

## PLYMOUTH CITY COUNCIL

**Subject:** Debt Recovery and Enforcement - Scrutiny Recommendations  
**Committee:** Cabinet  
**Date:** 13 November 2018  
**Cabinet Member:** Councillor Mark Lowry and Councillor Chris Penberthy  
**CMT Member:** Andrew Hardingham (Strategic Director for Transformation and Change)  
**Author:** Emma Rose (Strategic Development Manager)  
**Contact details:** T: 01752 312571 E: emma.rose@plymouth.gov.uk  
**Ref:**  
**Key Decision:** No  
**Part:** I

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### **Purpose of the report:**

To consider the recommendations made by the Performance, Finance and Customer Focus Overview and Scrutiny Committee review of Debt Recovery and Enforcement, which took place Wednesday 8 August 2018.

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### **Corporate Plan:**

Understanding the impact of debt recovery and enforcement on the city allows the Council to support the most financially vulnerable residents, whilst ensuring we collect funds that are due to the Council from those who are liable to pay. This contributes to our values of fairness and vision of being a caring organisation.

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### **Implications for Medium Term Financial Plan and Resource Implications:**

#### **Including finance, human, IT and land:**

None arising from these recommendations.

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### **Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

None arising from these recommendations.

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### **Equality and Diversity:**

Has an Equality Impact Assessment been undertaken? No, any proposals for policy change or decisions arising from these recommendations will be subject to their own impact assessments.

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### **I Recommendations and Reasons for recommended action:**

Cabinet support the recommendations made by the Performance, Finance and Customer Focus Overview and Scrutiny Committee review of Debt Recovery and Enforcement Scrutiny and the Portfolio Holder monitors the progress of the associated actions.

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**Alternative options considered and rejected:**

Not supporting the recommendations made by the Select Committee Review.

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**Published work / information:**

Minutes of Performance, Finance and Customer Focus Overview and Scrutiny Committee Meeting 8 August 2018.

**Background papers:**

| Title | Part I | Part II | Exemption Paragraph Number |   |   |   |   |   |   |
|-------|--------|---------|----------------------------|---|---|---|---|---|---|
|       |        |         | 1                          | 2 | 3 | 4 | 5 | 6 | 7 |
|       |        |         |                            |   |   |   |   |   |   |
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**Sign off:**

|   |               |     |               |            |    |  |        |  |    |  |               |  |
|---|---------------|-----|---------------|------------|----|--|--------|--|----|--|---------------|--|
| Fin   | pl.18.19.123. | Leg | It/31517/0211 | Mon<br>Off | HR |  | Assets |  | IT |  | Strat<br>Proc |  |
| Originating SMT Member Faye Hambleton                           |               |     |               |            |    |  |        |  |    |  |               |  |
| Has the Cabinet Member(s) agreed the content of the report? Yes |               |     |               |            |    |  |        |  |    |  |               |  |

## **Background**

A Scrutiny review was completed on 8 August 2018 to consider the Council's approach to debt recovery and enforcement. The committee agreed four recommendations. This paper lays out the response to the Scrutiny recommendations:

### **Recommendation 1)**

A feasibility study is commissioned in order to create a corporate approach to maximise debt recovery, including such areas as high value debt

**Response** The council participates in a number of regional officer groups where best practice is shared and has informed the current corporate policy on debt recovery. A feasibility study is supported to complement and strengthen this work and take into account the other recommendations below.

### **Recommendation 2)**

Efforts are made to identify the forms of debt (excluding those who have been identified as unable to pay) that are most likely to lead to high recovery rates (in volume and value), in order that resources can be prioritised to focus on the areas identified

**Response** A number of actions have been implemented to further prevent debt occurring, including payment up front for services. For any debts that are created, officers take a targeted approach to ensure the easiest to recover and the highest value are collected as a priority. This approach is tailored to each service area and supported by technical experts in those areas. The feasibility study outlined in recommendation 1) will provide a review of those practices and any improvements that can be made will be implemented.

### **Recommendation 3)**

Monitor the ethical debt recovery pilot schemes being undertaken in other local authorities and provide an update report in 12 months' time

**Response** Links have been made with the local authorities operating these schemes. In addition, work is ongoing with Plymouth debt advice agencies to pilot a scheme which will best support Plymouth residents and businesses. The evaluation of these schemes will be reported by August 2019.

### **Recommendation 4)**

Investigate the feasibility of providing debt collection in-house

**Response** This recommendation will be investigated as part of the feasibility study to be commissioned under recommendation 1.