

**Subject:** Local Taxation Debt Management Policy

**Status:** For Publication

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**Report to:** The Cabinet

**Date:** 19<sup>th</sup> March 2008

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**Report of:** Head of Customer Services & I.C.T

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**Portfolio Holder:** Quality Services to Customers

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**Key Decision:** No

Forward Plan

General Exception

Special Urgency

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## 1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to propose the adoption, by Members, of a Debt management policy for Council tax and National Non-Domestic Rates (Business Rates)

## 2. CORPORATE PRIORITIES

- 2.1 The matters discussed in this report impact directly on the following corporate priorities and associated corporate objective.
- Delivering Quality Services to Customers (Customers, Improvement)
  - Well Managed Council (Improvement, Community Network)

## 3. RISK ASSESSMENT IMPLICATIONS

- 3.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:
- A core function of the policy is to mitigate the risk to Council of unpaid debts and therefore safeguard financial resources

## 4. BACKGROUND AND OPTIONS

- 4.1 As part of the Councils financial management development it is considered good practice for Council to have adopted a formal debt management policy. The adoption has also been recommended by the Councils internal auditors.

4.2 A general sundry debt policy already exists in line with these recommendations. However that policy does not include guidelines for Council Tax (CTax) and National Non-Domestic Rates (NNDR). These taxes are subject to specific legislation and therefore require guidelines tailored to the statutory framework under which the taxes operate.

4.3 The debt management policy is geared to maximising collection of CTax & NNDR and gives guidance on:

- Debt recovery
- Small value debts
- Debt write off
- Responsibility

4.4 The draft policy is attached at appendix 1.

#### **COMMENTS FROM STATUTORY OFFICERS:**

#### **5. SECTION 151 OFFICER**

5.1 The report and the policy deal directly with financial matters.

5.2 The adoption will further strengthen the Councils financial management arrangements.

#### **6. MONITORING OFFICER**

6.1 This is an important policy in the context of delivering high quality services to customers.

#### **7. HEAD OF PEOPLE AND ORGANISATIONAL DEVELOPMENT (ON BEHALF OF THE HEAD OF PAID SERVICE)**

7.1 There are no material Human Resources implications.

#### **8. CONCLUSION**

8.1 That the adoption of the policy follows best practice and further strengthens both the Councils financial management and customer service delivery.

#### **9. RECOMMENDATION(S)**

9.1 That the Local Taxation Debt Management policy is approved by members.

9.2 That any future revision of the small balance/write off thresholds included in the policy is delegated to the Head of Financial Services in consultation with the portfolio holder for a well-managed Council.

9.3 That any future revision of the levels of responsibility included in the policy is delegated to the Head of Customer Services & I.C.T. in consultation with the portfolio holder for a Quality Services to Customers.

## 10. CONSULTATION CARRIED OUT

10.1 Internal Audit

## 11. EQUALITY IMPACT ASSESSMENT

Is an Equality Impact Assessment required Yes

Is an Equality Impact Assessment attached Yes

## 12. BIODIVERSITY IMPACT ASSESSMENT

Is a Biodiversity Impact Assessment required No

Is a Biodiversity Impact Assessment attached No

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