



Draft Corporate Personal Debt Recovery Policy

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1. Introduction

This Policy sets out how Swansea Council will work with its customers and partners to collect personal debt and what it will do to help those who owe money to the Council.

(This policy does not apply to commercial debtors).

Swansea Council recognises that early help can prevent debts from escalating, reduce indebtedness and increase the ability of residents to meet their financial responsibilities.

Swansea Council also recognises that a significant part of Council services are funded through taxes and service charges. If income is not collected effectively, then the Council will be unable to properly fund the vital services it provides for the residents of Swansea.

We know that anyone can experience financial difficulties at any time and that money problems don't just affect the person in debt. Families and communities thrive when people can afford healthy lives and avoid the stress of money worries.

We want Council policies to reflect this and our customers to know we will help people with money worries to get free and impartial help if they want it.

A consistent approach to the collection of debt and supporting those who are in debt will help reduce outstanding debts to the Council and provide the revenue to deliver services.

The Swansea Tackling Poverty Strategy states our vision of a Swansea in which:

- Income poverty is not a barrier to doing well at school, having a healthy and vibrant life, developing skills and qualifications and having a fulfilling occupation.
- Residents maximise their income and get the most out of their money.

- Residents avoid paying the 'Poverty Premium', the extra costs people on low incomes must pay for essentials such as fuel and transport.

The Welsh Government's Financial Inclusion Strategy (2016) promotes financial inclusion for all residents in Wales. The overall aim is to provide information and advice and to ensure residents have access to appropriate and affordable financial services.

2. Definitions

This Policy defines debt as 'any amount owed that has not been paid by the due date'.

This Policy covers all personal debts owed to the Council, which includes, but is not limited to:

- Housing Rents
- Council Tax
- Parking Penalty Charge notices
- Social Care fees
- Housing Benefit Overpayments
- Overpaid Council salaries and wages (current and former employees)
- Parking season tickets
- Housing recharges
- Berthing charges
- Fines for littering and dog fouling
- Other debts owed to the authority

3. Policy Statement

Swansea Council aims to:

1. Make it easy for you to pay bills and contact us early if you are struggling to pay or worried about money;
2. Offer you friendly help when you need it, including referral to free and impartial money advice;
3. Avoid further action while you receive help to sort out money problems;
4. Ensure fair and consistent practice to collecting money owed to the Council, offering flexibility to accommodate the changing circumstances of the individual.

Therefore we will:

1. Communicate clearly so that customers know how and where they can pay their bills and who they can contact for information and advice if they are struggling;
2. Offer early and professional advice to customers in respect of money owed to the Council if we become aware that a problem exists;
3. Make sure that customers know that we can help them if they tell us that a problem exists;
4. Maximise reliefs, discounts or benefit entitlements to reduce outstanding debt;

5. Work with our partners (internal and external) to be able to offer the most appropriate free and impartial money advice;
6. Accept reasonable offers of payment where appropriate, when you have completed a Standard Financial Assessment (SFA) assisted by a debt advice professional;
7. Offer additional support to vulnerable customers;
8. Take into account your personal circumstances and agree realistic payment arrangements with you;
9. Use enforcement action as a last resort;
10. Continue to improve our debt recovery practices in line with national and local strategies and legislation.

4. Housing Rents

TBC

5. Council Tax

Council Tax is a tax collected on domestic properties. The tax goes towards approximately 28% of the services provided by Swansea Council. The process on recovering unpaid tax is set out in legislation and the Council has to follow this when carrying out their duties to recover unpaid tax.

There are many exemptions and discounts that can apply to individuals to reduce their Council Tax liability, including a means tested reduction for those on low income.

The Council Tax Department can offer advice applicable to an individual to find the best solution when someone may be struggling to pay their bill. If you are struggling to pay this bill you should make contact with the department as soon as possible so the most appropriate advice can be given to you at the earliest opportunity.

6. Housing Benefit overpayments

This is money that has been paid to an individual/landlord to help an individual with their rent, where at a later date it has been found to be paid at an incorrect amount. Usually this will be due to a change in their circumstances resulting in their entitlement to the benefit needing to be reduced.

If someone remains entitled to Housing benefit then amounts can be recovered from their ongoing entitlement, however the amount can be negotiated if you are struggling to afford this.

If you do have a Housing Benefit overpayment and you are struggling to meet the repayments you are encouraged to speak to the Debt recovery team about any alternative arrangement that can be considered.

7. Social Care contributions

Where someone receives a service from Social Services for day centre services, direct payments for care, care in their home, respite services or for care in a residential care home a financial assessment is carried out to determine how much they are required to pay towards this service. This is a means tested assessment and an individual will usually receive a bill every month if they continue to receive a service.

Where an individual is struggling to meet the costs of their care they are encouraged to speak to Social care income and finance department or their social worker as soon as possible so a solution can be looked into.

8. Action Plan and Monitoring

This policy will be implemented through a three year Action Plan, reviewed annually.

The Action Plan will set out how officers and members will ensure delivery against the commitments within this policy. It may also include additional actions which are considered timely and relevant to this policy.