

Consultation Document

Draft Corporate Debt Recovery Policy

30th September 2013 to 24th November 2013

Why are we consulting?

Effective debt management is crucial as this money provides needy resources which we use to deliver services.

The Corporate Debt Recovery policy was originally agreed by the Council in 2009. There has recently been an extensive review of corporate debt recovery and as a result the proposed changes are included within the attached draft Corporate Debt Recovery Policy.

This is an overarching policy setting out our approach to debt collection. A corporate framework for debt collection services ensures a consistent and fair approach is taken to debt collection across the Council. When this policy is agreed Debt Recovery Services within the Council will update their policies to reflect the principles of the Corporate Policy.

We have been working with a multi-agency group to develop the policy which included Citizens Advice Bureau, Harrow Association of Disabled People (HAD), Age Concern, Jobcentre Plus, Harrow Mencap, Newlyns and Chandlers Bailiffs and representatives from our Debt Recovery services.

We want to make sure this draft policy is inclusive and reflects the views of people living in Harrow. We are, therefore, asking for your views in a consultation that will be held over an eight week period from 30th September, 2013 to 24th November, 2013. To be able to respond to this consultation effectively you will need to read the draft Corporate Debt Recovery Policy which is attached to this consultation document. Further copies can be downloaded from our web www.harrow.gov.uk/cdrpconsultation or by telephoning 020 8420 9332.

The main features of the Corporate Debt Recovery Policy

Principles of the Corporate Debt Recovery Policy

The principles of the policy have been updated and are:

- To maximise income for the provision of services in Harrow whilst collecting debt responsibly, sensitively and effectively across all of our debt collection services.
- We aim to pay particular emphasis on the early identification of debt with early contact with the debtor to prevent debt occurring. We will work with debtors to ensure they maintain a minimum payment to ensure arrears do not increase.

Within the policy (page 3) we have outlined what customers can expect from the Council to deliver these principles effectively and the principles that the Council

would expect customers to follow who have a responsibility to pay a charge to the Council or have a debt to the Council.

Vulnerability Criteria

There are some people who will require additional support to be able to manage their financial affairs and their circumstances may make them vulnerable. We have developed criteria that identifies who we will consider vulnerable and how this will be reflected in our approach to debt collection. This criteria is a new feature within the Corporate Debt Collection Policy.

When a person is identified as vulnerable their case will be looked at individually by the relevant debt collection service. This does not mean that they will not be required to pay their debt. Dependant on their circumstances the following options will be considered:

- Ensuring the person has access to all relevant benefits, discounts or other entitlements
- Referral to other sources of advice
- Payment arrangements for the debt
- Allowing longer to pay
- A temporary arrangement with lower repayment than would normally be agreed
- Postponing enforcement action.

The vulnerability criteria is explained in detail on pages 4-7 of the draft policy.

Management of financial affairs criteria

As you will note from reading the vulnerability criteria some of the people will only be considered vulnerable if they cannot manage their financial affairs effectively. Criteria has been developed to help debt collection services understand when a person cannot manage their financial affairs effectively which includes the following:

- If the person has multiple debts
- The person has been granted support from the Council's Emergency Relief Scheme (further information on the Emergency Relief Scheme can be found at www.harrow.gov.uk/emergencyreliefscheme)

We are currently taking forward a pilot between our Council Tax Recovery and Adult Services to identify how the checkpoints for the identification of vulnerability operate and therefore the feedback from this trial, as well as your views given through this consultation will influence the criteria and its future operation.

Assessment of Ability to Pay

We will continue to ensure that we work with customers to ensure their income is maximised by providing advice on available benefits. Where customers are unable to pay their debt in one lump sum an arrangement can be made for the customer to pay by instalments. Where customers have multiple debts that are owed to the Council we will work with the customer to help them prioritise the repayment of their debt with a view to avoiding the most serious consequences if the debt is not repaid. The hierarchy of debts was included within the previous policy and is not changing. (Included within the draft policy -Table 1 on page 8).

Once the priority debts have been considered the financial assessment will consider debts where non-payment could lead to loss of the customer's home or imprisonment as shown in Table 2, pages 8 and 9 of the draft policy. This secondary assessment has been introduced as a new feature to the draft policy.

Enforcement

Reasonable efforts are made by the Council to recovery debts without having to resort to enforcement action. However where debts are not paid enforcement, including court action, is necessary. The enforcement actions that the Council will take forward are explained on page 9 of the draft policy and are not changing as a result of the review of the policy.

We want your views

Harrow Council is committed to making sure its residents get the opportunity to influence the development of the Corporate Debt Recovery Policy. We are consulting with you over an eight week period from 23rd September, 2013 to 17th November, 2013.

You can give your views by:

Questionnaires - You can complete the questionnaire that came with this booklet and return to the following freepost address:

London Borough of Harrow
Freepost
PO Box 730
Civic Centre
Harrow, Middlesex HA1 2DU

Workshop – We are holding a workshop for all interested parties to attend and give their views on Thursday 31st October, 2013, 10.00 a.m. to 12 noon in the Members Lounge at the Civic Centre, Station Road HA1 2XY. If you wish to attend please telephone 020 8420 9332.

Online – Visit www.harrow.gov.uk/cdrpconsultation to find information about this consultation and to view the draft policy. You can also complete the questionnaire on line.

Telephone - 020 8420 9332 (Please note that after working hours there is an answer phone on this telephone. Please leave your contact number and we will call you back.)

Email – you can email your comments or queries to benefits@harrow.gov.uk

How the decisions will be made

Once the consultation is complete the feedback will be collated, anonymised and will be used to shape the Corporate Debt Recovery policy. A report will be written and presented at the Council's Cabinet meeting on the 15 January, 2014 where the final decision on the Corporate Debt Recovery Policy will be taken.

Questionnaire

We want you to give your views and help us to shape the new Corporate Debt Recovery policy. Please complete the following questionnaire and return it to us by Freepost to London Borough of Harrow, Freepost, P.O. Box 730, Civic Centre, Harrow, Middlesex HA1 2DU.

Questionnaires must be returned no later than Friday 22 November, 2013.

-
1. The principles of the Corporate Debt Recovery Policy are explained on page 2/3 of the draft policy. Do you agree with these principles?

Yes No

If you have answered no please let us know what you think they should be

-
2. We have explained what customers can expect from Harrow Council when delivering the principles on page 3 of the draft policy. Are there any further actions that we need to include?

3. We have explained what the Council expects from customers who have a charge they must pay to the Council on pages 3/4 of the draft policy. Are there any further actions that we need to include?

-
4. The Vulnerability Criteria is explained at pages 3 to 7 of the draft policy. Do you think any groups of people have been missed from the vulnerability criteria?

Yes

No

If you have answered yes, please let us know the groups that you feel have been missed and why.

5. Do you agree with the criteria we are proposing to use to identify somebody who falls within the vulnerability criteria and cannot manage their financial circumstances? This criteria is explained at pages 6 and 7 of the draft policy under the heading 'Management of financial affairs criteria.

Yes No

If you have answered no please let us know why you do not agree and whether we should be including any other criteria

-
6. Are there any circumstances that haven't been taken into account within the secondary financial assessment explained in Table 2, page 9 of the draft policy?

-
7. Do you have any further comments on the policy?

Why do we monitor?

Harrow Council has a legal responsibility to promote and advance equality. To help us to do this, it is important that we have a good understanding of our communities, how our services are being accessed and who is using or would like to use our services. With up-to-date and accurate information we are able to:

- Better understand our service users / residents and shape services to meet their specific needs
- Identify and address any barriers / issues individuals may experience when accessing our services (including information about our services)
- Ensure our policies and services are accessible to everyone who uses them

The information will also enable us to monitor our progress with regards to addressing inequality and allow our employees and service users see how we are performing on equality.

Data Protection – it is your choice whether you provide this information. Your replies will not be used in a way that identifies you. However they will help us to understand how community needs may vary and help us to make informed decisions on how we develop our services and target resources.

Age - What is your age group?

Under 16	<input type="text"/>	16 – 24 years	<input type="text"/>
25 – 44 years	<input type="text"/>	45 – 64 years	<input type="text"/>
65 & over	<input type="text"/>		

Disability – Are your day-to-day activities limited because of a health problem or disability which has lasted or is expected to last at least 12 months?

No	<input type="text"/>	Yes, affecting mobility	<input type="text"/>
Yes, affecting hearing	<input type="text"/>	Yes, affecting vision	<input type="text"/>
Yes, a learning disability	<input type="text"/>	Yes, mental ill-health	<input type="text"/>
Yes, another form of disability, please specify	<input type="text"/>		

Ethnic origin - What is your ethnic origin?

Asian or Asian British			
Afghani	<input type="text"/>	Bangladeshi	<input type="text"/>
Chinese	<input type="text"/>	Indian	<input type="text"/>
Pakistani	<input type="text"/>	Sri Lankan	<input type="text"/>
Any other Asian background – please specify	<input type="text"/>		

Black or Black British

African	<input type="checkbox"/>	Caribbean	<input type="checkbox"/>
Somali	<input type="checkbox"/>		<input type="checkbox"/>
Any other Black background – please specify			

Mixed background

White and Black African	<input type="checkbox"/>	White and Black Caribbean	<input type="checkbox"/>
White and Asian	<input type="checkbox"/>		<input type="checkbox"/>
Any other mixed background - please specify			

Other ethnic background

Arab	<input type="checkbox"/>	Iranian	<input type="checkbox"/>
Any other Ethnic group – please specify			

White or White British

Albanian	<input type="checkbox"/>	English	<input type="checkbox"/>
Gypsy / Irish Traveller	<input type="checkbox"/>	Irish	<input type="checkbox"/>
Polish	<input type="checkbox"/>	Romanian	<input type="checkbox"/>
Scottish	<input type="checkbox"/>	Welsh	<input type="checkbox"/>
Any other White background - please specify			

Marriage or Civil Partnership

Are you married?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Are you in a Civil Partnership?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

Pregnancy or Maternity

Have you been pregnant and / or on maternity leave during the past 2 years?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
---	-----	--------------------------	----	--------------------------

Religion and belief - What is your religion?

Buddhism	<input type="checkbox"/>	Judaism	<input type="checkbox"/>
Christianity (all denominations)	<input type="checkbox"/>	Sikh	<input type="checkbox"/>
Hinduism	<input type="checkbox"/>	Zoroastrian	<input type="checkbox"/>
Islam	<input type="checkbox"/>	No religion / Atheist	<input type="checkbox"/>
Jainism	<input type="checkbox"/>	Other -please specify	<input type="checkbox"/>

Sex - Are you?

Male	<input type="checkbox"/>	Female	<input type="checkbox"/>
------	--------------------------	--------	--------------------------

Is your gender identity the same as the gender you were assigned at birth?

Yes

No

Sexual orientation - What is your sexual orientation?

Bisexual

Gay Woman / Lesbian

Other – Please specify

Gay Man

Heterosexual