



## Title: Corporate Debt Management Policy

### Bristol City Council

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Date: 12 February 2025  
Version 2.0

#### Version control table

Date	Author	Version	Change Summary
<b>Feb 2025</b>	Graham Clapp	2.0	Revised Policy, simpler to read and understand
<b>15 Jan 2024</b>	Graham Clapp	1.5	Inserted 9.10 and 9.11.
<b>30 Oct 2023</b>	Graham Clapp	1.4	Removed requirement for pre-reminders for business rate and BIDs.
<b>16 Aug 2023</b>	Graham Clapp	1.3	General update including updated write off limits,

			revised recovery guideline table
<b>28 Jun 2022</b>		1.2	Rename 'Principal Solicitor' to 'Head of Legal Services'
<b>24 Feb 2022</b>		1.1	Change from 'Revenues' to 'Revenues and Benefits' at 13
<b>18 Jan 2022</b>		1.0	Approved by Cabinet

Table 1 Version control table

**Policy Overview**

**Policy title:** Corporate Debt Management Policy

**Summary for the web team:** The revised policy outlines the Council's standards for managing debt. It retains our full commitment to supporting people who are in debt, or at risk of getting into debt, but is now easier to understand and implement.

**Drafted by:** Graham Clapp, Head of Service – Revenues and Benefits - Resources

**Authorising Head of Service/Director:** Andy Rothery, Director of Finance, Section 151 Officer

**This policy is for use by:** All BCC officers and members.

**Any other BCC teams or partners consulted on development of this policy:**

**Has an Equality Impact Assessment form been:**

**completed for this policy? Yes**

**Was an Equality Impact Assessment required? Yes**

**Date of review by the Equality and Inclusion Team 18/12/2024**

## **1. Introduction**

The aim of this policy is to outline how the Council seeks to manage debt. Changes to the policy will result in a more targeted approach to debt management. The policy changes will make the Policy easier to understand and therefore implement across the organisation. In addition to this the changes will make the policy clearer to citizens to understand bringing further clarity to the Council's approach to debt management and recovery.

In the revised version of the document, internal processes have been removed to improve the clarity and intention of the Policy.

## **2. Aims and objectives**

- Through this policy the council will
  - set out consistent principles and standards that apply to all income due to the council,
  - seek to prevent debt by ensuring appropriate support and advice is available to all, and
  - support people who are in difficulty or have problem debt.

## **3. Legal and regulatory requirements**

- The Council collects many different income types, some of which may be subject to regulation.

## **4. Roles and responsibilities**

- All Directors and Service Heads who manage the collection and recovery of any income type are responsible for the implementation of this policy.
- All staff involved in activities around the collection and recovery of any income type are responsible for delivering this policy.

## **5. Scope**

- This Policy applies to all income types.

## 6. The policy

### 6.1. Purpose

- Bristol City Council (the Council) has a responsibility to the people and businesses of Bristol to ensure effective income management, and that the income due to the council is paid promptly to support the delivery of council services.
- Through this policy the council will
  - set out consistent principles and standards that apply to **all income** due to the council,
  - seek to prevent debt by ensuring appropriate support and advice is available to all, and
  - support people who are in difficulty or have problem debt.

### 6.1. Preventing Debt

- This Policy aims to prevent debt, by assisting people to keep up with their payments and supporting them to manage their finances.
- Bills, invoices and reminder notices will
  - Be issued in a timely manner.
  - Be issued to the person or business liable to pay.
  - Be posted to their last known address, emailed or sent by text. In some cases, penalty charge notices will be affixed to windscreens.
  - Clearly explain what the charge is for, and when the payment or instalment is due.
  - Provide details of any right to appeal, where it applies.
  - Encourage people to contact us immediately if they may have difficulty paying.
  - Warn of potential future action or costs where appropriate, in the event of non-payment.
- Collection and recovery processes will vary according to the income type. Some will be laid out in legislation, like council tax, business rates, or Penalty Charge Notices, others will be contractual, like commercial or domestic rent. Where a due amount is unpaid, the council will continue to encourage engagement using formal recovery notices as well as other methods of contact as are available.
- An overpayment of Housing Benefit will normally be recovered from any ongoing entitlement at a set rate each week. Where a person no longer receives Housing Benefit, we will use the most appropriate method to collect the amount due, which could be by invoice, deduction from welfare benefits, or from the landlord.

- Processes for all income types will
  - Offer a range of payment methods, where possible, for example Direct Debit, online or automated telephone payments, or in person.
  - Be in accordance with relevant legislation.
  - Be efficient, effective, and fair.

## 6.2. Supporting people through difficult circumstances

- The Council recognises that people may face a range of circumstances that may make it difficult for them to keep up with their payments. They could relate to financial difficulties, health issues or any situation, which could be permanent, long-standing, or experienced for a short time only.
- People who are experiencing difficulty with the repayment of a debt should contact the Council as early as possible so that we can provide prompt, appropriate support that takes account of their individual circumstances. This may include:
  - Ensuring their income is maximised, for instance by claiming welfare benefits.
  - Exploring the potential to reduce their debt through discounts or reliefs.
  - Agreeing affordable payment plans, based on their ability to pay.
  - Seeking to avoid further costs being added to the debt.
  - Pausing action for a while, whether agreed with the Council or through the [Breathing Space](#) scheme.
  - Help with prioritising debts; where a person owes more than one debt to the Council, the relevant services will aim to work together to ensure priority debts (such as rent or council tax) are paid first.
  - Referring to professional Advice or Debt Support Agencies where appropriate.
- More generally, support and advice will be available on our website. We will look to offer additional support where we believe there to be a reasonable need, for example we might hold a debt clinic at a community venue where customers can drop in to discuss their debt, agree a payment plan or seek further advice,
- The Council might explore a range of options and new initiatives to identify people who may be in difficulty; this might involve sharing of personal data within the Council, or with external agencies. In such event, any processing of personal data will be in accordance with legislation and detailed in the relevant Privacy Notice available on the website or on request.

### **6.3. Recovery and Enforcement**

- We encourage people to engage with us if they are struggling to pay their debts; it is very likely we will be able to provide practical help and support to alleviate their situation.
- Where people don't engage with us, we must begin recovery action to secure payment. Whilst such steps are always regrettable, they are necessary to protect the interests of the tax or rent payer, and service users.
- Recovery and enforcement activities vary between the debt types; legislation sets out specified activities for some debts, like council tax, business rates and penalty charge notices. We will use the most appropriate method of recovery available, which might be:
  - An attachment to earnings (the employer makes deductions direct from their pay)
  - An attachment to benefits (the Department for Work and Pensions deducts an amount from certain welfare benefits)
  - Referral to a collection or an enforcement agent
  - Legal action, as appropriate
- The action we take will be fair and proportionate, balancing the need for repayment against the circumstances of the customer and the amount of the debt.
- If the Council incurs additional costs, e.g. court costs, from taking recovery or enforcement action, we will always seek to recover these from the debtor, where legislation permits. Only in exceptional cases, where it would not be in the public interest to pursue costs or fees, will they be waived.

### **6.4. Enforcement Agents**

- During the regular contact throughout the process, people will be given the opportunity to engage with us to help avoid enforcement action.
- We only use enforcement agents when there has been no engagement, or when all other recovery methods have either not been successful or are not appropriate.
- Enforcement Agents are certificated and authorised to act by the County Court and must comply with legal requirements as to their training and practice. They can collect certain debts such as arrears of council tax, business rates and rent, and penalty charge notices.

- We only use companies who are:
  - members of The Civil Enforcement Association and act in accordance with their mandatory Code of Conduct, and
  - accredited by the Enforcement Conduct Board who provide independent oversight for debt enforcement work in England and Wales.
- The Council understands how some people may feel when an Enforcement Agent knocks on the door; the following measures will provide reassurance.
- We specify clear standards and requirements for their practice, which we monitor closely.
- We require our Enforcement Agents to attempt early contact for certain debts, including council tax. If the customer pays or agrees an arrangement at this point, they will not be charged any fees.
- Enforcement Agents can quickly identify anyone who may have difficulty paying, and will contact the Council directly, thereby enabling our engagement with the debtor so we can provide appropriate support.
- They will agree an affordable arrangement to pay wherever possible.
- When visiting they will always carry evidence of their identity and authority.
- In addition to the legal requirements, we have set additional standards with which they must comply, whereby they will withdraw immediately in specified circumstances and contact the Council for instruction.

#### **6.5. Irrecoverable Debts**

- Where a debt remains unpaid and is deemed to be irrecoverable or uneconomic to recover, or where there are extenuating circumstances, the debt will be written off in part or in full.
- Any debt written off is a cost to taxpayers and the council will attempt all appropriate recovery methods before taking this action.
- Where new information comes to light later, or when circumstances have changed, the Council may seek recovery of a debt that was previously written off.

#### **6.6. Credits**

- Where an account is in credit, the Council may check and, where possible, offset that credit against any outstanding debts before issuing a refund of any remaining credit.

## 6.7. Complaints

- Any query regarding a bill, invoice or penalty charge notice should be referred to the service area that issued it, in the first instance.
- To make a complaint, visit [www.bristol.gov.uk/complaints-and-feedback](http://www.bristol.gov.uk/complaints-and-feedback).

## Equalities and Diversity statement

- The Equality Act 2010 requires public bodies to consider the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. This is the reason we must make our communications as accessible as possible.
- The Accessible Communications Policy helps us deliver an aim of Objective 3 of our [Equity and Inclusion Strategic Framework](#) 'Overcoming barriers to communication by providing information and services in a wide range of accessible and inclusive formats'.