

## **LONDON BOROUGH OF HARROW**

**CABINET – 15 DECEMBER 2011**

**REFERENCE FROM OVERVIEW AND SCRUTINY COMMITTEE – 13 DECEMBER 2011**

### **Report from the Debt Recovery Challenge Panel**

Members received a report of the Debt Recovery Challenge Panel which outlined the review's observations and findings with regards to the Council's debt recovery processes.

The Chair of the Panel introduced the report and stated that, in his view, a balance had been struck between the officer view and resident and service perspective. He stated that the Council did, in many ways, deal well with debt recovery but expressed concern that no assessment of vulnerability was carried out. In terms of the most serious cases of debt, it was necessary to deal with them with consideration and thought.

A Member expressed concern that the step by step debt recovery process was not documented and as Councillors were a representative of their residents, serious cases of debt should be brought to their attention to enable them to assist. It might also be helpful to have a database of those that were in debt to the Council. The Chair of the panel responded that there was a large report that did document the process but that had not been appended to the challenge panel report. He reported that, in terms of numbers, there were approximately 1,000 bailiff visits per ward per annum and therefore the process had to recognise the numbers and therefore any intervention would need to be towards the end of the process. The officer added that whilst the process documents had been considered by the panel and the lead Members in preparing for the panel, their focus had been on the need for a greater flexibility in the application in the very few circumstances in which very vulnerable residents needed to be identified.

Other Members expressed the view that the debt recovery processes in place should be robust enough that councillors should not need to get involved. If they were to get involved, there would be Data Protection Act issues and whether all three ward councillors should be involved would also be a consideration. The Interim Director of Finance endorsed this sentiment and stated that there were agencies in the community that could assist residents in dealing with debt and the Council could act as a signpost to assistance.

In discussing the report, the following comments were also made:

- Members suggested that consideration should be given to involving ward councillors and/or the portfolio holder at the final stage of the debt recovery process.
- The Council should become better at signposting residents to assistance.

- During the previous Administration there had been useful, regular meetings between the portfolio holder, Director of Legal and Governance and the Divisional Director of Audit and Risk to discuss and act as a check on the most serious cases of debt.

A Member suggested that the debt collection process across the Council appeared to be fragmented and that he felt that the panel should investigate this. The Interim Director of Finance agreed that there was some fragmentation and that as in her statutory role she needed to have an overarching view of debt, she already had a piece of work in progress in this area which she was happy to discuss with Scrutiny. An officer suggested that the challenge panel be re-convened when this work had been completed and other relevant officers be invited to attend in order to consider the Interim Director of Finance's findings. The Committee endorsed this suggestion.

**RESOLVED: That (1) the findings and recommendations of the Debt Recovery challenge panel be noted and be referred to Cabinet for consideration;**

(2) the possible integration of debt recovery processes be further examined by this challenge panel once the current work led by the Interim Director of Finance had been completed.

## **FOR CONSIDERATION**

### Background Documents:

Report submitted to Overview and Scrutiny Committee held on 13 December 2011.

Draft minutes of the Overview and Scrutiny Committee – 13 December 2011

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