



<u>Committee and Date</u>	<u>Item</u>
Council	13
22 September 2016	
10.00 am	

COUNCIL TAX, BUSINESS RATES AND HOUSING BENEFIT OVERPAYMENT DEBT COLLECTION POLICY

Responsible Officer James Walton
e-mail: James.walton@shropshire.gov.uk Tel: 01743 255011

1. Summary

The authority has responsibility for the collection and administration of Council Tax, Business Rates and Housing Benefit Overpayments. There is complex legislation detailing how the amounts due from Business Rates and Council Tax are calculated and collected. There is also complex legislation detailing how Housing Benefit Overpayments are calculated, what is deemed recoverable, and the options available to recover the debt.

It is therefore good practise for Shropshire Council to detail its approach to collection of this debt. This will ensure clarity to taxpayers, businesses, members, other residents and advice agencies about the Council's approach to debt collection. It will also ensure a fair and consistent view is taken to debt enforcement, and that the Council is committed to identifying and assisting more vulnerable groups in society to manage their payments.

The attached Debt Collection Policy details the approach that will be taken by the Council in respect of collection of Council Tax, Business Rates and Housing Benefit Overpayments.

This Debt Collection Policy does not reflect the policy in relation to the general collection of other Sundry Debts of the Council (e.g. Service User contributions to their Social Care costs or premises hire) which are reported and approved via alternative processes.

2. Recommendations

It is recommended that

- i) Members are asked to approve the Council policy for Debt Collection of Council Tax, Business Rates and Housing Benefit Overpayment set out in Appendix A
- ii) The Council policy for Debt Collection of Council Tax, Business Rates and Housing Benefit Overpayment should be reviewed every three years

REPORT

3. Risk Assessment and Opportunities Appraisal

The Authority has a statutory duty to bill and collect Council Tax, Business Rates and Housing Benefit Overpayments. By 2020-21 Council Tax and Business Rates will be the main sources of Revenues for the authority. It is important that the Council has a transparent and detailed policy that outlines the approach it will take to collection and enforcement, where outstanding debts remain are unpaid.

4. Financial Implications

Failure to have a clearly outlined, transparent and fair approach to debt collection can lead to uncertainty and challenge which can have a detrimental effect on collection rates.

5. Background

Prior to the creation of the Unitary Authority in 2009 Council Tax, Business Rates and Housing Benefit were administered by the former district Councils. Each district Council had individual policies in relation to debt collection. From 2009 best practise has been shared to develop a fair and consistent approach to debt collection for Shropshire Council as a Unitary Authority. Since 2009, however, the approach taken by the Council has not been formalised into a single consistent policy document for approval by Council.

It is good practise for Shropshire Council to detail its approach to collection of debt. Producing a Council Tax, Business Rate and Housing Benefit Overpayment Debt Collection Policy will help to ensure clarity to taxpayers, businesses, members, other residents and advice agencies about the Council's approach to debt collection. It will also ensure a fair and consistent view is taken to debt enforcement,

and that the Council is committed to identifying and assisting more vulnerable groups in society to manage their payments.

This Policy will remain in place from the date approved by Council, but will be reviewed at least annually by officers and any material changes will be reported to Council for approval.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Cabinet Member (Portfolio Holder)

Malcolm Pate

Local Member

Appendices

Appendix A – Council Tax, Business Rates and Housing Benefit Overpayment Debt Collection Policy