

# **Report to the Finance and Performance Management Cabinet Committee**



**Epping Forest  
District Council**

**Report reference: FPM-010-2011/12  
Date of meeting: 26 September 2011**

**Portfolio: Finance and Economic Development**

**Subject: Sundry Income and Debt Policy**

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## **Recommendations/Decisions Required:**

**To consider and adopt the updated Sundry Income and Debt Policy**

## **Executive Summary:**

The Sundry Income and Debt Policy is reviewed annually. At the meeting of this Committee on 20 June 2011 Members requested further clarification on debts referred to Court and a review of the debts referred to a debt agency.

## **Reasons for Proposed Decisions:**

To ensure the Sundry Income and Debt Policy is kept up to date.

## **Other Options for Action:**

Members could make amendments to the Policy or request further information.

## **Report:**

1. Version 5 of the Sundry Income and Debt Policy (Appendix 1) was reviewed by this committee on 20 June 2011 along with performance indicators which showed continued performance improvement over previous years. At the meeting members asked why the debts could not be referred to the Magistrates' Court and also requested a review of the value of debts referred to a debt agency. The adoption of the policy was deferred until these matters had been addressed.
2. Sundry Debts are totally separate from other debts collected by the Council, such as Council Tax, Non-Domestic Rate and Housing Rent. The debts cover a number of services such as Property repairs, Building Control fees and Commercial Rent, in fact the list is quite extensive.
3. When these debts are referred to Court, legislation dictates that it is dealt with by either County Court or High Court. A Magistrates' Court deals with different types of debts such as Income Tax, VAT or Council Tax arrears.
4. When cases are referred to Court, costs are incurred. The issue fee varies depending on the size of the debt. An extract of the Court fees published by HM Courts and Tribunals Service, is attached for information as Appendix 2.

5. Both Finance and Legal officers reviewed the £100 limit for debts referred to a debt agency. It was felt that this still remains appropriate as Legal Services currently have the capacity to deal with the remaining debts as they have the assistance of a temporary part time Support Officer (engaged via the ECC Apprenticeship scheme) until 31 March 2012. The assistance being provided has enabled the case workers to concentrate on the issuing of claims and enforcing judgments obtained. The situation may need to be reviewed when the contract ends.

6. Debts referred to the debt agency which result in payment of the debt incur a 7.5% charge to the Council. Any debts that remain unpaid following referral to the debt agency can still be referred to Legal Services, if it is felt that a successful resolution can be achieved.

7. Members are asked to consider and adopt version 5 of the Sundry Income and Debt Policy.

**Resource Implications:**

No additional resource requirements.

**Legal and Governance Implications:**

There may be an impact on Legal services if the number of cases referred to legal increases due to none payment of invoice.

**Safer, Cleaner, Greener Implications:**

None.

**Consultation Undertaken:**

Legal staff dealing with sundry debts were consulted.

**Background Papers:**

None.

**Impact Assessments:**

Risk Management

If the sundry debt performance was not monitored collection rates might deteriorate.

Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken?

What equality implications were identified through the Equality Impact Assessment process?  
N/A

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?  
N/A