

Proposal for transfer of Write off authority for Formers Subpostmaster Accounts cases up to week 52 year 2002/03 from Commercial and Community Finance Managers to Transaction Processing.

The current process means that cases over £500 are documented and sent to the Commercial and Community Finance managers for write off authority. This is a fairly simple process but recently we have received a number of queries regarding the cases insisting that we continue investigations even though we have been advised by Legal services that it would not be cost effective to do so.

Cases are sent by E Mail to Helen Silverthorn or Alan Gazzard for write off authority and although the turnaround is fairly quick for most cases we are regularly involved and E Mails back and forth when Heads of Area are questioning the process. A recent case is over 3 years old and the debt stands at £886.00 but we are being asked to pursue by the Community Finance Manager.

Alison Bolsover and I attended a meeting with Tony Marsh and Phil Gerrish to discuss accountabilities. At this meeting it was agreed that we should hold case reviews with Security and Audit for cases rejected by Legal Services as not cost effective to pursue. We also require a process for discussion of cases with the finance managers to ensure that they understand why we are suggesting write off and the action taken so far. There also needs to be a process for mediation when write off is disputed by the finance managers. We currently send a short history of the case by E Mail and send more information if requested. If agreed we receive write off authority by mail and this is backed up by a signed document from the Finance manager.

The proposal is that we should authorise the cases up to and including week 52 2002 within TP to save time and cost on the administration of the cases and legal costs for lost causes. We would then liaise with the Finance managers on all cases from week 01 2003 onwards. A suggested improvement to the current process would be to hold review meetings either monthly or quarterly with the Finance managers in order to discuss unusual cases and make joint decisions on write offs

We would also have the following criteria set to instruct the team on when to pass cases to Legal Services :

Cases over £200 - Letter before action £25

Cases over £500 - Letter before action and Tracing agent if required £150

Cases over £500

- If no response from tracing agent we need to consider write off
- If Former Sub Postmaster found and financial status established we will ask Legal services for advice on how to proceed.
- Legal services will proceed with cases on our instructions and if they reach a point where it is no longer cost effective to pursue recovery they will advise us in writing.
- The Agents Debt 4 Team leader will make a decision on whether to pass cases above £500 on to the finance managers for authority or make further investigations.

Suggested Authority limits for write off up to week 52 2002 :-

Team leader -	up to £1k
CM1-	up to £15k
Operations Manager	up to £25k
Head of TP	up to £50k
Peter Corbett	Over £50k

All new cases from 1st April 2003 will be written to a specific profit and Loss code where the area manager is accountable for this. We would like to start this process at the earliest possible opportunity to prevent any more delays in processing cases.

Carol King
Debt Recovery 1

GRO