

**STOCKTON-ON-TEES BOROUGH COUNCIL**

**CABINET RECOMMENDATIONS**

**PROFORMA**

Cabinet Meeting .....13th March 2014

1. Title of Item/Report

Welfare Reform - Transforming Debt Recovery

2. Record of the Decision

Consideration was given to a report that described changes to legislation governing enforcement agent activities, which would take effect from April 2014. The changes would impact on enforcement action for non-payment of Council Tax, Business Rates and parking / bus lane offence fines; and the new fee structures would impact on debtors. In the light of these changes and their potential implications, a piece of work had been carried out to investigate the practicalities, risks and business case for creating an internal enforcement service. This had concluded that an in-house enforcement service would bring a number of benefits that were described in the report, primarily enabling a holistic approach to debt recovery, and an appropriate level of support for vulnerable residents and those facing the impact of welfare reform.

RESOLVED that:-

1. The new legislation and its implications be noted.
2. The benefits of adopting a holistic approach to debt recovery highlighted in the report be noted and the creation of an internal enforcement service be approved, with a target live date of September 2014. Initially this would be for the collection of council tax, business rates and unpaid parking fines and bus lane offences, then rolling out to include commercial rents and any other debts outstanding to the Council that are enforceable under the new legislation.
3. The new service operates alongside a "scaled down" external enforcement agent service to cover the transition period, out of area cases, cases where specialist removal of goods is necessary and to complete collections on cases that had already been referred for action.
4. As the service develops, further work be undertaken to explore the option of developing a reciprocal arrangement with other Councils' in-house enforcement services in the region, to assist with business

continuity and to look at collecting respective debts.

5. An allocation of £83,500 from the transformation fund be approved to support the start-up costs of the new service.

3. Reasons for the Decision

The proposals will deliver a customer oriented, complete enforcement service that will promote and identify customers' entitlement to advice and assistance such as discounts and reliefs. They will help to maximise customers, income and help to mitigate the impact of the legislative changes. The Council will have more control over its enforcement activities and flexibility in charging fees.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

Councillor Mrs McCoy declared a personal non prejudicial interest in respect of agenda item 4 – Welfare Reform including Update on DHP and LCTSS as she was the Chair SDAIS.

Councillor Coleman declared a personal non prejudicial interest in respect of agenda item 4 – Welfare Reform including Update on DHP and LCTSS as he was on the board of SDAIS.

6. Details of any Dispensations

None

7. Date and Time by which Call In must be executed

Midnight on Friday, 21st March 2014

Proper Officer  
17 March 2014