



**EAST STAFFORDSHIRE BOROUGH COUNCIL**

**REPORT COVER SHEET**

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|--|---|
| <b>Title of Report:</b>  | Review of Recovery and Write Off Policies |
| <b>Meeting of:</b>   | Cabinet                                   |
| <b>Date:</b>   | 11 <sup>th</sup> September 2017           |
| <b>Is this an Executive Decision:</b>  | [YES]                                     |
| <b>Is this a Key Decision:</b>   | [NO]                                      |
| <b>Is the Report Confidential:</b>   | [NO]                                      |
| <b>If so, please state relevant paragraph from Schedule 12A LGA 1972:</b>  | [ ]                                       |
| <p><b>Essential Signatories:</b></p> <p><b>ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE</b></p> <p>Monitoring Officer: <b>Angela Wakefield</b></p> <p>Date ..... Signature .....</p> <p>Chief Finance Officer: <b>Sal Khan</b></p> <p>Date ..... Signature .....</p> |   |

**EAST STAFFORDSHIRE BOROUGH COUNCIL**

**Report to Cabinet**

**Date: 11<sup>th</sup> September 2017**

**REPORT TITLE: Review of Recovery and Write Off Policies**

**PORTFOLIO: Finance**

**HEAD OF SERVICE: Sal Khan**

**CONTACT OFFICER: Sarah Richardson Ext. No. x1716**

**WARD(S) AFFECTED: None**

**1. Purpose of the Report**

- 1.1. To request approval for the Recovery and Write Off policies submitted with this report.

**2. Executive Summary**

- 2.1. To advise Members of the requirement for, and approval of, policies to support the recovery and collection of all sums due to the Council and ultimately the write off criteria for any uncollectable debts.

**3. Background**

- 3.1. Effective Recovery and Write Off policies are required to ensure the efficient administration and recovery of Council Tax and Business Rates arrears, Housing Benefit Overpayments and Sundry Debts. It is within the 2017/18 Corporate Plan to review the current policies.

**4. Contribution to Corporate Priorities**

- 4.1. Approval of these policies will contribute to the Council's objectives of having value for money services. By ensuring that the Council has clear guidelines in place for the collection of debt and that customers are dealt within in a transparent manner and income to the Council is maximised through efficient collection methods.

## 5. **Report**

- 5.1. The Council has a legal duty to ensure cost effective billing, collection, and recovery of all sums due to the Council and ultimately write off uncollectable debts.
- 5.2. The Recovery and Write Off policies provide essential guidance and a framework to ensure that the process is done in a consistent, firm but fair way, which assists those having difficulty in paying whilst protecting those who do pay. The emphasis is to encourage early contact from those facing payment difficulties and to maximise take up of benefit where ever possible.
- 5.3. The Recovery and Write Off policy previously approved in 2013 have been updated to include detailed reference to the legislation surrounding the collection of unpaid debts and the handling of certain classes of refused Direct Debit payments. Appendix 13.1 shows the revised Recovery policy and appendix 13.2 is the revised Write Off policy. The table below shows the revised paragraphs in each policy following the review:

Table 1 – Summary of changes compared to Recovery policy 2013

| Page number | Paragraph | Change  |
|-------------|-----------|---|
| 3           | 4         | Inserted Legal Framework  |
| 4           | 5         | Inserted Equality Statement   |
| 6           | 8.3       | Inserted instructions on how we will deal with taxpayers who have Direct Debit payments refused by their bank due to insufficient funds or cancellations. |

Table 2 – Summary of changes compared to Write Off policy 2013

| Page number | Paragraph | Change  |
|-------------|-----------|---|
| 2           | 4         | Inserted Legal Framework  |
| 2           | 5         | Inserted new paragraph 'Authorisation Levels' and updated table 1 to reflect the financial regulations in the Council's constitution. |

## 6. **Financial Considerations**

*This section has been approved by the following member of the Financial Management Unit: Lisa Turner*

- 6.1. There are no direct financial implications arising from this report. Nevertheless, these policies form an important element of the overall financial framework within which the Council operates and are consistent with the Constitution.

## **7. Risk Assessment and Management**

- 7.1. The main risks to this Report and the Council achieving its objectives are as follows:

- 7.2. **Positive** (Opportunities/Benefits):

- 7.2.1. Debt will be pursued and written off within an approved structure which will streamline the process and enable the maximisation of income and efficient administration of debt collection.

- 7.3. **Negative** (Threats):

- 7.3.1. None.

- 7.4. The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

## **8. Legal Considerations**

*This section has been approved by the following member of the Legal Team:  
Angela Wakefield*

- 8.1. The main legal issues arising from this Report are shown in paragraph 4 of the Recovery policy.

## **9. Equalities and Health**

- 9.1. **Equality impacts:** The subject of this Report is a policy, strategy, function or service that is new or being revised. An equality statement is inserted into the Recovery policy at paragraph 5.

- 9.2. **Health impacts:** The outcome of the health screening question does not require] a full Health Impact Assessment to be completed. An equality and health impact assessment is not required.

## **10. Human Rights**

- 10.1. There are no Human Rights issues arising from this Report.

11. **Sustainability** (including climate change and change adaptation measures)

11.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) N/A

12. **Recommendation(s)**

12.1. That the additional paragraph inserted into the Recovery Policy at paragraph 4 (Legal Framework) be approved.

12.2. That the additional paragraph inserted into the Recovery Policy at paragraph 5 (Equity Statement) be approved.

12.3. That the additional paragraphs inserted into the Recovery Policy at 8.3 and 8.3.1 (Direct Debit cancellations) are approved.

12.4. That the additional paragraph inserted into the Write Off Policy at paragraph 4 (Legal Framework) be approved.

12.5. That the additional paragraph inserted into the Write Off Policy at paragraph 5 (Authorisation Levels) and the updated table 1 within the same paragraph be approved.

13. **Appendices**

13.1. Appendix 1: Recovery policy (revised 2017).

13.2. Appendix 2: Write Off policy (revised 2017).