

## **Sundry Debtors General Recovery Process**

Accounts can be placed on "Hold" in order to suspend recovery action if requested by the Service Area or pending further information during the recovery process. In most cases a temporary hold is applied which is reviewed after 28 days.

Reminders are automatically produced 21 days after printing for all accounts more than £1.00 in arrears, where there is no "Hold".

If mail is received back as 'Gone Away' we refer back to the issuing department first to investigate, If they have no other address we can then try and trace via a National Anti Fraud Network search.

The Finance system has letter series (differentiating between recovery procedures) which are allocated to a new customer at set up; they are REM A for the home alarm service, REM B for businesses and REM C for personal individuals.

REM A – this has two letters within the series. This comprises of two reminders – a courtesy letter and a 7 day letter.

REM B – This has five letters within the series representing the reminder, final reminder, 14 day letter, 7 day letter and pre Collection agent letter.

REM C \_ This has four letters within the series representing the reminder, final reminder, 7 day letter and the pre collection agent letter.

A member of the Finance Team run a report for arrears to determine which cases are still unpaid and therefore require referral to the Council's external debt collection agency. Usually only debts exceeding £30.00 would be referred.

The Council currently uses collection agents who will try to recover the debt and make arrangements for payment. Referred cases are monitored until the case is closed either due to full payment or if the collection agents have been unsuccessful in recovery. The collection agents are given 6 months minimum to recover monies before they come back to the Council. A determination is made on any returned cases whether it is viable to seek to obtain a County Court Judgement, secure a payment plan or refer to The Councils Legal Services for collection; each debt is looked at individually before being passed.

If the account remains unpaid, a review will be undertaken as to whether to pass to Legal Services to pursue through the issue of a County Court Summons. Court Order cases (Judgement Obtained) and Legal.

Accounts in Arrears are reviewed by the appropriate Service Area monthly and in some cases services may be suspended until accounts are brought back up to date.

Officers have delegated authority to write-off a Sundry Debtor account (or part of) subject to sufficient evidence and authorisation at the appropriate level.