

PART ONE

Item 16

To: Joint Audit Committee
Date: 27th July 2017
By: Paul Bundy, Head of Finance
Title: Bad Debt Write Off Report

Purpose of Report:

In accordance with the Police and Crime Commissioner's and Chief Constable's Financial Regulations the Joint Audit Committee should be presented with an annual schedule of all debts written off. The Joint Audit Committee is requested to approve where appropriate the writing off of debts in excess of the CFOs delegated authority. The delegated limits as per the Financial Regulations are shown on appendix 1.

Revenue Written Off

Bad debt totalling £41,011.63 was authorised to be written off in 2016/17 by either the Chief Constable's CFO, or both the Chief Constable's CFO and the PCC's CFO. A breakdown of individual debtors or debt type is shown on appendix 1, along with the authoriser and an explanation for the write off.

Cumulatively the PCC's CFO and the Chief Constable's CFO can authorise bad debt to be written off up to the value of £50,000 in any one financial year. This limit has not been exceeded during 2016/17, and therefore committee members are asked to note this report.

Decision(s) Required-

For information only

Equalities / Human Rights Implications – None arising.

Risk- No risks have been identified.

Background papers – Financial Regulations

Contact details –

Name: Paul Bundy
Job Title: Head of Finance
Telephone number: 01483 39302
Email address: paul.bundy@surrey.pnn.police.uk

2016/17 DETAILS OF AMOUNTS WRITTEN OFF				
Debtor	Debt Type	Authoriser	Amount	Reason for write off
Employee	Payroll	CC CFO	£1,960.00	Occupational maternity leave for an employee due to return from a 5 year career break. No suitable alternative position was available.
Employee	Payroll	CC CFO	1,234.88	Overpayment of allowances from 2007 to an employee, the debt was reduced to the last six years, with an additional deduction of 25%.
Employee	Payroll	Both CFO's	14,632.45	Overpaid Salaries dating back a number of years relating to 56 employees
Revenue - income	N/A	Both CFO's	1,421.30	Missing funds due to be banked - investigated by PSD
Toners Reunited.co.uk	AR invoice1007819	Both CFO's	5,868.00	Company dissolved
Surrey Primary Care Trust	AR invoice 1001917	Both CFO's	75.00	Surrey PCT no longer exist as an organisation
Surrey Drug and Alcohol Action Team	AR invoice 1004707	Both CFO's	5,000.00	Surrey DAAT no longer exists as an organisation
Kind of Digital	AR invoice 1008656	Both CFO's	1,620.00	Company dissolved
BKS Events	AR invoice 1006222	Both CFO's	900.00	Company dissolved
BKS Events	AR invoice 1006494	Both CFO's	300.00	Company dissolved
Redeploy	CSF Grant	Both CFO's	8,000.00	CSF Grant awarded to a start-up social enterprise which intended to create work for unemployed ex-military veterans. Due to unfortunate circumstances the project was wound up, the OPCC received £4000 of the £12,000 originally awarded.
Total Written Off			£41,011.63	

Financial Regulations:

The writing off of bad debt can be authorised by either the PCC's CFO or the CC's CFO in respect of their own corporations up to a value of £10,000 for individual bad debt cases and £25,000 cumulatively in any one financial year. The write off of bad debts greater than these limits requires the approval of both CC CFO and PCC CFO up to a maximum of a cumulative value of £50,000 in any one financial year.

In Surrey, The Audit Committee should be presented with an annual schedule of all debts written off and will approve where appropriate the writing off of debts in excess of the CFOs delegated authority.

In Sussex, the PCC will approve where appropriate the writing off of debts in excess of the CFOs delegated authority. This is due to a variation in the terms of reference of the respective Audit Committees in Surrey and Sussex.