



The Anglia Revenues Partnership

Debt Management and Recovery Policy

Benefits Service
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ANGLIA REVENUES PARTNERSHIP

INTRODUCTION

Effective debt management is crucial to the success of any organisation. In the current economic climate of high personal borrowing and rising interest rates, it is essential that this authority has clear policies and procedures to manage the recovery of debt. If the ARP is to achieve its aim of effective income management, then it must seek to recover all debts due, and sustain collection rates. This policy has therefore been designed to address these concerns.

POLICY STATEMENT

Forest Heath District Council, East Cambridgeshire District Council, St Edmundsbury Borough Council and Breckland Council working together as The Anglia Revenues Partnership (ARP) under authority of Section 101(b) of The Local Government Act 1972, will deal with all stages debt management and recovery in a professional manner that shows respects for customers, members of staff and anyone else involved in the process and deal with each case as stated in this Policy document.

This policy will be available to all internal and external stakeholders and will be on the Councils' websites www.breckland.gov.uk, www.forest-heath.gov.uk: www.eastcambbs.gov.uk www.stedsmundsbury.gov.uk

OBJECTIVE

This policy is provided to ensure that the Local Authorities, through the ARP fulfill their statutory requirements. The Debt Management and Recovery Policy helps to ensure that the legislation is adhered to, and that debts are dealt with appropriately, in a fair and open manner.

EQUALITY

The ARP is committed to equality of opportunity and valuing diversity in both the provision of services and in its role as a major employer. We believe that

everyone has the right to be treated with dignity and respect. We are committed to the elimination of unfair and unlawful discrimination in all our policies, procedures and practices. We are determined to ensure that no member of the public, employee or job applicant receives less favourable treatment on the grounds of their age, child care or other caring responsibilities, disability, gender, HIV status, language, marital status, race, religion, sexuality, membership or non-membership of a trade union, or by any requirement which cannot be shown to be justifiable.

AIMS

The key aims of this policy are as follows:

- ◆ To consider fully the debtor's circumstances in the light of their ability to pay and so endeavour to distinguish from the outset between the debtor who won't pay and the debtor who genuinely can't pay.
- ◆ to encourage prompt payment to minimise the level of debt at any given time
- ◆ To work with the client to clear the debt as soon as possible. To ensure a professional, consistent and timely approach to recovery action.
- ◆ To cost effectively pursue all debts owed to the Councils, seeking to maintain and improve on the levels of income collected by the authorities.
- ◆ To promote a co-ordinated approach towards sharing debtor information and managing multiple debts owed to the Councils. To actively work with approved advice agencies to seek resolution where clients are failing to meet multiple debt liabilities.
- ◆ To only write debt off in accordance with the Councils' write-off policies.
- ◆ To treat individuals consistently and fairly regardless of age, gender, ethnicity, disability and sexual orientation and to ensure that individuals' rights under Data Protection and Human Rights legislation are protected.
- ◆ To support the Councils' objective to ensure organisational effectiveness through good management, optimising external income and listening to local people..

SCOPE

The main sections involved in debt recovery are Finance and Revenue Services. The debts involved are primarily:

- Council Tax
- National Non Domestic Rates
- Overpaid Housing Benefit
- Discretionary Housing Payments

The Legal and Policy Framework for Recovery

The ARP will work on behalf of the Councils' to fulfill the legal duty to ensure cost-effective billing, collection and recovery of all sums due to the Councils.

Local Taxation

Council Tax recovery procedures are laid down by statute in The Council Tax (Administration and Enforcement) Regulations 1992 and subsequent amendments. National Non-Domestic Rates recovery procedures are laid down by statute in The Local Government Finance Act 1988 and subsequent regulations and amendments.

Where it is decided it is appropriate to use the services of the Councils' bailiffs, they will recover local taxation arrears in accordance with an agreed code of conduct. Only certificated bailiffs can levy distress for local taxation and fees charged to the debtor are governed by legislation.

Housing Benefits

Housing Benefit overpayments are reclaimed in accordance with the relevant acts and regulations. The ARP's Benefit Overpayment Policy sets out the basis under which these debts are recovered.

Discretionary Housing Payments

Discretionary Housing Payment overpayments are reclaimed in accordance with the relevant acts and regulations. The ARP's Discretionary Housing Payment Policy and Overpayment Policy set out the basis under which these debts are recovered.

Sundry Debt

Sundry Debt arrears are collected within a well-established framework. On certain debts, interest may be charged for late payment. The debtor will be made aware of any additional costs in advance so that they have the opportunity to avoid this wherever possible. Customers will also be made aware of legal fees and costs that will be incurred for non-payment. This is dealt with in more detail in the Sundry Debt Recovery Policy.

General Principles

- Full names, contact address and a phone number will be established wherever possible prior to service provision or invoicing/billing.

- All Councils' bills and invoices will be raised as soon as reasonably practicable and will include clear and relevant information as to:
 - What the bill is for;
 - When payment is due;
 - How to pay;
 - How to contact us if there is a query in relation to the bill or in relation to making payment.
- All letters and reminders will:
 - Explain what has been agreed and the consequences of non-payment;
 - Include appropriate contact details.
- Debtors will be encouraged to make prompt contact if they disagree with a bill or have difficulty in making payment on time. Contact can be made by:
 - Telephone
 - Letter
 - Email
 - Fax
 - In person at the Council Offices or customer service centres.
- Problems and bill discrepancies raised will be resolved as quickly as possible to prevent unnecessary delays in payment and incorrect debits.
- Debtors seeking help due to exceptional financial difficulties will:
 - Be given the opportunity to have their ability to pay assessed by the relevant collection officers;
 - Be invited to use the money and debt advice services available from the Citizens Advice Bureau (CAB);
 - Be asked if they have other debts owing to the Councils that they also wish to be considered;
 - Be given access to the Councils' interpreter service if required.
- Payment Arrangements will always endeavour to collect ongoing liability by due dates e.g. Council tax, and make arrangements for arrears, as this will aid the debtor by reducing costs which may otherwise be incurred every year.
- Debtors given time to pay should be advised to contact the ARP immediately if they experience a change of circumstances affecting their ability to pay.

IMPLEMENTATION AND TRAINING

This policy will be made available to all staff dealing with income collection and recovery. This will be reinforced with training and management supervision of all staff involved in collecting debt.

COMPLAINTS

The respective Council's individual 'Compliments and Complaints Procedure' (available on the each of the Councils' websites) will be applied in the event of any complaint received about this policy.

POLICY REVIEW

This policy will be managed and reviewed every year and, from time to time, updates and re-issues will be circulated. However, the policy will be reviewed sooner if a weakness in the policy is highlighted, in the case of new risks, and/or changes in legislation. Each section will be responsible for ensuring that this policy is adhered to and effective.

Author	Sharon Jones
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Next Review	May 2012
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REVISION HISTORY

	Description	Date	Author(s)
1.0	Original Policy	Nov 2005	Steve Knights
1.1	Annual Review	Nov 2006	Steve Knights
1.2	Change to members of Partnership	Nov 2007	Steve Knights
1.3	Reviewed due to LHA	28.02.08	Steve Knights
1.4	Annual Review	27.02.09	Steve Knights
1.5	Annual Review	22.04.10	Sharon Jones
1.6	Annual Review	1.12.11	Sharon Jones