

**REPORT OF: CHIEF EXECUTIVE**

**TO: POLICY AND RESOURCES COMMITTEE**

**DATES: 24<sup>th</sup> JULY, 2018**

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## **VULNERABLE PERSON'S POLICY – DEBT RECOVERY**

### **PURPOSE OF REPORT**

To seek approval of the PBC & Liberata Vulnerable Person's Policy: Debt Recovery (attached).

### **RECOMMENDATION**

That the Committee approves the Vulnerable Person's Policy: Debt Recovery developed specifically for supporting vulnerable debtors.

### **REASON FOR RECOMMENDATION**

To ensure we have robust systems and procedures in place that take account of vulnerable debtors, potentially also reducing collection costs and calls on Customer Services.

### **Background**

1. Over the years, Liberata has raised concerns about vulnerable customers presenting at Number One. This has resulted in interventions such as Lancashire Wellbeing Service operating a satellite service from Number One, enabling Customer Service staff to make direct referrals as and when appropriate.
2. Vulnerability has since arisen in the context of Council Tax debtors, particularly how we identify and deal with vulnerable customers in the debt recovery process, which tended to be later on at the insolvency action stage.
3. The issue was raised also through discussions with Burnley & Pendle CAB when considering Pendle's future debt advice offer and adherence to the CAB/ LGA Council Tax Protocol. This coincided with national media coverage highlighting unscrupulous actions by Enforcement Agents when dealing with customers known to be vulnerable.
4. Earlier intervention and proactive contact with vulnerable people struggling with bill payments can help prevent escalating costs and help alleviate stress. It can also potentially

help reduce both collection costs and calls on local public services, particularly mental health services.

5. A policy gap was identified and Pendle's Welfare Reform Group, who was involved in a linked piece of work around demand management within Customer Services, was engaged with developing a Vulnerable Person's Policy specifically for the Council Tax recovery process. This is now attached as Appendix 1.
6. By having robust systems in place to identify and better support genuinely vulnerable debtors, the policy intends to retain our high collection rates whilst offering early intervention and support to minimise any further hardship or distress to vulnerable customers.
7. A 'Safeguarding Adults and Promoting Welfare' Policy will be developed, following a review of the existing Adult Safeguarding Policy, to capture our corporate approach to supporting vulnerable residents. This policy will be considered by the Committee in the near future.

## **IMPLICATIONS**

**Policy:** This Vulnerable Person's Policy: Debt Recovery fulfils the requirements of a CAB/ PBC Council Tax Protocol, should Members agree to pursue this.

**Financial:** None arising directly from the report.

**Legal:** None arising directly from the report.

**Risk Management:** The risk of not having a process to deal with vulnerable debtors is high for the customers concerned, as well as for Pendle Council's reputation.

**Health and Safety:** None arising directly from the report.

**Climate Change:** None arising directly from the report.

**Community Safety:** None arising directly from the report.

**Equality and Diversity:** Vulnerability could be a particular issue in more deprived Pendle wards where other geographical inequalities exist.

## **APPENDICES**

Vulnerable Person's Policy: Debt Recovery

## **LIST OF BACKGROUND PAPERS**