

REPORT TO Executive and Council
Date of Meeting: 26 January 2016 and 23 February 2016
Report of: Assistant Director Customer Access
Title: Debt Collection Policy in respect of
Council Tax Recovery, Rent and Former Tenancy Arrears
Recovery, Housing Benefit Overpayment Recovery and
Rechargeable Repairs Recovery

Is this a Key Decision? Yes

No

* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

Is this an Executive or Council Function? Council

1. What is the report about?

This report proposes a policy for the collection of debts owed to the Council with respect to Council Tax Recovery, Rent and Related Charges Recovery, Housing Benefit Overpayment Recovery and Rechargeable Repairs Recovery

2. Recommendations:

Executive is requested to recommend the Policy to Council for approval.

3. Reasons for the recommendation:

Ensuring that we have a clear Policy for the way that we will collect debt owed to the Council helps to ensure that our approach is transparent, fair and applied with consistency. It will also minimise the risk of legal challenge to our recovery action.

4. What are the resource implications including non financial resources.

There are no specific resource implications of approving the Policy.

5. Section 151 Officer comments:

A formal policy for a consistent approach to the recovery of debt is welcome. It would be beneficial if the policy could be extended to sundry debt, once that service has been bedded into the overall service.

6. What are the legal aspects?

The Policy gives us a clear framework in which to recover debts owed to the Council and diminishes the likelihood of successful legal challenge to our collection activities and adverse findings by the Local Government Ombudsman.

Council Tax recovery procedures are prescribed in The Council Tax (Administration and Enforcement) Regulations 1992 (SI 613/1992). Recovery of rent is pursued under legislation

and protocol including the Housing Act 1988, Housing Act 1996 and the Pre-action Protocol for Possession Claims based on rent arrears. Housing Benefit overpayments are recovered in accordance with the Social Security Administration Act 1992, The Housing Benefit Regulations 2006 (SI 213/2006) and The Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 (SI 214/2006). ECC has powers under Section 13A (1)(c) of the Local Government Finance Act 1992, and this policy has been drawn up with regard to the Equality Act 2010 and Data Protection Act 1998.

The authority to write off, and write off limits is contained in ECC's Financial Regulations, contained in the Constitution of the Council.

7. Monitoring Officer's comments:

This report raises no issues of concern for the Monitoring Officer.

8. Report details:

Separate teams across the Council responsible for the collection of debts owed with respect to the identified areas were brought together under a new team originally called One View of Debt, now known as the Collection and Payments Team. The principle behind this decision was to reduce the duplication of effort across teams and also reduce the incidences of residents being contacted by the Council using different methods, approaches and considerations.

Each individual team had previously worked to a policy for the relevant areas, for example Council Tax, Housing Benefits etc; however as new ways of working were developed, there was a need to develop a new Policy to reflect the approach. The Policy will be supported by guidance notes which will make the Collection process clear to both staff and customers.

It is anticipated that the Policy will be reviewed annually and revised as appropriate with consideration of the Corporate Debt Policy.

9. How does the decision contribute to the Council's Corporate Plan?

This policy reflects the principles of the Council's 'Help Me with My Financial and Housing Problem' purpose. The approach is to support residents to avoid getting into debt but should that not be possible to maximise the payments to the Council by agreeing sustainable repayment plans which reflect an understanding the individuals' circumstances.

10. What risks are there and how can they be reduced?

The risks are identified in section six of this report. In addition, there is a risk that the Policy may not be applied consistently. This risk will be reduced by ensuring that all staff in the Collection and Payments Team who are responsible for recovery are trained and feel confident in the use of the new Policy.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

An Equality Impact Assessment is in progress and will be made available on the Council's website.

12. Are there any other options?

There is the option of delaying the introduction of this Policy until the Corporate Debt Policy is updated, but officers' views is that given the existing policies governing the Collection of debts owed to the Council are no longer fit for purpose, the Council is at risk of challenge without a the proposed Policy.

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Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

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