1,000.
- 13.9 Recovery action may be halted at any part of the process if the debtor enters into suitable payment terms to clear the debt by instalments with the Revenues Team.
- 13.10 Recovery action may be halted at any part of the process if the originating service area decides not to allow recovery for the good of the service. When this happens the originating service area must bear the cost. The Revenues Team will arrange to raise a credit note to cancel the charge and will also recharge the service area for any fees and costs already incurred.
- 13.11 The Revenues Team will hold formal meetings with individual service areas who are not meeting the targets set out in the policy. Meetings will be held as and when required to discuss performance and debt collection issues generally, and more

specific individual arrears cases. Officers who are able to make decisions on the Authority's behalf in respect of individual cases should be in attendance. Notes of the meetings shall be taken to record the actions required by individual members of staff.

13.12 The Senior Client Manager Revenues and Benefits will raise with the Director of Resources any issues that are pertinent to preventing collection of debts and where appropriate the policy will be reviewed and updated in line with Section 20.

13.13 In cases of continued non-payment for ongoing services, where deemed appropriate, withdrawal of the service must be initiated to prompt payment.

14 Queries and Disputes

14.1 If a charge is disputed the service area must notify the Revenues Team immediately to prevent the recovery process continuing. All disputes must be resolved by the service area within 30 days of the invoice being raised and the Revenues Team notified of the outcome. Where it is likely that a service area will not resolve the dispute within 30 days, the service area must notify the Revenues Team of this before 30 days has elapsed and provide the likely date it will be resolved.

14.2 Where disputes are not resolved within this timeframe the Revenues Team will raise a credit note to remove the debt from the system and notify the service area when this happens. The service area is then responsible for the re-raising of the invoice once the dispute is resolved, if appropriate.

14.3 In cases where it is considered that part payment of a disputed debt can be negotiated with a debtor, the following officers shall have the Authority offer a discount not exceeding the sums shown:

- a) Senior Client Manager Revenues and Benefits can authorise a discount of up to 10% or £250, whichever is the lower.
- b) The Director of Resources can authorise a discount of up to 25% or £1,500, whichever is the lower.

14.4 Any discount allowed under paragraph 14.3 above shall be processed by submitting a credit note request for approval.

15 Litigation

15.1 Where a debt collection agency fails to collect the amount due or where a decision is made to go to the County Court:

- a) Single or multiple recoverable debts between £500 and £10,000 should be processed through claims online procedures by the Revenue Team, but only if the originating service can provide the necessary supporting documentation.
- b) All recoverable debts of £10,000 and above must be referred to Legal Services or another legal service provider by the originating service area together with written evidence to substantiate the charge. Failure to do so will result in the Revenues Team raising a credit note to cancel the charge and the loss of income will be met by the originating service area.

16 Credit notes

16.1 In conjunction with Financial Regulations there must be a clear distinction between raising a credit note and writing off a debt.

16.2 A credit note to cancel or reduce a debt must only be issued to:

- a) Correct a factual inaccuracy.
- b) Correct an administrative error.
- c) Cancel an invoice which cannot be enforced in a reasonable timescale.
- d) Cancel an invoice which cannot be enforced because of a lack of sustainable documentary evidence that the charge is legally due.
- e) Process a discount granted under 13.2 above.
- f) Cancel an invoice which has not been raised in accordance with this policy.
- g) Where there is good reason for some/all of the debt to be credited (for example injury, health condition etc that restricts use of a Contours membership)

- h) Where the customer is unable to afford the debt, due to a significant change in financial circumstances (Contours).
- i) No longer able to use the Contours facilities due to a house move or place of work change.

16.3 Must include a full explanation of why a credit note is applicable. Credit notes will be reviewed during the Audit process to ensure that they are given in accordance with this policy.

17 Write offs

17.1 There is a small central provision for bad debt write offs. Where appropriate write offs will be made against this provision. However, in certain circumstances, on individual cases, following a review meeting there will be instances where bad debts will be recharged to individual service areas, as covered earlier.

17.2 Officers have authorisation to write off debt in line with the Officer Delegation Scheme.

18 Debt management

18.1 It is the responsibility of the budget holder where debt has been raised against to monitor their own performance against the timeframes in this Policy, and to ensure that debt is managed and collected in a timely manner.

- a) Level of debt.
- b) Number of days debts are outstanding.
- c) Number of days between service provision and raising of invoice.
- d) Number and value of disputed accounts and those where action is on hold.
- e) Performance monitoring of external agents.

18.2 On a monthly basis statistical information on debt outstanding should be discussed at budget meetings to ensure that outstanding debt is reviewed regularly and managed well.

18.3 Outstanding debt reporting for each service area will be presented to the Senior Leadership Team by the Director of Resources as and when appropriate.

19 Monitoring

- 19.1 The Senior Client Manager Revenues and Benefit is authorised to:
- a) Carry out the central monitoring of this policy.
 - b) Agree amendments to the policy for operational, efficiency and effectiveness purposes.
 - c) Report to the Director of Resources any major issues arising from the above.

20 Review

- 20.1 The Policy will be subject to review by the Senior Client Manager Revenues and Benefits as appropriate, in consultation with the Director of Resources and the Lead Member for Finance and Resources and should incorporate any recommendations by Audit.

Annex 1

Definitions of a legal entity

Please see below definitions of legal entities and the information that needs to be requested and recorded when creating an invoice for each type of legal entity.

1. **Individuals** – This is usually someone living at a residential address. When a request is received for a service, the person's full name (title, forename(s) and surname) must be obtained and stated. Initials are not acceptable. If the request is on behalf of more than one person then the full name of each person must be obtained and specified. The full correct postal address, including postcode, must be specified.
2. **Sole Traders** – Where an individual is trading in his or her own name the full name of the individual as well as the business name must be obtained e.g., Mr Paul Brown, trading as Brown Removals. Evidence of the name of the business could be in the form of a request for services on a business letterhead. The individual's full postal address is also a requirement and must be requested.
3. **Partnerships** – 'LLP' must be added where applicable, otherwise the full names of one, two or more partners must be stated, followed by 'trading as' (as above). If LLP is applicable the full correct business address, including postcode, must be stated, otherwise the full correct postal address(es), including postcode of the partner(s) should be stated.
4. **Limited Companies** – the company name must include 'Ltd' or 'Plc'. Invoices can be addressed to either the current registered office or to a place of business of the Company. Evidence of their Limited status and registered office must be obtained by requiring confirmation of the service request on their official letterhead. Further confirmation can be obtained from <https://www.gov.uk/get-information-about-a-company>.
5. **Charities limited by guarantee** – companies which are charitable and

also limited by guarantee can be exempted from using the term 'Ltd' so, for example: "The English Heritage Trust" is a correct name. Evidence of their charitable status must be obtained by requiring confirmation of the service request on their official letterhead. Further confirmation can be obtained from

<http://apps.charitycommission.gov.uk/showcharity/registerofcharities/RegisterHomePage.aspx>

6. **Clubs run by a committee** – the full name(s) and address(es) of the treasurer and / or the secretary, or the trustees must be stated.
7. **Trustees the full name(s)** and address(es) of the trustee(s) and the full name of the trust must be stated.
8. **Executors or Personal Representatives** – must be addressed e.g., 'Mr John Brown, Executor of Paul Smith Deceased' or 'Personal representatives of Paul Smith Deceased'. The full postal address(es) of the executors/personal representatives must be stated.

Appendix A – Income due from North Tyneside schools

The corporate policy will apply for the collection of income from North Tyneside Schools with the following variations;

10 Credit Limits

Is replaced with;

- 10.1 Schools will automatically be granted a credit limit to cover all goods and services purchased from the Authority.
- 10.2 In cases where a school consistently proves to be a late payer then the matter will be referred to Director of Commissioning and Asset Management and the Client Manager Revenue & Benefit Services.
- 10.3 Referrals made under 10.2 may then have the following sanctions imposed
 - a) Withdrawing credit limits in full
 - b) Reducing credit limits
 - c) Collecting charges from payments due to be made to the school concerned
 - d) Collecting debts from the school budget

11 Credit Terms

Is replaced with;

- 11.1 Credit Terms, in the form of an instalment payment facility, shall not be given to schools.

12 Accounting Arrangements

Is replaced with;

- 12.1 Refunds of any overpayments should only be given where there are no other debts outstanding from the school in respect of any other goods and/or services.

13 Collection

Is replaced with;

- 13.1 A written reminder will be sent for invoices that remain unpaid after 12 days.
- 13.2 If after a further 12 days the invoice is unpaid, a final notice will be issued.
- 13.3 If a debt has been outstanding after 60 days from the date the invoice was raised a report will be issued to the Revenues Team. The Revenues Team will contact the school concerned and the Financial Support Unit directly by e-mail to obtain payment.
- 13.4 Where the intervention of the Revenues Team fails this should be brought to the attention of Director of Commissioning and Asset Management and the Senior Manager Revenue & Benefit Services for resolution.
- 13.5 Recovery action may be halted at any part of the process if the originating Service Area decides not to pursue recovery for the good of the service. When this happens the originating Service Area must bear the cost. Any adjustment to the amount invoiced must be made using a credit note.
- 13.6 In cases where any working day stated in this section falls within a school holiday then the relevant action should be taken within 5 working days of that holiday ending.

14 Queries and Disputes

Is replaced with;

14.1 Queries, Disputes and Arbitration

If there is a dispute over an invoice, the school concerned and the service area that raised the invoice must liaise with the Revenues Team in an attempt to resolve the matter within 30 working days of the invoice.

- 14.2 In cases where it is considered that part payment of a disputed

debt can be negotiated with a school, the following officers shall have the authority to offer a discount not exceeding the sums shown:

- a) Revenues Team Leader can authorise a discount of up to 10% or £375, whichever is the lower. A credit note must be countersigned by one of the officers at b) below
- b) Senior Client Manager Revenue and Benefit Service, the Revenues Manager can authorise a discount of up to 10% or £2,500, whichever is the lower. The discount should be approved by one of these officers and confirmed by one of the other officers.

- 14.3 In cases where a query or dispute cannot be resolved using the procedures at 13.2 then the service area will pass the evidence in relation to the goods and/or services provided to the Revenues Manager for arbitration.
- 14.4 Within 10 working days of receiving the papers the Revenues Manager will write to the parties involved seeking their views on the disputed invoice.
- 14.5 These parties will have 10 working days to reply to this request.
- 14.6 The Revenues Manager will have discretion to extend the response time at 14.5 above in cases where any part of the period falls within a school holiday.
- 14.7 Within the 10 working days following receipt of the parties' views the Revenues Manager will review the information received and will seek further information if necessary.
- 14.8 Any request by the Revenues Manager for additional information must be responded to within 10 working days.
- 14.9 The Revenues Manager will have discretion to extend the response time at 13.8 above in cases where any part of the period falls within a school holiday.

- 14.10 The arbitration panel, comprising the Senior Client Manager, the Revenues Manager and the Revenues Team Leader will decide in relation to the disputed invoice within 10 working days of receiving all the comments and information considered necessary.
- 14.11 Any failure by any party to respond to any request by the Revenues Manager within the timescales stipulated above will automatically result in the dispute being found in favour of the other party.
- 14.12 During the arbitration process the Revenues Manager will keep all parties up to date with progress being made in determining the dispute.

15

Litigation

Litigation does not apply

Appendix B – Recovery of commercial rents

The corporate policy will apply for the collection of income from Commercial Rents with the following variations:

13 Collection

- 13.1 Invoices should only be raised where there is an enforceable agreement/ lease in place.
- 13.2 A written reminder will be sent for all invoices unpaid after 12 days.
- 13.3 If after a further 12 days the invoice is unpaid, a final notice will be issued.
- 13.4 If a debt remains unpaid after 35 days the Revenues Team will write to the tenant requesting payment in full within 7 days. A copy of the letter will be forwarded to the appropriate Valuer for information purposes.
- 13.5 Disputed charges will be considered under section 14.
- 13.6 Where there is no dispute and the debt remains outstanding and the tenant still occupies the commercial premises, the following recovery action will take place:
 - a) The Revenues Team will request from Corporate Property Services, evidence to substantiate the debt. The evidence that will be required will be confirmation that the invoicing information is accurate and correct, the value of the debt is right and that the debt is in the correct individual or business name. Additionally, it would assist the Revenues team if any information in relation to disputes or any circumstances could be highlighted that may affect the recovery of the debt. Failure to provide appropriate evidence within 14 days will result in the charges being removed from the system and the loss of income being met by the Service Area.
 - b) The Council's Enforcement Agents or External Agents will

be instructed to pursue debts where the value is in excess of £100.00.

- c) Cost to the customer will be incurred in line with regulations, additional costs may be incurred where vehicle or equipment is hired to remove goods, any shortfall after sale would be covered by service area.

13.7 If enforcement action is unsuccessful then Corporate Property Services will instruct Legal Services or other arranged legal service for advice on recovery.

13.8 Where a tenant has either vacated or been evicted from the commercial premises, the following recovery action will take place:

- a) Single or multiple debts to the value of £4,999.99 will be passed to the Revenues Team to pursue through the claims on line .
- b) Single or multiple debts in excess of £5,000.00 must be referred by Corporate Property Services to Legal Services or other arranged legal services within 14 days to pursue. Legal Services (or other arranged legal Service) must keep both Corporate Property Services and the Revenues Team informed of progress on a regular basis. Regular update meetings must be held between Corporate Property Services and Legal Services (or other arranged legal services) to monitor the progress of cases and Revenues Team advised of the outcome.
- c) The Revenue Team will maintain a spreadsheet of all outstanding cases and the level at which the recovery process has reached. Corporate Property Services and the Revenues Team will meet on a as required to discuss progression of cases.

13.9 Recovery action may be halted at any part of the process if Corporate Property Services decides not to pursue recovery. Approval for this action will be obtained through delegated powers from the Head of Finance & Resources. When this happens the Service Area must bear the cost. Any adjustment

to the amount invoiced must be made using a credit note.

Appendix C - Recovery of Adult Social Care charges

The corporate policy will apply for the collection of income from Adult Social Care with the following variations:

13 Collection

- 13.1 In addition to 13.1 the following is replaced with:
- 13.2 A written reminder will be sent for invoices that remain unpaid after 19 days.
- 13.3 If after a further 12 days the invoice is unpaid, Revenues Team will send out a further letter after 1 month of arrears. If no response, this will be recorded on a spreadsheet and forwarded to Financial Services, Adult Social Care, who will advise of appropriate next steps.
- 13.4 Financial Services will update this spreadsheet and monitor at two monthly stage only. Revenues Team will change recovery status to reflect referral to Financial Services Team.
- 13.5 Recovery via Revenues Team by external collection agency or referral for County Court action will be at the direction of Financial Services, Adult Social Care.

Please refer separately to Adult Social Care Income and Debt Procedure for additional information.

14 Queries and Disputes

Is replaced with:

Queries, Disputes and Arbitration

- 14.1 If a charge is disputed the Service area must notify the Revenues Team immediately to prevent the recovery process continuing. All disputes must be resolved by the Service Area within 30 days of the invoice being raised and the Revenues Team notified of the outcome. Where disputes are not resolved

within the timeframe the Revenues Accounts Team will liaise with Financial Services, Adult Social Care, prior to raising a credit note to remove the debt from the system. In cases where a credit note is raised it is the responsibility of Financial Services to re-raise the invoice once the dispute is resolved, if appropriate.

14.2 In cases where it is considered that part payment of a disputed debt can be negotiated with a service user, the following officers shall have the authority to offer a discount not exceeding the sums shown:

- a) Manager – Financial assessment and Income Recovery can authorise a discount of up to 10% or £375, whichever is the lower. A credit note must be raised for the discount
- b) Assistant Director Wellbeing and Assessment can authorise a discount of up to 10% or £2,500, whichever is the lower. A credit note must be raised for the discount

14.3 In cases where a query or dispute cannot be resolved using the procedures at 13.2 then the Service Area will pass the evidence in relation to the goods and/or services provided to the Revenues Manager for arbitration.

16 Credit Notes

In addition to 15.1 to 15.2 of the Income and Debt Policy

16.3 A credit note should only be issued when the credit request proforma is signed by an authorised officer (see below). An explanation for the credit note must be stated in every case. Relevant paperwork relating to the credit should be attached to the credit note to provide accurate audit trail.

16.4 In the case of Home Care refunds for services not provided or disputed by the service user, the credit refund will be entered into a spreadsheet and downloaded into Accounts Payable on a monthly basis. This spreadsheet is then authorised by a Senior

Officer in Financial Services. No proforma credit request is completed.

Revenues Senior Income Recovery Officer has authority to authorise credits up to £375.

Manager – Financial Assessment and income Recovery has authority to authorise credits up to £2,500.

b) Assistant Director Wellbeing and Assessment has authority to authorise credits up to £4,500.

Head of Health, Education, Care and Safeguarding service has authority to authorise credits over £4500.

17

Write-Offs

In addition to 16.1 – 16.5 of the Income and Debt Policy

17.6

Write-offs will be considered where –

The customer is deceased, and it is not possible to recover the outstanding monies from the Estate.

A singular debt is below £20, and no contact can be made with the customer.

The debts have been pursued through the Courts and all enforcement action has proved unsuccessful (Customer Accounts Recovery Officer).

Part-payment has been secured on the account as a result of enforcement through the Court and it has been agreed no further action should be taken by Customer Accounts Recovery Officer and Manager – Financial Services, Adult Social Care.

Revenues Manager has authority to write-off uncollectable debts up to £375.

Manager – Financial Assessment and Income Recovery has authority to pass for write-off uncollectable debts up to £2,500.

b) Assistant Director Wellbeing and Assessment has authority to pass for write-off uncollectable debts up to £4,500.

Head of Health, Education, Care and Safeguarding service has authority to pass for write-off uncollectable debts over £4,500.

Appendix D – Recovery of income for school meals

The corporate policy will apply for the collection of income for school meal debt with the following variation;

7 Invoicing

Is replaced with;

- 7.1 Invoices will be raised at the end of each half term, (October, February, and May).

