**Background**

At the February F and M Committee, an item was considered about how we write off the RM debt to the council. Questions were asked as to whether the whole debt should be written off (less the amount recovered), or the debt – less the amount recovered – less the amount identified by the courts that we could realistically recover (circa £17k). This was brought for consideration to March Full Council where additional information was requested from the external auditors.

As requested, the RFO has been in contact with the External Auditors for the Council (Mazars) who advise that:

*It is ultimately up to the Council to decide how much to write-off.*

*If the council decides that the extra £17K is not recoverable because the former officer has insufficient funds left then it would be appropriate to write that off. The letter doesn’t commit to recovering this sum. The debtor at 31/3/22 should relate to amounts owed to the Council for which there is still a reasonable expectation of recovery.*

*The decision should be minuted and preferably based on independent evidence rather than a representation by the former employee or their legal representatives. The Council will need to be mindful that electors may wish to challenge the decision and seek assurance that everything possible was done to recover the money. If the Council is confident it can demonstrate that it has taken reasonable steps to recover the money then a write-off should be justifiable.*

**Recommendation**

Cllrs are asked to consider how they would like to see the debt reflected in the accounts.