

COUNCIL TAX, NON DOMESTIC RATES AND SUNDRY DEBTORS DEBT RECOVERY POLICY

Relevant Portfolio Holder	Cllr John Fisher
Portfolio Holder Consulted	Yes
Relevant Head of Service	Amanda Singleton
Ward(s) Affected	All
Ward Councillor(s) Consulted	None Specific
Key Decision / Non-Key Decision	Key Decision

1. SUMMARY OF PROPOSALS

- 1.1 This report sets out a revised Debt Recovery Policy.
- 1.2 The revised recovery policy aims to balance the needs of the Council to recover payment and supporting those who are struggling to pay.
- 1.3 The policy takes into account the needs of vulnerable people particularly those with mental health problems.
- 1.4 The policy enables us to take a holistic approach to debt collection, ensuring that we recover priority debts, and those of the greatest value to the Council first.
- 1.5 The Policy does not take account of rent arrears which are dealt with under Housing Services' rent arrears guidance manual.

2. RECOMMENDATIONS

Executive is asked to RESOLVE that

- 2.1 The revised Debt Recovery Policy be adopted with immediate effect.**

3. KEY ISSUES

Financial Implications

- 3.1 The Council must maximise the recovery of outstanding debts and as such a clear and robust recovery policy is required, setting out the steps that can be taken in the pursuit of debt recovery.
- 3.2 The current collection rates are good and are used as a measure of the success of the procedures in place for the recovery of debts.
- 3.3 In 2015/16 the council collected:
 - 96.16% of Council Tax
 - 97.05% of Non Domestic Rates.

Legal Implications

- 3.4 Debt recovery is undertaken in accordance with all relevant legislation.

Service / Operational Implications

- 3.5 The purpose of this policy is to set out a framework within which employees of Redditch Borough Council will make decisions on the appropriate courses of recovery action.
- 3.6 The policy, while primarily aimed at staff, will also provide information to advice agencies on the processes applied by Redditch Borough Council when dealing with the recovery of Council Tax, Non-Domestic Rates, Sundry Debts and Housing Benefit Overpayment.
- 3.7 Redditch Borough Council has a legal duty to ensure cost effective billing, collection and recovery of all sums due to the Council.
- 3.8 The revised policy aims to provide a fair and flexible approach taking into account the Council's purposes and the operational principles in respect of debt recovery. There are no significant changes to the existing policy which would impact on overall debt recovery, or the pathways available, rather it aims to provide a more holistic platform and to enable a more empathetic approach in respect of vulnerable people.
- 3.9 The recovery of rent arrears are dealt with according to the Housing Services' rent arrears guidance manual, within the Locality Teams. Former tenancy arrears are dealt with as a sundry debt.

Customer / Equalities and Diversity Implications

- 3.10 The policy will ensure all tax, ratepayers and debtors are treated fairly and objectively.
- 3.11 Officers have worked with the CAB in the production of this policy and will be working closely with relevant VCS organisations to ensure that appropriate payment plans are put in place and that we support customers who are actively engaged in working with us or partner organisations to improve their financial independence

4. RISK MANAGEMENT

- 4.1 Failure to collect debts would have a negative impact on the Council's finance but debt recovery needs to be fair and appropriate to the value of the debt.

5. APPENDICES

Debt Recovery Policy

6. BACKGROUND PAPERS

Held in Revenues Service

AUTHOR OF REPORT

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