

Cabinet (Resources) Panel

28 March 2017

Report title	Collection & Debt Strategy	
Decision designation	Amber	
Cabinet member with lead responsibility	Councillor Andrew Johnson Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Mark Taylor, Director of Finance	
Originating service	Revenues and Benefits	
Accountable employee(s)	Sue Martin Tel Email	Head of Revenues and Benefits 01902 554772 sue.martin@wolverhampton.gov.uk
Report has been considered by	Strategic Executive Board Corporate Directorate Leadership Team	6 March 2017 27 February 2017

Recommendations for action or decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the draft collection and debt strategy.

1. Purpose

- 1.1. To seek approval from Cabinet (Resources) Panel to an integrated collection and debt strategy that will be followed in respect of all council tax, business rates and sundry debt and is included as appendix 1.

2. Background

- 1.1. The City of Wolverhampton Council has a duty to ensure that all revenue owed is collected efficiently and effectively for the benefit of all Council taxpayers.
- 1.2. The creation of the recovery team, within the Revenues and Benefits service area, has led to a review of the approach taken corporately in the collection of amounts due to the authority and a review of the way debts are managed.

3. Key principles of the strategy

- 1.3. This strategy responds to the rising level of indebtedness; the impact of welfare reform; and the increased pressure on the Council with reduced central government funding.
- 1.4. Citizens Advice and service teams across the Council have been consulted in developing the strategy.
- 1.5. It aims to minimise the uncertainty of payments and increase amounts paid, thereby reducing levels of arrears and bad debt provision.
- 1.6. It will promote efficient and accurate billing when payment is not available in advance of a service being provided, whilst promoting the most cost effective method of payment, direct debit.
- 1.7. Where payment is not forthcoming, there will be consistent principles followed when negotiating repayment; prompt action in seeking to recover amounts due and all enforcement options actively pursued.
- 1.8. Careful consideration will be given, and appropriate advice sought, where vulnerability and/or financial difficulties are identified, signposting to external advice agencies when required.
- 1.9. The impact and effectiveness of the strategy will be monitored through increased collection levels; reduced arrears and bad debt provision; lower levels of amounts written off; and reviewing any complaints received in respect of the approach followed and whether there are any equality related issues raised.

4. Financial implications

- 4.1 The City of Wolverhampton Council has a duty to ensure that all revenue owed is collected efficiently and effectively for the benefit of all council taxpayers. The Collection and Debt Strategy promotes a cost effective approach to the recovery of debts which aims to improve collection and recovery performance, ensuring that it is at the highest possible rate.
- 4.2 In the instance that debts are irrecoverable, debts will be written off in accordance with the Council's Financial Procedure rules.
[MH/01032017/P]

5. Legal implications

- 1.1 Recovery of amounts owed to the Council will be pursued in accordance with the following legislation:
- Local Government Finance Act 1992 and associated regulations, with the collection empowered by the Council Tax (Administration & Enforcement) Regulations 1992.
 - Local Government Finance Act 1988, and the collection empowered by the National Non Domestic (Collection & Enforcement) (Local Lists) Regulations 1989.
 - Housing Benefit (General) Regulations 2006 and section 75(7) of the Social Security Administration Act 1992.
 - Care Act 2014.
- [AW/21022017/Y]

6. Equalities implications

- 1.1. A stage one initial equality analysis has been completed. No equality implications were identified and a full analysis is not required. Equalities considerations will be included in the monitoring of the policy to ensure that it is one that will be able to demonstrate that the approach taken is applied fairly and equally. In this way Councillors can be confident that the approach will meet the requirements of the Public Sector Equality Duty as established by the Equality Act.

7. Environmental implications

- 1.10. None.

8. Human resources implications

- 1.11. None.

9. Corporate landlord implications

- 1.12. Where leases are entered into with the council, i.e. leasing of council owned premises, these will make specific reference to the late or non-payment of invoices. The approach followed will be in accordance with the individual lease.

10. Background papers

- 10.1. None