



Policy, Finance and Development Committee	Tuesday, 06 September 2022	Matter for Information
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Report Title: Corporate Policies: Corporate Debt and Collection of Business Rates and Council Tax (September 2022)

Report Author(s): Jon Owst (Revenues & Benefits Manager)
Rashpal Sohal (Finance Manager)

Purpose of Report:	To provide Members with an update on the Corporate Debt Policy revision and to consult Members on areas to be considered for inclusion in the revised policy.
Report Summary:	The report sets out the current position and the work that is being undertaken to review the Corporate Debt Policy. The report then seeks feedback on the key areas that Members would like to see included or amended in the revised policy.
Recommendation(s):	A. That the content of the report be noted; and B. That feedback is given on the areas for inclusion and amendment in the Corporate Debt Recovery Policy.
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	Tracy Bingham (Strategic Director / Section 151 Officer) (0116) 257 2690 tracy.bingham@oadby-wigston.gov.uk Jon Owst (Revenues & Benefits Manager) (0116) 288 2603 jon.owst@oadby-wigston.gov.uk Rashpal Sohal (Finance Manager) (0116) 2572 705 Rashpal.sohal@oadby-wigston.gov.uk
Corporate Objectives:	Providing Excellent Services (CO3)
Vision and Values:	Accountability (V1) Respect (V2) Customer Focus (V5)
Report Implications:-	
Legal:	There are no implications arising from this report.
Financial:	OWBC collects a substantial amount of income each year, including £5m from Housing, £34m from Council Tax, and £13m from Business Rates. Of this around £13m belong to OWBC, with the remainder shared between other precepting authorities. The suggestions made in and as a result of this report will help to shape the Corporate Debt Policy which determines how this income is collected.
Corporate Risk Management:	Decreasing Financial Resources / Increasing Financial Pressures (CR1) Reputation Damage (CR4)

	Failure to Respond to a Significant Incident (CR7)
Equalities and Equalities Assessment (EA):	There are no implications arising from this report.
Human Rights:	There are no implications arising from this report.
Health and Safety:	There are no implications arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	None.
Background Papers:	Oadby and Wigston Borough Council Corporate Debt Policy (2015)
Appendices:	None.

1. Background

- 1.1 The level of income collected by OWBC on behalf of both ourselves and other precepting authorities is significant, with £34m collected in Council Tax, £13m through Business Rates, and £5m through Housing. The amount available for OWBC is around £13m.
- 1.2 The Corporate Debt Policy provides the framework for this collection within OWBC, but also impacts upon our partners. There is however no requirement to consult with other precepting authorities on this policy – it is a matter for OWBC to determine.
- 1.3 The policy was last updated in 2015.

2. Current Action

- 2.1 A Corporate Debt Recovery group has been set up including officers from Finance, Revenues and Benefits, Housing, and Environmental Health and Licensing.
- 2.2 This group has identified two categories of change required:
 - 2.2.1 Minor amendments to correct or update information; and
 - 2.2.2 Areas where the approach could be changed and improved.

3. Areas for Change and Improvement

- 3.1 It is proposed that the Corporate Debt Recovery group, which has been established to assist in the review of this policy will continue for the purpose of providing oversight and ensuring continued consistency across OWBC in the recovery of all debts.
- 3.2 Consideration will be given to charging interest on debts with lengthy arrangements. Regulations and benchmarking against other authorities will be required here and the approach is likely to depend on the stage of recovery – charging orders for example may be suitable for this whereas cases with enforcement agents may not.

- 3.3 Consideration will be given to establishing a periodic review of payment arrangements once in place so that they remain appropriate as customer circumstances change.
- 3.4 Consideration will be given to utilising repayment holidays for customers depending on their situation. This will not be suitable in housing but could be considered for Council Tax and Business Rates in certain circumstances.
- 3.5 Consideration will be given to allowing payment arrangements prior to the issue of a court summons depending on the circumstances of each case.
- 3.6 It is proposed that the use of income and expenditure forms is standardised across OWBC to provide consistency of decision making and facilitate the sharing of information between departments.
- 3.7 Consideration will be given to the inclusion of legal costs where cases proceed beyond the liability order stage to further recovery such as charging orders or liquidation proceedings.