

REPORT TO	DATE OF MEETING
Cabinet	11 th January 2017

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SUBJECT	PORTFOLIO	AUTHOR	ITEM
Corporate Debt Recovery Policy	Corporate Support & Assets	Peter Haywood	

SUMMARY AND LINK TO CORPORATE PRIORITIES

The adoption of a Corporate Debt Recovery Policy, attached at Appendix A, will set out the Council’s approach to collecting and recovering debts owed to the Council by residents and businesses. The policy will apply to Council Tax, Non Domestic Rates, overpaid Housing Benefit and Sundry Debts.

This report supports the corporate priority of being an Efficient, Effective and Exceptional Council

1 BACKGROUND

- 1.1 The Council has previously agreed a Debt Recovery Policy but, due to changes in working practices and legislative requirements, it is appropriate for a revised policy to be adopted which details the aims and objectives of maximising income whilst providing assistance to taxpayers and customers.
- 1.2 The Council currently has effective procedures in place for the collection of debts which result in over 99% of Council Tax and Non Domestic Rates being collected. However, it is appropriate for the Council to adopt a Debt Recovery Policy to ensure that a consistent approach to collection and recovery is applied, and which enables employees and customers to understand what that approach is.

2 RECOMMENDATIONS

- 2.1 It is recommended that Cabinet approves the adoption of the Corporate Debt Recovery Policy.

3 DETAILS AND REASONING

- 3.1 South Ribble continues to rank highly in terms of the collection of debts such as Council Tax and Non Domestic Rates and, in the current financial position with an increased focus upon the collection of local taxation and other income types, there is a continued important need to recover debts both appropriately and efficiently.
- 3.2 In our experience efficient and effective working practices contribute to the successful collection of the majority of debts without the requirement for any recovery or enforcement action to be undertaken. This policy details the payment options and instalment plans that

will be provided to ensure that the majority of debts continue to be paid and collected as they become due.

- 3.3 However, whilst the majority of payments will be made on time, there will be cases where recovery action is required to ensure that arrears are dealt with at the earliest opportunity, which will prevent debts from accruing and increasing over a period of time. This policy details the recovery processes that will be undertaken along with subsequent enforcement action that will be considered. The most suitable method of recovery to be undertaken in each case will depend upon the nature of the debt and the customer who owes the debt.
- 3.4 All accounts will be considered individually prior to the commencement of enforcement action with each case being considered on its merits and a recognition that alternative courses of action may be appropriate where an individual could be considered as being vulnerable, with differing approaches adopted to those who ‘can’t pay’ as opposed to those who ‘won’t pay’.
- 3.5 Gateway staff will offer a Personal Budgeting Support service at the Civic Centre with customers being signposted to other debt advice agencies where appropriate. The policy supports the principles contained within the Council’s Customer Service Charter, whilst seeking to maximise income to the Council and reduce the overall level of debt.
- 3.6 The policy will be reviewed annually by the Revenues Manager in consultation with the Chief Financial Officer.

WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of its proposals in all the areas listed below, and the table shows any implications in respect of each of these.

FINANCIAL	<p>The revised policy aims to maximise the income collected and reduce the overall level of debts owed to the Council by residents and businesses.</p> <p>This complies with Financial Regulation No.8.1 which requires for arrangements to be in place <i>‘for the safe and efficient collection/receipt of, and accounting for, all monies due to the council’</i>.</p>
LEGAL	<p>It is good practice to implement a Corporate Debts Policy. This ensures transparency and consistency and allows residents and businesses to understand the processes applied by the council, when recovering debt.</p>
RISK	
THE IMPACT ON EQUALITY	<p>An Equality Impact Assessment has been undertaken and a copy of this is available on the Council’s website.</p>
OTHER (see below)	

<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

BACKGROUND DOCUMENTS

South Ribble Borough Council Corporate Debt Recovery Policy