



COUNCIL TAX BILLING, COLLECTION AND ENFORCEMENT POLICY

AIMS OF THE POLICY

- 1 To advise customers of their Council Tax liability as soon as possible
- 2 To help customers receive all the discounts, allowances and exemptions they are entitled to
- 3 To ensure that the collection processes conform to Government Regulations.
- 4 To collect the amounts due fairly and efficiently and promote cost saving collection methods.
- 5 To strive towards achieving both national and local collection targets.
- 6 To discharge the Council's statutory duties in relation to council tax recovery, including Staff and Elected Members.
- 7 To minimise Council Tax arrears and maximise collection by taking timely recovery action in line with a set recovery timetable.
- 8 To act quickly when taxpayers fall into arrears.
- 9 To liaise with other bodies including, but not exclusively, the Benefits Agency, Welfare Rights, Citizens Advice Bureau, the local authority benefits section to help maximise Council Tax payer's income.
- 10 To take action according to individual circumstances, judging every case on its merits, entering into sustainable payment arrangements wherever possible.
- 11 To be firm, fair and consistent while following regulations, and ensure that the recovery procedure is understandable.
- 12 To recover the debt by means of Enforcement Agents, Insolvency or Committal proceedings only as a last resort.

COUNCIL TAX BILLING, COLLECTION AND ENFORCEMENT POLICY

Billing Procedure

Your Council Tax Bill

- At the start of each financial year, before 16th March, we will send a demand notice to everybody who is shown in the Council Tax records as being responsible for payment. We will include details of ALL the schemes available that can reduce the amount due e.g. reliefs, discounts, exemptions and benefits.
- We will send you a demand which shows the net amount due after deduction of any amounts you may be entitled to in respect of: -
 - Disabled Person's Relief
 - Discounts
 - Council Tax Support
 - Exemptions

Your bill will also include a statement of any credits or outstanding amounts from previous years.

- Each demand will normally allow payment to be made by ten monthly instalments. 12 instalments, weekly and fortnightly schemes are also available on request
- During the year we will amend the Council Tax records where a change in liability occurs and issue an amended bill to you, normally within 15 days of receiving the relevant information. The bill will be sent to you at least 14 days before the first amended instalment is due.
- When you receive your bill, we will help you if you feel you are not claiming all the allowances you are entitled to.
- If you disagree with the bill which has been sent, and intend to follow the appeals procedure to the Valuation Tribunal, you will still be expected to pay the instalments as and when they become due.

Collection Procedure

Paying Your Bill

There are a number of ways you can pay your Council Tax.

- We encourage payment by **Direct Debit**. It's the cheapest way to collect payment and it helps us to reduce costs. You can choose to pay on the 1st, 20th or last day of the month. You can ring 01282 661661 to arrange to pay by monthly **Direct Debit**. In the unlikely event that an error is made by us, or your Bank or Building Society, you have a guarantee that a full and immediate refund will be made. (This will include any charges you incur).
- **PayPoint**. You can pay at a time convenient to you. You can find your nearest outlet at www.allpay.net/outlets.
- **Automated Payment Telephone Line**. You can call us on 01282 661661 option 1, 24 hours a day, seven days a week.
- We are happy to accept payment on most credit and debit cards. Once your card details have been received by us, the payment will be processed within 2 working days. You can give these details over the telephone.
- You can make your own arrangements to pay by Standing Order/Bank transfer. All payments must include your Council Tax account number, the Council's Bankers Code 30-11-48 and the Council's bank account number 00846389. The Council's Bankers are Lloyds Bank plc. (see Appendix 3 - Contact Details page 14).
- We also accept payment by Bank and Post Office Giro. You must make the arrangements for this payment with your Bank or Post Office. You will need your Council Tax account number, the Council's Bankers Code 30-11-48 and the Council's bank account number 00846389.
- You can make payments online via the Council's website, www.pendle.gov.uk

If you have difficulty in paying

- When you receive your bill, if you think you will have difficulty in paying your instalments, we can be contacted to discuss an alternative arrangement for payment (See notes regarding payment arrangements on page 9)
- If you have difficulty in paying, we will try to help you if we feel you may not be claiming all the allowances you are entitled to.

Payment Default Procedure

- If you do not pay your instalments as they become due, we will send you a Reminder Notice to advise you of the amount of arrears. If you bring your payments up to date within 7 days, you will be allowed to continue paying by instalments. However, if your instalments are not brought up to date, the full balance on your account will become payable after a further 7 days and we can take Court action to enforce payment of the debt.
- In circumstances where your payments have been brought up to date but you later miss an instalment, you will be sent a 2nd Reminder Notice or, if you have already had a 2nd Reminder Notice, a Final Notice. Again, if your payments are not brought up to date, the full balance on your account will become payable and we can take Court action to enforce payment of the debt.
- No more than 2 reminders will be issued. If you are late with any further payments during the year, you will automatically lose your right to pay by instalments. If that happens, the full balance on your account will become payable and we can take Court action to enforce payment of the debt.
- We can still be contacted to discuss an arrangement for payment, even when the full balance has become payable on your account. However, we should be contacted as soon as possible after the Reminder or Final Notice has been sent. (See notes regarding payment arrangements on page 9)

Enforcement Procedure

Going To Court

Summons for non-payment

- We will take court action to enforce payment of the debt if you either do not make an arrangement for payment or fail to keep to an arrangement already made. The first stage is when we issue a summons to court.
- Summonses are sent out at least 14 days before the court hearing date. At this stage summons costs become payable.
- If the amount, including costs, shown on the summons is paid in full before the Court Hearing, no further action will be taken and proceedings will be withdrawn.
- At the court hearing we will ask the Magistrates to issue a Liability Order. If you do not attend the court hearing we will make the application for a Liability Order in your absence.
- If you are unable to pay the full amount immediately, we can still be contacted to discuss an arrangement for payment on the understanding that the application for a Liability Order and additional costs will proceed. In these cases, we will not take any enforcement action on the Liability Order if the arrangement is maintained.
- Even when we take Court action, we will try to help you if we feel you may not be claiming all the allowances you are entitled to.

If you have applied for Council Tax Support

- If you have applied for Council Tax Support and your application is registered we may exclude your account from the summons lists.
- If you have made an application for support either before or after the issue of a summons, assuming the claim details are complete, your claim will be calculated and we will inform you of the net balance within 14 days of you bringing this to our attention. You will then have the option of either paying in full before the Court Hearing (including summons costs) or making an arrangement for payment which extends beyond the Hearing Date on the understanding that we will apply for a Liability Order and additional costs.
- If you were to attend Court in answer to the summons and state that you had applied for Support and were waiting to be informed, the application for a Liability Order and additional costs would still be made. An assurance will be given to the Court that the matter will be looked into after the Hearing and, if it is found that an application has been received and is yet to be assessed, no action will be taken on the Liability Order until any Council Tax Support has been calculated. You will then be informed and given the opportunity to make and maintain a satisfactory arrangement. (See notes regarding payment arrangements on page 9)

The Liability Order

- At the court hearing we ask the Magistrates to grant Liability Orders for the outstanding debts. These orders give us powers to take further action to recover the outstanding debts. These powers are described later in the Enforcement Procedures notes.
- If you have not settled the balance or entered into an agreed payment arrangement (See notes regarding payment arrangements on page 9) when a Liability Order has been granted further enforcement action will be taken.
- Even when a Liability Order is granted, we will try to help you if we feel you may not be claiming all the reductions you are entitled to.

After Court

How we can enforce Payment

- The main ways we can enforce payment of the debt are as follows: -

If you are working an Attachment of Earnings Order may be sent to your employer who will make deductions from your wage/salary until the debt is cleared. The amounts to be deducted are specified in Regulations.

If you are claiming Income Support, Jobseekers Allowance, Employment Support Allowance, Universal Credit or Pension Credit a request may be sent to the Department of Works and Pensions for deductions to be made from your Benefit. The amounts to be deducted are specified in Regulations and we have no discretion regarding the amounts deducted.

Insolvency If the debt exceeds £5000.00 and the debtor has sufficient assets or equity to ensure the debt is recoverable, we will use Insolvency proceedings, where it is considered to be the most effective remedy and there is no reason why Bankruptcy action should not be taken. As part of the decision making process, we will undertake a number of checks and seek to build a picture of the debtor and their circumstances and will achieve this in various ways, including some or all of the following activities. This list is not exhaustive;

- Requesting details of Income & Expenditure when issuing a Summons for non payment.
- Warning of insolvency action and encouraging contact by the issue of a letter. See www.insolvency.gov.uk where guidance of the process can be found.
- Checking all Council records to see if there is any reason bankruptcy would not be appropriate.
- Checking with the Benefits Service to ensure that all Council Tax Support due to the debtor has been awarded and posted to the Council Tax account.

- Checking with Social Services to ascertain whether the debtor is known to them
- Checking H.M. Land Registry to confirm property assets.
- Checking with a Credit Reference Agency for information on outgoings, requests for finance, mortgages and other financial information.
- Checking known or potential employment details.
- Making at least one visit to the subject property in an attempt to resolve or engage the debtor to seek a resolution and/or establish that the debtor is in occupation and is not vulnerable.

Each case will be considered on its own merits. The Recovery & Insolvency Officer will complete a pro forma and obtain approval from either the Revenues Manager or the Recovery Service Team Manager. The form is attached at Appendix 5 and explains how the decision to use bankruptcy/charging order has been arrived at.

Charging Orders If the aggregate balance on Council Tax Liability Orders for a property is over £1,000, then an application may be made for a Charge to be placed on the same property only, to secure the debt owed to the Council. The debt would remain unpaid until the property is sold and the Charge extinguished by the payment of the debt from the proceeds. However, the property may never be sold or not for a considerable time but the debt can actively be recovered by the Council making application to the Court for an Order of Possession and Order for sale, once a Charging Order has been granted.

The Council will consider using a Charging Order in the following circumstances (this list is not exhaustive):

- Where the property is currently for sale voluntarily and a Charging Order is used as a way of securing the debt by agreement with the Council.
- Where the property is owned by a debtor who resides outside UK jurisdiction.
- Where other recovery remedies have failed or are considered to be inappropriate.
- Where a debtor, as a result of age, severe mental illness or serious learning difficulties cannot deal with their affairs.
- Where the debtor's whereabouts are unknown making service to allow bankruptcy action difficult.
- Where a payment arrangement has been agreed on the basis that the debt is secured via a Charging Order.

Attachment to Members Allowances only applies to elected Members when we can claim up to 40% of their allowances to clear unpaid Council Tax.

Enforcement Agents On 6th April 2014, the system of Enforcement changed. The 'Taking Control of Goods' regulations were implemented, replacing the previous system of enforcing debts through Bailiff activity or 'Distress'. The term 'Bailiff' will no longer be used being replaced by Enforcement Agents. A 'fixed' three stage fee regime has been applied across all debt types as follows;

1. Compliance Stage This fee of £75.00 is triggered once the Enforcement Agent issues the Notice of Enforcement. A 30 day compliance period has been agreed with the Council's Enforcement Agents. This will mean that up to 3 letters will be issued during the compliance stage and Enforcement Agents will also attempt telephone contact with the debtor.

2. Enforcement Stage This fee is triggered once an attendance is made to the relevant premises to take control of goods, following non compliance. The fee is £235.00 plus 7.5% of any debt in excess of £1500.

3. Sale Stage This fee of £110.00 plus 7.5% of the debt exceeding £1500 is triggered when a visit is made to the relevant address for the purpose of transporting goods to the place of sale.

These fees, detailed in Appendix 2 are set out in legislation and are not discretionary.

The Enforcement Agent will follow a strict Code of Practice agreed with Pendle Borough Council. They will give you the opportunity to make a satisfactory arrangement for payment with them before considering removing your goods. Those payments must be paid directly to the Enforcement Agents.

Committal

If the Enforcement Agents are unable to recover the debt, and another way of enforcing payment is not appropriate, we will make an application to the Magistrates' Court for your commitment to prison. Even at this late stage, we can still be contacted and we may be able to agree a payment arrangement with you. The commencement of Committal proceedings can result in additional costs in excess of £265.00 being incurred.

At whichever stage of the enforcement process you make contact to make an arrangement for payment, we will, wherever possible, try to ensure that you have the financial means to keep to that arrangement. This will mean that, in order to help you, we may need to ask for full details of your income and outgoings. There may also be occasions when we will advise you to seek help from one of the Voluntary Organisations who specialise in debt counselling.

We can be contacted to discuss your Council Tax at any stage.

Payment Arrangements

- Payment arrangements should clear the debt by the end of the liable period, i.e 31st March. However, it is possible to extend arrangements beyond 31st March if appropriate. Any exceptions must be supported by a completed Income & Expenditure form or be approved by a member of the Recovery team.
- Any payments arrangement made after a summons is issued will include the summons costs.
- Any payment arrangement made after a summons is issued will be based on the income and expenditure form that must be completed and which must include the name and address of all liable parties employers.
- The Council have the right to refuse a payment arrangement if income and expenditure details, including employment details of liable parties, are not provided.

Council Tax accounts relating to Members of Staff and Elected Members

The Council has to operate a fair and consistent approach to all of its customers. This should include both members of staff and elected members (Councillors).

Neither members of staff or elected members will receive favourable treatment. If debts are incurred, including costs, these will have to be paid.

- **Members of Staff**

As in all cases every attempt will be made to make arrangements with members of staff, including offering direct deductions from wages/salary. If an arrangement has not been made by Liability Order Stage an Attachment of Earnings will be instigated.

- **Elected Members**

Again, every attempt will be made to make arrangements with elected members, in line with earlier procedures.

If an arrangement is not made and maintained after a Liability Order has been obtained an Attachment to a Members Allowance will be considered.

Statutory Voting Implications

If any Elected Member falls into two months arrears their voting rights will be restricted. All Elected Members are made aware of this upon election to the Council.

Court Costs

Summons costs are added to a Council Tax account on the day a summons is issued. The summons clearly states that the court costs must be paid to prevent the case progressing to court.

- **Payment of Council Tax received before the court date**

If, on receipt of a summons, a payer clears all the Council Tax due less costs, the, Recovery Manager or Revenues Manager have the discretion to cancel the outstanding court costs.

- **Revised Council Tax Support Calculation**

If costs are incurred due to an incorrect Council Tax Support award the Recovery Manager or Revenues Manager have the discretion to withdraw the outstanding costs.

- **Payment of Council Tax received after court**

All customers are required to clear costs incurred after the Liability Order hearing.

Exercising Discretion

The Recovery Manager or Revenues Manager will have discretion to remove all or part of the costs incurred taking into account the following factors:

- Health/circumstances of the customer
- Council tax Support entitlement/customers financial circumstances
- The interests of Pendle Borough Council's taxpayers
- Likelihood of successful recovery action
- The Council's administration

Whilst each case will be judged on its own merits there will be a fair and consistent approach. Where costs are removed no precedent will be set, they are withdrawn without prejudice to any other cases.

APPENDIX 1

Court Costs as at 1st July 2024

The following list shows the current level of costs Pendle Borough Council adds to a customers account at the various stages of recovery proceedings. They are agreed with the Pennine Magistrates Court .

- | | | |
|----|---|----------------|
| 1) | Council Tax Liability Order Summons costs: | £81.50 |
| 2) | Committal Summons costs: | £265.00 |
| 3) | Warrant of Arrest costs: | |

Cost of serving a warrant to Pendle Borough Council is £135.00 for a Warrant of arrest with bail.

Cost of serving a warrant to Pendle Borough Council is £145.00 for a Warrant of arrest without bail.

APPENDIX 2

Enforcement Charges for Council Tax and Business Rates from 6th April 2014

From 6th April 2014 the legislation governing Bailiffs changed.

You should note that if your account is passed to an Enforcement Agency, their fees will be added immediately.

A Compliance Fee of £75.00 will be charged per Liability Order, regardless of the outstanding balance.

If you do not respond to their enforcement notice, and arrange repayment of the balance, they will call at your address without further warning and a further £235.00 fees will be added. In addition a percentage fee on the amount of the debt that exceeds £1500.00 will be charged.

Fees Chargeable by Enforcement Agents from 6th April 2014

<u>Fee Stage</u>	<u>Fixed Fee</u>	<u>Additional percentage fee (percentage of sum to be recovered exceeding £1500)</u>
Compliance Stage	£75.00	0%
Enforcement Stage	£235.00	7.5%
Sale or disposal stage	£110.00	7.5%

(2)

APPENDIX 3

CONTACT DETAILS

TELEPHONE:

(Lines open 8.45 – 16.00 Monday – Friday)

COUNCIL TAX - 01282 661661

ONLINE SERVICE - <https://www.pendle.gov.uk/mycounciltax>

WEBSITE - www.pendle.gov.uk

OFFICES:

NELSON

NUMBER 1 MARKET STREET
NELSON
LANCASHIRE
BB9 7LJ

**Revenues and Benefits
Reception Opening Hours**

08.45 – 16.00 Monday – Friday

APPENDIX 4

PAYMENT DETAILS

OUR BANKERS

LLOYDS BANK PLC

ACCOUNT NAME: BOROUGH OF PENDLE

BANK SORT CODE 30-11-48

ACCOUNT NUMBER 00846389

BRANCHES

7 MANCHESTER ROAD
BURNLEY
LANCASHIRE
BB11 1HT

APPENDIX 5

Insolvency referral form

BOP reference:

1. Debtor's details

Name:

Current address:

Date of birth:

Age:

Phone Number:

2. Relevant information from background checks:

Council Tax information *(please type inside the boxes)*

Engagement with Council Tax

Evidence of health issues (make contact with Social Services for info)

Employment status and details

Details of any joint and several liability

Benefit information *(please type inside the boxes)*

Benefit history including any CTB fraud

Current benefit entitlement

To be completed by the Benefits Service

All Benefit entitlement paid to Council Tax account?

(to insert a tick in a box, place the cursor in the box first then hold down the "Alt" key and type 0252)

Yes ☐ No ☐

Checked by: _____

Date: _____

Position: _____

3. Other Information on file (please type inside the boxes)

(to insert a tick in a box, place the cursor in the box first then hold down the "Alt" key and type 0252)

Documents obtained by: Land Registry ☐

Credit Reference Agency: ☐

Bankruptcy warning letter sent?

Yes ☐ No ☐

Details of any known assets

Reasons for referring this case for bankruptcy

Date:

Referred by: _____

Position: _____

Approved by: _____

Date: _____

Position: Service Team Manager (Recovery) or Revenues Manager

4. Details of debt *(please type inside the boxes)*

Property Address

Council Tax account reference

Provide details of any joint and several liability

Liability period (dd/mm/yy)	Gross charge £	Less discount £	Less benefit £	Less payment £	Costs £	Balance £	Liability Order date (dd/mm/yy)
to							
to							
to							
to							
to							

Business Rates account reference

Liability period (dd/mm/yy)	Gross charge £	Less discount £	Less benefit £	Less payment £	Costs £	Balance £	Liability Order date (dd/mm/yy)
to							
to							
to							
to							
to							

Overpayment of Housing Benefit reference

Liability period (dd/mm/yy)	Gross charge £	Less discount £	Less benefit £	Less payment £	Costs £	Balance £	Liability Order date (dd/mm/yy)
to							
to							
to							
to							
to							

Total Debt:

APPENDICES

Appendix 1 – Court Costs from 01.04.2022

Appendix 2 – Enforcement Fees with effect from 06.04.14

Appendix 3 – Contact details

Appendix 4 – Payment Details

Appendix 5 – Insolvency Referral Form