

NATIONAL NON DOMESTIC RATES BILLING, COLLECTION AND ENFORCEMENT POLICY

AIMS OF THE POLICY

- 1 To advise customers of their National Non Domestic Rates 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 Business Rate recovery, including staff and Elected Members.
- 7 To minimise Business Rates 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 Citizens Advice Bureau and Valuation Office.
- 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 action, Insolvency or Committal proceedings only as a last resort.

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Billing Procedure

Your Non Domestic Rates Bill

- At the start of each financial year, before 16th March, we will send a demand notice to everybody who is shown in the Non Domestic Rates 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 and exemptions.
- 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: -
 - Discount
 - Exemptions
 - Reliefs

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. This can be extended to twelve instalments on request.
- During the year we will amend the NNDR 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 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 reductions you are entitled to.
- If you disagree with the RV on your bill, 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

- 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 monthly on the 1st or the 21st day of the month. You can ring 01282 661661 to arrange to pay by **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 661611 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. All payments must include your Business Rates account number, the Council's Bankers Code 30-11-48 and the Council's bank account number 00846389. The Council's Bankers are Lloyds TSB.
- We also accept payment from a Bank. You must make the arrangements for this payment with your Bank. You will need your Business Rates 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 8)
- 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 Final Notice when the full balance on your account will become payable and we can take Court action to enforce payment of the debt.
- Only one reminder 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 8)

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, Costs reasonably incurred become payable.
- If the amount, including costs shown on the summons, is paid in full before the Court Hearing, the Council will ask the Court to mark the case as paid and will make no further application.
- 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.

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 8) 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 allowances you are entitled to.

After Court

How we can enforce Payment

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

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 bankruptcy action and encouraging contact by the issue of a letter including a guidance booklet. The booklet "Guide to Bankruptcy" issued by the Insolvency Service fully details the effects of bankruptcy action, the alternatives to it, a glossary of terms and where to go for help and advice. See www.insolvency.gov.uk where free copies are available to order.
- Checking all Local Taxation records to see if there is any reason bankruptcy would not be appropriate.
- 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 Companies House records for business information.
- 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 it's own merits. The Recovery & Insolvency Officer will refer cases to either the Revenues Manager or the Recovery Service Team Manager for approval.

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 commencing a 7 clear day Compliance period. This means that 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.

We can be contacted to discuss your Business Rates at any stage.

Payment Arrangements

- Payment arrangements should clear the debt by the end of the liable period each year, i.e. 31st March. However, it may be possible to extend an arrangement 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.
- The Council have the right to refuse a payment arrangement

Business Rates 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 favorable 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, however if an arrangement is not made or maintained recovery action will continue.

- **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 recovery action will continue.

Court Costs

Summons costs are added to Business Rate accounts on the day a summons is issued. The summons clearly states that the court costs must be paid to prevent the case progressing to Liability Order stage.

- **Payment of Business Rates received before the court date**

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

- **Payment of Business Rates received after court**

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

Excercising 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
- 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 1 April 2018

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 Lancashire Magistrates Court .

- 1) **Business Rates Liability Order Summons Costs: £107.00**
- 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)

BUSINESS RATES - 01282 661661

E-MAIL: - business.rates@pendle.gov.uk

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

APPENDICES

Appendix 1 – Court Costs from 01.04.22

Appendix 2 – Enforcement Fees with effect from 06.04.14

Appendix 3 – Contact details

Appendix 4 – Payment Details