

# **WAVERLEY BOROUGH COUNCIL**

## **AUDIT COMMITTEE**

**4 MARCH 2019**

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### **Title:**

#### **INCOME AND DEBT COLLECTION POLICY**

**[Portfolio Holder: Ged Hall]**

**[Wards Affected: All]**

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### **Summary and purpose:**

To seek approval of a new Income and Debt Collection Policy which aims to achieve prompt collection of all sums of money owed to the council, whilst ensuring that a fair, proportionate and consistent approach is taken to the recovery of sums that are not paid when due.

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### **How this report relates to the Council's Corporate Priorities:**

This report relates to the council's Prosperity priority as provides a corporate approach to income collection and debt recovery to ensure debts are actively being recovered or written off if not economical to recover.

### **Equality and Diversity Implications:**

The intention of the council is to achieve the prompt collection of all sums of money due, whilst ensuring that a fair, proportionate and consistent approach is taken to the recovery of sums that are not paid when due.

### **Financial Implications:**

This policy aims to ensure the efficient collection of money due to the council. Delays in collection or non-recovery of debts can lead to higher administrative costs, and reduced resources available for the provision of essential services.

### **Legal Implications:**

The council has a legal and fiduciary duty to all residents, and to businesses and other organisations that are active in the borough, to ensure the prompt and cost effective billing, collection and recovery of all sums due to the council.

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### **Background**

1. The Finance Service Plan for 2018/19 contained the action to Develop the Corporate Debt Policy to:
  - 1) be proactive in working with residents in the borough who need assistance to financially cope.
  - 2) develop a single council strategy to deal with multiple service debts.
  - 3) incorporate new technologies, modern systems, new payments methods and the council's digital agenda.

2. In fulfilling this action the new Corporate Income and Debt Collection Policy is brought to the Audit Committee for approval and adoption at Annexe 1.
3. The policy has been developed following an in-depth review of all the income streams in the Council to assess current practices, deficiencies in processes and areas where improvements, especially with regards to utilising technology and new payment methods, could be made. The information gathered in this review was used to develop a corporate wide policy on how the council should be collecting income and the recovery process should payment not be forthcoming.
4. The policy will apply to all services and all income streams. Regular monitoring of performance of income collection and debt recovery will be incorporated into the financial performance reporting process.
5. In endorsing this policy the Audit Committee is also give assurances to the council's External Auditors that the council is addressing the issue of debt on the Balance Sheet as identified in the External Audit Findings Report for 2017/18.

### **Conclusion**

This policy has been developed as part of the commitment in the Finance Service Plan to review the processes for income collection and debt recovery across the council and to satisfy External Audit that the council is addressing the risk identified in its findings report for 2017/18.

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### **Recommendation**

It is recommended that the Audit Committee endorses the Income and Debt Collection Policy and recommends its adoption by Council.

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### **Background Papers**

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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