

# Cabinet



**Forest Heath**  
District Council

<b>Title of Report:</b>	<b>Joint ARP Debt Management and Recovery Policy</b>	
<b>Report No:</b>	<b>CAB/FH/15/034</b>	
<b>Report to and date:</b>	<b>Cabinet</b>	14 July 2015
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<b>Purpose of report:</b>	To create a Joint ARP Debt Management and Recovery policy reflecting practices that have been adopted in this area as a result of Shared Services across the Anglia Revenues Partnership and the addition of three new partners.	
<b>Recommendation:</b>	<b>It is <u>RECOMMENDED</u> that Members approve the policy as set out at Appendix A to Report No CAB/FH/15/034.</b>	
<b>Key Decision:</b>  (Check the appropriate box and delete all those that <b><u>do not</u></b> apply.)	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<i>The decisions made as a result of this report will usually be published within <b>48 hours</b> and cannot be actioned until <b>five clear working days of the publication of the decision</b> have elapsed. This item is included on the Decisions Plan.</i>		
<b>Consultation:</b>	N/A	
<b>Alternative option(s):</b>	Continuing with separate policies would not be efficient given the shared provision of Revenues collection across the partnership. A policy is needed in this area in order to make clear to customers what the recovery process entails	

<b>Implications:</b>			
Are there any <b>financial</b> implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>Maximise income to the collection fund,</li> <li>Reduce write-offs</li> <li>Improve cash flow</li> </ul>	
Are there any <b>staffing</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li>Training and awareness and detailed guidance support this policy</li> </ul>	
Are there any <b>ICT</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
Are there any <b>legal and/or policy</b> implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>This is a revised policy and its adoption will ensure consistency across the West Suffolk authorities.</li> </ul>	
Are there any <b>equality</b> implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>A screening EqIA has been carried out (see Appendix B)</li> </ul>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
	Low/Medium/ High*		Low/Medium/ High*
Risk of new policy not being implemented by staff	Low	Training and guidance given to staff	Low
Risk of not collecting debt	Medium	Monthly monitoring of collection targets distributed to ARP Joint Committee members	Low
Risk of need of additional resource to support the debt recovery process	Low	Capita Revenues System ensures debts are moved through the debt recovery process in a timely manner. Regular review of the Councils outstanding debt and recovery timetable.	Low
Risk of low-income customers being adversely affected by debt recovery processes	Medium	Policy covers ways of handling vulnerable customers and considering individuals' circumstances e.g. signposting to debt advice. (See EqIA)	Low
<b>Ward(s) affected:</b>		All	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		None	

**Documents attached:**

Appendix A - Draft Debt  
Management, Recovery and Write-Off  
Policy  
Appendix B - EqIA

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## **1. Key issues and reasons for recommendation(s)**

### **Background**

- 1.1 Anglia Revenues Partnership (covering the seven partners) is looking at the development of an ARP wide debt management policy. ARP has recently shared a draft policy with West Suffolk, along with all other ARP partners for our comments and scrutiny as we each see fit. This draft policy is attached at Appendix A.

### **Purpose of document**

- 1.2 The purpose of the document attached at Appendix A is to set out the policy in relation to the billing, collection and recovery of Council Tax, Non-Domestic Rates and Housing Benefit Overpayments across West Suffolk and the wider Anglia Revenues Partnership.
- 1.3 The policy document replaces previous policies of the Anglia Revenues Partnership and updates the content to reflect the changes introduced by the recent changes to enforcement legislation. This policy excludes the activities relating to sundry debt of the Council – this is the subject of a separate policy.
- 1.4 The new draft sets out the procedures and other matters which will be considered in the recovery of Council Tax, Non-Domestic rates and Housing Benefit overpayments.
- 1.5 The councils are part of the Anglia Revenues Partnership and it is therefore essential to operate clear and common practices across all council partners.
- 1.6 Monthly reports are produced which monitor collection against collection fund targets. Additional reports are produced which monitor collection from further recovery actions (Bankruptcy and Charging Orders)
- 1.7 The Council Tax raised for the 2014/15 financial year was £24.79m with an in-year collection of 96.97%. Non-Domestic Rates raised for the same period were £21.69m with an in-year collection rate of 97.65%.

## **2. Policy aims**

The aims of this policy are as follows:

- to ensure that debts are managed in accordance with legislative provisions and good practice;
- to maximise income collected by the councils;
- to ensure a professional, consistent, cost effective and timely approach to recovery action across all of the councils' services; and
- customers' circumstances and ability to pay are fully taken into account so as to distinguish between the customer who won't pay and the customer who genuinely can't pay.
- to minimise debts outstanding at the end of the financial year, and therefore the need for bad debt provisions, and actual debt write offs.